
ANNUAL REPORT 2025





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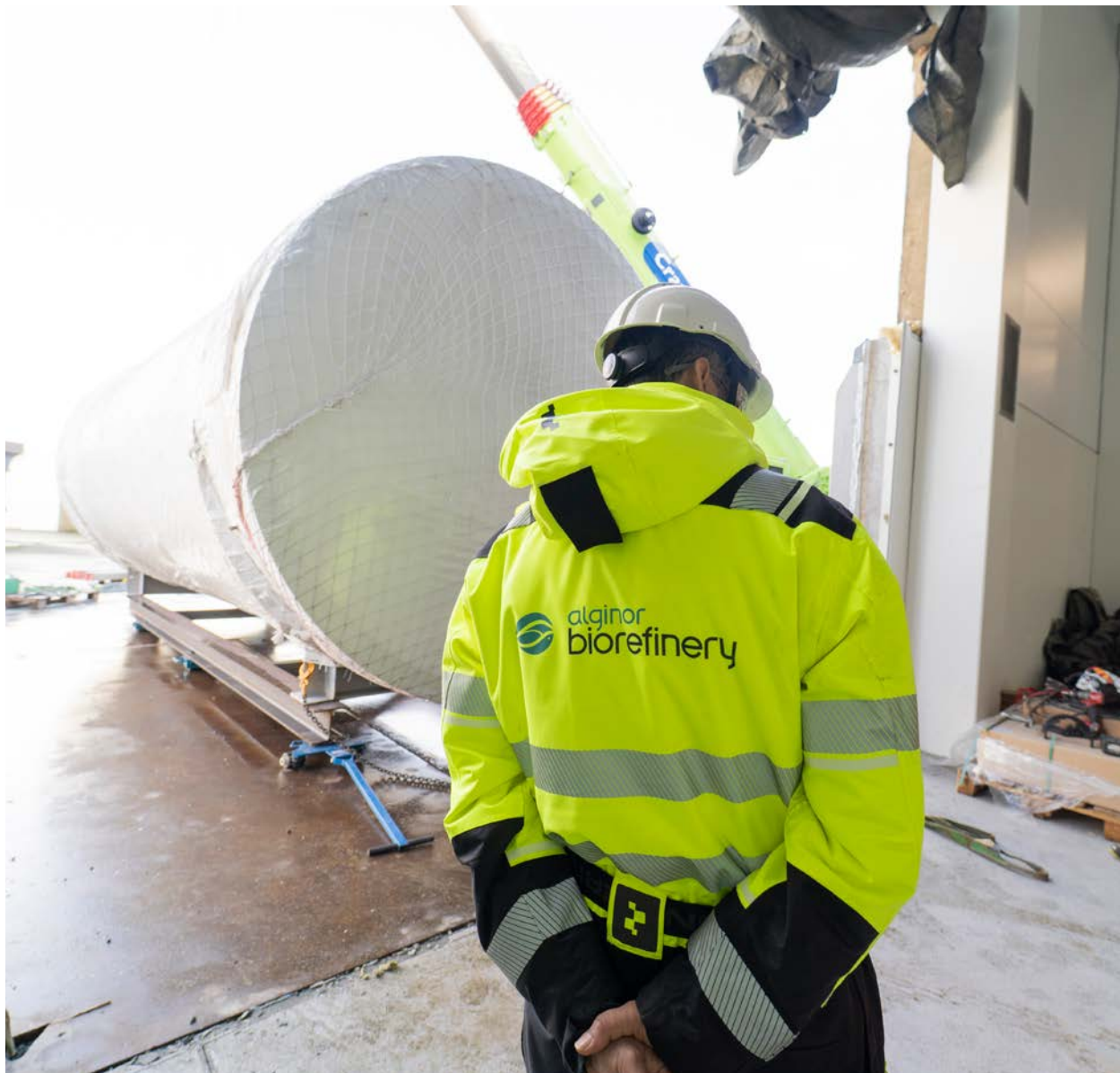
THE BUSINESS OF ALGINOR

ABOUT ALGINOR

Alginor is a fully integrated B2B biomarine ingredients company developing sustainable, high-value ingredients from brown macroalgae to industries within food, feed, personal care, agricultural and medical markets. The company is developing an integrated value chain from offshore harvesting of wild-caught raw materials through its own vessels and drying facility, to valorisation through biorefining.

Alginor's vision is to expand the availability and use of sustainably sourced ingredients based on *Laminaria hyperborea* – a self-renewable resource growing in abundance in Norway and Europe – through utilisation of all components in the biomass without using any harmful chemicals.





OVERVIEW OF STRATEGY AND BUSINESS MODEL

Alginor's long-term goal is to establish an integrated harvesting and biorefining business based on *Laminaria hyperborea*, with particular focus on two main strategic priorities:

1. To take a leading position in the B2B market for high-G (i.e., high-gelling) sodium alginate; and
2. to become a frontrunner in the development of other bio-based ingredients to new and emerging B2B markets by working directly with customers and research partners.

Of available seaweed species, only a few are suited for high-G sodium alginate production. *L. hyperborea* has been the alginate industry's preferred species since the mid-1960s due to its high guluronic acid content.

Operating out of Norway, with its estimated 56 million tonnes biomass (2021) and predictable harvesting regulations, Alginor holds a geographical advantage that is unique worldwide. Within prevailing harvesting regulations, Alginor estimates annual availability of 5 million tonnes – compared to the Norwegian industry's average annual harvest of 165,000 tonnes over the last decade.

Alginor has invested in technology development since 2014 to manufacture bio-based ingredients including high-gelling sodium alginate without harmful chemicals.

Alginate development has been a core focus since 2018 through piloting at the F2 pilot facility at Avaldsnes. Prototypes have been verified by customers, and has yielded positive results, indicating that the processes are transferable to an industrial scale.

The company's first harvesting vessel, *Hypomar Ocean 1* was delivered in May 2024, and is now carrying out harvesting trials on a regular basis.

Most of the processing units in the food-grade alginate processing line as well as a wide array of utility systems in F3 biorefinery were installed during 2025, with electrical and mechanical completion progressing into 2026. During the first half of 2026, however, it became clear that the company was not able to secure the capital and liquidity required to complete the F3 alginate line as planned. The board therefore decided to temporarily pause the F3 project

and concentrate resources on the F2 pilot facility, while retaining the plan to resume and finalise the F3 project once the necessary financing is secured.

The F3 alginate line is dimensioned to approximately 16,750 tonnes wet kelp and centres on food-grade manufacturing of sodium alginate, including the interface between harvesting and onshore reception. Alginor believes that further development of the industry will be contingent on achieving higher raw material utilisation and that the highest profit potential lies in capturing added value through valorisation of co-product side streams in a biorefining approach. The company therefore intends to position itself ahead of these developments, capturing the front seat in new and emerging markets. With the F3 alginate line as the cornerstone, Alginor seeks to establish critical building blocks in the company's value chain having a particular focus on preventing biomass waste and developing additional bio-based ingredients, facilitating long-term development of the company's business.

Following the decision to suspend progression of the F3 alginate line, the group's focus and resources are now directed towards the F2 pilot facility – maturing and commercialising products and developing raw-material and harvesting solutions. Learnings from F2 and F3 will inform future investment decisions.

VALUE PROPOSITIONS



High-quality ingredients based on sustainably sourced and renewable premium raw materials



Sustainable supply chain: no biomass wasted and no harmful chemicals used



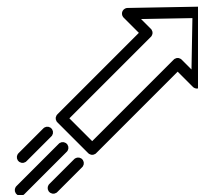
Predictable long-term supply based on raw material availability and Norwegian harvesting regulations



Smaller carbon footprint compared to available supply chains



Profitable business based on full utilisation of *Laminaria hyperborea*



High upside potential through valorisation of more ingredients based on the same feedstock/harvesting volumes



Global niche industry with few global competitors



Bio-based alternatives to fossil-based products

GROUP STRUCTURE AND ORGANISATION

The Alginor Group comprises the holding company Alginor ASA and five wholly owned subsidiaries: Hypomar AS, Oewa AS, Alginor Biorefinery AS, Alginor Pharma Ingredients AS, and Alginor Industrial Estate AS. The Group is organised into distinct legal entities, each with clearly defined responsibilities covering complementary segments of the value chain. This structure supports operational efficiency, focused management and financing arrangements aligned with the specific risk profiles and development stages of each business area.

Alginor ASA is the Group’s parent company and serves as the ultimate administrative and governing entity. It is responsible for overall strategic direction, governance, capital structure, and the coordination and supervision of activities carried out by the Group’s subsidiaries.

Hypomar AS is responsible for harvesting activities and other upstream operations, including the organisation and execution of marine biomass collection.

Oewa AS is dedicated to research and development (R&D) and is responsible for laboratory activities, chemical analysis, and quality assurance and control.

Alginor Biorefinery AS manages the Group’s downstream biorefining operations. Its responsibilities include the further development of the Group’s ingredient portfolio and the continuous optimisation of process technologies and production lines.

Alginor Pharma Ingredients AS is responsible for the development and planned operation of manufacturing processes for pharmaceutical grade sodium alginate, intended to meet applicable cGMP requirements and customer specifications.

Alginor Industrial Estate AS is responsible for the ownership, management and oversight of the Group’s real estate assets and fixed infrastructure.

Group headcount	New employees	Nationalities	Gender balance (%f/m)		
62	18	5	40/60		
	2025	2024	2023	2022	2021
Full-time staff	62	58	53	45	33
New hires	18	16	18	12	11





LETTER FROM THE MANAGEMENT TEAM

Dear Shareholders,

2025 was a year of real technical progress and, in equal measure, hard lessons about what it takes to industrialise the biorefining of brown seaweed. Across Algisor, our teams moved the company closer to a scalable industrial platform – while the year, and the first months of 2026, also made the financial and operational challenges of that ambition unmistakably clear.

We want to be forthright with our shareholders. The company has entered a demanding period. During the first half of 2026 it became clear that Algisor did not have the capital and liquidity required to complete the F3 alginate line as planned. The company worked intensively to ensure that the alginate line could be executed as planned. Efforts were made to secure new financing, and several cost-reduction initiatives were implemented. While these efforts resulted in constructive progress, they were ultimately insufficient to establish the framework required for the project to proceed as originally planned.

As a result, the board has taken difficult but necessary decisions to protect the company and preserve its long-term potential. This letter sets out both what we achieved in 2025 and where we stand today.

STRENGTHENING THE CORE – F2

Our pilot facility, F2, remained at the heart of our progress in 2025. We expanded the operations team and deepened our technical capabilities, and achieved an important breakthrough: producing consistent alginate from both stipe and leaf without the use of

formaldehyde. This is more than a technical result – it broadens our options for sustainability, flexibility and future value creation.

F2 is where we build and test confidence in our processes and our people. Through 2026 this work continues, with a focus on maturing products toward commercial quality, and improving raw-material handling such as drying and preservation solutions.

THE F3 ALGINATE LINE – PROGRESS AND A DIFFICULT DECISION

During 2025 we saw the empty volumes and floorspaces of F3 fill up with machinery serving in our first full-scale continuous alginate production line. Steel, pipes and process lines now stand where drawings once did.

At the same time, the true cost and complexity of completing a fully automated alginate production line became clear. F3 has proven more costly than assumed and the investment required to bring it into operation is substantial.

Faced with this reality, and with the necessary financing not secured, the board has taken the difficult decision to temporarily pause the F3 project and concentrate the company's resources on F2, on product development and commercialisation, and on the continued development of our raw-material and harvesting solutions. Our ambition to complete and operate the F3 alginate line remains, and restarting the project once the necessary financing is in place is a clear priority.

FROM OCEAN TO FACTORY – THE SUPPLY CHAIN

At sea, *Hypomar Ocean 1* has been harvesting brown seaweed along the Norwegian coast since its christening in August 2024, and the raw material from these operations has supported production at F2. This work has confirmed both the untapped value in how seaweed is currently harvested and utilised, and the need to

strengthen the supply chain – particularly harvesting methods, logistics and drying capacity.

Encouragingly, it also brings us closer to a near-term commercial opportunity: the sale of high-quality, formaldehyde-free dried Norwegian seaweed. Developing and testing these solutions remains a priority in 2026.

FINANCIAL REALITY AND FUNDING

Building at industrial scale requires discipline as much as vision, and the period demanded difficult choices. We concentrated resources, paused projects, and reassessed our portfolio. Earlier research projects that no longer align with our direction were written down – a necessary step that sharpens our focus and strengthens the integrity of our balance sheet. The change in circumstances has also required impairments on fixed assets, including the F3 alginate line and the *Hypomar Ocean 1* vessel.

Despite intensive work on financing solutions and cost-reducing measures, the funding required to advance F3 has not been secured. To protect continued operations, the company has had to take difficult steps, including the temporary layoff of a large number of employees.

At the extraordinary general meeting on 6 October 2025, shareholders resolved to raise a convertible loan of NOK 200 million, which has since been issued. The meeting also authorised the board to raise a further NOK 100 million as a convertible loan. The board decided to use this authorisation during the spring of 2026, providing NOK 100 million in liquidity on subordinated terms under the company's convertible loan frame to support continued operations.

A REVISED MANAGEMENT TEAM

During this period, we have also made changes to our management team.

After careful deliberation and at the request of his family, Steen Lund has decided to step down as CEO of Algisor ASA, continuing to contribute until the end of July. Effective 1 May, Herluf Nissen has supported Steen Lund as acting CEO through this transition.

Following the decision to temporarily pause the F3 project, the company's near-term needs have changed. In light of this, Herluf Nissen will also step down from the management team once the transition is complete.

Peer Lea has been appointed permanent CFO, effective 1 April 2026, joining from a partner role at Boston Consulting Group. Sven Sele, who has served as interim CFO since March last year, will continue to support the company in a consultant role.

Jon Efskind, dr.scient., also joins the management team, focusing on raw-material sourcing projects, associated public relations and technology management – all central to the company's path to commercialisation. Mr Efskind brings 21 years of experience from the pharmaceutical industry, including R&D, scale-up and technology transfer at Xellia.

THE ROAD AHEAD

The decision to pause F3 took effect end of May 2026, and affected suppliers have been informed. We do not understate the challenges ahead. But the progress of 2025 – the installation of our first production line, formaldehyde-free alginate from both stipe and life, and a working harvesting operation – is significant, and the underlying opportunity is unchanged. Our ambition therefore remains the same: to unlock the value of *Laminaria hyperborea* sustainably, efficiently and at scale, and to restart the F3 project when we are able.

Sincerely,

Steen Lund (CEO), Herluf Nissen (COO), Peer Lea (CFO) & Jon Efskind, (technology management)

PRODUCT OFFERINGS

STRATEGIC FOCUS

Alginor is building a differentiated marine ingredient platform based on high-value compounds from *Laminaria hyperborea*. Over time, the portfolio will span alginates, fucoidans, seaweed extracts, and dried kelp products.

High-G alginates represent the Company's commercial anchor and clearest path to scaled revenue. This focus combines proven product performance with strong market relevance, while enabling higher-value extraction from co-products and better feedstock economics.

Beyond alginates, Alginor is developing additional value from co-product side streams, including seaweed extracts, fucoidans, and, over time, functional kelp fibres. This broadens strategic optionality, supports full-biomass utilisation, and strengthens long-term margin potential.

COMMERCIALISATION STRATEGY

Alginor is executing a phased commercialisation strategy, led by high-gelling-grade alginates for food and pet food and supported by dried kelp products for industrial uses. This sequencing concentrates capital and execution on applications with the strongest combination of technical fit, near-term demand, and scalability.

The next phase targets adjacent, higher-value categories such as seaweed extract plant biostimulants, and fucoidans for personal care and health & nutritional applications. This disciplined expansion model allows the Company to enter differentiated segments without diluting focus during the initial scale-up phase.

The Company targets B2B manufacturers and formulators in quality- and compliance-sensitive markets that value high product performance, traceability, and sustainable sourcing. This positioning supports premiumisation and aligns Alginor with customers facing rising regulatory, technological, and supply chain requirements.

UNIQUE SELLING PROPOSITION

Alginor's differentiation begins with exclusive use of *L. hyperborea*, a North Atlantic kelp species known for high guluronic acid content and strong gelling performance in alginate applications. This gives the Company access to a distinctive raw material platform with relevance for premium food and specialty ingredient markets.

Its integrated and traceable value chain, from harvesting to biorefining, supports quality assurance, supply security, and operational control. Combined with a low-carbon marine feedstock, this strengthens Alginor's relevance in markets shifting toward more sustainable and transparent ingredient systems.

The absence of formaldehyde and other harmful chemical processing aids further strengthens the company's positioning in safety- and compliance-driven applications. Taken together, Alginor combines functionality, traceability, sustainability, and full-resource valorisation in a differentiated platform with clear long-term strategic relevance.

MARKET OUTLOOK

Alginor is supported by favourable long-term market dynamics, including rising demand for performance ingredients and solutions, greater supply chain transparency, and more sustainable sourcing and product offerings. With alginates remaining highly relevant in food applications, and growing demand supporting seaweed extract plant biostimulants, fucoidans, and dried kelp products across agriculture, personal care, and health & nutritional applications, the Company is well positioned to benefit from both structural market growth and increasing customer preference for natural, high-value solutions.



ESG

SUSTAINABILITY AND ENVIRONMENTAL ASPECTS

Alginor recognises the environmental impacts associated with chemical manufacturing across air, land, and marine environments, and works to improve sustainable practices across its operations.

During the current reporting period, the company began applying internationally recognised frameworks and methodologies to measure, manage, and improve environmental performance, with an initial focus on greenhouse gas (GHG) accounting and life cycle assessment (LCA).

Alginor seeks to achieve zero-waste processes through full utilisation of harvested biomass and develops technologies to address biomass waste and the use of process chemicals. The company eliminates the use of formaldehyde, thereby avoiding detrimental environmental effects and enabling full utilisation of *Laminaria hyperborea*.

GREENHOUSE GAS ACCOUNTING

During the reporting period, Alginor established its first greenhouse gas (GHG) inventory. The inventory includes Scope 1 (direct emissions) and Scope 2 (indirect emissions from purchased energy). Scope 2 emissions were calculated using a location-based approach and an average emission factor for the Norwegian electricity grid, which forms the reporting basis.

ENERGY CONSUMPTION

Total energy consumption for the period was 896 MWh, of which 79 % was electricity and 21 % was fuel. Of the total energy consumption, 76 % was derived from renewable sources. As the data are based on pilot-scale operations, they are not representative of future commercial production.

Energy	Fuel	Electricity (location-based)	Total
MWh	188	708	896

EMISSIONS

Total GHG emissions amounted to 62.6 tCO₂e, with 87 % attributed to Scope 1 and 13 % to Scope 2 (location-based). Should operations scale toward commercial production, both energy use and GHG emissions would be expected to increase. Scope 1 emissions would rise due to increased marine diesel consumption for expanded harvesting activities and the introduction of natural gas at the commercial plant. Scope 2 emissions would increase with higher electricity demand.

Scope 1 54.2 tCO₂e

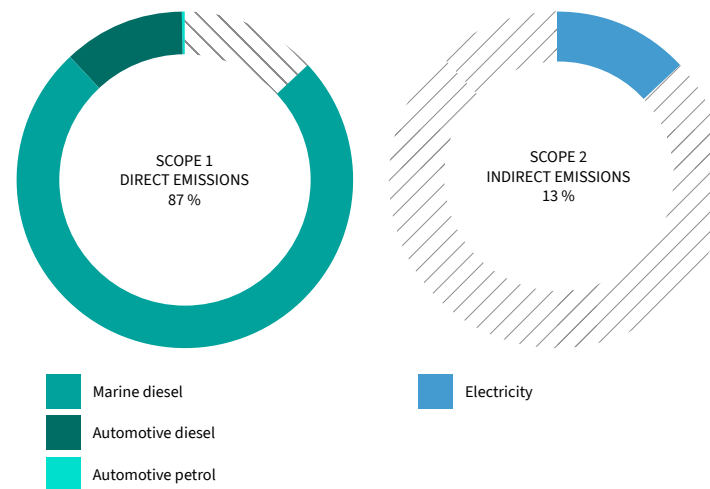
Scope 1 emissions* result from fuel combustion, with 86 % of these originating from the vessel and 14 % from vehicles.

Scope 2 8.4 tCO₂e (location-based)

Scope 1 emissions† result from fuel combustion, with 86 % of these originating from the vessel and 14 % from vehicles.

* Emission factors for fuels: [UK Government GHG Conversion Factors for Company Reporting](#)
 † Emission factors for electricity: [Norwegian Electricity Disclosure \(NVE\)](#)

Over time, and in line with the company's activity level, Alginor aims to establish a representative baseline for energy use and GHG emissions. Where feasible, it will seek to expand its emissions inventory to include relevant Scope 3 categories as the company develops.



LIFE CYCLE ASSESSMENT (LCA)

Alginor conducts internal and external LCAs to assess environmental impacts and guide improvements. These assessments will continue to inform the company's environmental work as it develops.

Alginor participates in three EU-funded projects that integrate LCA to promote sustainable development: PROTEUS, CIRCALGAE, and CROPSAFE. In these projects, the company collaborates with



independent research institutes to enhance methodological robustness, comparability, and transparency.

Alginor is also involved in the EABA LCA Task Force, a platform dedicated to harmonising LCA practices, improving transparency, and delivering actionable insights to support sustainable algae-based solutions.

SUSTAINABLE HARVESTING

Alginor is committed to responsible interaction with marine ecosystems. Harvesting activities are conducted in accordance with strict national regulations, and the company collaborates on research to enhance understanding of sustainable harvesting practices.

In Norway, kelp harvesting is regulated through a rotational system whereby coastal zones are divided into fields opened for harvesting only once every five years. This allows for natural regrowth and recovery of kelp forests. The Norwegian Institute of Marine Research (IMR, *Havforskningsinstituttet*) conducts regular monitoring and assessments, advising regulatory authorities at local and national levels. In addition, designated areas along the coast remain permanently closed to harvesting for research purposes. This system – overseen by counties, IMR, and the Directorate of Fisheries (to which harvesters report their catch) – has been in place for decades and continues to support sustainable kelp stocks.

As part of the EU-funded project PROTEUS, Alginor collaborates with IMR, which leads a dedicated task assessing the impact of harvesting on kelp forest structure and biodiversity. This includes monitoring parameters such as kelp biomass, age structure, ecological function, and biodiversity before and after harvesting to enhance the scientific basis for sustainable harvesting of wild kelp in Norway and beyond.

Hypomar Ocean 1 is a hybrid, purpose-built harvesting vessel. Its battery system allows several hours of electric operation, reducing diesel consumption, emissions and noise, and it recharges on low-carbon Norwegian electricity when docked at the biorefinery.

PEOPLE AND SOCIAL MATTERS

Alginor is committed to a safe, inclusive and rewarding workplace where employees can develop their expertise. As a fair and non-discriminatory employer, the company prohibits all unlawful discrimination – based on ethnic or national origin, age, gender identity or expression, sexual orientation, marital or family status, religion, or disability – and tolerates no harassment, violence or other inappropriate conduct. These principles are set out in the company's ethics policy and code of conduct, which all employees must follow.

Alginor engages with local, national and international partners, customers and other stakeholders, and operates responsibly and ethically in line with recognised standards of corporate responsibility.

THE TRANSPARENCY ACT (ÅPENHETSLOVEN)

In line with the Norwegian Transparency Act (Åpenhetsloven), Alginor is committed to transparency and accountability across its operations. A statement is published and regularly updated at www.alginor.no/apenhetsloven.

ISO CERTIFICATION

Since October 2023, Alginor ASA has been accredited by Kiwa AS and certified to NS-EN ISO 9001:2015 and NS-EN ISO 14001:2015, reflecting robust systems for work-environment improvement, risk management and employee engagement.

CULTIVATING COMPETENCE

Alginor builds on the expertise and experience of its people and is committed to developing their knowledge and competence further.





GOVERNANCE

Our ambition is to abide by the prevailing standards of modern corporate governance principles with a view to create long-term value for our stakeholders within the scope of prudent and sustainable business practices.

We aim to incorporate these principles into our business strategies and seek a transparent dialogue with our shareholders, striving to present relevant and accurate information about our company and our activities whenever possible. We pursue this in alignment with sustainable and societal business practices, and to treat all employees, customers, business partners, and other stakeholders fairly with dignity and respect.

Equal treatment of all shareholders and equal shareholders rights are fundamental values in our governance practices. Alginor has one class of shares carrying one vote each, and all shares are freely tradable without any restrictions.

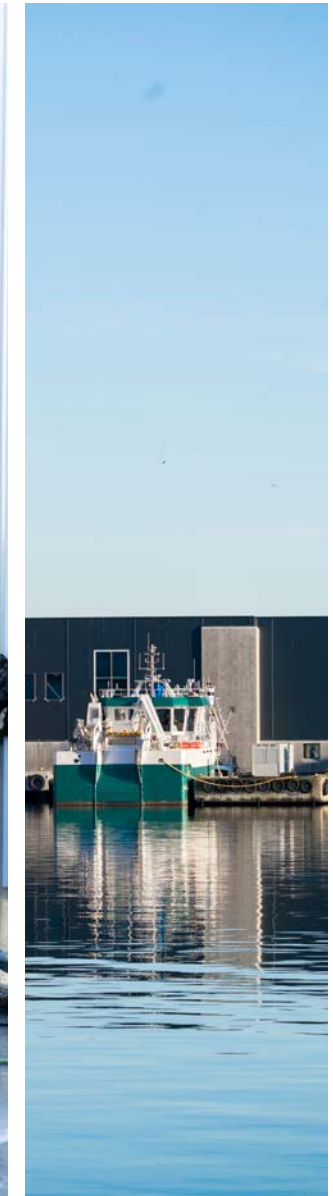
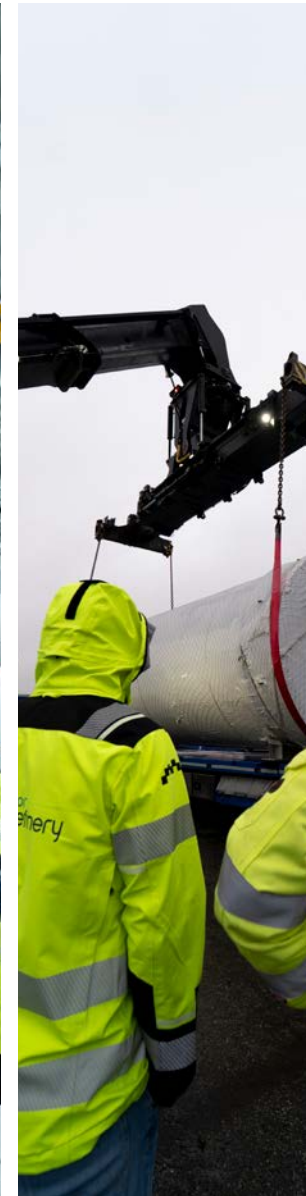
We encourage all shareholders to participate, voice their opinions, and cast their votes in general meetings. Aside from the general meeting, our board of directors is the company's highest governing executive body.

We have a strict zero-tolerance policy for all forms of corruption such as bribery, money laundering and fraud, and strive to act in compliance with the Norwegian anticorruption legislation and other applicable international anti-corruption laws and regulations.

PROJECT OVERVIEW

COMMERCIAL PROJECTS

Alginor fosters a culture of self-reliance, with an in-house team that handles a wide range of project work. Our engineers and operations personnel play a central role in driving project development forward. At the same time, we recognise the value of external expertise. For specialised tasks outside Alginor's core business, we engage qualified consultants to add relevant knowledge and support project execution.



THE HARVESTER

INNOVATIVE DESIGN AND OPERATIONAL EXCELLENCE

Hypomar Ocean 1, our flagship vessel is the industry’s most innovative harvester. It was delivered in May 2024 and now carries out regular harvesting trials. The vessel is the largest in the industry to date, it represents a significant advancement in raw material harvesting and separation while reflecting our commitment to safety, sustainability, and operational excellence.

Built in Norway by Fitjar Mekaniske Verksted AS, with design expertise from Solstrand Trading AS. The vessel measures nearly 27 metres overall and features diesel-electric transmission, giving *Hypomar Ocean 1* the agility and power needed for effective operations along Norway’s rugged coastline. With a 1,000-kWh battery package, it can switch between diesel and electric power, running both propulsion and on-board facilities while reducing emissions. Designed for shallow-water harvesting, it manoeuvres precisely, allowing for efficient extraction of kelp biomass from depths of 5 to 20 metres. The equipment on deck is designed to minimise risk to crew and vessel, ensuring a safe and efficient workflow.

With an initial estimated capacity of approximately 30,000 tonnes wet raw material per year, the vessel can meet growing demand for kelp-based ingredients. On-board systems include capabilities for separating raw materials into leaf and stipe components.

DRYING AND PRESERVATION

Based on the assessments carried out during 2025, it has been concluded that drying of raw material in the northern regions represents the most viable solution to support the development of an integrated and efficient supply chain. As part of the next steps, a suitable location for such operations will need to be identified, preferably in proximity to industrial partners where surplus or waste heat can be utilised to optimise energy efficiency. In parallel, the ongoing development work to define and validate the most effective drying method is expected to be finalised during 2026.



THE BIOREFINERY

FROM PILOT TESTING TO SCALE-UP

Alginor's biorefinery consists of two complementary parts within one building, the industrial-scale production line known as F3, and the pilot-scale facility known as F2.

The site is located in the Husøy industrial cluster near Avaldsnes, with immediate access to its own pier and one of Norway's largest ports situated close by.

Our flexible pilot facility F2, covers 700 square metres and serves as a crucial facility equipped with industrial-grade machinery tailored for the development of scaled-up process lines. In tandem with facility expansions, the group has run alginate manufacturing campaigns and sent product prototypes to select customers for

quality assessment and formula testing. Working closely with suppliers and manufacturers in Norway and Europe, the facility can be extended for exploration and refinement of pilot scale manufacturing processes for emerging bio-based ingredients such as seaweed extracts and fucoidans.

The industrial scale part of the biorefinery at F3 will, subject to the project being restarted, and the facility is completed and commissioned in accordance with the Group's plans, continuously receive larger volumes of raw material and refining the *Laminaria hyperborea* biomass into distinct products.

The first full-scale processing lines will make alginates and as more knowledge is gained in the pilot facility and market requirements

are clear, capabilities will change. Following commissioning of the primary production line, side-streams will be analysed, and processes will be implemented to recover valuable side streams.

Products are made according to food-grade quality requirements and customer specifications.

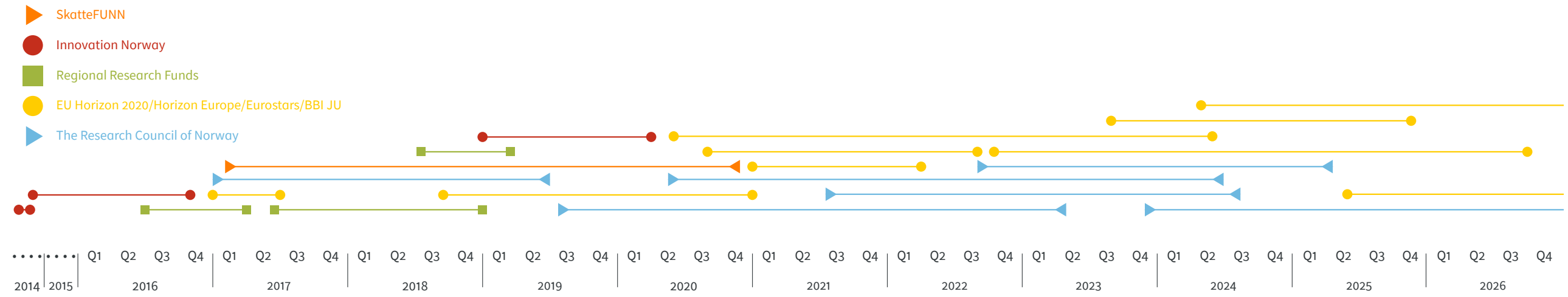
The construction and structural planning of the facility is done with the help of Multiconsult, and Sarpsborg-based process integrator Fernløf. AFRY is aiding with project coordination and planning, while other contractors include Veidekke and Level Power & Automation, to name a few.



R&D PROJECTS

Since the beginning, Alginor has pursued development projects to build and share knowledge and to collaborate with scientific communities.

Alginor and subsidiaries continue to lead and participate in publicly funded projects, each with distinct goals on how to best utilise our resource *Laminaria hyperborea* as well as other macroalgae.





PROTEUS

PROTEUS: Kelp side stream valorisation to develop new biobased value chains.

Budget (€)

14.4 million

Duration

2024–2028

Aid intensity

60 %

Funding ID (EU)

101156960

In 2024, Alginor and a consortium of 11 international partners secured a €9.6 million grant from the Circular Bio-Based Europe Joint Undertaking (CBE JU) for the €14.4 million PROTEUS project, which aims to set new standards in sustainable-bio-based production. Spanning four years, the project will establish the world's first fully integrated industrial biorefinery for brown seaweeds at Avaldsnes.

As project coordinator, and by using the Alginor group's formaldehyde-free harvesting and extraction technologies and approaches, Alginor leads the efforts to fully utilise the seaweed biomass, increasing yield efficiency from 15 % to 100 % without the use of harmful chemicals. In addition, the project focuses on, optimised water and energy use, and substantial reductions in greenhouse gas emissions.

The project is enhancing bio-based product impact across several industries. The ingredients (alginate, fucoidan, seaweed extracts, kelp fibers, dried kelp powders and cellulose) converted from the biomass will be tested and validated for use by Essity (personal care), Olmix (feed), Vaess (food), and Borregaard (industrial applications) as drop-in replacements for synthetic materials in sustainable biobased product lines.

Further information and regular updates can be found on the PROTEUS homepage: www.proteus-cbe.eu

OTHER R&D PROJECTS

Alginor participates in diverse publicly funded EU and national R&D projects focused on biorefinery development, circular use of seaweed side streams, and sustainable ingredient innovation. The company typically contributes through process development, raw material supply, scale-up activities, and application testing, working closely with industrial and academic partners to bring new bio-based products from concept to commercialisation.



CROPSAFE

Crop protection strategies for the transition to environmentally-friendly agriculture

Develops sustainable crop protection solutions using bio-based ingredients and smart delivery systems, targeting urgent cases where key food crops are at risk due to pest outbreaks and pesticides withdrawal. Alginor supplies and scales up seaweed extracts (incl. laminarin) and kelp fibres for the development of new agricultural products.

CIRCALGAE

CIRCular valorisation of industrial ALGAE waste streams into high-value products

The project aims to valorise algae industry side streams into high-value ingredients for food, feed, and cosmetics using green processing technologies. 21 European partners participate in this project and besides other partners in this field Alginor provides and analyses biorefinery side streams, supports raw material assessment, and contributes to value chain development.

CELLUNOR

Expanded knowledge on specialty cellulose

In the Cellunor project Alginor focused on developing efficient and low-impact processes for kelp fiber extracting and refining kelp-based cellulose for pharma and personal care applications. Core process development and validation of kelp cellulose and kelp fiber as new functional biomaterials were conducted in collaboration with RISE-PFI.

ALEHOOP

Contributing to a reduction of the EU's dependency on imported proteins and the increase of raw material security

Seeking to improve Europe's food security, ALEHOOP commenced on 1 June 2020 as a joint effort between Alginor and 15 other companies and institutions. Alginor contributed to the development of algal protein ingredients from side streams and prototype applications in animal feed and food analogues.

OTHERS

Explore the full potential of seaweed ingredients within cutting-edge research and innovation environments

Alginor participates in minor roles in additional EU and national funded research projects such as iCulture, AILEEN, and Cellu4Heal. All three projects are at a very early stage and focus on long-term developments, enabling Alginor to stay up to date with the latest technological advancements and continuously assess future opportunities for its portfolio.

OVERALL BUDGET	€5.2 MILLION	€10.3 MILLION	NOK 32 MILLION	NOK 74 MILLION	>NOK 90 MILLION
ALGINOR'S BUDGET	€320 THOUSAND	€750 THOUSAND	NOK 24 MILLION	NOK 7 MILLION	~NOK 3.5 MILLION
AID INTENSITY	100 %	70 %	50 %	70 %	50–100 %
DURATION	2025–2029	2022–2026	2020–2025	2020–2025	2024–2027
FUNDING ID	EU 101209410	EU 101060607	RCN 337411	EU 887259	VARIOUS
MORE INFORMATION	CROPSAFE-PROJECT.EU	CIRCALGAE.EU	–	ALEHOOP.EU	CELLU4HEAL ICULTURE AILEEN

FINANCIAL INFORMATION

THE BOARD OF DIRECTORS OF ALGINOR ASA



WENCHE KJØLLÅS
Chair

Elected Chair on 12 March 2024. Wenche holds a Master of Economics and Business Administration from the Norwegian School of Economics (NHH), and Executive Management Program,

Strategic Management and Innovation, INSEAD in Paris, France.

Wenche Kjøllås is an experienced chair and board member with wide sector experience across listed, private, family-owned and private equity firms, having served in various leadership roles throughout her career, including CFO, COO and CEO in the Grieg Group's holding company, Grieg Maturitas AS. Kjøllås has also been CEO in Kavli Norway and CFO in Kavli Holding. She served on the board in Grieg Seafood ASA, Cermaq ASA, PGS ASA, DOF ASA, and chaired Magseis Fairfield ASA, Keolis Norway and Flytoget AS. She is currently on the Board of Deep Ocean Group Holding AS, Borgestad ASA, Avarn Security Group Holding AS and Western Norway University.

Wenche holds 47,899 shares in Alginor ASA through the holding company Jawendel AS, of which Wenche owns 20 %.



**GISLE LØHRE
JOHANSEN**
Member

Member of the Board since 6 August 2021 and reappointed on 30 June 2023.

Gisle Løhre Johansen has been with Borregaard ASA since 1991 and serves as Executive Vice President of the Specialty Cellulose and Fine Chemicals division. He holds a Master's degree in Organic Chemistry from NTNU.

Gisle holds 3,000 shares in his own name and he represents major shareholder Borregaard AS which holds 19,662,625 shares in Alginor ASA.

KRISTINE KLAVENESS
Member

Member of the board since 17 June 2022 and reappointed on 30 June 2023.

Kristine Klaveness is Chair of Klaveness Marine and serves on the board of a number of other companies, organisations and foundations. She has previously worked in shipping, finance and consulting. She obtained a BA (Hons) in Economics from Princeton University and an MBA from IMD in Lausanne, Switzerland.

Kristine holds 68,438 shares in Alginor ASA via her wholly owned company KKN Equity AS.



STEN STENERSEN
Member

Member of the board since 30 June 2023.

Sten Stenersen has served in the role of CFO the Hatteland group since 2018 and is an experienced board member with several current appointments, including Belships ASA and Heimdal Forvaltning AS. He holds an M.Sc. in Finance from Bocconi University in Milan.

Sten represents the Hatteland company group which holds 5,458,031 shares in aggregate.



PER ARTHUR SØRLIE
Member

Member of the board since 4 June 2025.

Per Arthur Sørli served as President and CEO of Borregaard between 1999 and 2025 after serving in various executive positions within the organisation. Per Arthur chairs the boards of Europris ASA and Kongsberg Maritime ASA, among others. He holds a degree in economics and business administration (*siviløkonom*) from the Norwegian School of Economics (NHH).

Per Arthur holds no shares directly or indirectly in Alginor ASA.



REPORT OF THE BOARD OF DIRECTORS

1. BUSINESS OVERVIEW

The long-term plan of Alginor (the “Company”, together with its consolidated subsidiaries, the “Group”) is to develop a fully integrated value chain for business-to-business (B2B) marketing and sales of bio-based ingredients, derived from sustainable sourcing and biorefining of the brown macroalgae *Laminaria hyperborea* (“stortare”). This species, which grows abundantly along the Norwegian coast, represents one of the world’s largest and least-utilised marine biomasses.

The Group’s operations are built around two integrated business areas: the sourcing of renewable raw materials and their subsequent biorefining into high-value ingredients, which constitutes the Group’s products. Alginor’s long-term ambition is to become a leading B2B supplier of several natural ingredients – including alginates, fucoidans, seaweed extracts and dried kelp products – serving a broad range of global industries, including personal care, food, animal feed, and agriculture. In the near term, the Group is focused on advancing its initial product portfolio, with particular emphasis on food-grade alginates, along with smaller volumes of seaweed extracts and speciality compounds such as fucoidan.

Alginor operates within a niche industry, historically dominated by the extraction of high-gelling alginates from wild-caught seaweed species such as *L. hyperborea* and *Lessonia trabeculata* using conventional methods. The viability of the industry, and Alginor’s business in particular, depends heavily on sustained access to high-quality raw materials suitable for producing high-gelling alginates.

The Group is headquartered at Husøy in Karmøy Municipality in Norway.

2. ALGINOR IN 2025

THE F3 FACILITY

In 2025, the Group continued the construction of the F3 processing line for food-grade alginate.

With an expected production capacity of up to 600 tonnes food-grade alginate per annum, the F3 facility will be the Group’s first industrial facility for processing stipe and leaves from *L. hyperborea* with the ability to deliver commercial volumes of alginate to customers within the food industry and potentially also other industries.

The factory’s footprint covers the maximum allowed on the 6,750-square-metre plot, with an internal production floor area of approximately 2,600 square metres with ample ceiling heights. Various utilities are spread across 1,500 square metres, while laboratories and storage facilities for finished goods cover 450 and 370 square metres, respectively. Offices on the first floor exceed 200 square metres. In total, the net floor area is 7,070 square metres.

The year 2025 commenced with the identification of significant budget overruns in the project, which led to a thorough restructuring and tightening of budgets, project governance, risk and cost control measures. Throughout 2025, heating, ventilation and air condition, electrical and indoor work was completed, and equipment packages were continuously ordered and delivered, while installation activities progressed in parallel. This work continued throughout 2026 until May 2026, when the project was temporarily paused due to the new financial challenges and uncertainties uncovered during spring 2026.

It remains the Group’s plan to complete and commission the F3 facility, but a restart of the project is subject to the Group obtaining new financing, see [Section 11](#).

THE F2 PILOT FACILITY

F2 is a flexible 700-square-metre pilot facility comprised of various small-to-medium scale industrial equipment. The pilot plant is used for process development, and the current focus is on manufacturing of alginate prototypes and samples which are used to establish relations with potential customers. Beyond alginate, the purpose of the pilot is to unlock added value by developing manufacturing processes for other biobased products and de-risking industrial upscaling of process lines in F3.

In 2025, the Group achieved an important breakthrough in the F2 Facility. The pilot facility produced consistent alginate from both stipe and leaf without the use of formaldehyde, broadening the Group’s options for sustainability, flexibility and future value creation.

Going forward, and as a result of the Company's decision to temporarily pause the F3 project, the F2 facility will serve as the central platform for the Company's revised strategy that is being developed June–July of 2026, see [Section 11](#).

HYPOMAR OCEAN 1

During 2025, the Group's crew has continued to test and familiarised themselves with the Group's harvesting vessel, *Hypomar Ocean 1*. Harvesting trials have been carried out on a regular basis, and supplied raw materials utilised for sample manufacturing at F2.

CGMP APPROVAL AND THE F4 FACILITY

The Group has throughout the years developed the F4 project, which is a streamlined project aiming at production of pharmaceutical-grade sodium alginates in a cGMP-approved (current Good Manufacturing Practice) facility.

Learnings from F2 and F3 will inform future F4 decisions (pharmaceutical alginate ingredients), but such a decision is far out in time. The Company owns plots which was intended to locate the F4 facility, but after thorough assessments the Board has concluded that the plots are not a well-suited location due to limited infrastructure and limited potential for raw material supply. The Company has therefore listed these plots for sale, see [Section 11](#).

The Company is continuously assessing the possibility of obtaining cGMP approval for the F3 facility, although cGMP approval for the F3 facility is not expected in the near-term.

THE F5 FACILITY PROJECT

The F5 facility is a project aiming at the utilisation of side streams from the alginate processing line to produce seaweed extracts to be used as biostimulants towards applications within the agricultural sector. An investment decision on seaweed extracts from F5 will be made based on learnings from the F2 and F3 facilities and the result of ongoing investigations into the commercial value of the extracts.

The Company has changed the scope of the F5 project from an add-on facility to the F3 facility, towards integrating the F5 facility in the existing F3 facility. The change in scope allows for lower investment costs due to higher utilisation of existing property, plants and equipment.

MANAGEMENT CHANGES IN 2025

In January 2025, former CEO Kjetil Rein and the board mutually resolved that Kjetil Rein would step down as Group CEO. He was replaced by acting CEO, Martin Lersch.

Board member Sten Stenersen served as an interim CEO from May 2025, replacing acting CEO Martin Lersch, when Lersch's temporary engagement as acting CEO, following Rein's departure, expired.

Stenersen's interim tenure expired in October 2025, when Steen Lund, COO since May 2025, was appointed as his successor.

Haakon Farstadvoll stepped down as Group CFO in March 2025 following a voluntary resignation. He was replaced by Sven Sele, who acted as interim CFO during the rest of 2025.

As explained in the annual report from 2024, the Company's chair, Wenche Kjølås, took a more active executive role due to the management changes and interim periods. This executive work is remunerated at an hourly rate of NOK 1,050 (ex. VAT) as resolved in the general meeting for 2024 on 4 June 2025.

For management changes in 2026, see [Section 11](#). Wenche Kjølås has continued her more active executive role throughout 2026 due to the management changes in 2026.

BOARD CHANGES IN 2025

Following his appointment as interim CEO in May, Sten Stenersen temporarily stepped down as board member, reducing the number of board members from seven to six.

On 4 June 2025, the annual general meeting resolved changes to the board in accordance with the proposal from the nomination committee. Board members Kristin Misund, Åse Tveit Samdal and Hans Sandvold decided not to stand for re-election. Board members Wenche Kjølås (chair), Kristine Klaveness and Gisle Løhre Johansen were re-elected for one year. Per Arthur Sørli, Borregaard CEO from 1999 to 2025, was appointed as a new board member, also for one year. Thomas Louis Ferré was re-elected as an observer, and Martin Lersch was elected as a new observer, both for one year.

At the extraordinary general meeting on 21 October 2025, Sten Stenersen was re-elected as board member for one year, following the expiry of his tenure as interim CEO.

FINANCIAL UPDATE – CAPITAL RAISES IN 2025

In March 2025, the Company's Board issued a shareholder letter to the Company's shareholders, informing that it had identified significant CapEx and cost increases compared with budgeted figures for the F3 facility.

Simultaneously, the Board called for an extraordinary general meeting on 31 March 2025, proposing that the Company executed a two-tranche equity placement, including a private placement towards Borregaard AS, Must Invest AS, and Jakob Hatteland Holding AS, raising gross proceeds of NOK 100 million at a share price of NOK 10 per share, and a rights issue towards other existing shareholders with gross proceeds of NOK 50 million at equal terms, and fully underwritten by the shareholders participating in the private placement.

On 31 March 2025, the Company issued 10,000,000 new shares in the Company, each with a nominal value of NOK 1.00, at NOK 10 per share, raising gross proceeds of NOK 100 million as a result of the private placement.

On 14 July 2025, an additional 5,000,000 new shares in the Company, each with a nominal value of NOK 1.00 at NOK 10 per share, raising gross proceeds of NOK 50 million was issued as a result of the subsequent offering.

In September 2025, the Company received a commitment for a new secured loan facility of NOK 230 million through Haugesund Sparebank. On 21 October 2025, the extraordinary general meeting resolved to issue a convertible shareholder loan of NOK 200 million, supplemented by an additional uncommitted tap facility of NOK 100 million which may be subscribed to by shareholders participating in the initial loan of NOK 200 million. The initial loan of NOK 200 million was guaranteed by the Company's largest shareholders and made available to all shareholders for subscription on a pro-rata basis. The loan of NOK 200 million was issued in two tranches in October 2025 and February 2026.

The convertible shareholder loan shall not bear any interest until 31 December 2027, whereafter the interest is 3 months NIBOR +3 % p.a. to be paid quarterly. The subscription price upon exercise of the conversion right shall be NOK 10 per share. For more information on the terms, see the minutes from the extraordinary general meeting on 21 October 2025, available on the [Company's website](#).

The tap amount of NOK 100 million is available for subscription to all shareholders participating in the initial loan. In June 2026, the Company called on the tap loan of NOK 100 million from its largest shareholders, under this available convertible loan frame. Other shareholders participating in the initial loan of NOK 200 million will also be invited to participate in the tap facility. According to a new loan agreement entered into in June 2026 between the Company and its largest shareholders, both the largest shareholders' portion of both the initial loan of NOK 200 million and the tap facility of NOK 100 million is subordinated to other debt, see [Section 11](#) and [Note 19](#) of the Consolidated Financial Statements.

3. FINANCIAL INFORMATION CONSOLIDATED RESULTS

The Group has had no revenue and operating income in 2025. Net loss for the Group in 2025 totalled NOK 870.7 million, compared to a net loss of NOK 68.2 million in 2024. The personnel expense related to warrants (which has no cash effect) was NOK -1.0 million (cost reduction) in 2025, compared to NOK 0.6 million in 2024. Depreciation and amortisation for the Group in 2025 totalled NOK 15.9 million, compared to NOK 7.7 million in 2024. Impairment in 2025 was NOK 774.2 million, compared to NOK 28.2 million in 2024.

BALANCE SHEET

Total assets in 2025 were NOK 557.0 million, compared to NOK 1,042.8 million in 2024. Intangible assets in 2025 were NOK 20.5 million, compared to NOK 204.5 million in 2024. Total current receivables at year-end 2025 were NOK 73.9 million, compared to NOK 47.5 million in 2024. Total property, plant and equipment (PPE) in 2025 were NOK 309.7 million, compared to NOK 524.9 million in 2024. Group equity in 2025 was NOK 113.5 million (20.4 % equity ratio) as of 31 December, compared to NOK 820.5 million (78.7 % equity ratio) in 2024. The Group's share capital in 2025 was NOK 47.2 million (NOK 2.2 million in 2024), and the share premium was NOK 1,087.9 million (NOK 939.3 million in 2024). The Group's long-term interest-bearing debt in 2025 was NOK 210.9 million, compared to NOK 119.5 million in 2024. This comprises the non-current part of a NOK 45.9 million loan from DNB financing the vessel *Hypomar Ocean 1* (delivered May 2024), a NOK 50 million loan from Haugesund Sparebank for plots at Stutøy (2024), and a new NOK 180 million facility from the same bank for the F3 facility, of which NOK 120 million was drawn 31 December 2025. Total current liabilities in 2025 amounted to NOK 101.5 million, compared to NOK 56.3 million in 2024, of which accounts payable/trade creditor

liabilities were NOK 58.4 million at year-end 2025, compared to NOK 32.7 million in 2024.

CASH FLOW AND LIQUIDITY

The Group's cash flow statement for 2025 shows a negative net change in cash and cash equivalents of NOK 112.7 million, compared to a positive net change of NOK 184.6 million in 2024. Cash and cash equivalents were NOK 152.2 million at year end in 2025, compared to NOK 264.9 million at year end in 2024.

IMPAIRMENT

Through 2025 and into early 2026, a number of developments both indicated impairment and were treated as adjusting events under IAS 10, as they provided evidence of conditions that existed at 31 December 2025: the cost of completing F3 continued to rise; higher capital and operating costs were required for harvesting and drying; commercialisation of the Group's products progressed more slowly than expected; liquidity became increasingly tight, leaving insufficient runway to fund operations through 2026; the F3 project was temporarily suspended; and the probability of a liquidation outcome increased as major shareholders were reluctant to provide further capital. On this basis, an impairment test has been carried out as at 31 December 2025.

The Group's impairment for 2025 was NOK 774.2 million compared to NOK 28.2 million in 2024. NOK 246.4 million of the impairments are related to intangible assets, whereas NOK 527.8 million are related to tangible assets. The impairments resulted in a new book value per share of NOK 2.41.

The Board acknowledges that this is a significant impairment. This is a necessary result of the comprehensive review of the Group's financial position initiated by the Board following the cost overruns identified during 2025 and considering the Group's future investment and liquidity needs.

The impairments are based on a scenario-based approach that takes into account various scenarios of development (positive and negative) including a probability of a liquidation scenario as the most negative, assuming the Group is unable to secure required financing for future operations.

The recoverable amount is subject to significant estimation uncertainty. The most sensitive assumptions are the probability weights assigned to the continuation versus liquidation scenarios, the discount rate (WACC), the assumed timeline for completing F3

and reaching commercial-scale production, and forecast sales prices and volumes; a change in any of these could materially increase or reduce the impairment loss. Please refer to [Note 7](#) to the Consolidated Financial Statements for more details regarding sensitivity analyses.

In order to address the impairment and the Group's equity and liquidity situation, the board has during the first half of 2026 pursued measures to address this situation, including the suspension of the F3 project, obtaining support from the majority shareholder lenders under the NOK 200 million convertible loan to accept a general subordinated and perpetual structure of the loan and pursuing of additional funding and liquidity through the NOK 100 million as resolved for by the general meeting on the same terms as the initial NOK 200 million. The board will continue to pursue additional measures including seeking further support from its shareholders and existing and new partners. For further information, see also [Section 11](#).

See [Note 7](#) and [Note 8](#) to the Consolidated Financial Statements for the Group's carrying amount of non-financial assets, and the impairment recognised against them, as of 31 December 2025.

ALGINOR ASA

The parent company Alginor ASA is a holding company with administrative and financial functions. The Company had a net loss of NOK 917.1 million in 2025, compared to NOK 39.9 million in 2024. Total assets were NOK 840.9 million in 2025, compared to NOK 48.5 million in 2024. Financial fixed assets in 2025 amounted to NOK 166.0 million, compared to NOK 271.1 million in 2024. In 2025, the Company recognised an impairment loss of NOK 693.5 million on the book value of its shares in subsidiaries; following this impairment, the investments are carried at the subsidiaries' share of equity (see [Note 9](#) to the Parent Company Financial Statements). During the year, the Company also provided group contributions without tax effect to its subsidiaries to settle intercompany balances and strengthen their balance sheets following the significant impairments recognised in 2025 (see [Note 13](#) to the Parent Company Financial Statements). Cash and cash equivalents in 2025 were NOK 144.2 million, compared to NOK 251.5 million in 2024. Total equity in 2025 was NOK 00.5 million, compared to NOK 868.2 million in 2024. In 2025, non-current liabilities were NOK 111.2 million, compared to NOK 35.6 million in 2024. The board of directors has proposed that the net loss is covered by the Group's share premium fund.

4. R&D PROJECTS

In 2025, the Group's gross project spending on technology development was NOK 56.4 million, of which NOK 15.9 million was covered by public grants, leaving net project spending of NOK 40.5 million.

As part of the impairment assessment as of 31 December 2025, essentially all of the Group's intangible assets were impaired. The impaired projects are still considered to hold value for the Group, but in light of the Group's current situation it was decided to impair them now. The ongoing EU-funded projects (principally PROTEUS), which are at the core of Alginor's development plans, have not been impaired. See [Note 7](#) and [Note 8](#) for further details on the impairment assessment.

The Group is currently behind schedule on PROTEUS and is dependent on revising the project plan in order to deliver within the overall project framework. A dialogue has been initiated with the relevant parties to achieve this; however, given the Company's situation, there is a risk that the scope of the project may have to be scaled down once the revised plan is established.

See [Note 8](#) to the Consolidated Financial Statements for the Group's net book amount for intangible assets (including accumulated impairment) as of 31 December 2025 and [Note 13](#) to the Consolidated Financial Statements for status on government grants as of 31 December 2025 (project expenses, gross budget and accumulated grants).

5. SUSTAINABILITY AND CORPORATE RESPONSIBILITY OVERVIEW

Sustainability is a core value and focus in Alginor's business model. Sustainability factors related to, among other things, the environmental impact of harvesting on the *L. hyperborea* biomass and its surrounding environment, proper biomass utilisation, preventing biomass waste, and use of process chemicals are identified, discussed, and mapped on a continuous basis, and, to the extent applicable, contingency measures are being developed to mitigate potential issues.

Based on the current information available to the Group, the board holds it unlikely that the Group's planned harvesting volumes will raise any sustainability issues related to the biomass for the foreseeable future.

The Group relies on its employees and other stakeholders to conduct its business and recognises the importance of aligning its business in accordance with prevailing corporate ethics, practices, and standards. The Group is committed to incorporating ESG principles in its strategy, business, and decision-making, with a view to provide long-term value creation to shareholders without compromising stakeholders' interests.

ENVIRONMENT

The Group intends to exclusively utilise renewable raw materials, such as *L. hyperborea*, in its business. The Group is committed to reducing CO₂ emissions from its future operations. For example, the Group's first harvesting vessel is equipped with a 1,000-kWh battery package running on land-based electricity, which powers the on-board processing facility and reduce propulsion diesel usage. Further, the Group is actively working to achieve BREEAM certification when the F3 facility is completed.

The Group's main focus, however, is on initiatives related to energy efficiency, which is becoming a key focus area amongst banks and other financiers.

SOCIAL

The Group strives to provide an attractive and safe workplace for its employees and depends on being perceived as a fair and non-discriminatory employer to attract and retain competent and motivated employees. The Group prohibits any form of unlawful discrimination based on ethnic or national origin, age, gender identity or expression, sexual orientation, marital status or family structure, religion or disability. Any form of inappropriate workplace conduct, such as harassment, violence or discrimination, is not tolerated. The Group's policies regarding these matters are laid out in the Group's ethics policy and code of conduct, whom all Group employees are obligated to follow.

The Group will only establish relationships with credible suppliers and business partners that share the Group's values, ethics and business guidelines. The Group's suppliers and business partners are contractually obliged to act in compliance with applicable laws, acknowledge and support human rights, and adhere to ethical standards compatible with those of the Group. Suppliers and business partners are required to complete the Group's due diligence procedures and meet the Group's requirements before any business relationship can be established and reaffirm such compliance at least once every two years.

GOVERNANCE

The Group is committed to incorporating prevailing principles of good corporate governance in its business strategies. The Group's seeks a transparent dialogue with its shareholders and strives to present relevant and accurate information about the Group and its activities whenever possible. The Group aims to create maximum long-term value for its shareholders in alignment with sustainable and societal business practices, and to treat all stakeholders, employees, customers, business partners, and other associates fairly with dignity and respect. The Group has a zero-tolerance policy for all forms of corruption such as bribery, money laundering and fraud, and will act in compliance with Norwegian anti-corruption law and other applicable international anti-corruption legislation. Equal treatment of shareholders and equal shareholders rights are core values in the Group's governance practice. The Group has one class of shares carrying one vote each, and all shares are freely tradeable without any restrictions. The Group encourages all shareholders to participate and cast their votes in general meetings.

The Group has purchased and maintain Directors and Officers Liability Insurance. The coverage applies to members of the board, the CEO and other employees with independent management responsibilities. The insurance also covers any subsidiary owned by more than 50 %. The insurance policy is issued by a reputable, specialised insurer with appropriate rating.

THE TRANSPARENCY ACT

The Group has prepared a report in accordance with the Norwegian Transparency Act available on www.alginor.no/apenhetsloven before 30 June 2026.

6. RISK FACTORS OVERVIEW

Alginor is still undergoing development and has yet to commercialise any of its products. As such, the Group is exposed to several risk factors, some of which are out of the Group's control. The Group has established robust systems for risk assessment, including mitigating measures and designated owners which are responsible for the mitigating measures. The board and management are continuously monitoring the Group's exposure to risk and its mitigating measures.

RAW MATERIAL ACCESS RISK

The Group currently owns one harvesting vessel, and current infrastructure only allows for this harvesting vessel to harvest

locally in proximity to the F3 Facility. Current projections suggest that local access to raw materials is limited compared to the Group's demand and that the harvesting vessel will need to harvest further north where raw materials are more accessible. The Group does not currently have the necessary infrastructure in place to harvest further north but are working on potential solutions which will require additional capital, see [Section 11](#). There is risk involved due to potential limitations on infrastructure, see [Infrastructure risk on page 27](#).

VESSEL DEPENDENCY AND WEATHER RISK

The Group currently owns one harvesting vessel, and maintaining production depends heavily on its continuous operation. The Group has alternatives for raw material supply such as purchasing raw materials from third parties in the market, but any malfunction, extended bad weather or incident involving the vessel may halt raw material deliveries to the factory, can potentially cause extended downtime, lost production, and financial losses.

R&D PROJECTS RISK

Generally, the Group's financial exposure related to ongoing R&D projects is limited. As of 31 December 2025, all ongoing projects are funded for their respective project periods. Implementation risk is still present. It is the Board's opinion that the organisation has good prospects of implementing its R&D projects, but the F3 project pause (see [Section 11](#)) may negatively affect the Company's ability to fulfil its obligations and result in a claim for repayment.

KEY PERSONNEL

The Group is dependent on its key personnel and their general and specific industry expertise, in addition to external consultants. Maintaining key personnel is prioritised by the Group.

The Group offers an ordinary defined-contribution pension scheme for all employees, executive management included. This amounts to 7 % of ordinary salary up to a limit of 12G, with an additional 18.1 % between 7.1 G and 12 G. This is the highest allowed contribution allowed according to current legislation and is regarded highly competitive.

Key personnel have historically been awarded warrants on top of other social and economic benefits, aiming to incentivise their continued employment, and to further align their interests with those of the Group's shareholders. All remaining warrants must be exercised by 30 July 2026. As the share price of the latest capital

raises (NOK 10 per share) and the book value per share (NOK 2.41 per share) is lower than the strike price of the issued warrants, the Company does not expect that the remaining warrants will be exercised, see [Financial update – capital raises in 2025 on page 24](#), and [Note 4](#) to the Consolidated Financial Statements.

In June 2026, the company implemented temporary layoffs, which may result in the loss of key personnel, see [Section 11](#).

In general, the Group seeks to offer competitive but not leading wages to its employees.

REGULATORY RISK HARVESTING REGIME

Access to *L. hyperborea* is a material risk outside the Group's control. Despite the stability of regulations governing commercial harvesting in Norway since its inception in 1972, there exists the possibility of future changes that could potentially constrain access to essential raw materials. While the current landscape does not necessitate a harvesting license, the Group remains vigilant as future regulations may introduce such requirements. Moreover, alterations to vessel ownership regulations could introduce new dynamics, potentially intensifying competition within the industry. Given these potential shifts, the Group diligently monitors regulatory developments to proactively navigate any forthcoming challenges and opportunities.

PRODUCTS

Several of the Group's products will require regulatory authorisation to be used in customers' end products within, inter alia, medical, food, feed and agricultural markets. Certain of the Group's planned products already hold such regulatory authorisation, e.g., alginates used in food and feed additives, representing marginal regulatory risk on an ingredient level. Developing other and new products will require regulatory authorisation before potential customers can legally use them in their end products. Generally, processes associated with achieving such regulatory approvals are intensive on resources, time, and costs. The Group has experienced personnel dedicated to regulatory compliance and authorisation procedures for commercialisation of the Group's planned product portfolio. Moreover, the Group is working closely with professional regulatory service providers on each market segment with a view to mitigate and minimise any regulatory risks on the ingredient level.

MANUFACTURING

The Group faces regulatory manufacturing risks that could impact its ability to compete in certain markets. Failure to meet the demands

for food production set out by the Norwegian Food Safety Authority during an inspection could have significant adverse effects on the Group's business, operations, finances, time to market, customer contracts, reputation, and future prospects. Challenges in obtaining authorisations may arise from various factors, such as incorrect process equipment, building layout issues, and documentation deficiencies.

The continuous investigation and enforcement of regulatory bans of use of chemicals in the European Union, combined with increasingly stringent safety requirements for ingredients used in food, feed, personal care, agricultural and medical markets, may lead to unforeseen risks and necessitate changes to production processes.

To address these risks, the Group has actively engaged and prepared for pursuing the required certifications. Its personnel possess relevant expertise, and the executive management ensures access to expert consultants to mitigate risk.

BIOLOGICAL AND ENVIRONMENTAL RISK

The Group is currently unaware of any specific information suggesting that *L. hyperborea* is particularly exposed to effects of climate change. Whether effects of climate change will have a positive, negative, or neutral effect on the kelp is difficult to predict with a reasonable degree of confidence based on the information currently available to the Group. The same applies to estimating the impact of such effects.

SEA URCHINS AND OTHER SPECIES

The *L. hyperborea* biomass is susceptible to natural threats like sea urchins or bacteria, which can temporarily or permanently reduce its prevalence in certain areas. Sea urchin grazing has been a long-standing issue in Central and Northern Norway for over 25 years. If sea urchin populations increase significantly in harvesting areas, it could limit raw material availability and impact the Group's long-term prospects.

The Group also acknowledges concerns about agricultural runoff and invasive phenomena like algal turfs ("*lurv*"), which have appeared in the Oslofjord, displacing native macroalgae. "Turf" is a collective term used to describe filamentous, opportunistic algae of many varied species. While turfs thrive in nutrient-rich waters, there is no evidence yet of it affecting *L. hyperborea* populations. Additionally, turfs tend to avoid areas with strong currents and harsh weather conditions, reducing its threat to *L. hyperborea* habitats for now.

TECHNOLOGY RISK

The Group's executive management brings industrial experience from similar projects. However, the Group is pioneering harvesting and biorefining technologies that are innovative compared to current industry standards, with varying levels of complexity throughout the supply chain. Developing and implementing such industrial processes and gaining market acceptance for these products, involves significant risks.

Manufacturing high-gelling alginates for the food and medical industries is the primary focus of technology development, with ongoing testing and development in the Group's F2 pilot facility. The downstream process is complex, but the Group's personnel have extensive experience in industrial manufacturing of alginates. Customer feedback on the Group's alginate prototypes further bolsters confidence in managing risks associated with industrial implementation of alginate-related technologies.

By focusing on manufacturing without standard preservatives like formaldehyde, the Group aims to utilise all biomass not used for alginate production, valorising additional products such as fucoidans, seaweed extracts, and dried kelp products. However, the development and market acceptance of these products and extracts have a longer timeframe than alginates, pending piloting and further development in the biorefinery. Consequently, the risks associated with their development, implementation, and commercialisation are higher and more challenging to control.

INFRASTRUCTURAL RISK

The Group's base of operations is currently located at the industrial area of Husøy at Avaldsnes.

Overall, infrastructure risk at the F2 and F3 facilities, including, inter alia, access to water, electricity, natural gas, and drainage, is considered low. The same applies for the potential F5 facility.

However, issues on supplies of freshwater and electricity and effluent handling outside the industrial area of Husøy are common and may limit the Company's options to expand its operations. The occurrence of such issues may limit the Company's possibilities to establish infrastructure to harvest further north, see [Raw material access risk on page 26](#).

The Group obtained in May 2026 a temporary environmental discharge permit to collect effluent data relying on pilot data

from F2 in order to support a permanent permit. This is a standard procedure for first-of-a-kind plants where it is difficult to fully anticipate the effluent composition from a full-scale plant.

However, the permit has a duration of 18 months and includes several deadlines related to measures that the Group needs to perform. In light of the current F3 project progress suspension, some or all of these deadlines may be difficult to reach. Additionally, two residence associations have filed a complaint to the County Governor, arguing against our granted permission.

Both these matters will be discussed with the County Governor in order to identify appropriate solutions.

FINANCING RISK

The Group may not be able to obtain necessary financing to fund future growth and capital expenditures on acceptable terms, or at all, which may adversely impact the future prospects and profitability of the Group.

The Group requires additional financing to succeed with its new F2 strategy and to restart the F3 project and is actively pursuing the necessary funding. See [Section 12](#).

MARKET RISK

Commercialising the Group's products is critical to establish a profitable business.

The Group had no external sales of products in 2025. The Group is actively working towards commercialising its products in 2026, but commercialisation activities are progressing slower than expected. According to current projections, no commercial sales are expected in 2026.

The future demand for the Group's products will depend on the prevailing global ingredient markets and the Group's ability to meet the prevailing quality requirements set forth by national and/or international regulations and the Group's target B2B customers.

LIQUIDITY, INTEREST AND CREDIT RISK

The Group's exposure to liquidity risk increased in 2025, following the uncovering of substantial CAPEX overruns for the F3 Facility and the subsequent raising of 600 million in equity and debt capital, see [Financial update – capital raises in 2025 on page 24](#).

Total liquidity per 31 December 2025 was NOK 152.2 million. The Board and the Company's executive management monitors liquidity closely. As of 31 December 2025, outstanding long-term interest-bearing debt was NOK 210.9 million, whereas accrued interest throughout 2025 was NOK 10.8 million. The Group was not exposed to credit risk per 31 December 2025.

The Group's liquidity position is strained due to circumstances uncovered in 2026, and the Company will require additional funding, see [Section 11](#).

CURRENCY RISK

The Group holds most of its assets in Norwegian kroner (NOK). A significant amount of the Group's grant receivables related to projects is received in euros. In so far it is possible, the Group will always seek to place such transfers in a designated euro account to prevent unnecessary foreign exchange losses. Most of the Group's capital expenditure related to parts and equipment is in euro, having significant exposure to currency fluctuations. Currently, no specific hedging measures have been implemented to manage exposure to currency fluctuations.

A large proportion of the Group's future revenues are expected in euro. The Group's exposure to currency fluctuations is being monitored by the Board and the executive management. As of now the Group has no immediate plans of implementing any hedging strategies. Such hedging measures may, however, be implemented when and to the extent they are deemed relevant by the Board.

FREEDOM TO OPERATE

The Group has no intention of infringing, misappropriating, or otherwise violate the intellectual property rights of other parties, and the Group is, with the assistance from renowned experts, continuously monitoring external parties' intellectual property rights with a view to assess their relevance to the Group's existing and planned products and processes and its freedom to operate. The Group may, however, from time to time, receive allegations and claims of alleged infringement or misappropriation of external patents and other intellectual property rights. The Group is currently unaware of any such claims or allegations made against the Group. Should such claim or allegations be made in the future, the Group will evaluate their implications together with its trusted advisors and, to the extent applicable, seek resolution through appropriate remedies.

INTELLECTUAL PROPERTY RIGHTS

The Group relies on its intellectual property rights and is committed to defending them rigorously, including through legal action, if necessary, against any infringement or misappropriation by third parties. Alginor's intellectual property is protected through a balanced strategy combining trade secrets, patenting, and, where appropriate, strategic publication to secure freedom to operate, with the chosen approach guided by the specific commercial and competitive context. Expert assistance is engaged to evaluate the nature, scope, and commercial relevance of each innovation, ensuring that the most appropriate protection strategy is selected and that the resulting rights are effectively secured and maintained.

Engaged in various projects with potentially valuable outcomes, patentable or otherwise, the Group prioritises safeguarding its commercial interests. This entails ensuring, among other things and as a minimum, ownership and confidentiality agreements are in place and enforcing strict regulations on information dissemination, particularly regarding patentable project results.

Infringement of the Group's intellectual property rights by third parties could have adverse effects on profitability and future prospects, potentially resulting in significant legal costs. Despite legal action, there can be no guarantee of full compensation for economic losses.

7. REMUNERATION OF THE GROUP'S EXECUTIVE MANAGEMENT

The Board seeks to provide competitive yet not industry leading remuneration to its executive management.

The Board may award the Group's CEO and executive management bonuses of up to 1/3 of annual gross salary due to individual or Group performance. No bonuses to executive management, including the CEO, were issued in 2025.

The Group offers an ordinary defined-contribution pension scheme for all employees, executive management included. This amounts to 7 % of ordinary salary up to a limit of 12G, with an additional 18.1 % between 7.1 G and 12 G. This is the highest contribution allowed according to current legislation and is regarded highly competitive. No warrants were issued to executive management or the CEO in 2025. As of 31 December 2025, the Group's CEO held no warrants.

Please refer to [Note 4](#) to the Consolidated Financial Statements for more details regarding remuneration to leading employees.

8. SHAREHOLDER MATTERS

All shares in Alginor ASA carry equal rights and are freely tradeable. The total number of shares outstanding as of 31 December 2025 was 47,152,976, including 7,200 treasury shares held by Alginor ASA.

The share price as of the 2025 equity placement was NOK 10. See [Section 11](#) below, however, for the latest information regarding the Company's share price.

Warrants outstanding per 31 December 2025 was 577,500, corresponding to approximately 1.21 % of the Company's outstanding shares on a fully diluted basis. The Company does not expect that these warrants will be exercised as the subscription price in the most recent capital raises (NOK 10 per share) and the current book value per share is lower than the strike price (NOK 2.41 per share), see [Financial update – capital raises in 2025 on page 24](#) and [Note 4](#) to the consolidated financial statements.

The table below shows the Company's 10 largest shareholders, and the overall capitalisation of the Company as of 31 December 2025:

Shareholder name	No. of shares outstanding	Ownership in % of outstanding shares
Borregaard AS*†	19,662,625	41.7
Must Invest AS	10,085,200	21.4
BNP Paribas (nominee EIC Fund†)	5,458,031	11.6
Jakob Hatteland Holding AS*	4,457,830	9.5
Jahatt AS*	700,000	1.5
Kverva	418,040	0.9
Zirconia AS	348,674	0.7
Amar Invest I AS	244,357	0.5
Helgøy Property Holding AS	239,110	0.5
Validé AS*	230,500	0.5
SUM 10 LARGEST SHAREHOLDERS	41,844,367	88.7
ALL SHAREHOLDERS	47,152,976	100

* Shareholder having one or more representative in the board of directors of Alginor ASA.

† Shareholder having a representative acting as observer to the board of directors of Alginor ASA.

9. ORGANISATION AND WORKING ENVIRONMENT

As of 31 December 2025, the Group had 62 employees, whereof 61 were hired full time and 1 part time.

The Group strives to provide an attractive workplace for current and future employees. The Group does not tolerate any form of discrimination or harassment. All employees and applicants are treated equally and given equal opportunities regardless of ethnicity, gender, age, lineage, nationality, sexual orientation, marital status, religion, functional health or minority background. The Group recruits and promotes its employees based on objective factors such as education, experience, performance, initiative, loyalty, cooperation, accessibility and growth potential. The Company seeks to maintain a gender balanced workforce. In 2025, the workforce consisted of 25 women and 37 men.

The Group has established reporting routines related to any of the above. Any reports are handled by the Group's HR department according to current regulations. There were no reported incidents involving personal injuries that resulted in absence and required further action. The sick leave rate for the Group in 2025 was 5.2 % (compared to 4.1 % in 2024). It is the board's opinion that the Group's working environment is good.

At the beginning of 2026, a Joint Committee (comprising management and employee representatives) ("*bedriftsutvalg*") was established to ensure structured dialogue and effective cooperation between management and employees.

The Company carried out staff reductions and temporary layoffs in 2026, see [Section 11](#). The staff reductions affected 7 employees across various functions, and the temporary layoffs affected 27 employees across various functions. The financial effects of the workforce reduction and temporary layoffs are expected to become visible during the autumn of 2026.

10. HEALTH, SAFETY AND ENVIRONMENT

The Group practices safety first as a core focus in its development throughout the value chain. The Group aims to inflict minimum environmental impact once it reaches industrial maturity, and, among other things, prevent any biomass waste, ocean dumping, or any other disposal of biomass from downstream processes that may be detrimental to the environment. The Group will report further information on these matters when they become increasingly relevant as the Group develops and matures industrially. The Group anticipates no direct ocean release of biomass or toxic and/or hazardous chemicals requiring special permits from its facilities, e.g., biomass contaminated with liquid formaldehyde. While overall emissions will increase following the escalation of the Group's operations and the upscaling of its production facilities, the Group has no information to suggest that its emissions will deviate from what is to be reasonably expected based on its planned activities, particularly when compared to the industry as a whole under which the Group has reason to believe that its relative emissions will be significantly lower.

In 2023, Alginor ASA was certified according to ISO 9001 and ISO 14001 with the following scope: "Administration, including purchasing, payment processing, personnel administration, payroll, HSEQ. Project management within R&D projects, building projects, laboratory projects, pilot and demonstration projects."

11. OTHER MATTERS AND EVENTS AFTER THE REPORTING PERIOD

The first half of 2026 proved to be a demanding period for the Group and required a series of difficult decisions to protect the Company and preserve liquidity. The principal events after the reporting period, and the measures taken in response, are set out below.

THE F3 PROJECT AND OPERATIONAL MEASURES

Work on completing the F3 facility continued through the first half of 2026. As the period progressed, however, it became clear that the Company was not currently able to secure the capital and liquidity needed to complete and commission F3. This was driven primarily by challenges related to raw-material availability and harvesting strategy, by the slower-than-expected development and commercialisation of the Group's products, and by F3 proving more costly than budgeted. The Group carries significant committed costs related to F3 and its suppliers, and the capital required to complete the facility has proven larger, and the timeline longer, than previously assumed. The Group has remained in ongoing dialogue with its suppliers regarding these commitments. It also became apparent that the remaining capital requirement was too large for the Company's principal existing shareholders to provide alone, and that bringing in a new investor would be necessary to take the Company forward.

To mitigate these issues, the Group continued the cost-reducing measures it had initiated in 2025. It sold several properties, closed the Oslo and UK offices, sold the plot originally designated for the F5 project for approximately NOK 3 million, relocated its resources to the Husøy industrial area, and significantly reduced its use of external consultants. The Group also carried out staff reductions as part of the adjustment to changed operations, affecting approximately 9 full-time equivalent positions; the financial effects of these reductions will not become apparent until August, owing to notice periods and salary obligations.

While these measures contributed positively, they were not sufficient to support continued execution of F3 in line with the original plan. In May 2026, the board therefore made the difficult decision to temporarily pause the F3 project in order to protect the Company, preserve liquidity and secure runway to raise new capital. This included the temporary layoff of many employees (approximately 26 full-time equivalents). While the Company and Group will continue to explore additional funding and measures to continue the F3, the immediate suspension was required to stabilise the situation and avoid further adverse effects for the Company and the Group. The Company is now directing its focus towards the F2 facility, using it to explore and develop opportunities for product development and commercialisation and to test and refine solutions for raw-material supply and harvesting. The board maintains its plan to complete and commission the F3 project, but this is subject to the Group securing necessary financing.

In parallel, the Group will continue to pursue operational efficiencies, reduce its cost base and intensify the divestment of non-core assets. This includes the plots originally designated for the F4 project, which are listed for sale, intensified efforts to sell equipment and other items not critical to future operations, and consolidation of its supplier base around fewer, larger suppliers.

The changed circumstances also required significant impairments of the Group's assets, covering intangible assets, the F3 facility, the *Hypomar Ocean 1* harvesting vessel and others. The decision to pause F3, the revised outlook and the difficult liquidity situation were central inputs to the impairment assessment (see [Impairment on page 25](#)).

Notwithstanding these challenges, the Group has made significant technical progress in a short time by addressing the harvesting and raw-material supply challenges. Factory pilot tests on the drying of raw materials have shown positive results. Other pilot work indicates that the Group can capture value from the side streams of alginate production. Realising this potential will require further investment and capital, but the Board believes that these technical advances – particularly in the drying of raw materials and the utilisation of side streams – make the Company attractive to investors.

FINANCING AND LIQUIDITY

Developing and pursuing the revised strategy will require additional financing. The Company's largest shareholders have made available NOK 100 million in additional liquidity on subordinated terms under the Company's convertible loan frame, see [Financial update – capital raises in 2025 on page 24](#). The loan is a subordinated loan, otherwise subject to the same terms and conditions as the convertible loan issued in 2025. In connection with the issuance of the new subordinated loan, the terms of the largest shareholders' share of the initial NOK 200 million convertible loan issued in 2025 were also amended so that their share of this loan is also classified as a subordinated loan. Other shareholders participating in the initial loan of NOK 200 million will also be invited to participate in the new NOK 100 million loan on the same terms as in the initial NOK 200 million loan.

Further capital will be required to pursue the F2 strategy, and a further increase will be needed to restart the F3 completion.

Continued operations throughout 2026 and going forward, will require additional financing, which is the Company's most

pressing priority and which the Company is actively pursuing. The Company is working on financing solutions – for the F2 strategy, for its drying and harvesting solutions, for a restart of F3, or a single overall financing – and is in dialogue with a range of potential industrial, financial and other interested parties, including its major shareholders.

These processes have generated considerable interest. No financing has been secured or otherwise materialised as of the date of this report, but it is the board's current conclusion that it is likely that there are available measures for the Company to secure a long-term sustainable solution.

These matters are central to the assessment of the Group's ability to continue as a going concern; see [Section 12](#).

CHANGES TO THE MANAGEMENT TEAM

In April and May 2026, the Company also made changes to its management team.

After careful deliberation and at the request of his family, Steen Lund decided to resign from his position as CEO of Alginor ASA, continuing to contribute until the end of July. Herluf Nissen was appointed acting CEO from 1 May 2026 but owing to the materially changed situation following the F3 pause and the temporary layoffs, Herluf Nissen and the Company mutually agreed not to make the position permanent. Steen Lund will continue to serve as Group CEO until the end of his tenure in July, and the Company will search for his successor.

The Company has also appointed Peer Lea as permanent CFO from 1 April 2026. Peer Lea joins from a partner role at Boston Consulting Group, and the Board is confident that his combination of financial expertise and strategic experience will be key assets in the Company's commercialisation and continued strategic development. Sven Sele, who has served as interim CFO since March of last year, will continue to support the Company in a consultant role.

Jon Efskind, Dr.Scient., also joined the management group, focusing on raw-material sourcing projects, associated public relations and technology management-all key initiatives in the Company's path to commercialisation. Jon Efskind brings 21 years of experience from the pharmaceutical industry, including R&D, scale-up and technology transfer at Xellia.

The board would like to sincerely thank Steen Lund, Herluf Nissen and Sven Sele for their contributions and efforts and wishes them all the best for the future.

12. GOING CONCERN

The Group has experienced a challenging financial situation during the period, including pressure on liquidity and equity. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

In response, the board and management have implemented and are actively pursuing measures to improve the Group's liquidity and financial position, including:

- Suspension of the F3 project and implementation of temporary layoffs to reduce the cost base.
- A strategic shift towards the F2 strategy, which is less capital intensive and forms the basis for continued shareholder support.
- Sale of assets and equipment.
- Negotiating deals with major suppliers on cost reduction and postponed payments.
- Securing a commitment from its major shareholders for a NOK 100 million loan under the existing convertible loan frame, of which:
 - NOK 50 million was received at the beginning of June. The remaining NOK 50 million is expected to be received at the end of June, subject to the terms and conditions of the agreement with the major shareholders.
- Amendment of the terms in approximately NOK 296.9 million of the NOK 300 million convertible loan (including the new loan of NOK 100 million), to a subordinated and perpetual structure and classification as equity in the Company's Net Asset Value (NAV) assessment.

The situation will continue to be monitored closely, seeking implementation of additional measures as required.

The Group is actively pursuing additional financing, including continued support from its major shareholders, with the aim to seek support from the wider shareholder group, and discussions with potential external investors and strategic partners.



The board notes that according to current budgets and forecasts, successful execution of the Group's long-term sustainable plans remains, dependent on securing additional funding by the end of September 2026. While there is no guarantee that such funding will be obtained, the Board considers it probable, based on demonstrated shareholder support and ongoing constructive dialogue with potential funders.

Based on the measures implemented and the funding expected to be secured, the Board has a reasonable expectation that the Group will have sufficient liquidity to meet its obligations as they fall due for a period of at least 12 months from the balance sheet date. Accordingly, the financial statements have been prepared on a going concern basis.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

In accordance with section 2-2 (8) of the Norwegian Accounting Act (*Lov om årsregnskap m.v. av 17. juli 1998 nr. 56*) the board confirms that the going concern assumption remains appropriate. The financial statements provide a true and fair view of the Group's assets, liabilities, financial position, and results. The assumption is, however, subject to uncertainty as the group will need additional financing. Further information regarding impairment, including related sensitivity analyses, is provided in [Note 19 Subsequent events](#), [Note 7 Property, plant and equipment](#) and [Note 8 Intangible assets](#).

Notwithstanding the above, the conditions described indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the Group were unable to continue as a going concern.

13. OUTLOOK

The Group's main priority in 2026 will be to pursue the revised F2 strategy, and to secure the funding needed to implement the new strategy.

In parallel, the Group's priorities will be on other revenue-generating marketing activities such as product development and strengthening of relationships with potential customers.

Financially, the board and management are, in addition to its efforts to secure financing, continuously implementing revised budgets, timelines, and stringent and rigorous procedures and routines to mitigate future financial risk. Furthermore, the board and management are continuously monitoring and implementing measures to cut costs which do not significantly influence the Group's ability to carry out its strategies.

The board considers the current and potential impact of global developments, such as wars and trade barriers to the Group's operations as minor but will monitor the situation closely.

Despite the challenges and uncertainties, the Group is currently experiencing, the board still believes that the Company is attractive to prospective investors and lenders. The Group has made significant progress in a short time on developing solutions for harvesting and raw material supply as well as utilisation of side streams. These solutions represent opportunities not included in the Group's previous business plans. Realising these opportunities will require additional capital, but the solutions have the potential to significantly reduce operational risk. If successfully implemented, the solutions will increase harvesting flexibility while mitigating reliance on a single harvesting vessel and weather-dependant operations, as well as enable the Group to utilise side-streams at a lower investment cost than previously expected, thereby making the Group more robust in the long-term.

The board wants to thank all shareholders and stakeholders for their continued trust and commitment.

KARMØY, 23 JUNE 2026

THE BOARD OF DIRECTORS OF ALGINOR ASA

Signed

Wenche Kjøllås
Chair

Signed

Gisle Løhre Johansen

Signed

Kristine Klaveness

Signed

Per Arthur Sørli

Signed

Sten Stenersen

Signed

Steen Mylius Stricker Lund
CEO

CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Amounts in NOK	Note	2025	2024
<i>Operating income and operating expenses</i>			
Revenue		-	109,846
Other operating income		-	10,000
REVENUE AND OPERATING INCOME		-	119,846
Personnel expenses	4	-29,964,073	-13,888,080
Depreciation and amortisation	7, 8, 14	-15,911,559	-7,709,017
Impairment losses	7	-774,221,275	-28,156,105
Other operating expenses	5	-47,149,574	-16,439,639
OPERATING EXPENSES		-867,246,481	-66,192,841
OPERATING PROFIT/(LOSS)		-867,246,481	-66,072,995
<i>Financial income and expenses</i>			
Interest income	9	7,190,037	8,308,760
Interest expenses	9, 14	-9,895,235	-6,483,993
Other financial expenses	9	-	-2,000,000
Foreign exchange gain/(loss)	9	-924,224	-1,750,985
NET FINANCIAL INCOME AND EXPENSES		-3,629,422	-1,926,217
RESULT BEFORE INCOME TAXES		-870,875,903	-67,999,213
Income taxes	3, 6	-178,932	178,932
PROFIT/(LOSS) FOR THE PERIOD		-870,696,971	-68,178,145
<i>Profit/loss is attributable to:</i>			
Owners of Alginor ASA		-870,696,971	-68,178,145
TOTAL		-870,696,971	-68,178,145

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in NOK	Note	2025	2024
PROFIT/(LOSS) FOR THE PERIOD		-870,696,971	-68,178,145
Other comprehensive Income		-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		-870,696,971	-68,178,145
<i>Total comprehensive income is attributable to:</i>			
Owners of Alginor ASA		-870,696,971	-68,178,145
TOTAL		-870,696,971	-68,178,145

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

Amounts in NOK	Note	2025	2024
<i>Intangible assets</i>			
Intangible assets under development	3, 8	14,629,426	195,415,027
Patents	8	5,839,571	9,098,847
TOTAL INTANGIBLE ASSETS		20,468,997	204,513,874
<i>Property, plant and equipment</i>			
Land, buildings and other real estate	7	209,587,047	281,589,287
Vessel	7	80,000,000	101,534,988
Machinery and equipment	7, 14	20,111,784	141,775,505
TOTAL PROPERTY, PLANT AND EQUIPMENT		309,698,831	524,899,780
<i>Financial non-current assets</i>			
Investments in shares		300,000	300,000
Other receivables	9	402,510	743,944
TOTAL FINANCIAL NON-CURRENT ASSETS		702,510	1,043,944
TOTAL NON-CURRENT ASSETS		330,870,338	730,457,598
<i>Current assets</i>			
Accounts receivables		3,361,967	42,308
Other current receivables	9	70,528,003	47,442,291
TOTAL RECEIVABLES		73,889,970	47,484,599
Cash and cash equivalents	10	152,194,707	264,857,163
TOTAL CURRENT ASSETS		226,084,677	312,341,762
TOTAL ASSETS		556,955,015	1,042,799,360

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

Amounts in NOK	Note	2025	2024
<i>Equity</i>			
Share capital	12	47,152,976	32,152,976
Treasury shares	12	-7,200	-7,200
Other paid-in equity		1,087,931,521	939,255,809
TOTAL PAID-IN EQUITY		1,135,077,298	971,401,585
Uncovered loss		-1,021,552,221	-150,855,249
TOTAL EQUITY		113,525,077	820,546,336
<i>Liabilities</i>			
Deferred tax liability	6	-	178,932
Liabilities to financial institutions	9	210,855,373	119,464,000
Convertible loans	9	86,710,627	-
Other non-current liabilities	13, 9	44,331,418	45,271,869
Non-current lease liability	14, 9	-	1,074,616
TOTAL NON-CURRENT LIABILITIES	9, 13	341,897,417	165,989,418
Current lease liability	14, 9	1,967,019	2,386,473
Liabilities to financial institutions	9	5,730,671	5,051,221
Accounts payable	15	58,368,025	32,685,129
Public duties payable	9	1,605,318	5,829,332
Other current liabilities	16, 9	33,861,487	10,311,452
TOTAL CURRENT LIABILITIES		101,532,520	56,263,606
TOTAL LIABILITIES		443,429,938	222,253,024
TOTAL EQUITY AND LIABILITIES		556,955,015	1,042,799,360

KARMØY, 23 JUNE 2026

THE BOARD OF DIRECTORS OF ALGINOR ASA

Signed	Signed	Signed
Gisle Løhre Johansen	Wenche Kjøllås Chair	Kristine Klavness
Signed	Signed	Signed
Per Arthur Sørli	Steen Mylius Stricker Lund CEO	Sten Stenersen

CONSOLIDATED STATEMENT OF CASH FLOW

Amounts in NOK	Note	2025	2024
<i>Cash flows from operating activities</i>			
RESULT BEFORE INCOME TAXES		-870,875,903	-67,999,213
Depreciation and amortisation		15,911,559	10,461,794
(Gain)/loss on disposal of fixed assets		1,403,995	-
Impairment of fixed assets		774,221,275	28,156,105
Share warrant expense	4	-	574,316
Change in accounts receivable		-3,319,659	-42,308
Adjustment for financial items		2,705,198	-73,783
Interest paid	12	-9,895,235	-6,483,993
Interest received	12	7,190,037	8,308,760
Change in other working capital items, including unrealised foreign exchange		-1,751,512	19,975,572
NET CASH FLOW FROM OPERATING ACTIVITIES		-84,410,248	-7,122,749
<i>Cash flows used in investing activities</i>			
Sales of fixed assets	7	30,222,525	-
Investment in non-current assets	7	-340,412,387	-204,145,919
Capitalised development projects	8	-69,217,689	-162,794,388
Receipt of government grants related to investments	8, 9, 13	12,818,725	67,069,202
NET CASH FLOWS USED IN INVESTING ACTIVITIES		-366,588,826	-299,871,105
<i>Cash flows from financing activities</i>			
Long-term interest bearing loan obtained		120,000,000	82,457,454
Convertible loan obtained	9	100,000,000	-
Repayment of long term loan		-31,022,662	-2,567,479
Received payments of equity, net of transaction costs		149,359,280	411,684,540
NET CASH FLOW FROM FINANCING ACTIVITIES		338,336,618	491,574,515
NET CASH FLOW FOR THE PERIOD		-112,662,456	184,580,661
Cash and cash equivalents at the beginning of the period		264,857,163	80,276,503
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		152,194,707	264,857,163

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in NOK	Share capital	Treasury shares	Other paid-in equity	Uncovered loss	Total equity
BALANCE AT 1 JANUARY 2024	20,220,685	-7,200	538,929,244	-82,677,105	476,465,624
Loss for the period	-	-	-	-68,178,145	-68,178,145
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	-68,178,144	-68,178,145
Equity effect warrants	-	-	574,316	-	574,316
Capital increase expenses booked to equity	-	-	-17,877,936	-	-17,877,936
Issues of new shares	11,932,291	-	417,630,185	-	429,562,476
TOTAL TRANSACTIONS WITH OWNERS	11,932,291	-	400,326,565	-	412,258,856
BALANCE AT 31 DECEMBER 2024	32,152,976	-7,200	939,255,806	-150,855,247	820,546,336
Loss for the period	-	-	-	-870,696,971	-870,696,971
Other comprehensive income for the period	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	-870,696,971	-870,696,971
Capital increase expenses booked to equity	-	-	-640,721	-	-640,721
Convertible loan – equity component (See Note 9)	-	-	14,316,433	-	14,316,433
Issues of new shares (See Note 12)	15,000,000	-	135,000,000	-	150,000,000
TOTAL TRANSACTIONS WITH OWNERS	15,000,000	-	148,675,712	-	163,675,712
BALANCE AT 31 DECEMBER 2025	47,152,976	-7,200	1,087,931,521	-1,021,552,221	113,525,077

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NOTE 1 GENERAL INFORMATION

CORPORATE INFORMATION

Alginor ASA («the Company») is a public limited liability company and the head office is located in Haugesund, Norway.

The Company together with its subsidiaries (“Alginor” or the “Group”) is building up a novel, integrated value chain from raw material sourcing to premium ingredients based on the seaweed *Laminaria hyperborea*.

Through proprietary biorefining technology Alginor develops a portfolio of 6 products for global market segments including pharmaceutical, cosmetic, food and nutraceutical business clients. The company will market the product portfolio on a B2B basis.

Overview of group relations	Established	Registered office	Ownership
Oewa AS	2015	Haugesund	100 %
Hypomar AS	2015	Karmøy	100 %
Alginor Biorefinery AS	2017	Karmøy	100 %
Alginor Pharma Ingredients AS	2021	Karmøy	100 %
Alginor Industrial Estate AS	2017	Karmøy	100 %
Husøyvegen 281 AS	2021	Karmøy	100 %
Stutøy 1 AS	2021	Karmøy	100 %
Stutøy 2 AS	2021	Karmøy	100 %
Stutøy 3 AS	2021	Karmøy	100 %
Husøyvegen 276 AS	2023	Karmøy	100 %

CLIMATE-RELATED RISK

Among the potential risks that the Group may encounter, climate change is a significant factor. Rising sea temperatures may affect the harvesting of kelp. However, the Group's operations span across the cooler coasts of Norway, and this can potentially offset some of these effects. Additionally, the Group acknowledges potential risks tied to water pollution resulting from their operations. To address these, the Group utilise technologies designed to manage issues related to biomass waste and ensure the use of renewable raw materials, thus safeguarding the ecosystem. The financial implications of these ecological efforts are factored into operational costs.

Similarly, the Group invests in research and development with a focus on establishing more sustainable practices. The costs related to the development of these projects are capitalised as intangible assets.

Furthermore, the Group's focus on using electrically powered harvesting vessels, reducing diesel use, impacts the estimated lifespan of the vessels compared to those running on fuel.

NOTE 2 MATERIAL ACCOUNTING POLICIES

The Group's financial statements are presented in NOK, which is also the functional currency of each entity in the Group. The consolidated financial statements of Alginor ASA and its subsidiaries (collectively, the Group) for the year ended 31 December 2025 are authorised for issue by the Board of Directors on 23 June 2026 and to be approved by the General meeting on 30 June 2026.

BASIS FOR CONSOLIDATION

The consolidated financial statements comprise Alginor ASA and its subsidiaries. The 2025 consolidated financial statements have been prepared and presented in accordance with the IFRS® Accounting Standards as adopted by the EU, interpretations issued by IASB and the additional requirements of the Norwegian Accounting Act, effective on 31 December 2025.

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group did not apply any new standards or amendments, nor early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. IFRS 18 “Presentation and disclosures in financial statements” will replace IAS 1 “Presentation of financial statements” and applies for annual reporting periods beginning on or after 1 January 2027, subject to endorsement by the EU.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Profit/loss for the period will not change.
- Management-defined performance measures (MPMs) shall be disclosed in a single note.
- Enhanced guidance is provided on how to group information in the financial statements. Furthermore, there are no unimplemented standards expected to significantly impact on the Group's financial statements.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the consolidated statement of and profit and loss, the consolidated statement of cash flows, the grouping of information in the financial statements and the additional disclosures required for MPMs.

Furthermore, there are no unimplemented standards expected to significantly impact on the Group's financial standards.

GOVERNMENT GRANTS

The Group recognises government grants when there is reasonable assurance that the entity will comply with the conditions attached to them in the grant agreement and that the grants will be received.

The Group receives government grants related to development projects to support development costs. The nature of the government grants that the Group receives is such that there normally is reasonable assurance that the entity will comply with the conditions

when the project starts, and the entity will receive grants on the project costs incurred in the period.

The Group is maintaining periodic project accounting, which keeps track of the project costs that have been incurred in the period. The part of the government grants that relates to incurred project expenses is recognised in the financial statements when the expense is incurred.

Since development costs are recognised as intangible assets under development in the statement of financial position, the government grants are presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset. The development costs recognised as intangible assets are evaluated and tested for impairment annually, and when impairment indicators are present, see further under [Note 8](#).

If the received payment of government grants is higher or lower than the recognised government grant at the end of the reporting period, the difference will be recognised as a liability or a receivable, respectively.

Government grants related to expenses recognised in the profit and loss statement are recognised by deducting them from the related expense, thereby reducing the net expense recognised.

INCOME TAX

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Currently the Group does not recognise any deferred tax assets. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

PROPERTY, PLANT AND EQUIPMENT RECOGNITION AND MEASUREMENT

Items of property, plant and equipment are measured at cost, including borrowing costs, less accumulated depreciation, and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Costs that occur subsequently to the asset being put in use, such as maintenance, are expensed, while costs expected to provide future economic benefits by prolonging the useful life of the asset, are capitalised. Assets that are taken out of service are expensed.

NOTE 2 CONT.

INTANGIBLE ASSETS

Expenditures on research activities are recognised in profit or loss as incurred.

Development expenditures are capitalised only if the expenditure can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the assets. Otherwise, it is recognised in profit and loss as incurred.

CASH FLOW STATEMENT

In the cash flow statement changes in receivables and liabilities related to development projects are not included in operating activities, but instead they are included as part of capitalised non-current assets.

Government grants received for development projects are recognised as investing activities. Changes in receivables and liabilities related to government grants are adjusted in operating activities.

Interest received and interest paid are classified as operating activities in the statement of cash flows, as they reflect cash flows directly related to the entity's day-to-day operations.

FINANCIAL LIABILITIES

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include other payables, loans and borrowings including bank overdrafts, all subsequently measured at amortised cost.

NOTE 3 SIGNIFICANT JUDGEMENTS AND ESTIMATION UNCERTAINTIES

The preparation of the Group's consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

Financial instruments risk management objectives and policies (see [page 44](#)).

JUDGEMENTS

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

DEPRECIATION

Depreciation is calculated to write off the cost of items of property, plant, and equipment less their estimated residual values using the straight-line method over their estimated useful lives.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Land and buildings: 20–50 years
- Technical installation buildings: 10–20 years
- Vessel: 17 years (weighted average of the vessel itself over 20 years and the process equipment installed on board over 10 years)
- Fixtures and office machinery: 3–5 years
- Leasehold improvements: 5–15 years (remaining rental period is upper basis for useful life)

INTANGIBLE ASSETS

The Group has made significant judgements in the application of its accounting policies related to the determination of when and how much costs can be capitalised for the development of intangibles.

ESTIMATES AND ASSUMPTIONS

Assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment of assets and liabilities within the next financial year:

IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group periodically reviews whether non-current assets have suffered any impairment in accordance with the accounting policy. An impairment exists when the carrying amount of an asset or a cash-generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

For 2025, the recoverable amount has been determined as fair value less costs of disposal (FVLCD), using Level 3 inputs under IFRS 13. The estimate is based on a discounted cash flow (DCF) model applied to free cash flow estimates across a range of probability-weighted scenarios. The scenarios span continuation outcomes, in which the Group resumes development and commercialisation of its operations, and liquidation outcomes, in which the Group's assets are realised through a sale or wind-down. The probability-weighted outcome of these scenarios determines the recoverable amount.

The recoverable amount is particularly sensitive to changes in key assumptions, including the probability weights assigned to the scenarios, the applied discount rate, and assumptions related to future sales volumes and pricing of the Group's products.

Further information on the impairment testing, the scenarios applied and the key assumptions is provided in [Note 7](#) and [Note 8](#).

DEFERRED TAXES

Deferred tax assets are continuously assessed and are only recognised to the extent that it is probable that future taxable profit will be large enough for the deferred tax asset to be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

The operating losses suffered in current and prior years are related to start-up costs and development costs which are not capitalised. Deferred tax assets are not recognised in the consolidated statement of financial position for 2025.

NOTE 4 PERSONNEL EXPENSES AND REMUNERATION

EMPLOYEE BENEFIT EXPENSE DURING THE YEAR

Amounts in NOK	2025	2024
Wages and salaries	52,763,201	45,534,390
Social security costs	7,491,839	6,846,833
Pension costs	5,100,236	4,333,115
Share-based payment*	-950,244	655,295
Other personnel costs	10,729,134	1,189,719
Capitalised to project†	-46,015,511	-45,671,272
Board fee	845,417	1,000,000
TOTAL	29,964,073	13,888,080
Number of average full-time employees	63	56

* The personnel expense related to warrants is recognised over the vesting period and is excluding social security taxes.

† Reference made to Intangible Assets in Note 2 Material accounting policies.

The personnel expense and social security tax (SST) related to warrants is recognised in P&L and in the table above. The total expense in 2025, including SST, was negative NOK 950,244 due to a reversal of the provision, compared to NOK 655,295 in 2024.

The Group offers its employees a Defined Contribution Pension Plan in compliance with Norwegian pension schemes, fulfilling the requirements as stipulated by the “lov om obligatorisk tjenestepensjon” law. All employees are part of the Group’s pension scheme.

REMUNERATION FOR THE BOARD OF DIRECTORS

The highest governing body of the Group is its Board of Directors. The Board has a majority of Non-Executive Directors. There are no specific agreements regarding fees at termination for the Chairman of the Board or other members of the Board.

Alginor did not have any outstanding loans to, or guarantees made on behalf of, any Board member during 2025.

Board fees paid in 2025 and outstanding numbers of shares as of 31 December 2025 are shown in the table below (2024 to the right).

Amounts in NOK	Board fee	Number of shares*	Warrants*	Convertible shareholder loan†	Related company
<i>Current board members</i>					
Wenche Kjølås‡	410,000	47,899	-	267,900	Jawendel AS
Kristine Klaveness	102,917	68,438	-	300,000	KKN Equity AS
Gisle Løhre Johansen	102,917	3,000	-	-	-
Per Arthur Sørli§	61,250	-	-	-	-
Sten Stenersen (since 21.10.25)	20,377	-	-	-	-
<i>Previous board members</i>					
Hans Sandvold (until 17.06.25)	41,667	38,154	-	-	Bukkevik Investering AS
Åse Tveit Samdal (until 17.06.25)	41,667	-	-	-	-
Sten Stenersen (until 22.05.25)	41,667	-	-	-	-
Kristin Misund (until 17.06.25)	41,667	-	-	-	-

* Shares and warrants held or controlled by the board members either directly or indirectly.

† Holding/participation in the convertible shareholder loan issued in 2025.

‡ The current chair of the Board has a separate agreement approved in the General Meeting, for extra work compensated at NOK 1,050 per hour. NOK 1,445,500 was invoiced in 2025.

§ New in 2025.

Amounts in NOK	Board fee	Number of shares*	Warrants*	Convertible shareholder loan†	Related company
<i>Current board members</i>					
Wenche Kjølås‡	400,000	33,000	-	-	Jawendel AS
Hans Sandvold	100,000	26,286	-	-	Bukkevik Investering AS
Kristine Klaveness	100,000	47,150	-	-	KKN Equity AS
Gisle Løhre Johansen	100,000	3,000	-	-	-
Åse Tveit Samdal	100,000	-	-	-	-
Sten Stenersen	100,000	-	-	-	-
Kristin Misund	100,000	-	-	-	-
<i>Previous board members</i>					
Thorleif Thormodsén (until 12.03.24)	41,667	38,154	-	-	Zirconia AS

* Shares and warrants held or controlled by the board members either directly or indirectly.

† Holding/participation in the convertible shareholder loan issued in 2025.

‡ New in 2024.

REMUNERATION TO LEADING EMPLOYEES

Members of the Group’s executive management holding C-level positions are defined as leading employees. Remuneration to leading employees consists of a fixed payment as well as a variable element, plus pension contribution and other remuneration in kind.

Leading employees’ individual remuneration as of 2025 and 2024 are shown in the table below.

Amounts in NOK	Person	Position	Consultancy fees	Salary	Benefits in kind	Pension contribution	Bonus	Total
2025	Kjetil Rein*	CEO	-	3,633,942	3,295	138,536	456,000	4,231,773
	Martin Lersch†	CEO/COO	1,141,352	-	-	-	-	1,141,352
	Sten Stenersen‡	CEO	1,780,123	-	-	-	-	1,780,123
	Steen Mylius Stricker Lund§	CEO/COO	-	1,224,651	3,828	163,334	-	1,391,813
	Herluf Nissen¶	COO	1,202,364	-	-	-	-	1,202,364
	Haakon Farstadvoll**	CFO	-	583,951	1,831	84,738	-	670,519
2024	Sven Sele††	CFO	1,655,633	-	-	-	-	1,655,633
	Kjetil Rein	CEO	-	2,045,485	4,392	206,943	-	2,256,820
	Haakon Farstadvoll	CFO	-	1,308,958	7,892	167,788	-	1,484,638

* Kjetil Rein was replaced as CEO by Martin Lersch with effect from February 2025. He remained employed by the Company until the end of July 2025, with severance pay for one year from August 2025. The portion of the severance pay relating to 2026 has been accrued in the 2025 financial statements.

† Martin Lersch was hired in from Borregaard until June 2025, serving as CEO and/or COO.

‡ Sten Stenersen was hired in from Hatteland, serving as CEO from May to October 2025.

§ Steen M. S. Lund was employed as COO in May 2025 and succeeded Sten Stenersen as CEO from approximately mid-October 2025.

¶ Herluf Nissen was hired in as a senior consultant to support the construction of F3 from August 2025. He took over as COO after Steen M. S. Lund from mid-October 2025.

** Haakon Farstadvoll resigned in December 2024, with a notice period running until the end of April 2025.

†† Sven Sele has been hired in as CFO from Sveco Partners AS following Haakon Farstadvoll’s departure in April 2025.

NOTE 4 CONT.

EXECUTIVE COMPENSATION

Alginor has defined its leading employees as Alginor's corporate management. Any remuneration given by the Company follows the principle of gross salary, such that any tax-related consequences for benefits received, is of no concern to the Company.

The remuneration to leading employees is based on the same principles for remuneration that are applied for all employees of the Group.

SALARIES

Salary increases are due 1 January each year, based on review of last year's results and performance. The company emphasises annual statistics prepared by the interest groups Tekna, NITO, and Econa.

BONUS SCHEMES

Leading employees are eligible to receive benefits in addition to their base salary in the form of bonuses. A bonus is awarded in relation to base salary, nominally 1/3 of gross annual salary, incentivised by specific goals.

Bonuses are determined by the Board.

FRINGE BENEFITS

Leading employees are eligible to receive fringe benefits that are common for equivalent working positions in Norway.

Year issued	Number of warrants issued	Exercised/forfeited warrants	Number of outstanding warrants	Average estimated fair value at grant date	Strike price (NOK)	Expiry date
2018	265,500	265,500	-	0.34	6.25 + 5 % p.a.	29.06.2023
2019	100,000	100,000	-	8.04	6.25 + 5 % p.a.	29.06.2024
2021	225,000	225,000	-	17.23	17.5 + 5 % p.a.	01.07.2025
2021	945,000	367,500	577,500	16.47	17.5 + 5 % p.a.	01.07.2026
2023*	-	-	-	-	-	-
2024	62,500	62,500	-	7.34	7.98	30.06.2025
2025	-	-	-	-	-	-
TOTAL	1,598,000	1,020,500	577,500			

* On the Ordinary General Meeting 2023 a proxy to the Board of Directors were given to allocate another 417,500 options and/or warrants to employees in the company. As per the date of the signing of the Annual Report no options are yet allocated under this proxy.

PENSION SCHEMES

The company offers ordinary defined-contribution pension scheme for all employees, management included. This amounts to 7 % of ordinary salary up to a limit of 12G, with an additional 18.1 % between 7.1G and 12G.

SEVERANCE SCHEMES

The CEO has period of notice and right to severance pay according to common market practice and individual negotiations.

WARRANTS

Key personnel have been granted warrants to incentivise continued employment and engagement in the Company. Warrants gives the holder the right to purchase one share per warrant at a pre-determined price within the defined exercise period. Employment with the Group at the time of exercise is regarded as an implicit service period requirement, and vesting period is estimated to be until the last exercise date.

The company has per 31 December 2025 outstanding a total of 577,500 warrants.

The following warrants were outstanding at 31 December 2025:

MOVEMENTS IN WARRANTS THROUGH THE YEAR:

Amounts in NOK	2025	2024
Outstanding at the beginning of the year	1,212,500	1,232,500
Granted during the year	-	62,500
Exercised during the year	-	-
Expired during the year	37,500	62,500
Forfeited during the year	597,500	20,000
OUTSTANDING AT YEAR-END	577,500	1,212,500
EXERCISABLE AT THE YEAR-END	577,500	1,212,500

Fair values were estimated based on the Black-Scholes option price model. Expected volatility is based on comparison to peers and estimated at 30 %.

No dividends are expected in the periods. Market value of shares at grant date has been estimated, with reference to transactions in the shares for relevant periods and fair-value illiquidity adjustment until public listing of shares.

All remaining outstanding warrants expire in 2026. Based on the latest share issue prices and the company's book equity per share as of 31 December 2025, these warrants are assumed not to be exercised.

WARRANTS AND SHARES HELD BY LEADING EMPLOYEES AND BOARD MEMBERS AS OF 31 DECEMBER 2025:

Entity*	Position	Issued 2019	Issued 2021†	Issued 2021†	Shares
<i>Leading employees</i>					
Martin Lersch‡	CEO	-	-	-	5,080
Haakon Farstadvoll§	CFO	-	-	-	-
Kjetil Rein¶	CEO	-	-	-	52,500
Sten Stenersen**	CEO	-	-	-	-
Steen Mylius Stricker Lund††	COO/CEO	-	-	-	-
Sven Sele‡‡	CFO	-	-	-	-
Herluf Nissen§§	COO	-	-	-	-
<i>Board members</i>					
Wenche Kjølås	Chair	-	-	-	33,000
Hans Sandvold	Member	-	-	-	26,286
Gisle Løhre Johansen	Member	-	-	-	3,000
Åse Tveit Samdal	Member	-	-	-	-
Sten Stenersen	Member	-	-	-	-
Kristin Misund	Member	-	-	-	-
Thomas Louis Ferré	Observer	-	-	-	-
<i>Previous board members</i>					
Hans Sandvold	Member	-	-	-	38,154
Åse Tveit Samdal	Member	-	-	-	-
Kristin Misund	Member	-	-	-	-

* All shares held by the board members either directly or indirectly is included in the overview.

† Warrants were issued on the annual as well as the extraordinary general meetings.

‡ Warrants were issued on the annual as well as the extraordinary general meetings. All warrants have been forfeited as of year-end 2025.

§ Haakon Farstadvoll resigned in December 2024, with a notice period running until the end of April 2025.

¶ Kjetil Rein was replaced as CEO by Martin Lersch with effect from February 2025. He remained employed by the Company until the end of July 2025, with severance pay for one year from August 2025.

** Sten Stenersen was hired in from Hatteland, serving as CEO from May to October 2025.

†† Steen M. S. Lund was employed as COO in May 2025 and succeeded Sten Stenersen as CEO from approximately mid-October 2025.

‡‡ Sven Sele has been hired in as CFO from Sveco Partners AS following Haakon Farstadvoll's departure in April 2025.

§§ Herluf Nissen was hired in as a senior consultant to support the construction of F3 from August 2025. He took over as COO after Steen M. S. Lund from mid-October 2025.

NOTE 4 CONT.

EXTERNAL CONSULTANTS – COMPLETION OF EXPERTISE

The Company has ongoing engagements with external consultants and advisory firms supporting various areas of the business. Consultant utilisation has varied during 2025 but has remained at a relatively high level, primarily driven by the extensive activity associated with the F3 project. In addition, the Company has engaged external resources in key management positions during the year, as further described in the table “Remuneration to Leading Employees”. The rates charged by external consultants and management resources are considered to be in line with prevailing market rates for comparable expertise and services in Scandinavia. Related costs are recognised either as operating expenses or capitalised as part of the F3 project, depending on the nature of the services provided.

INTERNALISING PERSONNEL RESOURCES AND EXPERTISE

The Company continuously considers the need for internalisation, meaning employing external resources. In the build-up phase, it is important with flexible access to expertise, which advocates the use of consultants. For critical functions the Company will prefer ordinary employment.

NOTE 5 OTHER OPERATING EXPENSES

OPERATING EXPENSES

Amounts in NOK	2025	2024
Office expenses	3,611,729	4,422,562
Travel expenses	2,126,047	1,750,323
EDB expenses	3,931,952	3,157,412
Marketing	67,738	436,589
Rental expenses	-93,973	729,724
Consumables	2,170,718	2,119,062
Consultant fees*	19,600,456	4,792,389
Capitalised project expenses†	-361,632	-3,862,422
Other operating expenses‡	16,096,539	2,894,000
TOTAL	47,149,574	16,439,639

* Fees to the elected auditor is included in consultant fees, reference is made to the table below.

† Reference made to Intangible assets in [Note 2 Material accounting policies](#).

‡ Other operating expenses are mainly related to supplies to development projects, licensing fees, meeting expenses, etc.

EXPENSED AUDIT FEES

Amounts in NOK ex. VAT	2025	2024
Statutory audit	1,191,325	1,895,950
Tax services	-	62,200
Other non-audit services*	846,731	1,721,420
TOTAL EXPENSED AUDIT FEES	2,038,056	3,679,570

* Other non-audit services primarily relate to technical assistance in the preparation of financial statements. In 2024, NOK 1.4 million was paid to EY related to such services.

NOTE 6 TAXES

CURRENT TAXES PAYABLE

Amounts in NOK	2025	2024
ACCOUNTING PROFIT/LOSS BEFORE TAX	-870,875,903	-67,999,213
At Norway's statutory income tax rate of 22 %	-191,592,699	-14,959,827
Other non-deductible expenses	-566,833	-3,328,672
Utilisation of previously unrecognised tax losses	-223,923	-
Recognised deferred tax	-	-
Not recognised deferred tax assets	192,204,523	18,467,431
CALCULATED INCOME TAXES RECOGNISED IN PROFIT AND LOSS	-178,932	178,932
INCOME TAXES RECOGNISED IN OTHER COMPREHENSIVE INCOME	-	-
TOTAL INCOME TAX RECOGNISED IN TOTAL COMPREHENSIVE INCOME	-178,932	178,932

DEFERRED TAX

Amounts in NOK	2025	2024
Fixed assets & intangibles	-796,823,700	-20,269,322
Gain and Loss account	-1,181,395	261,337
Other differences*	-9,276	-1,525,567
TOTAL TEMPORARY DIFFERENCES	-798,014,371	-21,533,552
Losses available for offsetting against future taxable income	-238,378,875	-140,389,443
BASIS FOR DEFERRED TAXES	-1,036,393,246	-161,922,995
Calculated deferred tax assets	-228,006,514	-35,623,059
Calculated deferred tax assets not recognised*	228,006,514	35,801,991
DEFERRED TAXES IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	0	178,932

* The company has not yet recognised any deferred tax assets in the consolidated financial statement during the period, due to the uncertainty about the timing and amount of tax losses that may be utilised in the future.

NOTE 7 PROPERTY, PLANT AND EQUIPMENT

YEAR'S END 2025

Amounts in NOK	Vessel	Land, buildings and other real estate*	Machinery and equipment under construction†	Machinery and equipment†	Total
<i>Acquisition costs</i>					
ACQUISITION COST AS OF 1 JANUARY 2025	101,534,988	287,954,254	118,052,927	56,452,510	563,994,677
Additions	769,798	177,052,317	185,880,376	2,392,793	366,095,284
Grants recognised as a reduction to the assets	-	-	-4,750,000	-	-4,750,000
Disposal at cost	-	-36,638,560	-	-513,644	-37,152,204
ACQUISITION COST AS OF 31 DECEMBER 2025	102,304,786	428,368,011	299,183,303	58,331,659	888,187,758
<i>Depreciations</i>					
ACCUMULATED DEPRECIATION AS OF 1 JANUARY 2025	-	6,364,967	-	32,729,931	39,094,898
Depreciation	6,128,148	1,314,862	-	9,631,313	17,074,323
Disposals	-	-5,389,622	-	-136,062	-5,525,684
Impairment‡	16,176,638	216,490,757	284,183,303	10,994,692	527,845,390
ACCUMULATED DEPRECIATION AS OF 31 DECEMBER 2025	22,304,786	218,780,964	284,183,303	53,219,874	578,488,927
CARRYING AMOUNT AS OF 1 JANUARY 2025	101,534,988	281,589,287	118,052,927	23,722,579	524,899,779
CARRYING AMOUNT AS OF 31 DECEMBER 2025	80,000,000	209,587,047	15,000,000	5,111,784	309,698,831
Depreciation method	Linear	Linear	None	Linear	
Depreciation period	17 years	20-50 years	-	3-5 years	

* Details regarding land, buildings and other real estate is presented in the table below.

† Presented as Machinery and equipment in statement of financial position.

‡ Details regarding impairment of non-financial assets are presented later in the note.

LAND, BUILDINGS AND OTHER REAL ESTATE

Land, buildings and other real estate	Land	Buildings under construction	Factories and other buildings	Total
<i>Acquisition costs</i>				
ACQUISITION COST AS OF 1 JANUARY	107,887,486	134,570,208	45,496,561	287,954,255
Additions	-	177,052,316	-	177,052,316
Disposal at cost	-	-	-36,638,560	-36,638,560
ACQUISITION COST AS OF 31 DECEMBER	107,887,486	311,622,524	8,858,001	428,368,011
<i>Depreciations</i>				
ACCUMULATED DEPRECIATION AS OF 1 JANUARY	-	-	6,364,967	6,364,967
Depreciation	-	-	1,314,862	1,314,862
Disposals	-	-	-5,389,622	-5,389,622
Impairment	29,506,678	183,031,662	3,952,417	216,490,757
ACCUMULATED DEPRECIATION AS OF 31 DECEMBER	29,506,678	183,031,662	6,242,624	218,780,964
CARRYING AMOUNT AS OF 1 JANUARY	107,887,486	134,570,208	39,131,594	281,589,287
CARRYING AMOUNT AS OF 31 DECEMBER	78,380,808	128,590,862	2,615,376	209,587,047
Depreciation method	None	None	Linear	
Depreciation period	-	-	20-50 years	

YEAR'S END 2024

Amounts in NOK	Vessel	Land, buildings and other real estate	Machinery and equipment under construction*	Machinery and equipment*	Total
<i>Acquisition costs</i>					
ACQUISITION COST AS OF 1 JANUARY 2024	78,310,803	207,221,546	6,692,601	77,485,597	369,710,547
Additions	33,085,974	80,732,708	111,126,586	12,114,276	237,059,544
Government grants	-9,861,789	-	-	-	-9,861,789
Recognised right-of-use assets	-	-	-	4,305,125	4,305,125
Reclassification to Development	-	-	-26,457,000	-10,761,750	-37,218,750
Reclassification	-	-	26,690,739	-26,690,739	0
Disposal at cost	-	-	-	-	0
ACQUISITION COST AS OF 31 DECEMBER 2024	101,534,988	287,954,254	118,052,926	56,452,509	563,994,677
<i>Depreciations</i>					
ACCUMULATED DEPRECIATION AS OF 1 JANUARY 2024	0	5,040,321	0	16,707,810	21,748,131
Depreciation	0	1,324,646	-	9,137,148	10,461,794
Impairment†	0	-	-	6,884,973	6,884,973
ACCUMULATED DEPRECIATION AS OF 31 DECEMBER 2024	0	6,364,967	0	32,729,931	39,094,898
CARRYING AMOUNT AS OF 1 JANUARY 2024	78,310,803	202,181,225	6,692,601	60,777,787	347,962,415
CARRYING AMOUNT AS OF 31 DECEMBER 2024	101,534,988	281,589,287	118,052,926	23,722,579	524,899,780
Depreciation method	Linear	Linear	-	Linear	
Depreciation period	17 years	0-50 years	-	5 years	

* Presented as Machinery and equipment in statement of financial position.

† The impairment relates to various older assets that are either obsolete and/or no longer in use. Some of the equipment may be sold, but has nonetheless been written down to zero or to the estimated resale value in the secondary market where considered material.

DEPRECIATIONS

Amounts in NOK	2025	2024
Depreciation, PPE	17,074,323	10,461,794
Depreciation of assets used in development projects is capitalised against the project cost	1,162,764	2,752,777
DEPRECIATION AMOUNT RECOGNISED IN PROFIT AND LOSS	15,911,559	7,709,017

NOTE 7 CONT.

The Group's first harvesting vessel, *Hypomar Ocean 1*, was delivered in May 2024. The vessel is specifically designed as part of Alginor's integrated biorefining value chain, equipped with an onboard processing system for separating and preserving biomass without formaldehyde. As of year-end 2024, the vessel was still undergoing technical testing and adjustments. The vessel became available for its intended use at the beginning of 2025, and in accordance with IAS 16 depreciation commenced from that date. The vessel is depreciated over 17 years, representing a weighted average of the expected economic useful lives of the vessel itself (hull, etc.) and the process equipment installed/mounted on board.

During 2025, Alginor completed the sale of several properties, including the commercial premises and apartments in Haraldsgata 162 for NOK 13.45 million and the commercial premises and apartments in Kirkegata 169 for NOK 12.65 million. The property sales resulted in a book loss of NOK 1.1 million.

The Group's first full-scale industrial processing facility, F3, is located at Avalsnes and is the Group's most significant asset. F3 is designed to process stipe and leaf biomass from *Laminaria hyperborea* into food-grade alginate and other high-value marine ingredients. During 2025, the bulk of the first full-scale production line and key utility systems were installed, with the building shell having reached completion in January 2025.

During 2025, it became apparent that completing and commissioning F3 would be considerably more costly than originally budgeted, and that both the remaining capital requirement and the timeline to completion had increased materially. These cost overruns and the resulting increase in the capital required to complete F3 were communicated to shareholders in March 2025. The situation was further compounded by the slower-than-expected development and commercialisation of the Group's products and by challenges relating to raw-material availability and harvesting strategy, which together further increased the capital need and reduced the visibility of near-term cash flows from the integrated value chain.

IMPAIRMENT OF NON-FINANCIAL ASSETS BASIS FOR IMPAIRMENT ASSESSMENT AND ADJUSTING EVENTS AFTER THE BALANCE DATE

In accordance with IAS 36, the Group's assets are tested for impairment whenever events or circumstances indicate that their carrying amount may exceed the recoverable amount. The F3 alginate production facility ("F3") is the Group's most significant asset. Through 2025 and into early 2026, a number of developments both indicated impairment and were treated as adjusting events under IAS 10, as they provided evidence of conditions that existed at 31 December 2025: the cost of completing F3 continued to rise; higher capital and operating costs were required for harvesting and drying; commercialisation of the Group's products progressed more slowly than expected; liquidity became increasingly tight, leaving insufficient runway to fund operations through 2026; the F3 project was temporarily suspended; and the probability of a liquidation outcome increased as major shareholders were reluctant to provide further capital alone (see more details regarding events after the

balance date in [Note 19](#)). On this basis, an impairment test has been carried out as at 31 December 2025.

CASH-GENERATING UNIT

The impairment test is performed at the level of the Group's single cash-generating unit ("CGU"), which encompasses the integrated operations of F2, F3 and F5, together with the harvesting vessel and associated intangible assets. These assets are interdependent and do not generate largely independent cash flows on a standalone basis.

RECOVERABLE AMOUNT – METHODOLOGY AND KEY ASSUMPTIONS

The recoverable amount has been determined as fair value less costs of disposal (FVLCD), using Level 3 inputs under IFRS 13. Given the early-stage nature of the business and the significant uncertainty around future outcomes, a scenario-based approach has been applied. Four scenarios have been defined and probability-weighted to arrive at the recoverable amount. The two continuation scenarios (Scenarios 3 and 4) together carry a probability weight of well above 50 %, reflecting the Board's assessment that continuing operations remains the most likely path forward.

Scenario 1 reflects a sale of Alginor as a whole to a single counterparty that takes over and completes the project, yielding a positive net asset value (NAV) when the shareholder loan (including amounts advanced in 2026) is treated as equity, consistent with the supplementary agreements entered into in 2026 with the major shareholders in respect of the convertible shareholder loan. Bridge financing (a liquidity loan) and support from the Group's banks are likely to be required in order to see this scenario through. Such bank support does not imply any haircut on the banks' claims, but rather their provision of time and temporary liquidity to the Group through the process.

Scenario 2 reflects a piecemeal sale of F2 and F3 assets over a longer disposal period, resulting in a negative NAV even when the shareholder loan (including amounts advanced in 2026) is treated as equity, consistent with the same supplementary agreements. An injection of equity (and support from the Group's banks) would likely be required to bring this scenario to a positive NAV. As in Scenario 1, such bank support does not imply any haircut on the banks' claims, but rather their provision of time and temporary liquidity to the Group through the process.

Scenario 3 reflects a standalone continuation in which F3 is held in conservation while a small team operates F2 and the laboratory. F3 is assumed completed in 2028, with commercial-scale alginate production commencing in 2029. In parallel with the completion of F3, the Group also invests in a drying setup and associated logistics, both to secure the supply of raw material to the facility and to provide capacity to sell dried seaweed to third parties. The DCF uses a real WACC of 7.9 % (nominal WACC 10.1 %), with terminal value calculated using a Gordon Growth Model.

Scenario 4 applies the same operational forecast as Scenario 3 but values the Group through a strategic exit in 2040, based on an EV/EBITDA multiple of 12x applied to steady-state EBITDA. The multiple is derived from a peer group of listed specialty chemicals companies and adjusted downward by approximately 30 % to reflect Alginor's smaller scale and earlier stage of development.

The F3 building and plot has been valued using two independent third-party broker valuations, reflecting different tenancy assumptions for the completed building, probability-weighted consistently with the overall scenario model. After deducting CapEx incurred subsequent to the balance sheet date and estimated remaining costs to complete, the probability-weighted value of the F3 building and plot is NOK 133 million (Level 3 inputs under IFRS 13). The harvesting vessel, delivered in 2024, has been valued based on an internal newbuild parity estimate and an external fire-sale reference from an independent third party. Applying probability weights reflecting the scenarios, the estimated value is approximately NOK 80 million, at which amount the vessel is carried in the consolidated balance sheet at 31 December 2025.

The Stutøy plots have been valued at NOK 70.0 million, significantly below the price at which Alginor originally acquired them, reflecting the difficulty that has been experienced in selling these properties. The F5 plot has been valued at NOK 3.0 million, based on the price agreed in a sales agreement entered into for the disposal of the plot in 2026. Assets under construction in Alginor Biorefinery AS have been written down significantly to NOK 15 million, to make room for capitalising the substantial remaining CapEx expected to be incurred after 2025.

SCENARIOS AND PROBABILITY-WEIGHTED RECOVERABLE AMOUNT

Amounts in NOK million	Enterprise value (EV)	Probability weighting	Probability-weighted EV	Implied impairment	Prob.-weighted impairment
Scenario 1 – Liquidation (sale of Alginor as a whole)	48	20 %	9	993	194
Scenario 2 – Liquidation (piecemeal sale of assets)	-122	10 %	-13	1,041	109
Scenario 3 – Standalone F2 + F3 + F5 (mothball)	105	30 %	32	936	283
Scenario 4 – Strategic value F2 + F3 + F5 (multiple-based)	568	40 %	227	473	189
PROBABILITY-WEIGHTED EV / TOTAL IMPAIRMENT	-	100 %	255	-	774

NOTE 7 CONT.

IMPAIRMENT LOSS RECOGNISED

Amounts in NOK million

Carrying amount of operating assets tested	1,041
Recoverable amount (probability-weighted EV)	255
IMPAIRMENT LOSS RECOGNISED	774

The total impairment loss of NOK 774.2 million is allocated across the entities in the Group that hold the relevant assets.

SENSITIVITY ANALYSIS

The recoverable amount is subject to significant estimation uncertainty. The most important sources of sensitivity are: the probability weights assigned to each scenario, where a shift in weight from the continuation scenarios towards the liquidation scenarios would reduce the recoverable amount materially; the discount rate applied in the DCF model; the assumed timeline for completing F3 and reaching commercial-scale production; and the sales prices and volumes across the product portfolio (alginates, seaweed extracts (biostimulants) and fucoïdians). Given the significant estimation uncertainty, the impairment loss could be materially higher or lower if key assumptions differ from those applied. See detailed sensitivity analyses below.

Key assumption*	Change	Basis for sensitivity (how the assumption was flexed)	Lower impairment	Higher impairment
Sales prices and volumes	±10 %	Revenue across the product portfolio (alginates, seaweed extracts / biostimulants and fucoïdians) flexed by ±10 % in all forecast years, modelled as a price effect flowing directly to EBITDA. Affects both the standalone DCF and the multiple-based exit value.	-236	238
Discount rate (WACC)	±1.0 pp	Real WACC (base 7.9 %) flexed by ±1.0 percentage point (to 6.9 % / 8.9 %), applied to the discounting of the projected cash flows and of the terminal / exit value.	-127	104
Probability weights	±20 pp	20 percentage points of probability weight shifted between the continuation scenarios (standalone + strategic, base 70 %) and the liquidation scenarios (base 30 %), redistributed proportionally within each block (adverse: liquidation 30 % → 50 %; favourable: continuation 70 % → 90 %).	-68	68

* Each key assumption is flexed individually while all other assumptions are held constant. Amounts represent the change in the impairment loss (NOK million) relative to the base case; figures in brackets reduce the impairment loss.

NOTE 8 INTANGIBLE ASSETS

Amounts in NOK	Intangible assets under development	Patents	Total
<i>31 December 2025:</i>			
OPENING NET BOOK AMOUNT	195,415,027	9,098,847	204,513,874
Additions*	66,120,076	3,097,613	69,217,689
Grants recognised as a reduction to the assets	-6,886,682	-	-6,886,682
Impairment†	-240,018,995	-6,356,889	-246,375,884
CLOSING NET BOOK AMOUNT	14,629,426	5,839,571	20,468,997
Accumulated costs	421,128,182	15,229,409	436,357,591
Accumulated grants	-148,241,578	-	-148,241,578
Accumulated impairment	-258,257,178	-9,389,838	-267,647,016
NET BOOK AMOUNT	14,629,426	5,839,571	20,468,997
<i>31 December 2024:</i>			
OPENING NET BOOK AMOUNT	79,733,444	8,902,559	88,636,003
Additions*	122,346,402	3,229,237	125,575,639
Grants recognised as a reduction to the assets	-25,645,385	-	-25,645,385
Reclassification from tangible fixed assets	37,218,749	-	37,218,749
Amortisation charge‡	-18,238,183	-3,032,949	-21,271,132
CLOSING NET BOOK AMOUNT	195,415,027	9,098,847	204,513,874
Accumulated costs	355,008,106	12,131,796	367,139,902
Accumulated grants	-141,354,896	-	-141,354,896
Accumulated impairment	-18,238,183	-3,032,949	-21,271,132
NET BOOK AMOUNT	195,415,027	9,098,847	204,513,874

* Additions, including personnel costs and depreciation used in development projects.

† As part of the impairment assessment carried out as at 31 December 2025, essentially all of the Group's intangible assets were impaired. The impaired projects are still considered to hold value for the Group, but in light of the Group's current situation it was decided to impair them now. The ongoing EU-funded projects (principally PROTEUS), which are at the core of Alginor's development plans, have not been impaired. See Note 7 for further details on the impairment assessment.

‡ As part of the Group's year-end closing for 2024, a comprehensive review of all intangible assets was undertaken. The review aimed to ensure that the asset base reflects only those items that are expected to generate future economic benefits. As a result of this process, assets and projects with no continuing strategic or commercial relevance were written down.

Intangible assets consists of development projects and patent/patent applications that are under development and not ready for intended use. The completed and ongoing projects are interlinked sub-projects that forms basis for ongoing development activities within the Group.

The impaired projects are still considered to hold value for the Group, but in light of the Group's current situation it was decided to impair them now. The ongoing EU-funded projects (principally PROTEUS), which are at the core of Alginor's development plans, have not been impaired. See Note 7 for further details on the impairment assessment.

As part of the impairment assessment carried out as at 31 December 2025, essentially all of the Group's intangible assets were impaired.

NOTE 9 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

FINANCIAL ASSETS

Amounts in NOK	2025	2024
Other short-term receivables*	70,528,003	47,442,291
TOTAL CURRENT FINANCIAL ASSETS	70,528,003	47,442,291
Total non-current financial assets	702,510	1,043,944

* Other short-term receivables are mainly related to governmental grants and VAT receivable. The credit risk is classified as low as the grants are state-sponsored payments from The Research Council of Norway (RCN), Innovation Norway (IN), The Regional Research Fund (RRF), The European Innovation Council (EIC) and Eurostars (adminstrated from the RCN). The grants from the Norwegian authorities are guaranteed and financed from the Norwegian government. The EU grants are financed and guaranteed by the EU.

INTEREST-BEARING LOANS AND BORROWINGS

Amounts in NOK	2025		2024	
	Non-current	Current	Non-current	Current
Lease liabilities	-	1,967,019	-	-
DNB	41,562,500	4,375,000	45,937,500	4,375,000
Haugesund Sparebank	169,292,873	1,355,671	73,526,500	676,221
TOTAL	210,855,373	7,697,690	119,464,000	5,051,221

The loan with DNB relates to the vessel *Hypomar Ocean 1* which was delivered in may 2024. The nominal interest rate is 3-month NIBOR +2.5 % (floating).

Alginor ASA has a NOK 50 million loan with Haugesund Sparebank relating to plots in the Husøy industrial cluster (Stutøy), disbursed in 2024 and still outstanding. A previous loan relating to properties in Haugesund was repaid in 2025 following the sale of those properties.

In 2025, the Group established a new NOK 180 million facility with Haugesund Sparebank relating to the F3 facility (borrower Husøyvegen 281 AS). It is a 20-year loan at a floating rate of 3-month NIBOR plus a 2.20 % margin (effective rate 6.57 %), with a one-year grace period, disbursed in three tranches of NOK 60 million linked to the shareholders' contributions under the convertible shareholder loan. NOK 120 million had been drawn at 31 December 2025. The facility is secured by a guarantee from Alginor ASA together with pledges over real property, operating equipment and a factoring arrangement.

FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise long term loans and other payables. The main purpose of these financial liabilities is to finance the Group's R&D project activities. The Group's principal financial assets include other receivables, mainly related to receivable grants from development projects, and cash and short-term deposits.

The Group is exposed to market risk, credit risk and liquidity risk. All activities for risk management purposes are carried out by the Group's senior management, and it is considered that they have the appropriate skills, experience and supervision.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

MARKET RISK

The demand for Alginor's products depends on the international ingredient market and the Group's ability to meet the quality standards set nationally and internationally, with their prices varying between countries and continents. Regulatory requirements will also affect the demand for food ingredients. If the quality of Alginor's products fail to meet consumer needs and regulatory requirements, the demand for said products will diminish. The Group relies additionally on intellectual property rights to operate and protect its unique product. However, there's an inherent risk associated with project-specific ingredients due to their advanced nature and the possibility that they may not produce the anticipated results.

CURRENCY RISK

The Group is exposed to euro (EUR) primarily through grants received, capital expenditures, and expected future revenues. While the majority of assets are held in Norwegian kroner

(NOK), a significant share of equipment purchases and project grants are denominated in EUR. Furthermore, most of the Group's future sales are expected to be in EUR. As of 31 December 2025, no hedging instruments have been implemented, but currency exposure is monitored on an ongoing basis.

INTEREST RATE RISK

The Group's exposure to interest rate risk relates primarily to the Group's long-term debt. The Group has three floating interest rate loan agreements that are sensitive to fluctuations in interest rates which will have an effect on profit or loss before tax. Pertaining future operations, the company has not implemented specific hedging strategies and the company has not secured any future transactions as of 31 December 2025.

LIQUIDITY RISK

The Group's exposure to liquidity risk increased significantly in 2025 following the substantial cost overruns identified on the F3 facility. During 2025, the Group raised approximately NOK 600 million in equity and debt, including a NOK 150 million share issue, a committed NOK 230 million secured bank facility and a NOK 200 million convertible shareholder loan with an additional NOK 100 million tap facility. Despite this, the Group's capital needs for 2026 – covering committed investments, debt repayments, development projects and ongoing operations – exceed its liquidity reserves and receivables, and additional financing will be required. Liquidity is closely and constantly monitored by the Board and management. To preserve liquidity, the Board suspended the F3 project in the first half of 2026, and the largest shareholders have made available a further NOK 100 million (tap facility) on subordinated terms under the convertible loan frame. The Group's ability to continue as a going concern depends on securing the required financing; the Board is pursuing equity and debt initiatives and believes, based on its track record and ongoing dialogues, that financing will be obtained. See more under [Note 17](#).

AMOUNTS INCLUDED INTEREST

Maturity profile – financial assets	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years	Total value in NOK
Long-term receivables	-	-	-	702,510	702,510
Account receivables	3,361,967	-	-	-	3,361,967
Other current receivables	70,528,003	-	-	-	70,528,003
Cash and cash equivalents	152,194,707	-	-	-	152,194,707
TOTAL 2025	226,084,677	-	-	702,510	226,787,187

NOTE 9 CONT.

AMOUNTS INCLUDED INTEREST CONT.

Maturity profile – liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years	Total value in NOK
Leasing liabilities	1,967,019	14,298	-	-	1,981,317
Liabilities to financial institutions*	19,270,928	22,821,334	22,504,586	300,781,838	365,378,685
Convertible loans	-	100,000,000	-	-	100,000,000
Public duties payable	1,605,318	-	-	-	1,605,318
Account payables	58,368,025	-	-	-	58,368,025
Other current liabilities†	33,861,487	-	-	-	33,861,487
Other non-current liabilities‡	-	-	-	-	-
TOTAL 2025	115,072,777	122,835,632	22,504,586	300,781,838	561,194,832

* Interest is included in the amounts.

† Other current liabilities consists of accrued payroll expenses and liabilities (Note 16).

‡ Other non-current liabilities is comprised of prepaid grants and is therefore not included in the table.

FINANCIAL ITEMS

FINANCE INCOME

Amounts in NOK	2025	2024
Interest income*	7,190,037	8,308,760
Foreign exchange gain	-	-
TOTAL	7,190,037	8,308,760

* Interest income relates to interest from financial institutions and short-term loans.

FINANCE EXPENSE

Amounts in NOK	2025	2024
Interest on debts and borrowings	9,827,561	6,170,758
Interest on lease liabilities (Note 14)	67,674	313,235
Foreign exchange loss	924,224	1,750,985
Other financial expenses*	-	2,000,000
TOTAL FINANCE EXPENSES	10,819,459	10,234,978

* Other financial expenses are bank charges related to the construction loan and other financial expenses.

FAIR VALUES

The fair value of trade and other payables, trade and other receivables, cash and cash equivalents, and revolving credit facilities approximates to the carrying amount because of the short maturity of interest rates in respect of these instruments. For non-current debt the fair value of the debt is also not assumed to be materially different from the carrying value.

CONVERTIBLE LOANS

In 2025, the Company entered into a NOK 200 million convertible loan agreement with existing shareholders. The loan was disbursed in two tranches of NOK 100 million on 31 October 2025 and 9 February 2026, respectively. The loan does not bear interest until maturity on 31 December 2027, at which time it may either be repaid in cash or converted into shares at a fixed conversion price of NOK 10 per share.

The loan has been classified as a compound financial instrument and, on initial recognition, was separated into a liability component and an equity component in accordance with IAS 32. The liability component was measured at fair value by discounting future cash flows using an estimated market interest rate of 7.4%. The equity component was determined as the residual amount.

On initial recognition of the first tranche, the liability component amounted to NOK 85,683,567 and the equity component to NOK 14,316,433. Subsequently, the liability component is measured at amortised cost using the effective interest method. The carrying amount of the liability component at the balance sheet date is NOK 86,710,627, and the interest expense recognised during the year amounts to NOK 1,027,058.

The equity component is classified as equity and is not remeasured after initial recognition. The carrying amount of the equity component is NOK 14,316,433.

NOTE 10 CASH AND CASH EQUIVALENTS

Amounts in NOK	2025	2024
Cash at bank and in hand	151,385,637	263,980,778
Restricted cash*	809,070	876,385
CASH AND CASH EQUIVALENTS	152,194,707	264,857,163

* Restricted cash is related to tax withholding account.

NOTE 11 TRANSACTIONS WITH RELATED PARTIES

Related parties as defined in IAS 24 are those legal entities, persons and close members of their family that are able to exert influence on Alginor ASA or its subsidiaries. Related parties also include leading employees of Alginor ASA whose compensation is reported in Note 4.

Amounts in NOK ex. VAT	Sale of goods and services		Purchase of goods and services		Receivables		Liabilities	
	2025	2024	2025	2024	2025	2024	2025	2024
Zirconia AS*	N/A	50,000	N/A	947,470	N/A	-	N/A	-
Borregaard AS†	-	70,000	1,940,278	2,988,516	-	-	1,196,499	2,356,948

* Controlled by Thorleif Thormodsen, the Chair until March 2024.

† Borregaard has provided access to its BioDemo biorefinery facilities, analytical services and services related to intellectual property rights and patent management during 2025. See also Note 4 regarding key personnel hired in from Borregaard.

NOTE 12 SHARE CAPITAL

SHAREHOLDERS AS OF 31 DECEMBER 2024

Shareholder	No. of shares	Ownership (%)	Ownership, fully diluted (%)	Nationality
BORREGAARD AS	19,662,625	41.70	41.20	Norway
MUST INVEST AS	10,085,200	21.39	21.13	Norway
JAKOB HATTELAND INVEST AS	5,458,031	11.58	11.44	Norway
BNP PARIBAS*	4,457,830	9.45	9.34	Luxembourg
KVERVA INDUSTRIER AS	700,000	1.48	1.47	Norway
ZIRCONIA AS	418,040	0.89	0.88	Norway
HELGØY PROPERTY HOLDING AS	348,674	0.74	0.73	Norway
AMAR INVEST I AS	244,357	0.52	0.51	Norway
PROFOND AS	239,110	0.51	0.50	Norway
VALIDÉ AS	230,500	0.49	0.48	Norway
ØYHATT AS	210,000	0.45	0.44	Norway
STAVANGER KOMMUNE	186,030	0.39	0.39	Norway
SAYONARA AS	183,170	0.39	0.38	Norway
VALIDÉ INVEST I AS	180,000	0.38	0.38	Norway
PERTINAX AS	161,278	0.34	0.34	Norway
SUM 15 LARGEST	42,764,845	90.69	89.60	
Other 605 shareholders	4,388,131	9.31	9.19	
TOTAL OUTSTANDING SHARES	47,152,976	100.00	98.79	
Employee warrants	577,500		1.21	
TOTAL SHARES, FULLY DILUTED	47,730,476		100.00	

* Shares are held in nominee account on behalf of the European Innovation Council Fund.

NOTE 12 CONT.

EQUITY ISSUANCES

Amounts in NOK	Date	No. of shares*	Share price*	Total equity
Share issue, private placement*	11.02.2021	166,685	35.00	5,833,975
Share issue, private placement*	12.02.2021	147,300	35.00	5,155,500
Share issue, private placement*	15.02.2021	168,730	35.00	5,905,550
Share issue, preparation for investment agreement	17.02.2021	2,500	35.00	87,500
Share issue, tranche A of the investment agreement	06.08.2021	6,605,770	35.00	231,201,950
Share issue, tranche B of the investment agreement	22.10.2021	2,000,000	35.00	70,000,000
Share issue, tranche C of the investment agreement	22.11.2021	2,000,000	35.00	70,000,000
Exercise of share options in 2021†	15.12.2021	37,500	7.24	271,319
Exercise of share options in 2022†	18.01.2022	75,000	7.24	543,000
Exercise of share options in 2023†	05.02.2023	37,500	7.60	285,000
Exercise of share options in 2023†	03.07.2023	-37,500	7.60	-285,000
Share issue, tranche D of the investment agreement‡	13.04.2023	3,420,000	35.00	119,700,000
Share issue§	11.07.2024	11,111,112	36.00	400,000,032
Share issue§	12.07.2024	821,179	36.00	29,562,444
Share issue, private placement¶	02.04.2025	10,000,000	10.00	100,000,000
Share issue, repair issue¶	04.07.2025	5,000,000	10.00	50,000,000

* All shares are adjusted as per the five-for-one split effected at the Annual General Meeting on 29 June 2021.

† Related to exercise of warrants.

‡ In 2023, the final tranche D was successfully completed under an Investment Agreement that was entered by the Group with Zirconia AS, Hatteland, EIC Fund, and Borregaard AS in July 2021.

§ Public capital raise in 2024.

¶ Private placement of NOK 100 million towards main shareholders and NOK 50 million repair issue guaranteed by main shareholders.

The share capital is NOK 47,152,976, consisting of 47,152,976 shares, each with par value of NOK 1.00.

TREASURY SHARES OWNED BY ALGINOR ASA

Amounts in NOK	Nominal value	Number of shares	% of shares
1 JANUARY 2024	7,200	7,200	0.02
Purchase/Buy-back of treasury shares	-	-	0.00
31 DECEMBER 2024	7,200	7,200	0.02
Sale of treasury shares	-	-	0.00
31 DECEMBER 2025	7,200	7,200	0.02

NOTE 13 GOVERNMENT GRANTS

The Group receives government grants for financing of costs relating to development projects. Project expenses are capitalised as intangible assets under development in the consolidated statement of financial position. Government grants are recognised as a deduction in the related asset's carrying amount.

Through 2025 the Group has recognised grants of NOK 15.9 million related to these projects compared to NOK 35.5 million the previous year.

RECOGNISED GRANTS

Amounts in NOK	2025	2024
R&D tax incentive scheme (SkatteFUNN)	4,750,000	4,750,000
The Research Council of Norway (RCN)	3,169,872	9,886,242
EU Horizon 2020/Europe (EU)	6,211,898	10,966,356
ENOVA	1,815,051	9,904,576
TOTAL	15,946,822	35,507,174

NOTE 13 CONT.

RECOGNISED PROJECT EXPENSES AND GRANTS IN 2025

Project name/acronym	Programme	Sponsor(s)	Gross project expenses*	Grants	Net project expenses
AORTA – Tax refunds	Piloting	SkatteFUNN	27,790,061	4,750,000	23,040,061
LCA and Supply Chain Management			83,713	-	83,713
Algae Based Suprafibres			82,961	-	82,961
Fucomed	BIA	RCN	17,962	-	17,962
Development Biopolymers			34,860	-	34,860
CIRCALGAE	Horizon Europe	EU	1,908,472	1,353,595	554,877
Bio4Fuels	FMETEK-N-FME	RCN	-	-	-
CATION		RCN	-	-	-
ALEHOOP	BBI JU	EU	194,239	137,417	56,822
Cellunor	NANO2021	RCN	6,508,352	3,169,872	3,338,480
iCulture		EU	361,167	385,160	-23,994
Prebios			50,228	-	50,228
Polyphenols	Industrial PhD	RCN	-	-	-
Algefilm	BIA	RCN	6,673	-	6,673
Hypomar Ocean 1 Hybrid	ENOVA	ENOVA	47,899	-	47,899
Seaweed extracts and biostimulants			363,549	-	363,549
PROTEUS	HORIZON-JU-IA	EU	6,971,935	4,335,726	2,636,209
AILEEN	Competence and cooperation project	RCN	-	-	-
CO ₂ Heat Pump for the Food Processing Industry	ENOVA	ENOVA	11,991,300	1,815,051	10,176,248
TOTAL			56,413,370	15,946,822	40,466,548

* Gross expenses are project expenses before deduction of recognised grant related to the project. Net costs are project expenses after the deduction of grants and are capitalised as carrying amount of intangible assets under development.

RECOGNISED PROJECT EXPENSES AND GRANTS IN 2024

Project name/acronym	Programme	Sponsor(s)	Gross project expenses*	Grants	Net project expenses
AORTA-Tax refunds	ENOVA	ENOVA	25,000,000	4,750,000	20,250,000
LCA and Supply Chain Management			157,951	-	157,951
Algae Based Suprafibres	Marinforsk	RCN	1,364,614	-	1,364,614
Fucomed			4,136,769	2,434,000	1,702,769
Development Biopolymers	BIA	RCN	583,096	-	583,096
CIRCALGAE	EIC Accelerator (Green Deal)	EU	2,390,191	1,686,826	703,365
Bio4Fuels			100,000	-	100,000
CATION	Horizon Europe	EU	-	-	-
ALEHOOP	FMETEK-N-FME	RCN	1,984,669	1,433,237	551,432
Cellunor	BBI JU	EU	7,180,354	3,590,177	3,590,177
iCulture	NANO2021	RCN	589,849	592,405	-2,556
Prebios		EU	24,232	-	24,232
Polyphenols			418,200	-	418,200
Algefilm	Industrial PhD	RCN	5,724,461	3,812,541	1,911,920
Hypomar Ocean 1 Hybrid	BIA	RCN	20,322,188	9,904,576	10,417,612
Seaweed extracts and biostimulants			346,045	-	346,045
PROTEUS			11,938,034	7,253,887	4,684,147
AILEEN			73,500	49,525	23,975
TOTAL			82,334,154	35,507,174	46,826,980

* Gross expenses are project expenses before deduction of recognised grant related to the project. Net costs are project expenses after the deduction of grants and are capitalised as carrying amount of intangible assets under development.

NOTE 13 CONT.

GROSS BUDGET FOR THE TOTAL PROJECT COSTS AS OF 31 DECEMBER 2025

Project name/acronym	Rest	Gross budget project expenses	Accumulated costs	Remaining budget
LCA and Supply Chain Management	-	-	2,107,272	-
AORTA-R&D	-	25,290,145	25,290,145	-
Algae Based Suprafibres	-	-	2,321,558	-
Fucomed-Biomedical fucoïdan	-	23,200,000	23,447,962	-
CarboNor-Algal biopolymers	-	8,211,000	8,211,000	-
AORTA-Tax refunds 2017-2020	56.91 %	87,852,141	37,852,141	50,000,000
DACOTA-commercialisation	-	38,969,428	38,969,428	-
Development Biopolymers	-	-	1,887,032	-
CIRCALGAE-R&D	16.01 %	7,500,000	6,299,119	1,200,881
Bio4Fuels-Biobased fuels	-	-	640,251	-
CATION-Biorefinery Design	-	3,082,283	3,082,283	-
ALEHOOP-Algal proteins	-	8,356,038	5,981,299	-
EU-iCulture	52.88 %	2,662,795	1,254,826	1,407,969
Prebios	-	-	143,858	-
EU SME-phase 2	-	32,493,171	32,493,171	-
Cellunor-R&D	-	32,000,000	26,189,352	-
RFF-Fucomed (pre-project)	-	732,443	732,443	-
Hypomar Havpilot-Harvesting	-	11,161,456	9,532,526	-
Polyphenols-Extraction and identification	-	8,400,000	8,400,000	-
IN-Skudepilot ASM	-	3,141,877	3,141,877	-
Algefilm-Biomaterials packaging	-	18,000,000	17,502,673	-
ENOVA-Hypomar Ocean 1	-	29,450,000	29,497,899	-
Seaweed extracts and biostimulants	-	-	1,909,143	-
PROTEUS	-	122,843,406	18,909,968	103,933,437
AILEEN	-	900,000	73,500	826,500
CO ₂ Heat Pump for the Food Processing Industry	-	18,240,000	11,991,300	6,248,700
TOTAL GROSS PROJECT COSTS	33.9 %	482,486,182	317,862,026	163,617,487

GROSS BUDGET FOR THE TOTAL PROJECT COSTS AS OF 31 DECEMBER 2024

Project name/acronym	Rest	Gross budget project expenses	Accumulated costs	Remaining budget
LCA and Supply Chain Management	-	-	2,023,559	-
AORTA-R&D	-	25,290,145	25,290,145	-
Algae Based Suprafibres	-	-	2,238,597	-
Fucomed-Biomedical fucoïdan	-	23,200,000	23,430,000	-
CarboNor-Algal biopolymers	-	8,211,000	8,211,000	-
AORTA-Tax refunds 2017-2020	-	10,062,080	10,062,080	-
DACOTA-commercialisation	-	38,969,428	38,969,428	-
Development Biopolymers	-	-	1,852,172	-
CIRCALGAE-R&D	41.46 %	7,500,000	4,390,646	3,109,354
Bio4Fuels-Biobased fuels	-	-	640,251	-
CATION-Biorefinery Design	-	3,082,283	3,082,283	-
ALEHOOP-Algal proteins	30.74 %	8,356,038	5,787,060	2,568,978
EU-iCulture	66.44 %	2,662,795	893,659	1,769,136
Prebios	-	-	93,630	-
EU SME-phase 2	-	32,493,171	32,493,171	-
Cellunor-R&D	38.50 %	32,000,000	19,681,000	12,319,000
RFF-Fucomed (pre-project)	-	732,443	732,443	-
Hypomar Havpilot-Harvesting	-	11,161,456	9,532,526	-
Polyphenols-Extraction and identification	-	8,400,000	8,400,000	-
IN-Skudepilot ASM	-	3,141,877	3,141,877	-
Algefilm-Biomaterials packaging	-	18,000,000	17,496,000	-
ENOVA-Hypomar Ocean 1	-	29,450,000	29,450,000	-
Seaweed extracts and biostimulants	-	-	1,545,594	-
PROTEUS	90.28 %	122,843,406	11,938,034	110,905,372
AILEEN	91.83 %	900,000	73,500	826,500
TOTAL GROSS PROJECT COSTS	34.03 %	386,456,122	261,448,656	131,498,339

NOTE 13 CONT.

ACCUMULATED GRANTS RECEIVED AS OF 31 DECEMBER 2025

Project name/acronym	Rest	Total approved grants ex ante	Accounted grants	Remaining grants
AORTA-R&D	-	7,585,531	7,585,531	-
Fucomed-Biomedical fucoïdan	-	16,250,000	16,250,000	-
CarboNor-Algal biopolymers	-	4,849,287	4,849,287	-
AORTA-Tax refunds	24.26 %	25,042,289	15,542,289	9,500,000
DACOTA-Commercialisation	-	25,000,000	25,000,000	-
EU Circalgae	42.38 %	5,297,661	4,406,041	891,620
Development Biopolymers	-	-	-	-
Bio4Fuels-Biobased fuels	-	-	-	-
CATION-Biorefinery Design	-	-	-	-
ALEHOOP-Algal proteins	48.25 %	4,060,000	2,238,509	-
AORTA-Pre-project	-	500,000	500,000	-
EU-iCulture	62.75 %	2,310,000	1,245,565	1,064,435
AORTA-R&D	-	2,475,161	2,475,161	-
EU SME-phase 2	-	19,645,220	19,645,220	-
Cellunor-R&D	44.07 %	16,000,000	12,118,934	-
RFF-Fucomed (project no. 2)	-	673,128	673,128	-
Hypomar Havpilot-Harvesting	-	4,500,000	4,500,000	-
Polyphenols-Extraction and identification	-	4,200,000	4,200,000	-
IN-Skudepilot ASM	-	1,900,000	1,900,000	-
Algefilm-Biomaterials packaging	-	12,600,000	10,660,652	-
ENOVA-Hypomar Ocean 1	-	14,460,000	14,460,000	-
Kelpintel	90.16 %	-	-	-
Development API-line	91.75 %	-	-	-
PROTEUS	-	73,706,000	11,589,613	62,116,387
AILEEN	-	600,000	49,525	550,475
CO ₂ Heat Pump for the Food Processing Industry	-	3,000,000	1,815,051	1,184,949
TOTAL GRANTS	30.80 %	244,654,277	161,704,507	75,307,865

ACCUMULATED GRANTS RECEIVED AS OF 31 DECEMBER 2024

Project name/acronym	Rest	Total approved grants ex ante	Accounted grants	Remaining grants
AORTA-R&D	-	7,585,531	7,585,531	-
Fucomed-Biomedical fucoïdan	-	16,250,000	16,250,000	-
CarboNor-Algal biopolymers	-	4,849,287	4,849,287	-
AORTA-Tax refunds	24.26 %	14,250,000	10,792,289	3,457,711
DACOTA-Commercialisation	-	25,000,000	25,000,000	-
EU Circalgae	42.38 %	5,297,661	3,052,446	2,245,215
Development Biopolymers	-	-	-	-
Bio4Fuels-Biobased fuels	-	-	-	-
CATION-Biorefinery Design	-	-	-	-
ALEHOOP-Algal proteins	48.25 %	4,060,000	2,101,092	1,958,908
AORTA-Pre-project	-	500,000	500,000	-
EU-iCulture	62.75 %	2,310,000	860,405	1,449,595
AORTA-R&D	-	2,475,161	2,475,161	-
EU SME-phase 2	-	19,645,220	19,645,220	-
Cellunor-R&D	44.07 %	16,000,000	8,949,062	7,050,938
RFF-Fucomed (project no. 2)	-	673,128	673,128	-
Hypomar Havpilot-Harvesting	-	4,500,000	4,500,000	-
Polyphenols-Extraction and identification	-	4,200,000	4,200,000	-
IN-Skudepilot ASM	-	1,900,000	1,900,000	-
Algefilm-Biomaterials packaging	-	12,600,000	10,660,652	-
ENOVA-Hypomar Ocean 1	-	14,460,000	14,460,000	-
PROTEUS	90.16 %	73,706,000	7,253,887	66,452,113
AILEEN	91.75 %	600,000	49,525	550,475
TOTAL GRANTS	36.02 %	230,861,988	145,757,685	83,164,955

NOTE 13 CONT.

GOVERNMENT GRANTS – STATE AID RULES

Under the state aid rules, it is as a general regulation prohibiting the government to provide state funding to support companies. However, support awarded in compliance with the EU state aid regulations are exempt from the general prohibition.

Government grants for development activities in Alginor ASA and/or the Group are provided in compliance with the exemptions of the state aid rules and the EU General Block Exemption Regulation for state aid. These rules stipulate what type of activities are eligible for funding, and which costs relating to these activities that may be recovered partly or in full, and the maximum aid intensity that may be granted for the various activities, see for example Article 25, 26 and 28 of the Block Exemption.

OUTLOOK AND EVENTS RELATED TO GOVERNMENT GRANTS

The majority of the Group's development efforts are financed through government grants. In 2025 the gross capitalised project expenditure amounts to NOK 56.4 million (82.3 million in 2024), whereof NOK 15.9 million (35.5 million in 2024) was financed through grants.

The **PROTEUS** flagship project started 1 May 2024, and it aims to launch the first fully integrated industrial biorefinery for brown seaweeds, targeting full utilisation of kelp biomass. Focusing on the establishment of advanced industry standards, the project seeks to scale up the sustainable production of bio-based ingredients to industrial manufacturing levels and contribute to environmental and EU climate objectives through the deployment of these products across key application sectors, including food, feed, personal care, and bio-based industrial markets. **PROTEUS** includes eleven partners within Europe and is funded by the Circular Bio-Based Europe Joint Undertaking with a €14.4 million budget over four years, including a €9.6 million grant.

The Group is currently behind schedule on **PROTEUS**. The Company is dependent on revising the project plan in order to be able to deliver within the overall project framework. A dialogue has been initiated with the relevant parties to achieve this; however, given the Company's

situation, there is a risk that the scope of the project may have to be scaled down when the revised plan is established.

The **iCulture** project started 1st September 2023 and will finalise after 4 years on 31 August 2027. The project is funded by the EU and includes 17 partners, focusing on the fermentation of seaweed and side streams from seaweed biorefinery, targeting high value products in medicine and cosmetics. The fermentation will be controlled utilising AI-driven tools. Alginor provides raw material as well as side-streams and performs hydrolysis into monosaccharide solutions. The fermentation trials are conducted by NTNU and upscaled by BASF. Alginor's budget is set to about NOK 3.0 million at 100% aid intensity.

The **ALEHOOP** project started 1 June 2020 and was concluded in 2025. Alginor is one of 16 project partners that will work together to demonstrate pilot scale recovery of low-cost dietary proteins from algae-based and plant residual biomass, to be extracted in sustainable macroalgae and legume-based biorefineries. Alginor's gross budget in **ALEHOOP** is NOK 5 million. NOK 4.06 million is funded by a grant from the EU.

The **Cellunor** project started in 2022 and was concluded in 2025. The project had a total budget of NOK 32 million, of which the Research Council of Norway funded NOK 16 million. The project explored cellulose extracted from *L. hyperborea*. The overarching goal was to develop optimised and cost-effective extraction methods of kelp-based cellulose ingredients, e.g., microcrystalline cellulose (MCC), nanocelluloses (NCC) and cellulose powders, for use in pharmaceutical and cosmetic products, e.g., for wound-healing and skin care. The total spending in project was lower than budgeted, which means Alginor must return approximately NOK 2 million of the received grants.

AILEEN is a sister-project of **iCulture**, utilising the same raw materials and side-streams supplied by Alginor, while NTNU conducts fermentation trials with additional strains, to expand the product portfolio. The project started on 1 December 2023 and will end after a 4-year period November 2027. **AILEEN** is supported by the Norwegian Research Council (NFR) where Alginor is granted NOK 0.6 million at 67 % aid intensity.

The **CIRCALGAE** project started 1 October 2022, and is scheduled to conclude 30 September 2026. Alginor is one of 21 project partners that will work together to valorise industrial algae

waste streams into high-value products. Alginor will lead work package 1 and provide assessments of phycocolloid-rich macroalgae harvesting and cultivation parameters and optimisation within biorefining. The extracted and purified fucoïdan in the project will be fully analysed and characterised in the laboratories of Alginor's subsidiary, Oewa. Cellunor's gross budget is NOK 7.5 million. NOK 5.3 million is funded by a grant from the EU.

GOVERNMENT GRANTS LIABILITIES

Alginor has received pre-financing of grants of approximately NOK 47.1 million related to EU projects. Pre-financing of grants remains the property of the EU until completion of the project.

If the amounts of earlier payments are greater than the final grant amount, the payment of the balance takes the form of a recovery. If the total amount of earlier payments is lower than the final grant amount, the remaining balance will be paid by the Agency within 90 days of receiving the final report.

The calculation of the final grant amount is contingent on approved costs from interim project reports.

RECONCILIATION OF LIABILITIES AND ASSETS

Amounts in NOK	2025	2024
Receivables	17,555,253	19,138,865
Prepayments	-47,086,467	-46,797,436
NET LIABILITIES	-29,531,214	-27,658,571

RELATED TO GRANTS FROM EU PROJECTS

Receivables related to government grants are included in Other Current Assets, which amount to NOK 17.6 million. Prepayments are classified under Other Non-Current Liabilities, totaling NOK 44.3 million. Additionally, Other Current Liabilities amount to NOK 2.8 million.

NOTE 14 LEASES

Applying IFRS 16, for all leases (except noted below), the Group:

For short-term leases (lease term of 12 months or less) and leases of low-value assets (which includes printers, tablets and personal computers, small items of office furniture and telephones), the Group has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within administration cost in profit or loss. These lease payments are immaterial and are not disclosed separately.

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position on 31 December 2025 is 7 %.

RIGHT-OF-USE ASSETS

Amounts in NOK	2025	2024
Right-of-use assets as of 1 January	3,318,886	1,423,468
Additions right-of-use assets	1,273,318	4,305,125
Depreciation of the year	2,912,754	2,409,707
RIGHT-OF-USE ASSETS AS OF 31 DECEMBER	1,679,450	3,318,886
Remaining lease term	2–6 years	2–6 years
Depreciation method	Linear	Linear

LEASING LIABILITY

Amounts in NOK	2025	2024
Leasing liability as of 1 January	3,461,089	1,468,837
Additions	1,599,415	4,305,125
Downpayment	3,093,485	2,312,873
LEASING LIABILITY AS OF 31 DECEMBER	1,967,019	3,461,089
Interest expense on lease liabilities recognised in profit and loss	67,674	313,235

DISCOUNTED LEASE LIABILITIES AND MATURITY OF CASH OUTFLOW

Amounts in NOK	2025	2024
< 1 year	1,952,721	2,386,473
1–2 years	14,298	1,060,318
2–3 years	-	14,298
3–4 years	-	-
4–5 years	-	-
> 5 years	-	-
TOTAL DISCOUNTED LEASE LIABILITIES AS OF 31 DECEMBER	1,967,019	3,461,089

UNDISCOUNTED LEASE LIABILITIES AND MATURITY OF CASH OUTFLOW

Amounts in NOK	2025
< 1 year	1,994,519
1–2 years	14,643
2–3 years	-
3–4 years	-
4–5 years	-
TOTAL DISCOUNTED LEASE LIABILITIES AS OF 31 DECEMBER	2,009,162

NOTE 15 ACCOUNTS PAYABLE

Amounts in NOK	2025	2024
Accounts payable	58,368,025	32,685,129

All material accounts payable are related to development projects and the F3 project.

NOTE 16 OTHER CURRENT LIABILITIES

Amounts in NOK	2025	2024
Accrued payroll expenses*	9,047,507	6,760,003
Other liabilities†	24,813,980	3,551,449
TOTAL OTHER CURRENT LIABILITIES AS OF 31 DECEMBER	33,861,487	10,311,452

* Accrued payroll expenses are mainly related to accrued salaries and vacation pay.

† Other liabilities are mainly related to prepayments and accrued expenses.

NOTE 17 GOING CONCERN

“The Group has experienced a challenging financial situation during the period, including pressure on liquidity and equity. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern.

In response, the board and management have implemented and are actively pursuing measures to improve the Group’s liquidity and financial position, including:

- Suspension of the F3 project and implementation of temporary layoffs to reduce the cost base
- A strategic shift towards the F2 (mothball) case, which is less capital intensive and forms the basis for continued shareholder support
- Sale of assets and equipment
- Negotiating deals with major suppliers on cost reduction and postponed payments
- Securing a commitment from existing shareholders for a NOK 100 million tap-on under the existing convertible loan agreement, of which:
 - NOK 50 million was received at the beginning of June
 - The remaining NOK 50 million is expected to be received at the end of June, subject to the terms and conditions of the agreement with the major shareholders
- Amendment of the terms in approximately NOK 296.9 million of the NOK 300 million convertible loan (including the new loan of NOK 100 million), to a subordinated and perpetual structure and classification as equity in the Company’s Net Asset Value (NAV) assessment.

The situation will continue to be monitored closely, seeking implementation of additional measures as required.

The Group is actively pursuing additional financing, including continued support from its major shareholders, with the aim to seek

support from the wider shareholder group, and discussions with potential external investors and strategic partners.

The board notes that according to current budgets and forecasts, successful execution of the Group’s long-term sustainable plans remains dependent on securing additional funding by the end of September 2026. While there is no guarantee that such funding will be obtained, the Board considers it probable, based on demonstrated shareholder support and ongoing constructive dialogue with potential funders.

Based on the measures implemented and the funding expected to be secured, the Board has a reasonable expectation that the Group will have sufficient liquidity to meet its obligations as they fall due for a period of at least 12 months from the balance sheet date. Accordingly, the financial statements have been prepared on a going concern basis.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

In accordance with section 2-2 (8) of the Norwegian Accounting Act (*Lov om årsregnskap m.v. av 17. juli 1998 nr. 56*) the board confirms that the going concern assumption remains appropriate. The financial statements provide a true and fair view of the Group’s assets, liabilities, financial position, and results. The assumption is, however, subject to uncertainty as the group will need additional financing. Further information regarding impairment, including related sensitivity analyses, is provided in [Note 19](#), [Note 7](#) and [Note 8](#).

Notwithstanding the above, the conditions described indicate the existence of material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. The financial statements do not include any adjustments that would result if the Group were unable to continue as a going concern.

NOTE 18 LEGAL MATTERS/ DISPUTES

The Group has not been involved in or been aware of any legal matters in 2025.

In the normal course of business, the Group will from time to time be involved in minor complaints with various parties that will have no material impact on the Group’s overall financial position.

NOTE 19 SUBSEQUENT EVENTS

The first half of 2026 proved to be a demanding period for the Group and required a series of difficult decisions to protect the Company and preserve liquidity. The principal events after the reporting period, and the measures taken in response, are set out below.

THE F3 PROJECT AND OPERATIONAL MEASURES

Work on completing the F3 facility continued through the first half of 2026. As the period progressed, however, it became clear that the Company was not currently able to secure the capital and liquidity needed to complete and commission F3. This was driven primarily by challenges related to raw-material availability and harvesting strategy, by the slower-than-expected development and commercialisation of the Group's products, and by F3 proving more costly than budgeted. The Group carries significant committed costs related to F3 and its suppliers, and the capital required to complete the facility has proven larger, and the timeline longer, than previously assumed. The Group has remained in ongoing dialogue with its suppliers regarding these commitments. It also became apparent that the remaining capital requirement was too large for the Company's principal existing shareholders to provide alone, and that bringing in a new investor would be necessary to take the Company forward.

To mitigate these issues, the Group continued the cost-reducing measures it had initiated in 2025. It sold several properties, closed the Oslo and UK offices, sold the plot originally designated for the F5 project for approximately NOK 3 million, relocated its resources to the Husøy industrial area, and significantly reduced its use of external consultants. The Group also carried out staff reductions as part of the adjustment to changed operations, affecting approximately 9 full-time equivalent positions; the financial effects of these reductions will not become apparent until August, owing to notice periods and salary obligations.

While these measures contributed positively, they were not sufficient to support continued execution of F3 in line with the original plan. In May 2026, the board therefore made the difficult decision to temporarily pause the F3 project in order to protect the Company, preserve liquidity and secure runway to raise new capital. This included the temporary layoff of many employees (approximately 26 full-time equivalents). While the Company and Group will continue to explore additional funding and measures to continue the F3, the immediate suspension was required to stabilise the situation and avoid further adverse effects for the Company and the Group. The Company is now directing its focus towards the F2 facility, using it to explore and develop opportunities for product development and commercialisation and to test and refine solutions for raw-material supply and harvesting.

The board maintains its plan to complete and commission the F3 project, but this is subject to the Group securing necessary financing.

In parallel, the Group will continue to pursue operational efficiencies, reduce its cost base and intensify the divestment of non-core assets. This includes the plots originally designated for the F4 project, which are listed for sale, intensified efforts to sell equipment and other items not critical to future operations, and consolidation of its supplier base around fewer, larger suppliers.

The changed circumstances also required significant impairments of the Group's assets, covering intangible assets, the F3 facility, the *Hypomar Ocean 1* harvesting vessel and others. The decision to pause F3, the revised outlook and the difficult liquidity situation were central inputs to the impairment assessment.

Notwithstanding these challenges, the Group has made significant technical progress in a short time by addressing the harvesting and raw-material supply challenges. Factory pilot tests on the drying of raw materials have shown positive results. Other pilot work indicates that the Group can capture value from the side streams of alginate production. Realising this potential will require further investment and capital, but the Board believes that these technical advances – particularly in the drying of raw materials and the utilisation of side streams – make the Company attractive to investors.

FINANCING AND LIQUIDITY

Developing and pursuing the revised strategy will require additional financing. The Company's largest shareholders have made available NOK 100 million in additional liquidity on subordinated terms under the Company's convertible loan frame. The loan is a subordinated loan, otherwise subject to the same terms and conditions as the convertible loan issued in 2025. In connection with the issuance of the new subordinated loan, the terms of the largest shareholders' share of the initial NOK 200 million convertible loan issued in 2025 were also amended so that their share of this loan is also classified as a subordinated loan. Other shareholders participating in the initial loan of NOK 200 million will also be invited to participate in the new NOK 100 million loan on the same terms as in the initial NOK 200 million loan.

Further capital will be required to pursue the F2 strategy, and a further increase will be needed to restart the F3 completion.

Continued operations throughout 2026 and going forward, will require additional financing, which is the Company's most pressing priority and which the Company is actively pursuing. The Company is working on financing solutions – for the F2 strategy, for its drying and harvesting solutions, for a restart of F3, or a single overall financing – and is in dialogue with a range of potential industrial, financial and other interested parties, including its major shareholders.

These processes have generated considerable interest. No financing has been secured or otherwise materialised as of the date of this report, but it is the board's current conclusion that it is likely that there are available measures for the Company to secure a long-term sustainable solution.

These matters are central to the assessment of the Group's ability to continue as a going concern; see [Note 17](#).

CHANGES TO THE MANAGEMENT TEAM

In April and May 2026, the Company also made changes to its management team.

After careful deliberation and at the request of his family, Steen Lund decided to resign from his position as CEO of Alginor ASA, continuing to contribute until the end of July. Herluf Nissen was appointed acting CEO from 1 May 2026 but owing to the materially changed situation following the F3 pause and the temporary layoffs, Mr Nissen and the Company mutually agreed not to make the position permanent. Steen Lund will continue to serve as Group CEO until the end of his tenure in July, and the Company will search for his successor.

The Company has also appointed Peer Lea as permanent CFO from 1 April 2026. Mr Lea joins from a partner role at Boston Consulting Group, and the Board is confident that his combination of financial expertise and strategic experience will be key assets in the Company's commercialisation and continued strategic development. Sven Sele, who has served as interim CFO since March of last year, will continue to support the Company in a consultant role.

Jon Efskind, Dr.Scient., also joined the management group, focusing on raw-material sourcing projects, associated public relations and technology management—all key initiatives in the Company's path to commercialisation. Mr Efskind brings 21 years of experience from the pharmaceutical industry, including R&D, scale-up and technology transfer at Xellia.

The Board would like to sincerely thank Mr Lund, Mr Nissen and Mr Sele for their contributions and efforts and wishes them all the best for the future.

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STATEMENT OF PROFIT AND LOSS

Amounts in NOK	Note	2025	2024
<i>Operating income and operating expenses</i>			
Revenue		-	-
Other operating income		2,980	164,359
OPERATING INCOME		2,980	164,359
Personnel expenses	2	-23,451,170	-11,400,391
Depreciation	5	-3,565,883	-3,115,681
Impairment	5	-166,449,825	-16,889,199
Other operating expenses	3	-34,820,110	-13,188,860
OPERATING EXPENSES		-228,286,989	-44,594,131
OPERATING PROFIT		-228,284,009	-44,429,772
<i>Financial income and expenses</i>			
Other interest income	12	6,536,072	7,539,438
Financial income	12	90,206	485,048
Impairment losses on financial assets	9	-693,547,421	-
Other interest expenses	12	-1,670,181	-1,813,504
Financial expenses	12	-194,080	-1,636,104
NET FINANCIAL INCOME AND EXPENSES		-688,785,403	4,574,878
RESULT BEFORE INCOME TAXES		-917,069,412	-39,854,895
Income taxes	4	-	-
PROFIT (LOSS) FOR THE PERIOD		-917,069,412	-39,854,895
<i>Transfers and allocations</i>			
Transferred from share premium reserve		-917,069,412	-39,854,895
PROFIT (LOSS) FOR THE PERIOD		-917,069,412	-39,854,895

STATEMENT OF FINANCIAL POSITION – ASSETS

Amounts in NOK	Note	2025	2024
<i>Intangible assets</i>			
Intangible assets under development	6	7,541,841	159,624,886
Concessions, patents, licences, trademarks	6	5,839,571	9,098,847
TOTAL INTANGIBLE ASSETS		13,381,412	168,723,733
<i>Property, plant and equipment</i>			
Land, buildings and other real estate	5	3,835,446	26,733,245
Machinery and equipment	5	1,215,549	4,675,534
TOTAL PROPERTY, PLANT AND EQUIPMENT		5,050,996	31,408,779
<i>Financial non-current assets</i>			
Investments in subsidiaries	9	165,312,053	270,050,000
Investments in shares		300,000	300,000
Other long-term receivables		392,510	733,944
TOTAL FINANCIAL NON-CURRENT ASSETS		166,004,563	271,083,944
TOTAL NON-CURRENT ASSETS		184,436,971	471,216,456
<i>Current assets</i>			
Accounts receivables	7	3,361,967	-
Receivables from group companies	7	494,658,888	210,375,782
Other short-term receivables	7	14,157,662	15,387,668
TOTAL RECEIVABLES		512,178,517	225,763,450
Cash and cash equivalents	8	144,234,999	251,468,868
TOTAL CURRENT ASSETS		656,413,516	477,232,318
TOTAL ASSETS		840,850,486	948,448,774

STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

Amounts in NOK	Note	2025	2024
<i>Equity</i>			
Share capital	10	47,152,976	32,152,976
TOTAL RESTRICTED EQUITY		47,152,976	32,152,976
Treasury stock		-7,200	-7,200
Share premium (reserve)		40,757,967	823,468,100
Other paid-in equity		12,629,541	12,629,541
TOTAL PAID-IN EQUITY		100,533,284	868,243,417
TOTAL EQUITY	11	100,533,284	868,243,417
<i>Liabilities</i>			
Liabilities to financial institutions	12	-	23,526,500
Convertible loans	12	100,000,002	-
Other non-current liabilities	11	11,161,082	12,101,533
TOTAL OF OTHER NON-CURRENT LIABILITIES		111,161,084	35,628,033
Short-term liabilities to financial institutions	12	648,544	676,221
Trade creditors		5,851,232	8,158,763
Public duties payable		2,547,816	3,031,068
Liabilities to group companies		608,469,047	23,800,116
Other current liabilities		11,639,480	8,911,156
TOTAL CURRENT LIABILITIES		629,156,118	44,577,324
TOTAL LIABILITIES		740,317,202	80,205,357
TOTAL EQUITY AND LIABILITIES		840,850,486	948,448,774

KARMØY, 23 JUNE 2026

THE BOARD OF DIRECTORS OF ALGINOR ASA

Signed

Wenche Kjølås
Chair

Signed

Gisle Løhre Johansen

Signed

Kristine Klaveness

Signed

Per Arthur Sørjie

Signed

Sten Stenersen

Signed

Steen Mylius Stricker Lund
CEO

STATEMENT OF CASH FLOW

Amounts in NOK	Note	2025	2024
<i>Cash flows from operating activities</i>			
RESULT BEFORE INCOME TAXES		-917,069,412	-39,854,895
Depreciation and amortisation	5	4,116,463	20,004,880
(Gain)/Loss on disposal of fixed assets		658,415	-
Impairment of fixed assets		859,997,246	-
Share warrant expense	2	-	574,316
Change in accounts receivable	7	-3,361,967	-
Change in accounts payable		-2,307,530	8,158,763
Change in other working capital items, including unrealised foreign exchange		-3,042,161	1,464,863
NET CASH FLOWS FROM OPERATING ACTIVITIES		-61,008,946	-9,652,073
<i>Cash flows used in investing activities</i>			
Sales of fixed assets	5	20,023,399	-
Investment in fixed assets	5	-	-1,332,189
Investment in intangible assets	6	-14,407,922	-116,810,898
Receipt of government grants	6, 11	11,718,597	23,880,760
Payments intercompany loans	7	-288,423,648	-97,502,930
NET CASH FLOWS USED IN INVESTING ACTIVITIES		-271,089,575	-191,765,257
<i>Cash flows from financing activities</i>			
Non-current liabilities obtained	11	99,059,551	-
Interest bearing liabilities obtained	12	-22,919,705	-
Payment of interest bearing liabilities	12	-634,472	-634,472
Repayment of intercompany liabilities		-	21,371,065
Equity issue		149,359,279	411,684,540
NET CASH FLOWS FROM FINANCING ACTIVITIES		224,864,653	432,421,133
NET CASH FLOWS FROM THE PERIOD		-107,233,868	231,003,802
Cash and cash equivalents at the beginning of the period		251,468,868	20,465,067
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		144,234,999	251,468,868

STATEMENT OF CHANGES IN EQUITY

Amounts in NOK	Share capital	Treasury stock	Share premium (reserve)	Other paid-in equity	Uncovered loss	Total equity
AS OF 1 JANUARY 2024	20,220,685	-7,200	463,570,746	12,055,225	-	495,839,456
Loss for the period	-	-	-	-	-39,854,895	-39,854,895
Reclassification of uncovered loss	-	-	-39,854,895	-	39,854,895	-
Capital increase	3,645,000	-	117,764,999	-	-	121,409,999
Capital increase expenses booked to equity	11,932,291	-	417,630,185	-	-	429,562,476
Treasury stock	-	-	-17,877,936	-	-	-17,877,936
Equity effect warrants	-	-	-	574,316	-	574,316
Share issue	-	-	-	-	-	-
AS OF 1 JANUARY 2025	32,152,976	-7,200	823,468,100	12,629,541	-	868,243,417
Loss for the period	-	-	-	-	-917,069,412	-917,069,412
Reclassification of uncovered loss	-	-	-917,069,412	-	917,069,412	-
Capital increase	15,000,000	-	135,000,000	-	-	150,000,000
Capital increase expenses booked to equity	-	-	-640,721	-	-	-640,721
Treasury stock	-	-	-	-	-	-
Equity effect warrants	-	-	-	-	-	-
Share issue	-	-	-	-	-	-
AS OF 31 DECEMBER 2025	47,152,976	-7,200	40,757,967	12,629,541	-	100,533,284

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NOTE 1 ACCOUNTING POLICIES

The company accounts are presented in accordance with NGAAP (Norwegian Generally Accepted Accounting Principles) and in compliance with the Norwegian Accounting Act and principles in the NRS (Norwegian Accounting Standards).

SUBSIDIARIES/ASSOCIATED COMPANIES

Subsidiaries are assessed pursuant to the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless write-downs have been necessary. Write-downs are made at fair value when impairment occurs due to causes that cannot be assumed to be transient and the write-down is considered necessary according to good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends and other distributions are recognised in the same year as they are deposited in the subsidiary. If dividend exceeds share of withheld result post purchase the excess portion represents repayment of invested capital, and the dividends are deducted from the value of the investment in the balance sheet.

CLASSIFICATION AND ASSESSMENT OF BALANCE SHEET ITEMS

Current assets and short-term liabilities are comprised of items that are due for payment within one year of the balance sheet date, as well as items that are tied to the product cycle. Other items are classified as fixed assets/long-term liabilities.

Current assets are valued at whichever is the lowest: the acquisition cost or the fair value. Short-term liabilities are recognised at a nominal amount when they are established/at the time they are established. Fixed assets are valued at acquisition cost but are written down to fair market value in the event of impairment that is not expected to be temporary. Fixed assets are depreciated over the economic lifetime.

Long-term liabilities are recognised at the nominal amount at the date they are established.

RECEIVABLES

Account receivables and other receivables are entered in the balance sheet at face value after deduction for provisions/allowances for expected losses. Provisions/Allowances for losses are made on the basis of individual assessments of the individual receivables.

In addition, unspecified provisions/allowances are made for other account receivables to cover expected losses.

RESEARCH AND DEVELOPMENT

Development costs are capitalised to the extent that a future financial advantage can be identified associated with the development of an identifiable intangible asset. Capitalised developments are depreciated linearly over the course of their economic lifespan.

INTANGIBLE ASSETS

Patents and technology that have a limited or exhaustive lifespan are capitalised at acquisition cost with deduction for depreciations.

GOVERNMENTAL/PUBLIC GRANTS

The company follows good accounting practice, NRS 4, with regard to accounting of government grants, meaning that the grants are booked for reduction of the accounting items to which they relate. Expenses in development projects are capitalised.

TAXES

The tax expense in the financial statements includes both the period's payable taxes and change in deferred taxes. Deferred taxes are calculated using a rate of 22 % based on the temporary differences that exist between accounting and tax values, as well as tax loss carryover at the end of the financial year. Temporary tax-increasing and tax-reducing differences that reverse or can reverse in the same period are equalised and netted.

Deferred tax assets are recognised in the balance sheet to the extent that it is probable that they can be utilised, and this is currently not capitalised for the sake of caution.

CASH FLOW STATEMENT

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments.

NOTE 2 PERSONNEL EXPENSES AND REMUNERATION

EMPLOYEE BENEFIT EXPENSES DURING THE YEAR

Amounts in NOK	2025	2024
Wages and salaries	30,940,024	31,227,362
Social security costs	4,003,130	4,707,482
Pension costs	3,189,591	2,827,114
Share-based payment*	-	655,295
Other personnel costs	10,304,189	313,913
Capitalised project expenses†	-25,831,181	-29,330,776
Board fee	845,417	1,000,000
TOTAL	23,451,170	11,400,391
Number of average full-time employees	36	36

* The personnel expense related to warrants is recognised over the vesting period.

† Reference made to Intangible Assets in Note 1.

Please see further information in [Note 4 Personnel expenses and remuneration on page 38](#).

REMUNERATION TO LEADING EMPLOYEES

Employees reporting directly to the CEO are defined as leading employees. Remuneration to leading employees consists of a fixed payment as well as a variable element, plus pension contribution and other remuneration in kind.

Leading employees' individual remuneration as of 2025 and 2024 is shown in the table below.

See [Note 4 Personnel expenses and remuneration on page 38](#) in the notes to the Consolidated Financial Statements for information regarding remuneration for the board of directors as well as shareholding and warrants for leading employees.

Amounts in NOK	Person	Position	2025		2024		Bonus	Total
			Consultancy fees	Salary	Benefits in kind	Pension contribution		
	Kjetil Rein*	CEO	-	3,633,942	3,295	138,536	456,000	4,231,773
	Martin Lersch†	CEO/COO	1,141,352	-	-	-	-	1,141,352
	Sten Stenersen‡	CEO	1,780,123	-	-	-	-	1,780,123
2025	Steen Mylius Stricker Lund§	CEO/COO	-	1,224,651	3,828	163,334	-	1,391,813
	Herluf Nissen¶	COO	1,202,364	-	-	-	-	1,202,364
	Haakon Farstadvoll**	CFO	-	583,951	1,831	84,738	-	670,519
	Sven Sele††	CFO	1,655,633	-	-	-	-	1,655,633
2024	Kjetil Rein	CEO	-	2,045,485	4,392	206,943	-	2,256,820
	Haakon Farstadvoll	CFO	-	1,308,958	7,892	167,788	-	1,484,638

* Kjetil Rein was replaced as CEO by Martin Lersch with effect from February 2025. He remained employed by the Company until the end of July 2025, with severance pay for one year from August 2025. The portion of the severance pay relating to 2026 has been accrued in the 2025 financial statements.

† Martin Lersch was hired in from Borregaard until June 2025, serving as CEO and/or COO.

‡ Sten Stenersen was hired in from Hatteland, serving as CEO from May to October 2025.

§ Steen M. S. Lund was employed as COO in May 2025 and succeeded Sten Stenersen as CEO from approximately mid-October 2025.

¶ Herluf Nissen was hired in as a senior consultant to support the construction of F3 from August 2025. He took over as COO after Steen M. S. Lund from mid-October 2025.

** Haakon Farstadvoll resigned in December 2024, with a notice period running until the end of April 2025.

†† Sven Sele has been hired in as CFO from Sveco Partners AS following Haakon Farstadvoll's departure in April 2025.

NOTE 3 OTHER OPERATING EXPENSES

OPERATING EXPENSES

Amounts in NOK	2025	2024
Office expenses	1,202,072	724,544
IT equipment and licenses	3,472,343	2,559,591
Consultant fees*	16,053,358	3,899,841
Capitalised project expenses	-120,538	-186,801
Other operating expenses	14,212,874	6,191,684
TOTAL OTHER OPERATING EXPENSES	34,820,110	13,188,860

* Fees to the elected auditor are included in consultant fees, reference is made to the table below.

EXPENSED AUDIT FEES

Amounts in NOK ex. VAT	2025	2024
Statutory audit	916,750	1,600,000
Other services*	533,250	1,518,650
TOTAL	1,450,000	3,118,650

* Other non-audit services, which are primarily related to technical assistance for accounting, amounted to NOK 1.4 million paid to EY.

NOTE 4 TAXES

THIS YEAR'S TAX EXPENSE

Amounts in NOK	2025	2024
<i>Taxable income</i>		
Ordinary result before tax	-917,069,412	-39,854,895
Permanent differences	693,640,070	-17,130,328
Changes in temporary differences	167,416,994	18,590,912
Allocation of loss to be brought forward	56,012,348	38,394,311
TAXABLE INCOME	-	-

DEFERRED TAX

Amounts in NOK	2025	2024
<i>Deferred tax relates to the following:</i>		
Fixed assets & intangibles	-192,696,853	-25,464,487
Accounts receivable	-9,276	-
Gain and loss account	-1,443,944	261,337
Other differences	-	-1,525,567
TOTAL TEMPORARY DIFFERENCES	-194,150,073	-26,728,717
Losses available for offsetting against future taxable income	-147,131,329	-91,118,982
Not included in the basis for deferred tax	341,281,402	117,847,697
BASIS FOR DEFERRED TAX	-	-
Deferred tax assets not recognised in the balance sheet	-	-

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

YEAR'S END 2025

Amounts in NOK	Land, buildings and other real estate	Machinery and equipment	Total
<i>Acquisition cost</i>			
ACQUISITION COST AS OF 1 JANUARY 2025	31,944,036	16,384,962	48,328,998
Additions	-	-	-
Reclassification	-	-	-
Disposal at cost	-26,558,401	-513,644	-27,072,045
ACQUISITION COST AS OF 31 DECEMBER 2025	5,385,635	15,871,318	21,256,953
<i>Depreciation</i>			
ACCUMULATED DEPRECIATION AS OF 1 JANUARY 2025	5,210,792	11,709,430	16,920,221
Depreciation	1,087,122	3,029,341	4,116,463
Impairment*	641,899	917,608	1,559,507
Depreciation on disposals	-5,389,622	-1,000,609	-6,390,231
ACCUMULATED DEPRECIATION AS OF 31 DECEMBER 2025	1,550,191	14,655,770	16,205,960
CARRYING AMOUNT AS OF 1 JANUARY 2025	26,733,244	4,675,532	31,408,776
CARRYING AMOUNT AS OF 31 DECEMBER 2025	3,835,446	1,215,549	5,050,996
Depreciation method	Linear	Linear	
Depreciation period	20–50 years	5 years	

* The impairment relates to various older assets that are either obsolete and/or no longer in use. Some of the equipment may be sold, but has nonetheless been written down to zero or to the estimated resale value in the secondary market where considered material.

DEPRECIATIONS

Amounts in NOK	2025	2024
Depreciation, PPE	4,116,463	3,989,508
Depreciation of assets used in development projects is booked against the project cost	550,580	873,827
DEPRECIATION AMOUNT RECOGNISED IN PROFIT AND LOSS	3,565,883	3,115,681

YEAR'S END 2024

Amounts in NOK	Land, buildings and other real estate	Machinery and equipment	Total
<i>Acquisition cost</i>			
ACQUISITION COST AS OF 1 JANUARY 2024	30,160,611	17,164,761	47,325,372
Additions	261,402	1,070,788	1,332,189
Reclassification	1,522,023	-1,850,587	-
Disposal at cost	-	-	-
ACQUISITION COST AS OF 31 DECEMBER 2024	31,944,036	16,384,962	48,328,998
<i>Depreciation</i>			
ACCUMULATED DEPRECIATION AS OF 1 JANUARY 2024	4,105,292	8,433,506	12,538,798
Depreciation	1,105,500	2,884,009	3,989,508
Impairment*	-	391,915	-
Depreciation on disposals	-	-	-
ACCUMULATED DEPRECIATION AS OF 31 DECEMBER 2024	5,210,792	11,709,430	16,920,221
CARRYING AMOUNT AS OF 1 JANUARY 2024	26,055,319	8,731,255	34,786,574
CARRYING AMOUNT AS OF 31 DECEMBER 2024	26,733,245	4,675,532	31,408,779
Depreciation method	Linear	Linear	
Depreciation period	20–50 years	5 years	

* The impairment relates to various older assets that are either obsolete and/or no longer in use. Some of the equipment may be sold, but has nonetheless been written down to zero or to the estimated resale value in the secondary market where considered material.

NOTE 6 INTANGIBLE ASSETS

YEAR'S END 2025

Amounts in NOK	Development projects	Patents	Total
OPENING NET BOOK AMOUNT 1 JANUARY 2025	159,624,886	9,098,847	168,723,733
Additions development projects	11,310,309	3,097,613	14,407,922
Additions regarding personnel cost used in development projects (Note 2)	-	-	-
Additions regarding depreciation of assets used in development projects (Note 5)	-	-	-
Reclassification	-	-	-
Grants recognised as a reduction to the assets	-4,859,923	-	-4,859,923
Amortisation charge	-	-	-
Impairment*	-158,533,429	-6,356,889	-164,890,318
31 DECEMBER 2025	7,541,841	5,839,571	13,381,412

* As part of the impairment assessment carried out as at 31 December 2025, essentially all of the Group's intangible assets were impaired. The impaired projects are still considered to hold value for the Group, but in light of the Group's current situation it was decided to impair them now. The ongoing EU-funded projects (principally PROTEUS), which are at the core of Alginor's development plans, have not been impaired. See Note 7 in the Consolidated Financial Statements for further details on the impairment assessment.

YEAR'S END 2024

Amounts in NOK	Development projects	Patents	Total
OPENING NET BOOK AMOUNT 1 JANUARY 2024	74,142,932	8,902,559	83,045,491
Additions development projects	84,250,884	3,229,237	87,480,121
Additions regarding personnel cost used in development projects (Note 2)	29,330,777	-	29,330,777
Additions regarding depreciation of assets used in development projects (Note 5)	873,827	-	873,827
Reclassification	328,563	-	328,563
Grants recognised as a reduction to the assets	-15,837,762	-	-15,837,762
Amortisation charge	-	-	-
Impairment*	-13,464,335	-3,032,949	-16,497,284
31 DECEMBER 2024	159,624,886	9,098,847	168,723,733

* As part of the Group's year-end closing for 2024, a comprehensive review of all intangible assets was undertaken. The review aimed to ensure that the asset base reflects only those items that are expected to generate future economic benefits. As a result of this process, assets and projects with no continuing strategic or commercial relevance were written down.

NOTE 7 ACCOUNTS RECEIVABLES AND OTHER SHORT-TERM RECEIVABLES

Amounts in NOK	2025	2024
Accounts receivables	3,361,967	-
Other short-term receivables*	14,157,662	15,387,668
Receivables from group companies	494,658,888	210,375,782
TOTAL	512,178,517	225,763,450

* Other short-term receivables are mainly related to governmental grants. The credit risk is classified as low as the grants are state-sponsored payments from The Research Council of Norway (RCN), Innovation Norway (IN), The Regional Research Fund (RRF), The European Innovation Council (EIC) and Eurostars (adminstrated by the RCN). The grants from the Norwegian authorities are guaranteed and financed from the Norwegian government. The EU grants are financed and guaranteed by the EU.

NOTE 8 CASH AND CASH EQUIVALENTS

Amounts in NOK	2025	2024
Cash at bank and in hand	143,846,604	250,844,592
Restricted cash	388,395	624,276
TOTAL	144,234,999	251,468,868

NOTE 9 INVESTMENTS IN SUBSIDIARIES

Shares in subsidiaries	Registered office	Ownership/voting rights	Cost	Book value
Alginor Biorefinery AS	Karmøy	100 %	425,050,000	44,791,536
Alginor Industrial Estate AS	Karmøy	100 %	326,540,000	103,033,023
Alginor Pharma Ingredients AS	Karmøy	100 %	27,309,474	44,199
Hypomar AS	Karmøy	100 %	64,940,000	14,094,078
Oewa AS	Haugesund	100 %	15,020,000	3,349,217
TOTAL			858,859,474	165,312,053

In 2025, the Company recognised an impairment loss of NOK 693.5 million on its investments in subsidiaries. Following this impairment, the investments are carried at the subsidiaries' share of equity. For further information, reference is made to impairment in [Note 7 Property, plant and equipment on page 41](#).

NOTE 10 SHARE CAPITAL

The share capital is NOK 47,152,976, consisting of 47,152,976 shares, each with par value of NOK 1.00. For further information please see [Note 12 Share capital on page 46](#).

NOTE 11 OTHER NON-CURRENT LIABILITIES

Amounts in NOK	2025	2024
Other non-current liabilities	11,161,082	12,101,533
TOTAL NON-CURRENT LIABILITIES	11,161,082	12,101,533

Other non-current liabilities correspond to advance payments from the EU, relating to development projects. For additional information, see [Note 13 Government grants on page 47](#).

NOTE 12 FINANCIAL LIABILITIES

Amounts in NOK	2025	2024
Long-term liabilities to financial institutions	-	23,526,500
Short-term liabilities to financial institutions	648,544	676,221
TOTAL	648,544	24,202,721

CONVERTIBLE LOAN

In 2025, the Company entered into a NOK 200 million convertible loan agreement with existing shareholders. The loan is structured in two tranches of NOK 100 million each, of which the first tranche was disbursed on 31 October 2025 and the second tranche on 9 February 2026. As of 31 December 2025, only the first tranche of NOK 100 million has been disbursed and recognised in the financial statements at nominal value.

The loan does not bear interest until maturity on 31 December 2027, at which time it may either be repaid in cash or converted into shares at a fixed conversion price of NOK 10 per share.

FINANCIAL ITEMS

FINANCE INCOME

Amounts in NOK	2025	2024
Other interest income*	6,536,072	7,539,438
TOTAL INTEREST INCOME	6,536,072	7,539,438
Foreign exchange gain	90,206	485,048
Other financial income†	-	-
TOTAL FINANCE INCOME	90,206	485,048

* Bank interests from deposited amount.

† Other financial income relates to corporate contributions.

FINANCE EXPENSES

Amounts in NOK	2025	2024
Interest on debts and borrowings*	1,589,181	1,743,868
Other interest expenses	81,000	69,636
TOTAL INTEREST EXPENSES	1,670,181	1,813,504
Foreign exchange loss	194,080	1,636,104
Other financial expenses	-	-
TOTAL FINANCE EXPENSES	194,080	1,636,104

* Payment of interest to Haugesund Sparebank.

NOTE 13 TRANSACTIONS WITH RELATED PARTIES

Related parties as defined in IAS 24 are those legal entities, persons and close members of their family that are able to exert influence on Alginor ASA or its subsidiaries. Related parties also include corporate officers of Alginor ASA whose compensation is reported in [Note 2 Personnel expenses and remuneration on page 59](#).

Amounts in NOK ex. VAT	Sale of goods and services		Purchase of goods and services		Receivables*		Liabilities†	
	2025	2024	2025	2024	2025	2024	2025	2024
Zirconia AS‡	N/A	50,000	N/A	947,470	N/A	-	N/A	-
Borregaard AS§	-	70,000	1,940,278	742,259	-	-	1,196,499	185,000
Oewa AS	-	-	456,376	-	5,155,513	10,427,224	-	-
Hypomar AS	132,185	-	-	-	57,744,028	46,697,696	20,000,000	-
Alginor Biorefinery AS	8,672,624	-	268,466	-	279,796,734	37,757,690	350,000,000	-
Alginor Pharma Ingredients AS	117,640	-	-	-	17,789,113	18,598,949	17,309,474	-
Alginor Industrial Estate AS	-	-	64,681	-	-	-	19,650,385	23,800,204
Husøyvegen 276 AS	-	-	-	-	840,283	800,283	-	-
Husøyvegen 281 AS	-	-	-	-	132,852,368	95,748,941	200,000,000	-
Stutøy 1 AS	-	-	-	-	244,975	185,000	500,000	-
Stutøy 2 AS	-	-	-	-	98,375	70,000	500,000	-
Stutøy 3 AS	-	-	-	-	137,500	90,000	500,000	-

* Receivables from subsidiaries largely relate to loans provided to subsidiaries to fund their operations and investments.

† Liabilities to subsidiaries as at year-end 2025 primarily relate to group contributions without tax effect provided to subsidiaries to settle intercompany balances and strengthen their balance sheets following significant impairments recognised in 2025.

‡ Controlled by Thorleif Thormodsen, the Chair until March 2024.

§ Borregaard has provided access to its BioDemo biorefinery facilities, analytical services and services related to intellectual property rights and patent management during 2025. See also [Note 2](#) regarding key personnel hired in from Borregaard.

NOTE 14 SUBSEQUENT EVENTS

For information, see [Note 19 Subsequent events on page 54](#).

NOTE 15 MATERIAL UNCERTAINTY TO GOING CONCERN

For information please see [Note 17 Going concern on page 53](#).

THE BOARD'S RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge that:

The consolidated financial statements for 2025 have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU, as well as additional information requirements in accordance with the Norwegian Accounting Act, and that the financial statements for the parent company for 2025 have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway, and that the information presented in the financial statements gives a true and fair view of the Company's and the Group's assets, liabilities, financial position and results for the period viewed in their entirety, and that the Board of Directors' report gives a true and fair view of the development, performance and financial position of the Company and the Group, and includes a description of the material risks that the Board of Directors, at the time of this report, deem might have a significant impact on the financial performance of the Group.

KARMØY, 23 JUNE 2026

THE BOARD OF DIRECTORS OF ALGINOR ASA

Signed

Wenche Kjøllås
Chair

Signed

Gisle Løhre Johansen

Signed

Kristine Klaveness

Signed

Per Arthur Sørli

Signed

Sten Stenersen

Signed

Steen Mylius Stricker Lund
CEO

ADDITIONAL INFORMATION

INDEPENDENT AUDITOR'S REPORT

 **Cedra** Revisorer, rådgivere & advokater
To the General Meeting of Alginor ASA

Cedra Norge AS
Smedasundet 77
Postboks 528
5528 Haugesund, Norge
Tlf: +47 322 64 100

Independent Auditor's Report

Opinion

We have audited the financial statements of Alginor ASA, which comprise:

- the financial statements of the parent company Alginor ASA (the Company), which comprise the balance sheet as at 31 December 2025, the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Alginor ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 17 in the Group financial statements, which describes the Group's financial situation, including pressure on liquidity and equity, and management's plans to address these matters. As stated in Note 17, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Cedra Norge AS
Registrert i Foretaksregisteret
Medlem av Den norske Revisorforening
Organisasjonsnummer: 935 416 779



Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.



- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Haugesund, 30 June 2026
Cedra Norge AS



Willy Hauge

State Authorised Public Accountant

TERMS AND ABBREVIATIONS

AI	Artificial Intelligence	FMV	Fitjar Mekaniske Verksted AS
API	Active Pharmaceutical Ingredient	GHG	Greenhouse gas
AS	<i>Aksjeselskap</i> (limited company)	IAS	International Accounting Standards
ASA	<i>Allmennaksjeselskap</i> (public company)	IFRS	International Financial Reporting Standards
BBI JU	Bio-Based Industries Joint Undertaking	IMR	Institute of Marine Research
BIC	Bio-based Industries Consortium	ISO	International Organization for Standardization
BREEAM	Building Research Establishment Environmental Assessment Method	MPM	Management-defined Performance Measures
CAPEX	CAPital EXpenditure	NOK	Norwegian kroner
CEO	Chief Executive Officer	NRS 4	<i>Norsk Regnskapsstiftelse – Offentlige tilskudd</i>
CEP	Certificate of suitability to the monographs of the European Pharmacopoeia	NS-EN	Norwegian adopted European standard
CFO	Chief Financial Officer	NTNU	Norwegian University of Science and Technology
cGMP	current Good Manufacturing Practice	P&L	Profit and Loss
COO	Chief Operating Officer	R&D	Research and Development
DCF	Discounted Cash Flow	RCN	The Research Council of Norway (<i>Forskningsrådet</i>)
EPC	Engineering, Procurement, Commissioning	SME	Small and medium-sized enterprise
EU	European Union	SST	Social Security Tax
FVLCD	Fair value less costs of disposal	ViU	Value-in-Use



**ANNUAL REPORT
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