

# Standalone Annual Report 2025



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Cover image: Borealis Borstar® plant in Stenungsund, Sweden

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# Standalone Financial Report

# Management Report

## as of December 31, 2025

### Safety Performance

For Borealis Group, the Total Recordable Injuries (TRI) rate per million working hours of 3.8 reported for the end of 2025 is in line with the previous year's performance (3.8) for the same period. After a poor start in the first quarter, performance was average in the next two quarters, and further improved in the fourth quarter. Notable is this year's significantly better performance at Borealis' Base Chemicals and virgin Polyolefin assets. However, overall performance was negatively impacted by an increase in the number of lower severity incidents (such as slips, trips, falls, and minor hand injuries) in Kallo (Belgium, construction of propane dehydrogenation (PDH) plant). Improvement was noted in most small assets thanks to targeted improvement activities. The Group's remote compounding assets continue to require targeted intervention to improve safety culture and performance.

In 2025, Borealis Group continued to strive toward industry leadership in safety performance, with specific focus on the prevention of serious injuries and fatalities (SIFs), for which new KPIs were introduced in this year. Because the mechanisms used to prevent potential SIFs are different from those applied to the prevention of incidents of lower severity, additional KPIs will be formally introduced in 2026 to embed this aim as a focus across the organization. A welcome improvement in 2025 was the significant increase in proactive reporting of potentially serious incidents and fatalities (pSIFs); knowing where such incidents may occur allows for specific interventions based on actual experience and trends. Site-specific plans for high-risk activities (working at heights, with machinery, on scaffolding, in or around transportation vehicles) continue to be priorities. A new KPI for pSIFs will also be formally introduced in 2026.

All Borealis locations are equipped with operational safety centers dedicated to providing meaningful safety training to employees and contractors during induction, including instruction in the "Life Saving Rules" approach. The "B-Safe" program emphasizes the important role each individual has to play on the ground, in their own workplace, in reducing risk, making ongoing improvements, and remaining vigilant at all times.

While there were no major process safety incidents in 2025, there has, however, been an increase in process safety events with potentially higher severity since 2024. For this reason, and after analysis of near-miss and no-impact events which have occurred since 2023, Borealis has developed a "Back-to-Basics Plan." This safety program is dedicated to improving process safety at high-risk assets (integrated base chemicals and polyolefin production locations) and emphasizes safety leadership, operational and maintenance discipline, and safe isolation practices.

As of December 31, 2025, the Group employed 6,184 employees. Of these, 4,751 were male and 1,433 were female; no employees were reported in other or undisclosed gender categories. The workforce consists predominantly of permanent and full-time employees. Employees are mainly located in Europe, with the largest numbers in Austria, Belgium, Sweden, and Finland. Employee turnover amounted to 11% in the reporting period.

The Group focuses on structured performance management and continuous skills development. In 2024, 82% of employees took part in regular performance and career development reviews. In 2025, the average number of training hours per employee amounted to 24 hours, unchanged from 2024. Training volumes differ by employee category, reflecting varying role requirements.

Employment conditions comply with local legal requirements and are supplemented by social benefits.

### Business Overview

In the midst of geopolitical crises and trade strife, Brent crude oil prices in 2025 were volatile. The average price of USD 68/bbl was significantly lower than 2024's USD 80/bbl. Overall, temporary price spikes were driven by ongoing geopolitical discord. Feeble demand was met by excess supply, the latter due primarily to OPEC+ output hikes which ensued after supply restrictions in place since 2023 were eased. Prices hit an early peak in January at USD 78/bbl, declined steadily from there on, and bottomed out in May at USD 64/bbl. Even though prices rebounded slightly at mid-year, as several geopolitical conflicts flared, they continued to drop during the third quarter, with October levels nearly as low as May's. The ramping up of new, non-OPEC supply in a stubbornly weak demand environment saw prices soften to the low USD 60/bbl range in the fourth quarter.

Naphtha prices followed a similar trajectory as crude oil, rising from USD 612/metric ton (t) in December 2024 to a 2025 peak of USD 654/t in February, before dropping gradually to USD 545/t in May. In the summer, price gains corresponded to crude, but were limited due to seasonal refinery blending constraints along with weak demand from steam crackers. Persistent demand weakness and softer crude prices saw naphtha prices fall steadily throughout the third and fourth quarters before finishing out the year at USD 505/t.

Ethylene and propylene markets reflected upstream trends, but were shaped by specific supply dynamics and weak downstream demand. Ethylene climbed from EUR 1,205/t in January to EUR 1,260/t in March, supported by tightening supply from planned and unplanned outages. Prices subsequently returned to EUR 1,205/t in April as cracker units came back online, but as demand remained soft, they fell in May to EUR 1,135/t. Ethylene prices softened steadily throughout the year, in line with the naphtha trend and weak supply/demand balances rolled over from November and ended the year at EUR 1,105/t. Propylene prices rose from EUR 1,075/t in January to EUR 1,135/t in March on the back of tight supply and modest restocking. Cheaper naphtha and weak market fundamentals, combined with persistent uncertainty around trade flows and global demand, caused prices to slump in April to EUR 1,080/t and to EUR 1,015/t in May. Prices then remained relatively stable until October before rolling over in December from November levels and ending the year at EUR 980/t.

The European polyolefins market remained subdued, weighed down by weak macroeconomic sentiment, policy uncertainty, and cautious buying behavior. Overall, the level of demand remained relatively unchanged versus 2024: stable yet anemic, due in part to persistent cost-of-living concerns. Import pressure remained high, particularly for polyethylene (PE), which is traded more extensively on the global market than polypropylene (PP). In Europe, PE plant operating rates remained weak at 74% but improved year-on-year, supported by capacity rationalization of around 7%. European PP operating rates, despite an approximate 3% capacity rationalization, weakened year-on-year by 1% to 81%. This was due to poor profitability, outages, and weak export demand.

## Expansion and Transformation

As announced on March 3, 2025, OMV and ADNOC signed a binding agreement to combine Borealis and Borouge into Borouge Group International (BGI). The two partners also agreed to acquire Nova Chemicals, a North America-based polyolefins producer. The combination and acquisition, respectively, are expected to be finalized concurrently in the first quarter of 2026, pending regulatory and other approvals. BGI headquarters will be in Vienna (Austria), with regional headquarters in the UAE and corporate hubs in Canada, the US, and Singapore. Once formed, BGI will be the fourth-largest polyolefins platform in the world, with equal shareholdings for OMV and ADNOC. In preparation to the setup of BGI, Borealis Group sold its share in Borouge 4 to OMV and ADNOC in October 2025 and signed an agreement to sell its shares in Borouge PLC and Borouge Pte to BGI closer to the date of transaction in 2026.

In Belgium, construction on the world-scale PDH plant at existing production facilities in Kallo has reached a greenfield construction and pre-commissioning completion rate of over 97%. The final remaining construction activities involve insulation and commissioning. Plant start-up is planned for the second half of 2026. In mid-December, Borealis announced that a settlement had been reached with the IREM Group in the matter of termination of contracts in 2022 for construction work carried out on the Kallo site. The terms bring the arbitration proceedings to a close and allow Borealis to maintain its position that the termination of contracts was in accordance with contractual provisions and applicable law.

In line with its strategic commitment to enabling sustainability, Borealis has made substantial investments in its other European assets. Over EUR 100 million has been invested in its production location in Burghausen (Germany). The investment includes a new production line which will triple the plant's capacity to deliver Daploy™, an innovative high melt strength polypropylene (HMS PP) foamable solution designed for recyclability. Start-up is expected for the latter half of 2026. In Schwechat (Austria), EUR 100 million is also being invested in a new PP compounding line. With start-up planned for the second half of 2026, the new line will bolster production of specialty compounds designed to be durable, heat resistant, and/or lightweight.

## Divestments

In April, Borealis GmbH reached an agreement to sell its 100% stake in mtm compact GmbH, based in Fürstenwalde (Germany), to SEPA Engineering GmbH, based in Vienna. The transaction was closed at the end of May 2025. The divestment of mtm compact, which processes end-of-life mixed post-consumer plastic waste for incineration in steel plants, was due to lack of alignment with the current Borealis strategic focus.

In preparation of the Borouge Group International setup, Borealis Group sold its 40% stake in Borouge 4 expansion project. The shares have been transferred to its shareholders, OMV and ADNOC in October 2025. In December 2025 Borealis Group and BGI signed an agreement for the acquisition of Borealis' shares in Borouge PLC and Borouge Pte. The closing of the transaction has not yet been completed and is expected for the first quarter in 2026.

## Circular Economy

Borealis tailors solutions from its broad portfolio of advanced circular polyolefins to meet the specialized requirements of its partners along the entire plastic value chain. Proprietary solutions in the circular sphere include recycled and renewable-based polymers in the Borcycle™ and Bornewables™ grade portfolios, and the renewable hydrocarbons in the Borvida™ family of base chemicals.

In December, Borealis and Borouge announced the launch of Recleo™, a global brand which unites in one portfolio a wide range of cost-efficient solutions for post-industrial recycled (PIR) and post-consumer recycled (PCR) materials. The polyolefins and compounds in the Recleo portfolio complement those in the Borcycle™ M portfolio of advanced mechanically recycled polyolefins, thus expanding the already versatile range of solutions which can help customers meet sustainability and regulatory targets in diverse sectors.

Borealis and its customers made meaningful progress toward plastics circularity in 2025. Customer-centric endeavors minimized carbon footprints, increased the share of recycled and/or renewable content in products, reduced plastic waste, and met regulatory requirements, among other beneficial effects. Recent project highlights include solutions for the automotive industry (Borcycle™ M grades for a leading manufacturer's premium SUV); healthcare (Bornewables™ ISCC PLUS-certified renewable PP for filtration devices); packaging (foamable PP created in the ReOil® chemical recycling process for reusable drinking cups, as well as the Bornewables™ version of ethylene vinyl acetate used with Queo™ plastomers for synthetic bottle corks); and apparel (low-carbon feedstock made using captured CO<sub>2</sub> to make foam for intimate apparel).

Borealis Group also continued to develop its existing assets. The successful conversion from recycled low density polyethylene (LDPE) to recycled PP took place at Integra, the mechanical recycling plant in Bulgaria acquired in 2024. Installation of a new compounding line powered by the Borcycle™ M technology was completed in Beringen (Belgium). Designed to process a wide range of recyclate flakes, the now fully-operational line produces high-quality polyolefin-based solutions containing recyclate. Since 2025, Borealis has produced PCR and PIR compound grades at Rialti S.p.A. (Italy), a leading PP compounder of recyclates acquired in 2023. These grades enable Borealis to offer its customers cost-effective alternatives to virgin materials.

Chemical recycling supplements mechanical recycling because it can be used to create circular solutions for the most demanding of applications, such as food-grade packaging materials and those governed by the EU Packaging and Packaging Waste Regulation (PPWR) directive. Borealis sources the feedstock used to make its ISCC-Plus certified Borcycle™ C grades from multiple sources, including the OMV ReOil plant and the Renasci N.V. plant in Belgium.

A strategic partnership with BlueAlp, a Netherlands-based chemical recycling technology leader, was announced in December 2025. As a reflection of the company's evolving engagement in the chemical recycling value chain, Borealis Group will transfer the majority of its shares in Renasci N.V. to BlueAlp while acquiring a 10% stake in it. This ensures the acceleration of scale-up and growth for BlueAlp, while also bolstering its licensing proposition.

### **Technological Innovation**

As a pillar of the strong Borealis foundation, innovation drives transformation in all business endeavors. The recently updated We4Customers corporate strategy now places Borealis Innovation under the direct supervision of the Borealis CEO. Continuous activity and investment in research and development (R&D) is essential to deliver on the corporate mission of "Reinventing Essentials for Sustainable Living." Borealis is steadily expanding its offer of advanced specialty polyolefins in order to capitalize on promising market opportunities in lucrative niche applications in renewable energy, mobility, healthcare, consumer packaging, and the circular sphere. In line with the customer-centric strategy, much research takes place in tandem with customers and partners. To name but one example of constructive cooperation:

the new recycled PP compounding line in Beringen serves as a collaborative platform for co-development and testing of recycled plastics, thus facilitating their incorporation in high-value applications.

Polymer solutions based on proprietary technologies such as Borstar® and Borstar® Nextension Technology, and on technology brands like Borlink™, form the base of material solutions which help the industry address urgent societal and environmental issues such as decarbonization, the greenenergy transition, and waste reduction. Several such breakthroughs were showcased at the K Fair trade show in October. First, the groundbreaking Borstar® Nextension PE technology, which delivers superior performance and processability, and facilitates downgauging. It encourages design for recyclability by enabling the replacement of conventional multimaterial solutions with monomaterial ones. Three grades based on Borstar® Nextension PP were also relaunched: BorPure™ RE539MF, BorPure™ RB787MF, and Borealis HG485FB, each of which moves the healthcare industry closer to doing its part to hit the PPWR target of 100% recyclable packaging by 2030. In energy, the newly-launched, three-layer cast polypropylene concept for polymer-aluminum laminate for lithium-ion battery pouch cells ensures safety, durability, and efficient processing.

Borealis is stepping up its use of artificial intelligence (AI) and modeling in R&D and innovation, for example in polymer prediction. As announced in December, Borealis has commenced the global rollout of its AI-powered Borstar® Digital Twin program. Combining predictive analytics, real-time optimization, and process modeling, this innovative platform maximizes efficiency, reduces downtime, and ensures top product quality. Its launch signals the next phase of embedding cutting-edge digital technologies in core production processes.

At Borealis Group, innovation is global in scope. More than 500 people are employed in one of three innovation hubs: innovation centers in Porvoo (Finland) and Stenungsund (Sweden), and the main Innovation Headquarters in Linz (Austria), where researchers recently spearheaded a breakthrough innovation in design for recyclability with Daploy™ High Melt Strength polypropylene (HMS PP). Borealis also operates Borstar pilot plants for PE in Porvoo, and for PP in both Porvoo and Schwechat (Austria). Catalyst manufacturing plants in Linz and Porvoo are augmented by a pilot facility in Porvoo.

Consistently ranked among top Austrian innovators in the European Patent Index, Borealis Group continues to build on its large patent portfolio. In 2025, Borealis Group filed 115 new priority applications at the European Patent Office, versus 121 filed in 2024. As of December 2025, Borealis Group holds around 7,400 patents as well as approximately 3,200 patent applications which are subsumed in around 1,500 patent families.

### **Digital Transformation**

To drive digital excellence across Borealis, the company's digital strategy recently became a cornerstone of the greater We4Customers strategy. The overarching aim is to embed digital capabilities across the value chain in alignment with the strategy's four interlocking areas of focus: assuring peace of mind, fostering sustainability, driving efficiency, and delivering innovative solutions. Digital resilience is to be developed in each of these focus areas using value-based, actionable initiatives in business units and business groups. Because transformation is powered by its people, Borealis has invested in AI literacy programs, digital citizenship development initiatives, and a "Digital Workforce" model which aims to equip employees with future-ready skills, and encourage the responsible use of digital technologies.

Moreover, structured programs such as Innovation Academy foster creativity and accelerate time-to-market for new solutions, thus consolidating efforts to remain a leader in plastics circularity while at the same time enhancing operational efficiency.

Under the corporate motto, “AI Everywhere: From Vision to Impact,” AI is being embedded ever more deeply into core processes so as to unlock measurable business value. Over 100 AI use cases have been identified and prioritized across operations, supply chains, in customer engagement, and in sustainability-related endeavors. Benefits already delivered include cost optimization, improved decision-making processes, and enhanced productivity. Good governance is a central tenet of “AI Everywhere”: Borealis complies with the EU’s AI Act, and upholds the principles of responsible AI, including transparency, fairness, and privacy. Keeping humans in the loop ensures the ethical and accountable deployment of AI.

In 2025, Borealis further strengthened its cybersecurity posture, achieving a maturity score that significantly exceeds global industry benchmarks. This progress reflects our ongoing commitment to best practices, continuous improvement, and robust protection of our digital operations contributing to a year free of major incidents.

## Energy and Climate

Like all major industrial sectors, the chemical industry must lower greenhouse gas (GHG) emissions in both their own operations and in their value chains, while at the same time continuing to drive global economic growth and societal wellbeing.

As one of four focus areas in the updated Borealis strategy, “Enabling Sustainability” represents its dedication to reducing direct and indirect GHG emissions, and guides efforts to mitigate climate change in an effective way.<sup>1</sup> Borealis aims to reduce its GHG Scope 1 and Scope 2 emissions by 18% to 2 million metric tons/year by 2030 (from a 2019 baseline), even when taking into account increased emissions originating as of 2026 upon the start-up of the new PDH plant in Kallo. Overall, Borealis plans to reduce its GHG intensity (based on combined Scope 1, 2, and 3) by 24% by the year 2030. The persistently challenging market environment will, however, require Borealis to periodically reassess its individual projects and activities as to their commercial feasibility.

Key decarbonization levers include implementing energy efficiency projects at Borealis production locations, and sourcing a higher share of renewable energy for own operations. By the end of 2025, Borealis was halfway to its 2030 goal of using 100% renewable electricity at its Polyolefins and Base Chemical production locations in Europe. Long-term power purchase agreements (PPA) signed with renewable energy providers are hastening the transition. In January, Borealis signed another in a long list of PPAs (with Belgian renewables provider Aspiravi) to supply an annual 120 gigawatt hours (GWh) of renewable wind energy to operations in Belgium starting in 2026.

To address the Scope 3 emissions originating in the value chain, which contribute significantly to the company’s carbon footprint, Borealis developed in 2025 a GHG Scope 3 roadmap that identifies key emissions contributors. The highest potential for emissions reduction include lowering suppliers’ own monomer and feedstock emissions; increasing suppliers’ use of green energy sources in converting Borealis products; ramping up the share of circular volumes

<sup>1</sup> Borealis labels and calculates emissions within the framework of the Greenhouse Gas Protocol: direct GHG emissions (Scope 1); electricity indirect GHG emissions, from purchased energy (Scope 2); and other indirect GHG emissions (Scope 3).

placed on the market; and exerting the company's leverage to promote climate change mitigation with its joint ventures outside of Europe, Borouge and Baystar.

In 2025, total energy consumption amounted to approximately 12.1 million MWh, reflecting the energy requirements of the Group's production processes. The energy mix continued to be dominated by fossil sources; however, the share of renewable energy rose to 15% in 2025, reflecting an increase of 2 percentage points compared to the prior year, while overall energy intensity improved to 1,589 MWh per EUR million of net revenue (1,619 MWh/M€).

Water consumption metrics were established in 2025, marking the first year of comprehensive Group wide reporting. Total water consumption amounted to 2.7 million m<sup>3</sup>, with 1.9 million m<sup>3</sup> relating to sites located in areas at water risk, including areas of high water stress. Water reuse and recycling accounted for 0.1 million m<sup>3</sup>. These figures provide a starting point for future monitoring and management of water related impacts.

Climate related emissions from the Group's own operations declined in 2025, with Scope 1 emissions decreasing to 1.54 Mt CO<sub>2</sub>e (60 Mt CO<sub>2</sub>e).

Combined Scope 1 and market based Scope 2 emissions, which include direct emissions from the Group's sites and indirect emissions from purchased electricity, steam and heat based on contractual sourcing, declined to 2.21 Mt CO<sub>2</sub>e, representing a decrease of 0.25 Mt CO<sub>2</sub>e compared with the prior period.

In contrast, Scope 3 emissions increased to 63.7 Mt CO<sub>2</sub>e (52.1 Mt CO<sub>2</sub>e), reflecting higher emissions across several Scope 3 categories, including purchased goods and services, processing, use and end of life treatment of sold products.

Despite this increase, GHG emission intensity from the Group's own operations (Scope 1 and market based Scope 2) improved compared with the prior year, decreasing to 0.291 kg CO<sub>2</sub>e/EUR by 0.022 kg CO<sub>2</sub>e/EUR compared with the prior period.

### **Financial Performance**

In 2025, Borealis GmbH net profit fell to EUR 44 million from the EUR 530 million reported in 2024. Multiple macroeconomic factors contributing to the decline were, including continued market volatility, stubborn inflation, tariff uncertainty, and elevated energy costs, particularly in Europe. More specific factors which led to Borealis GmbHs weaker financial performance include the impairment of financial assets, and the decline of European monomer prices, which led to inventory devaluation and elevated variable costs. However, despite the many challenges, business performance was robust in both Base Chemicals and Polyolefins, with the latter charting a 5.4% increase in sales volumes versus the previous year; on top of an already strong volume increase in 2024. Borealis successfully navigated a challenging market environment by focusing on reducing fixed costs as well as administrative and other expenses.

## KPI Overview of Borealis GmbH

|                                                                                      | 2025<br>EUR thousand | 2024<br>EUR thousand |
|--------------------------------------------------------------------------------------|----------------------|----------------------|
| Cash flow from operating activities                                                  | 268,990              | 151,236              |
| Cash flow from investing activities                                                  | 1,005,707            | 318,974              |
| Cash flow from financing activities                                                  | -1,720,222           | -1,394,904           |
| <b>Net cash flow for the period</b>                                                  | <b>-445,525</b>      | <b>-924,694</b>      |
| Cash and cash equivalents (including internal bank <sup>1)</sup> ) as of January 1   | 900,065              | 1,824,759            |
| Cash and cash equivalents (including internal bank <sup>1)</sup> ) as of December 31 | 454,540              | 900,065              |
| Change in cash and cash equivalents (including internal bank <sup>1)</sup> )         | -445,525             | -924,694             |

1) included in financial statement caption "Accounts payable to affiliated companies"

|                                                         | 2025     | 2024     |
|---------------------------------------------------------|----------|----------|
| Equity ratio <sup>2)</sup>                              | 32.8%    | 83.5%    |
| Net Debt <sup>3)</sup>                                  | -239,005 | -368,406 |
| Return on equity <sup>4)</sup>                          | 1.0%     | 4.1%     |
| EBIT (in EUR thousand) <sup>5)</sup>                    | -136,694 | 526,322  |
| Return On Average Capital Employed (ROCE) <sup>6)</sup> | 0.4%     | 3.8%     |
| Gearing ratio <sup>7)</sup>                             | 2.4%     | 2.3%     |

2) Equity divided by Total assets // 3) Interest-bearing debt – cash and cash equivalents // 4) Net income divided by Total equity // 5) Net income + Taxes on income + Interests and similar expenses + Other interest and similar income // 6) Net income + net interest related to financing – tax effect divided by average capital employed (equity + net debt) // 7) Interest-bearing debt – cash and cash equivalents, divided by total equity

Borealis GmbHs net debt decreased from EUR 368 million in 2024 to EUR 239 million in 2025. The reduction primarily reflects an improvement in working capital following the implementation of We4Customers measures, the repayment of the Borouge 4 shareholder loan of EUR 627 million in connection with the asset disposal prior to the formation of Borouge Group International (BGI), dividend income from Borouge of EUR 413 million which has been passed through by Borealis Middle East Holding GmbH, and the externalization of the Baystar loan of EUR 656 million. These developments were partly offset by dividend distributions of EUR 1.10 billion to ADNOC, OMV and BGI and an increase in the negative intercompany cash pool balance. Furthermore, the EUR 300 million bond was repaid on December 10, 2025.

## Review of Results

### Sales

Borealis GmbH sold 3.67 million metric tons of polyolefins in 2025, representing a 5.7% increase compared to the 3.46 million metric tons sold in 2024. Overall, the European polyolefins market remained subdued under the burden of economic stagnation and tariff uncertainties. Demand for consumer goods rose slightly in the US and Europe. Demand in healthcare and consumer appliances was flat, while that for construction was markedly weak. Robust demand could be observed for specific high voltage cable applications in Borealis Energy and Mobility business areas.

Sales in Base Chemicals<sup>2</sup> increased from 1.15 million metric tons in 2024 to 1.24 million metric tons in 2025.

Despite the increase in volume, sales decreased from EUR 7.453 million to EUR 7.259 million mainly due to lower prices as explained in chapter 'Business Overview'.

### Cost Development

In 2025, production costs of Borealis GmbH decreased to EUR 6,529 million compared to EUR 6,662 million in 2024, despite a 5.4% uplift in PO volumes sold. In 2025, costs related to R&D stood at EUR 88 million, compared to EUR 62 million in 2024.

At year-end December 2025, the company employed 365 people (2024: 380).

## Enterprise Risk Management

Borealis has a documented enterprise risk management process that ensures all parts of the Group regularly identify, assess, and address risks. This process supports both long-term strategies and short-term goals by capturing emerging and strategic risks. Borealis promotes a strong risk culture, making it more difficult for unexpected events or actions to expose the Group to risk.

In its risk management efforts in 2025, Borealis maintained a strong focus on balancing growth, profitability, and sustainability. Persistent geopolitical and market volatility highlighted vulnerabilities in the global energy system and underscored the challenges of advancing the shift toward green energy and circularity. In Europe, the industry faced heightened economic uncertainty and a more demanding regulatory environment. Borealis regularly consolidates, reports, and reviews these and other risks to ensure effective oversight and response.

Borealis distinguishes between various types of risks. The most relevant risk types include, but are not limited to, the following described below.

Strategic risks are often related to unfavorable long-term developments in the market and/or industry; developments related to technology and innovation; changes to the competitive environment; or a threat to the reputation of the Group.

Operational and tactical risks are those unexpected short- or mid-term developments that can directly affect the Group's day-to-day business activities. These risks are systematically

<sup>2</sup> Sales volume for Base Chemicals covers sales volume of own produced ethylene & propylene (sold internal and external) and phenol & acetone (only sold external, all own produced). The sales volume which is used in the sustainability statement as the basis for the calculation of CO<sub>2</sub> emissions is limited to external sales. However, these external sales volumes include all products sold by BC, covering not only ethylene, propylene, phenol, and acetone, but also co products (such as butadiene, pygas, and butene) and feedstock, primarily propane.

evaluated using established guidelines and procedures, which are managed by the relevant business functions.

A proactive approach to risk prevention management has been implemented in the Operations function, covering risks in the areas of Production; Health, Safety and Environment (HSE); Product Stewardship; Plant Availability; and Quality. The risk management approach also safeguards the Responsible Care® approach toward risks in operations. The standard risk management process includes a common risk matrix and risk registers, built bottom-up from plant to portfolio level, enabling a common risk rating system for the whole of operations.

In accordance with its legal obligations, Borealis assesses and discloses in its sustainability statement the potentially negative impact of its activities on the environment and society as well as corresponding mitigation measures. The HSE department analyzes environmental, social and governance (ESG) risks for Borealis, and impacts on Environment and People across all topics (E1-E5 and S1-S4) defined within the European Sustainability Reporting Standards (ESRS); these include, for example, E2 (Pollution).

To drive the transition to plastics circularity, Borealis continues to develop new circular and renewable-based products and applications; low-emission product portfolio extensions; and both value chain and stakeholder partnerships that accelerate industry efforts to achieve climate neutrality. However, one transition-related risk includes slower uptake of circular and renewable-based feedstocks due to weak demand on the basis of persistently lower prices for fossil fuel-based plastics.

Climate-related physical risks are related primarily to the potential damage and disruption to assets and transportation channels caused by extreme weather events and other factors.

Project-related risks at Borealis are evaluated during the project approval process and cover financial, market, technical, legal, intellectual property, strategic, operational, country-related, and political factors. The assessment considers the likelihood of timely completion, resource needs, and achievement of objectives. Project managers oversee these risks and report them to the Project Steering Committee.

Financial and market risks at Borealis include those arising from unexpected changes in market supply and demand, commodity prices, services, or financing costs. Additional risks may result from liquidity challenges, fluctuations in interest and foreign exchange rates, credit and insurance issues, or the failure of counterparties to fulfill payment or delivery obligations. These risks can also stem from incorrect assumptions or the improper use of financial models.

A detailed assessment of financial risk management is provided in note 17 of the consolidated financial statements. The Vice President Treasury & Funding and the Vice President Legal are responsible for reporting and coordinating the management of all financial risks.

Compliance risks encompass legal and regulatory requirements, adherence to codes of conduct and ethics policies, compliance with standards, and proper contracting practices. Maintaining ethical business conduct is essential for safeguarding the Group's reputation and ensuring ongoing success. Tactical or generic risks, often identified through compliance processes, typically relate to weaknesses in procedures or controls.

Information security risks concern the confidentiality, integrity, and availability of critical company data. The Vice President Digital Solutions and the Vice President Legal assist line

managers in evaluating these risks and in developing and implementing appropriate mitigation measures.

The Executive Board periodically reviews the Group's key risks, defines the Group's risk tolerance levels, monitors the implementation of mitigation actions, and reports the key risks and mitigation steps to the Supervisory Board. The Executive Board safeguards the integration of risk assessment in its strategic planning.

The Supervisory Board is responsible for reviewing the effectiveness of Borealis' risk management practices and processes, risk appetite and tolerance levels, the Group's risk exposure, and the effectiveness of mitigation actions. Some of these responsibilities are delegated to the Audit Committee, a sub-committee of the Supervisory Board.

All Borealis employees are responsible for managing risk within their authority and in their field of work in order to ensure that risk management is properly embedded in the organization and reflected in daily decision-making processes.

### **Change of Business Structure**

As announced on March 3, 2025, OMV and ADNOC signed a binding agreement to combine Borealis and Borouge into Borouge Group International AG (BGI). The two partners also agreed to acquire Nova Chemicals, a North America-based polyolefins producer. The combination and acquisition, respectively, are expected to close simultaneously in the first quarter of 2026, subject to regulatory approvals and other customer conditions.

In preparation for the combination of Borealis and Borouge, the prior business structure of Borealis as an Aktiengesellschaft (AG) was changed to a limited liability company, or Gesellschaft mit beschränkter Haftung (GmbH), as of June 13, 2025.

On September 10, Borealis' direct shareholder OMV Downstream GmbH (wholly owned subsidiary of OMV Aktiengesellschaft) demerged its shares in Borealis (75%) into BGI under simultaneous foundation of BGI (Abspaltung zur Neugründung). Effective as of September 25, 2025 Borealis' second direct shareholder XRG Austria GmbH, (formerly MPP Holdings GmbH, a wholly owned subsidiary of Abu Dhabi National Oil Company (ADNOC) P.J.S.C.) contributed its shares in Borealis (25%) to BGI by way of a downstream contribution, ultimately resulting in a 100% shareholding by BGI in Borealis.

### **Supervisory and Executive Boards**

As announced by OMV on May 20, 2025, Alfred Stern, currently Chief Executive Officer of OMV Aktiengesellschaft, Chairman of the OMV Executive Board, and Chairman of the Borealis Supervisory Board, will not seek reappointment as OMV CEO after the expiration of his term on August 31, 2026. More information about succession planning will be released in due course.

## Corporate Strategy and Outlook

In early 2025, Borealis updated and adjusted its corporate strategy to become even more customer- and future-oriented: We4Customers originates in the purpose shared with the OMV Group, “Reinventing Essentials for Sustainable Living.” The four interlocking areas of sustainability, efficiency, innovative solutions, and peace of mind guide Borealis as it strives to create value for its customers and positively impact society, by way of advanced and sustainable polymer solutions based on its proprietary technologies. Well received by customers as well as internal and external stakeholders, the strategy has guided Borealis in its efforts to enhance efficiency in its own operations while putting the needs of its customers front and center.

In 2025, substantial progress was made on key growth projects such as the PDH plant in Kallo and Borouge 4, as well as at Baystar Bay 3, the joint venture with TotalEnergies in the US. Also reported were improvements in the reliability and commercial performance of assets. Dedicated initiatives such as “Simplify to Excel” helped enhance financial performance with respect to procurement practices, fixed costs, and working capital. Finally, digital capacities have been bolstered by the implementation of the SAP S4/HANA enterprise resource planning software in tandem with multiple AI programs across the company.

In implementing the We4Customers strategy, new and potentially significant areas of improvement have been identified and subsequently incorporated into planning for 2026. Likewise, the strategy supports internal preparations for the formation of Borouge Group International (BGI). By bringing together the complementary strengths of three world-class companies – Borealis, Borouge, and Nova Chemicals – a leading polyolefins platform spanning key global markets will have been created. The substantial synergistic effects, which have been estimated as at least USD 500 million per year up to by 2030, with Borealis share still in assessment, include: an advantaged cost position, with access to low-cost feedstock; a diverse, value-added portfolio built on leading-edge, proprietary technologies; and the sustainability leadership necessary to allow BGI to capitalize fully on global demand for circular and sustainable solutions.

Global overcapacity is likely to remain an issue for producers. However, lower oil prices may bring about a more favorable situation for naphtha crackers in Europe. This has the potential to offset other market-based factors which negatively impact performance. Despite ongoing geopolitical turbulence and market vicissitudes, Borealis – within the newly-formed BGI – is well positioned to expand its own position as a leader in advanced polyolefins R&D, innovation, and commercialization.

## Significant Events After the Balance Sheet Date – Geopolitical developments

Subsequent to the reporting date, geopolitical tensions in the Middle East have intensified following military actions involving the United States and Israel and retaliatory actions by Iran, including incidents affecting the United Arab Emirates, where Borouge has its primary operational exposure.

At the date of authorization of these financial statements, management is closely monitoring the situation. The evolving geopolitical environment may increase risks related to regional security, logistics, energy supply, insurance coverage, and the continuity of operations at Borouge. At the date of authorization of these financial statements, no material disruptions to production or operations at Borouge have been identified.

For Borealis, whose production assets and primary markets are located predominantly in Europe, no direct operational impact has been observed. Furthermore, in certain scenarios, prolonged disruptions to Middle Eastern supply routes—such as a potential blockade or restriction of the Strait of Hormuz—could result in tighter global polyolefin supply and shifts in trade flows and could also contribute to higher and more volatile oil prices and related feedstock and energy costs. However, the extent and duration of any such effects remain uncertain and dependent on future developments.

Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify the overall financial impact, whether adverse or favorable, on Borealis or its respective investments. Accordingly, no adjustments have been made to the financial statements as of the reporting date, as these events are considered non-adjusting subsequent events.

Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.

### **Other Information**

The sustainability statement was prepared in accordance with ESRS, on a voluntary basis.

In accordance with the Corporate Sustainability Reporting Directive (CSRD), Borealis GmbH was classified as a Wave 1 entity in the reporting year 2024. Following the delisting of the Company on December 10, 2025, Borealis is no longer classified as such on the reporting date of December 31, 2025.

Borealis includes further information and key figures on the basis of the Taxonomy Regulation (EU) 2020/852.

Borealis GmbH has a branch office in Abu Dhabi.

Vienna, March 3, 2026

**Executive Board:**

signed

**Stefan Doboczky**

Chief Executive Officer

signed

**Daniel Turnheim**

Chief Financial Officer

signed

**Wolfram Krenn**

Executive Vice President  
Operations

signed

**Philippe Roodhooft**

Executive Vice President  
Joint Ventures

signed

**Craig Arnold**

Executive Vice President  
Polyolefins, Circular Economy Solutions  
and Base Chemicals

# Standalone Financial Statements

## Balance Sheet as of December 31, 2025

|                                                                      | 31.12.2025<br>EUR        | 31.12.2024<br>EUR thousand |
|----------------------------------------------------------------------|--------------------------|----------------------------|
| <b>Assets</b>                                                        |                          |                            |
| <b>A. Fixed Assets</b>                                               |                          |                            |
| I. Intangible assets                                                 |                          |                            |
| 1. Software, rights and licenses                                     | 127,826,081.63           | 30,364                     |
| 2. Advance payments                                                  | 21,976,520.50            | 0                          |
|                                                                      | 149,802,602.13           | 30,364                     |
| II. Tangible assets                                                  |                          |                            |
| 1. Office equipment                                                  | 297,931.52               | 698                        |
| 2. Construction in progress                                          | 2,495,550.00             | 144                        |
|                                                                      | 2,793,481.52             | 842                        |
| III. Financial assets                                                |                          |                            |
| 1. Investments in affiliated companies                               | 3,207,076,019.72         | 3,194,911                  |
| 2. Loans to affiliated companies                                     | 141,216,243.49           | 141,216                    |
| <i>thereof with residual maturity of more than one year</i>          | 141,216,243.49           | 141,216                    |
| 3. Investments in associated companies                               | 5,703,892.28             | 5,713                      |
| 4. Loans to associated companies                                     | 24,939,375.72            | 692,594                    |
| <i>thereof with residual maturity of more than one year</i>          | 24,939,375.72            | 692,594                    |
| 5. Securities                                                        | 5,643,523.00             | 9,100                      |
|                                                                      | 3,384,579,054.21         | 4,043,535                  |
|                                                                      | <b>3,537,175,137.86</b>  | <b>4,074,741</b>           |
| <b>B. Current Assets</b>                                             |                          |                            |
| I. Inventories                                                       |                          |                            |
| 1. Raw materials and supplies                                        | 322,753,058.69           | 340,043                    |
| 2. Finished goods and merchandise                                    | 654,721,593.39           | 785,763                    |
|                                                                      | 977,474,652.08           | 1,125,805                  |
| II. Receivables and other assets                                     |                          |                            |
| 1. Trade receivables                                                 | 440,956,786.88           | 534,034                    |
| <i>thereof with residual maturity of more than one year</i>          | 0.00                     | 0                          |
| 2. Receivables from affiliated companies                             | 7,643,722,827.19         | 7,786,782                  |
| <i>thereof with residual maturity of more than one year</i>          | 6,767,342.16             | 5,860,024                  |
| 3. Receivables from associated companies                             | 157,295,339.79           | 580,985                    |
| <i>thereof with residual maturity of more than one year</i>          | 33,449,927.06            | 428,027                    |
| 4. Other receivables and assets                                      | 322,537,953.33           | 273,357                    |
| <i>thereof with residual maturity of more than one year</i>          | 0.00                     | 0                          |
|                                                                      | 8,564,512,907.19         | 9,175,157                  |
| <i>in total thereof with residual maturity of more than one year</i> | 40,217,269.22            | 6,288,050                  |
| III. Cash and cash equivalents                                       | 634,215,797.11           | 906,185                    |
|                                                                      | <b>10,176,203,356.38</b> | <b>11,207,147</b>          |
| <b>C. Prepaid Expenses</b>                                           | <b>12,142,520.10</b>     | <b>12,918</b>              |
| <b>D. Deferred Tax Assets</b>                                        | <b>21,845,029.58</b>     | <b>17,601</b>              |
| <b>Total Assets</b>                                                  | <b>13,747,366,043.92</b> | <b>15,312,407</b>          |

|                                                                      | 31.12.2025<br>EUR        | 31.12.2024<br>EUR thousand |
|----------------------------------------------------------------------|--------------------------|----------------------------|
| <b>Shareholders' Equity and Liabilities</b>                          |                          |                            |
| <b>A. Shareholders' Equity</b>                                       |                          |                            |
| I. Nominal capital called up and paid in                             | 300,000.00               | 300                        |
| <i>subscribed capital</i>                                            | <i>300,000.00</i>        | <i>300</i>                 |
| II. Capital reserves                                                 |                          |                            |
| 1. Appropriated                                                      | 101,604,460.00           | 101,604                    |
| 2. Unappropriated                                                    | 1,539,783,410.00         | 1,539,783                  |
|                                                                      | <b>1,641,387,870.00</b>  | <b>1,641,388</b>           |
| III. Revenue reserves                                                |                          |                            |
| 1. Legal reserves                                                    | 30,000.00                | 30                         |
| IV. Retained earnings                                                | 2,864,046,927.43         | 11,146,643                 |
| <i>thereof profit carried forward</i>                                | <i>2,820,097,529.96</i>  | <i>10,616,771</i>          |
|                                                                      | <b>4,505,764,797.43</b>  | <b>12,788,361</b>          |
| <b>B. Provisions</b>                                                 |                          |                            |
| 1. Provisions for severance                                          | 548,820.36               | 777                        |
| 2. Provisions for pensions                                           | 13,340,424.00            | 16,016                     |
| 3. Other provisions                                                  | 100,627,467.75           | 151,570                    |
|                                                                      | <b>114,516,712.11</b>    | <b>168,363</b>             |
| <b>C. Liabilities</b>                                                |                          |                            |
| 1. Bonds                                                             | 0.00                     | 300,000                    |
| <i>thereof with residual maturity of up to one year</i>              | <i>0.00</i>              | <i>300,000</i>             |
| <i>thereof with residual maturity of more than one year</i>          | <i>0.00</i>              | <i>0</i>                   |
| 2. Bank loans and overdrafts                                         | 563,847,442.13           | 904,488                    |
| <i>thereof with residual maturity of up to one year</i>              | <i>83,019,310.12</i>     | <i>631,520</i>             |
| <i>thereof with residual maturity of more than one year</i>          | <i>480,828,132.01</i>    | <i>272,968</i>             |
| 3. Trade accounts payable                                            | 462,612,180.65           | 333,017                    |
| <i>thereof with residual maturity of up to one year</i>              | <i>462,612,180.65</i>    | <i>333,017</i>             |
| <i>thereof with residual maturity of more than one year</i>          | <i>0.00</i>              | <i>0</i>                   |
| 4. Accounts payable to affiliated companies                          | 7,774,233,006.63         | 622,746                    |
| <i>thereof with residual maturity of up to one year</i>              | <i>7,774,233,006.63</i>  | <i>622,746</i>             |
| <i>thereof with residual maturity of more than one year</i>          | <i>0.00</i>              | <i>0</i>                   |
| 5. Accounts payable to associated companies                          | 300,758,771.05           | 161,970                    |
| <i>thereof with residual maturity of up to one year</i>              | <i>300,758,771.05</i>    | <i>161,970</i>             |
| <i>thereof with residual maturity of more than one year</i>          | <i>0.00</i>              | <i>0</i>                   |
| 6. Other liabilities                                                 | 25,633,133.92            | 33,462                     |
| <i>thereof taxes</i>                                                 | <i>8,291,422.93</i>      | <i>4,771</i>               |
| <i>thereof social security</i>                                       | <i>0.00</i>              | <i>1,816</i>               |
| <i>thereof with residual maturity of up to one year</i>              | <i>25,633,133.92</i>     | <i>30,464</i>              |
| <i>thereof with residual maturity of more than one year</i>          | <i>0.00</i>              | <i>2,998</i>               |
|                                                                      | <b>9,127,084,534.38</b>  | <b>2,355,684</b>           |
| <i>in total thereof with residual maturity of up to one year</i>     | <i>8,646,256,402.37</i>  | <i>2,079,717</i>           |
| <i>in total thereof with residual maturity of more than one year</i> | <i>480,828,132.01</i>    | <i>275,967</i>             |
| <b>Total Equity and Liabilities</b>                                  | <b>13,747,366,043.92</b> | <b>15,312,407</b>          |

## Income Statement for the Year 2025

|                                                                                                              | 31.12.2025<br>EUR      | 31.12.2024<br>EUR thousand |
|--------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| 1. Sales                                                                                                     | 7,259,347,351.72       | 7,452,970                  |
| 2. Increase or decrease in finished goods                                                                    | -131,040,939.81        | 62,773                     |
| 3. Capitalized own work                                                                                      | 4,356,821.11           | 0                          |
| 4. Other operating income                                                                                    |                        |                            |
| a) Income from the release of provisions                                                                     | 0.00                   | 6,324                      |
| b) Other income                                                                                              | 122,836,971.58         | 71,467                     |
|                                                                                                              | 122,836,971.58         | 77,791                     |
| 5. Cost of materials and purchased services                                                                  |                        |                            |
| a) Cost of materials                                                                                         | -4,721,643,729.06      | -4,960,482                 |
| b) Cost of purchased services                                                                                | -1,806,910,408.42      | -1,701,914                 |
|                                                                                                              | -6,528,554,137.48      | -6,662,395                 |
| 6. Personnel expenses                                                                                        |                        |                            |
| a) Salaries                                                                                                  | -65,323,923.21         | -70,677                    |
| b) Social contributions                                                                                      | -14,159,868.43         | -22,018                    |
| <i>thereof pension fund contributions</i>                                                                    | -3,330,952.39          | 282                        |
| <i>aa) thereof expense for severance payments and corporate staff and self employment fund contributions</i> | -3,797,120.06          | -3,837                     |
| <i>bb) thereof expense for statutory social security and payroll related taxes and contributions</i>         | -11,054,631.85         | -12,777                    |
|                                                                                                              | -79,483,791.64         | -92,695                    |
| 7. Amortisation and depreciation of                                                                          |                        |                            |
| a) intangible and tangible assets                                                                            | -10,759,926.98         | -2,752                     |
| b) current assets in excess of those normally recognized by the company                                      | 0.00                   | -2,500                     |
|                                                                                                              | -10,759,926.98         | -5,252                     |
| 8. Other operating expenses                                                                                  |                        |                            |
| a) Taxes, other than those reported in line item 18                                                          | -23,002.74             | 0                          |
| b) Other expenses                                                                                            | -745,690,756.91        | -692,351                   |
|                                                                                                              | -745,713,759.65        | -692,352                   |
| <b>9. Subtotal from line 1 to 8 (operating result)</b>                                                       | <b>-109,011,411.15</b> | <b>140,841</b>             |
| 10. Income from investments                                                                                  | 56,145,992.83          | 333,622                    |
| <i>thereof affiliated companies</i>                                                                          | 56,145,992.83          | 333,622                    |
| 11. Income from securities and interest income from long-term loans                                          | 38,042,870.75          | 75,672                     |
| <i>thereof affiliated companies</i>                                                                          | 12,155,555.00          | 0                          |
| 12. Other interest and similar income                                                                        | 262,077,724.45         | 292,023                    |
| <i>thereof affiliated companies</i>                                                                          | 79,114,484.56          | 176,005                    |
| 13. Gains on sale and write up of financial assets                                                           | 13,350,000.00          | 19,830                     |
| 14. Expenses arising from financial assets                                                                   | -66,837,543.05         | -43,644                    |
| <i>thereof affiliated companies</i>                                                                          | -66,837,543.05         | -43,644                    |
| <i>thereof depreciation</i>                                                                                  | -66,837,543.05         | -43,644                    |
| 15. Interest and similar expenses                                                                            | - 151,626,033.81       | -228,285                   |
| <i>thereof affiliated companies</i>                                                                          | -36,686,674.44         | -53,263                    |
| <b>16. Subtotal from line 10 to 15 (financial result)</b>                                                    | <b>151,153,011.17</b>  | <b>449,218</b>             |

|                                                            | 31.12.2025<br>EUR       | 31.12.2024<br>EUR thousand |
|------------------------------------------------------------|-------------------------|----------------------------|
| <b>17. Profit before tax (subtotal from line 9 and 16)</b> | <b>42,141,600.02</b>    | <b>590,060</b>             |
| 18. Taxes on income                                        | 1,807,797.45            | -60,187                    |
| <i>thereof income from deferred taxes</i>                  | 4,303,462.83            | 325                        |
| <b>19. Profit after tax</b>                                | <b>43,949,397.47</b>    | <b>529,873</b>             |
| <b>20. Net income for the year</b>                         | <b>43,949,397.47</b>    | <b>529,873</b>             |
| 21. Profit carried forward from previous year              | 2,820,097,529.96        | 10,616,771                 |
| <b>22. Retained earnings</b>                               | <b>2,864,046,927.43</b> | <b>11,146,643</b>          |

## Notes to the Standalone Financial Statements

### 1. Accounting and Valuation Policies

The financial statements have been prepared in accordance with the Austrian Commercial Code (UGB), Austrian Generally Accepted Accounting Principles and the general standard of presenting a true and fair view of the financial position and financial performance of the entity. The presentation of the financial statements complies with the criteria set out in the Austrian Commercial Code.

The presentation, valuation and disclosure of financial statement items are in line with the Austrian Commercial Code and its special regulations for corporations. The financial statements have been prepared on a going concern basis, and assets and liabilities have been reported using the principle of individual valuation. The financial statements have been compiled according to the principle of completeness. The principle of prudence was applied by recognizing only those gains realized as of the balance sheet date and by including all identifiable risks and potential losses existing by that date. Estimates were made using prudent judgment and, where applicable, based on empirical evidence from comparable situations.

The accounting and valuation principles previously applied have been consistently maintained.

**Tangible and intangible assets** are measured at acquisition cost, reduced by accumulated depreciation, amortization, and any impairment losses. Impairments exceeding scheduled depreciation are recorded as write-downs when they are considered permanent.

**Financial assets** are carried at cost. In the event of sustained and material impairment, a lower fair value is recognized. Fair value is determined using a discounted cash flow approach based on the Company's weighted average cost of capital at the valuation date.

**Loans to affiliated companies** are stated at cost, with impairments recognized when they are both material and lasting.

**Raw materials and supplies** are measured at acquisition cost using the weighted average price method. **Feedstock, polyolefins, and olefins** are valued at acquisition cost according to the first-in, first-out (FIFO) method.

**Finished goods** are carried at the lower of production cost – derived from the Company's cost accounting system – or net realizable value. Services not yet invoiced are valued at production cost. Acquisition and production costs follow the FIFO method.

Production costs include:

- Direct (prime) costs
- Special production costs
- Variable factory overheads
- Appropriate shares of variable and fixed overheads attributable to the production period

Subsequent valuation of inventories follows the strict lower-of-cost-or-market principle.

**Receivables and other assets** are recognized at their nominal value, with all identifiable risks reflected through prudent valuation.

Borealis GmbH has maintained its own EU-ETS account since January 2014. To efficiently manage emission rights within the Borealis Group, all existing certificates were transferred to Borealis GmbH by the end of 2014, making its national registry account the primary pool for

trading activities. Borealis GmbH ensures that all Group entities hold sufficient rights for surrender. Annual allocations, amortization of government grants, and recording and surrendering of actual emissions continue to be handled within the respective local registry accounts. Transfers of emission certificates between Group companies occur via purchase and sale transactions based on the prevailing spot price on the relevant trading platform at the date of agreement.

In accordance with AFRAC Position Paper No. 27 (June 2022), all three types of **long-term employee benefit provisions** - pensions, jubilee bonuses, and severance payments - are determined using actuarial calculations applying the projected-unit-credit method and the AVÖ 2018-P mortality tables. For each category, the earliest possible retirement age under Austrian social insurance regulations is used in the calculation.

The **provision for severance** is calculated using a discount rate of 3.75% (2024: 3.00%), a 2.00% fluctuation deduction (2024: 2.00%), and an average wage and salary increase of 3.75% (2024: 3.75%).

**Pension provisions** are calculated using a discount rate of 4.00% (2024: 3.25%), derived from market yields of high-quality corporate bonds with maturities matching the obligation. No turnover deduction is applied, and an average pension increase of 2.25% (2024: 2.50%) is considered. Interest effects, including discount rate changes, are recorded in personnel expenses.

**Provisions for jubilee bonuses** are calculated using a discount rate of 4.00% (2024: 3.25%), determined from market yields at the balance sheet date. The calculation includes an employee turnover rate of 2.00% (2024: 2.00%) and an assumed annual wage and salary increase of 3.75% (2024: 3.75%).

At year-end, all identifiable risks and contingent liabilities are recognized in accordance with prudent commercial judgment, including provisions for expected losses related to negative fair values of derivative instruments. **Provisions** with maturities exceeding one year are discounted at prevailing market rates.

**Liabilities** are reported at the amount required to settle the obligation.

The income statement has been prepared using the total expenditure format.

Mandatory disclosures have been omitted where no related circumstances existed.

The financial statements are presented in euros (EUR) as the reporting currency. Receivables denominated in foreign currencies are measured at the lower of the acquisition exchange rate or the exchange rate on the balance sheet date, while foreign currency liabilities are measured at the higher of the original rate or the closing rate.

**Derivative financial instruments** are recognized at the lower of acquisition cost or fair value at the balance sheet date and are measured individually. In line with the imparity principle, provisions are established for anticipated losses arising from outstanding transactions. Following the implementation of the AFRAC position paper on January 1, 2011, derivatives designated as hedging instruments are presented and measured together as a unit with the corresponding underlying transactions. Hedging activities mainly cover pending transactions and forecast cash flows.

The formation of valuation units requires compensation of risks, matching maturities and currencies, comparable credit quality, and alignment of interest rate structures. For cash flow hedges, effectiveness must be demonstrated such that changes in cash flows attributable to the hedged risk are offset by the corresponding changes in the hedging instrument throughout the hedge period.

Hedge accounting entails retrospective assessment of hedge effectiveness. Any ineffective portion of designated hedging relationships is recognized in profit or loss through provisions for anticipated losses. Designated derivatives must form a valuation unit with the hedged item or transaction. Future sales and purchases in foreign currencies that are fully hedged via forward exchange contracts are measured at the contracted forward rate. For effective cash flow hedges, the measurement of provisions for anticipated losses on designated derivatives is based on the offsetting future income-related cash flows of the hedged transaction.

**Deferred tax assets** are recognized for temporary differences between the carrying amounts of assets, provisions, liabilities, and other deferred items and their corresponding tax bases, to the extent that it is probable these differences will be utilized in future periods.

The following **affiliated companies** have entered into toll manufacturing agreements with Borealis GmbH:

- Borealis Polyolefine GmbH, Austria
- Borealis Polymere GmbH, Germany
- Borealis Polymers N.V., Belgium
- Borealis Kallo N.V., Belgium
- Borealis Antwerpen N.V., Belgium
- Borealis Italia S.p.A., Italy
- Borealis AB, Sweden
- Borealis Polymers Oy, Finland
- Borealis Plastomers B.V., Netherlands

Under these arrangements, Borealis GmbH supplies all raw materials, consumables, and other production inputs to the toll manufacturers. Both the production factors and the resulting finished goods remain the property of Borealis GmbH. The finished products are subsequently marketed by Borealis GmbH, while the toll manufacturers receive an arm's length remuneration for their processing services.

## Notes to the Balance Sheet

### 2. Assets

#### Fixed Assets

|                                     | Acquisition Costs                |                       |                        |                  |                                       | Accumulated Amortization/Depreciation |                       |                     |                      |                                       | Carrying Value                        |                                       |
|-------------------------------------|----------------------------------|-----------------------|------------------------|------------------|---------------------------------------|---------------------------------------|-----------------------|---------------------|----------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| EUR                                 | Balance as of<br>January 1, 2025 | Additions             | Disposals              | Reclassification | Balance as of<br>December 31,<br>2025 | Balance as of<br>January 1, 2025      | Additions             | Disposals           | Write-ups            | Balance as of<br>December 31,<br>2025 | Balance as of<br>December 31,<br>2024 | Balance as of<br>December 31,<br>2025 |
| <b>Intangible assets</b>            |                                  |                       |                        |                  |                                       |                                       |                       |                     |                      |                                       |                                       |                                       |
| Software, rights and licenses       | 49,891,980.32                    | 94,927,801.85         | -2,259,023.50          | 12,893,884.09    | 155,454,642.76                        | -19,527,859.81                        | -10,359,724.82        | 2,259,023.50        | 0.00                 | -27,628,561.13                        | 30,364,120.51                         | 127,826,081.63                        |
| Advance payments                    | 0.00                             | 34,870,404.59         | 0.00                   | -12,893,884.09   | 21,976,520.50                         | 0.00                                  | 0.00                  | 0.00                | 0.00                 | 0.00                                  | 0.00                                  | 21,976,520.50                         |
|                                     | <b>49,891,980.32</b>             | <b>129,798,206.44</b> | <b>-2,259,023.50</b>   | <b>0.00</b>      | <b>177,431,163.26</b>                 | <b>-19,527,859.81</b>                 | <b>-10,359,724.82</b> | <b>2,259,023.50</b> | <b>0.00</b>          | <b>-27,628,561.13</b>                 | <b>30,364,120.51</b>                  | <b>149,802,602.13</b>                 |
| <b>Tangible assets</b>              |                                  |                       |                        |                  |                                       |                                       |                       |                     |                      |                                       |                                       |                                       |
| Office equipment                    | 2,388,623.89                     | 0.00                  | 0.00                   | 0.00             | 2,388,623.89                          | -1,690,490.21                         | -400,202.16           | 0.00                | 0.00                 | -2,090,692.37                         | 698,133.68                            | 297,931.52                            |
| Construction in progress            | 143,891.63                       | 2,355,848.37          | -4,190.00              | 0.00             | 2,495,550.00                          | 0.00                                  | 0.00                  | 0.00                | 0.00                 | 0.00                                  | 143,891.63                            | 2,495,550.00                          |
|                                     | <b>2,532,515.52</b>              | <b>2,355,848.37</b>   | <b>-4,190.00</b>       | <b>0.00</b>      | <b>4,884,173.89</b>                   | <b>-1,690,490.21</b>                  | <b>-400,202.16</b>    | <b>0.00</b>         | <b>0.00</b>          | <b>-2,090,692.37</b>                  | <b>842,025.31</b>                     | <b>2,793,481.52</b>                   |
| <b>Financial assets</b>             |                                  |                       |                        |                  |                                       |                                       |                       |                     |                      |                                       |                                       |                                       |
| Investments in affiliated companies | 4,312,039,487.26                 | 64,926,647.85         | -6,895,069.28          | 0.00             | 4,370,071,065.83                      | -1,117,128,468.54                     | -63,380,828.08        | 4,164,250.51        | 13,350,000.00        | -1,162,995,046.11                     | 3,194,911,018.72                      | 3,207,076,019.72                      |
| Loans to affiliated companies       | 141,216,243.49                   | 0.00                  | 0.00                   | 0.00             | 141,216,243.49                        | 0.00                                  | 0.00                  | 0.00                | 0.00                 | 0.00                                  | 141,216,243.49                        | 141,216,243.49                        |
| Investments in associated companies | 5,712,893.28                     | 0.00                  | -9,000.00              | 0.00             | 5,703,893.28                          | -1.00                                 | 0.00                  | 0.00                | 0.00                 | -1.00                                 | 5,712,892.28                          | 5,703,892.28                          |
| Loans to associated companies       | 692,594,432.57                   | 1,586,372.83          | -669,241,429.68        | 0.00             | 24,939,375.72                         | 0.00                                  | 0.00                  | 0.00                | 0.00                 | 0.00                                  | 692,594,432.57                        | 24,939,375.72                         |
| Securities                          | 9,100,237.97                     | 0.00                  | 0.00                   | 0.00             | 9,100,237.97                          | 0.00                                  | -3,456,714.97         | 0.00                | 0.00                 | -3,456,714.97                         | 9,100,237.97                          | 5,643,523.00                          |
|                                     | <b>5,160,663,294.57</b>          | <b>66,513,020.68</b>  | <b>-676,145,498.96</b> | <b>0.00</b>      | <b>4,551,030,816.29</b>               | <b>-1,117,128,469.54</b>              | <b>-66,837,543.05</b> | <b>4,164,250.51</b> | <b>13,350,000.00</b> | <b>-1,166,451,762.08</b>              | <b>4,043,534,825.03</b>               | <b>3,384,579,054.21</b>               |
| <b>Total fixed assets</b>           | <b>5,213,087,790.41</b>          | <b>198,667,075.49</b> | <b>-678,408,712.46</b> | <b>0.00</b>      | <b>4,733,346,153.44</b>               | <b>-1,138,346,819.56</b>              | <b>-77,597,470.03</b> | <b>6,423,274.01</b> | <b>13,350,000.00</b> | <b>-1,196,171,015.58</b>              | <b>4,074,740,970.85</b>               | <b>3,537,175,137.86</b>               |

### Intangible Assets

Intangible assets acquired from affiliated companies amount to EUR 129,975,135.92 at acquisition costs (2024: EUR 31,279 thousand).

The increase results from Borealis GmbH becoming the new IT service provider for the Borealis Group and the related acquisition of IT software intangible assets from the former service provider, Borealis Polymers NV.

Amortization is applied on a straight-line basis over estimated useful lives ranging from three to 19 years. No impairment losses on intangible assets were recognized in the 2025 financial year (2024: EUR 0 thousand).

### Tangible Assets

Depreciation is calculated on a straight-line basis over expected useful lives of three to 10 years.

### Financial Assets

Investments in affiliated and associated companies are presented in the table below:

| Investments in affiliated companies                | Country     | City        | Investment in % | Proportional equity IFRS 2025 in EUR thousand | Proportional net profit IFRS 2025 in EUR thousand |
|----------------------------------------------------|-------------|-------------|-----------------|-----------------------------------------------|---------------------------------------------------|
| Borealis Antwerpen N.V.                            | Belgium     | Zwijndrecht | 100             | 20,270                                        | 3,220                                             |
| Borealis Brasil S.A.                               | Brazil      | Itatiba     | 80              | 23,342                                        | 12,348                                            |
| Borealis Financial Services N.V.                   | Belgium     | Mechelen    | 100             | 226,377                                       | 11,510                                            |
| Borealis France S.A.S.                             | France      | Courbevoie  | 100             | 4,717                                         | 594                                               |
| Borealis Insurance A/S (captive insurance company) | Denmark     | Copenhagen  | 100             | 111,262                                       | 7,432                                             |
| Borealis Italia S.p.A.                             | Italy       | Monza       | 100             | 15,031                                        | 2,392                                             |
| Borealis Kallo N.V.                                | Belgium     | Kallo       | 100             | 388,699                                       | 13,598                                            |
| Borealis Plastomers B.V.                           | Netherlands | Geleen      | 100             | 45,172                                        | 924                                               |
| Borealis Polymere GmbH                             | Germany     | Burghausen  | 100             | 64,888                                        | 7,101                                             |
| Borealis Polymers N.V.                             | Belgium     | Beringen    | 100             | 168,402                                       | 7,757                                             |
| Borealis Polymers Oy                               | Finland     | Porvoo      | 100             | 391,365                                       | 11,424                                            |
| Borealis Química España S.A.                       | Spain       | Barcelona   | 100             | 1,211                                         | 187                                               |
| Borealis Sverige AB                                | Sweden      | Stenungsund | 100             | 277,190                                       | 1                                                 |
| Borealis Technology Oy                             | Finland     | Porvoo      | 100             | 32                                            | 1                                                 |
| Borealis UK LTD                                    | UK          | Manchester  | 100             | 6,649                                         | 1,966                                             |
| Borealis USA Inc.                                  | USA         | Houston     | 100             | 663,937                                       | -5,463                                            |
| DYM SOLUTION CO., LTD                              | South Korea | Cheonan     | 100             | 40,225                                        | 4,337                                             |
| Integra Plastics EAD                               | Bulgaria    | Sofia       | 100             | 3,918                                         | -4,402                                            |
| Rialti S.p.A.                                      | Italy       | Taino       | 100             | 42,029                                        | 5,141                                             |

| Investments in affiliated companies                           | Country        | City         | Investment in % | Proportional equity local GAAP 2024 in EUR thousand | Proportional net profit local GAAP 2024 in EUR thousand |
|---------------------------------------------------------------|----------------|--------------|-----------------|-----------------------------------------------------|---------------------------------------------------------|
| Borealis Argentina SRL                                        | Argentina      | Buenos Aires | 98              | 22                                                  | 3                                                       |
| Borealis Asia Limited                                         | Hong Kong      | Hong Kong    | 100             | 703                                                 | 41                                                      |
| Borealis Chemicals ZA (PTY) LTD                               | South Africa   | Germiston    | 100             | 138                                                 | 17                                                      |
| Borealis Chile SpA                                            | Chile          | Santiago     | 100             | 232                                                 | 108                                                     |
| Borealis Chimie S.A.R.L.                                      | Morocco        | Casablanca   | 100             | 340                                                 | 25                                                      |
| Borealis Colombia S.A.S.                                      | Colombia       | Bogota       | 100             | 102                                                 | 46                                                      |
| Borealis Denmark ApS <sup>1)</sup>                            | Denmark        | Copenhagen   | 100             | 136                                                 | 12                                                      |
| Borealis Digital Studio B.V.                                  | Belgium        | Mechelen     | 0               | 0                                                   | 0                                                       |
| Borealis México, S.A. de C.V.                                 | Mexico         | Mexico City  | 100             | -879                                                | -1,176                                                  |
| Borealis Plasticos, S.A. de C.V.                              | Mexico         | Mexico City  | 100             | 1                                                   | -23                                                     |
| Borealis Plastik ve Kimyasal Maddeler Ticaret Limited Sirketi | Türkiye        | Istanbul     | 100             | 323                                                 | 274                                                     |
| Borealis Poliolefinas da América do Sul Ltda.                 | Brazil         | Itatiba      | 100             | 4,029                                               | 610                                                     |
| Borealis Polyolefins d.o.o.                                   | Croatia        | Osijek       | 100             | 7                                                   | 3                                                       |
| Borealis Polyolefins S.R.L.                                   | Romania        | Bucharest    | 100             | 45                                                  | 18                                                      |
| Borealis Polyolefins s.r.o. <sup>1)</sup>                     | Slovakia       | Bratislava   | 100             | 12                                                  | 4                                                       |
| Borealis Polska Sp. z o.o.                                    | Poland         | Warsaw       | 100             | 432                                                 | 219                                                     |
| Borealis s.r.o.                                               | Czech Republic | Prague       | 100             | 181                                                 | 40                                                      |
| mtm plastics GmbH                                             | Germany        | Niedergebra  | 100             | 7,431                                               | -6,046                                                  |

1) in liquidation

| Investments in affiliated companies      | Country | City      | Investment in % | Proportional preliminary equity local GAAP 2025 in EUR thousand | Proportional preliminary net profit local GAAP 2025 in EUR thousand |
|------------------------------------------|---------|-----------|-----------------|-----------------------------------------------------------------|---------------------------------------------------------------------|
| Borealis Circular Solutions Holding GmbH | Austria | Vienna    | 100             | -439                                                            | -46,016                                                             |
| Borealis Middle East Holding GmbH        | Austria | Vienna    | 100             | 1,663,498                                                       | 258,273                                                             |
| Borealis Polyolefine GmbH                | Austria | Schwechat | 100             | 148,809                                                         | 16,808                                                              |
| Ecoplast Kunststoffrecycling GmbH        | Austria | Wildon    | 100             | 3,548                                                           | -6,314                                                              |

| Investments in associated companies | Country | City    | Investment in % | Proportional equity local GAAP 2024 in EUR thousand | Proportional net profit local GAAP 2024 in EUR thousand |
|-------------------------------------|---------|---------|-----------------|-----------------------------------------------------|---------------------------------------------------------|
| Recelerate GmbH                     | Germany | Herborn | 50              | 97                                                  | -756                                                    |

| Investments in associated companies | Country | City   | Investment in % | Proportional equity IFRS 2025 in EUR thousand | Proportional net profit IFRS 2025 in EUR thousand |
|-------------------------------------|---------|--------|-----------------|-----------------------------------------------|---------------------------------------------------|
| Kilpilahden Voimalaitos Oy          | Finland | Porvoo | 20              | 7,738                                         | 4,469                                             |

All loans to affiliated companies amount to EUR 141,216,243.49 (2024: EUR 141,216 thousand) and have maturities of more than five years.

**Loans to associated companies** amounting to EUR 24,939,375.72

(2024: EUR 692,594 thousand) relate exclusively to Kilpilahden Voimalaitos Oy, Finland, in 2025. The loan previously granted to Bayport Polymers LLC, USA, was fully repaid in 2025 (2024: EUR 669,241 thousand).

#### Receivables and Other Assets

Borealis GmbH operates a factoring program through which it sells selected trade receivables to external counterparties. As the Company does not retain any significant risks or rewards associated with these receivables, they are derecognized upon sale. Borealis GmbH continues to manage the customer relationships and forwards all collections related to previously sold receivables to the purchaser under the program. Various reserves are deducted from the nominal value of the receivables sold and are released once the corresponding collected amounts are transferred to the purchaser. As of December 31, 2025, receivables totaling EUR 388,819,856.32 (2024: EUR 417,918 thousand) had been sold under this program.

**Receivables from affiliated companies** consist of trade receivables amounting to EUR 113,852,982.64 (2024: EUR 74,041 thousand) and other receivables totaling EUR 7,529,869,844.55 (2024: EUR 7,712,741 thousand). Other receivables predominantly relate to Borealis Middle East Holding GmbH and stem from the 2022 divestment of Borouge Pte. Ltd. and Abu Dhabi Polymers Company Limited. Intercompany financing receivables amount to EUR 2,038,389,186.43, of which EUR 1,460,000,000 relates to Borealis Kallo KV.

**Receivables from associated companies** include trade receivables of EUR 112,315,368.76 (2024: EUR 130,379 thousand) and other receivables of EUR 44,979,971.03 (2024: EUR 450,606 thousand). The decrease mainly reflects the repayment of the loan to Borouge 4 LLC. There is no material income expected to impact cash flow after the balance sheet date.

**Other receivables and assets** include purchased emission rights amounting to EUR 139,427,659.11 (2024: EUR 164,208 thousand), which are recorded at acquisition cost.

#### Deferred Tax Assets

Changes in deferred tax assets, categorized by the types of temporary differences and unused tax loss carryforwards, are presented below:

| EUR thousand                                       | Fixed assets  | Current assets | Unused tax losses carried forward | Provisions   | Total         |
|----------------------------------------------------|---------------|----------------|-----------------------------------|--------------|---------------|
| Deferred tax assets as of January 1, 2025          | 14,026        | 1,304          | 0                                 | 2,270        | 17,601        |
| Recognized through profit and loss in 2025         | 6,137         | -1,155         | 0                                 | -738         | 4,244         |
| <b>Deferred tax assets as of December 31, 2025</b> | <b>20,163</b> | <b>150</b>     | <b>0</b>                          | <b>1,532</b> | <b>21,845</b> |

A tax rate of 23% was applied in measuring the temporary differences.

### 3. Shareholders' Equity and Liabilities

#### Shareholders' Equity

##### Nominal and Paid-Up Share Capital

The share capital of Borealis GmbH amounts to EUR 300,000.00 (2024: EUR 300 thousand). The full share is held by its sole shareholder Borouge Group International AG and there are no special voting rights.

On September 10, Borealis' direct shareholder OMV Downstream GmbH (fully owned subsidiary of OMV Aktiengesellschaft) demerged its shares in Borealis (75%) into Borouge Group International AG ("BGI") under simultaneous foundation of BGI (Abspaltung zur Neugründung). Effective as of September 25, 2025 Borealis' second direct shareholder XRG Austria GmbH, (formerly MPP Holdings GmbH, a fully owned subsidiary of Abu Dhabi National Oil Company (ADNOC) P.J.S.C.) contributed its shares in Borealis (25%) to BGI by way of a downstream contribution, ultimately resulting in a 100% shareholding of BGI in Borealis.

#### Retained Earnings

The balance sheet profit for the financial year will be carried forward in full. No dividend distribution is planned.

In 2025, Borealis paid out EUR 1,095,383,109.12 in dividends, including a regular dividend payment of EUR 535,113,000 in May, and a special dividend of EUR 549,000,000 paid in September to OMV and XRG Austria GmbH (formerly MPP Holdings GmbH (ADNOC)) as well as an additional EUR 10,000,000 dividend paid in November to the Borouge Group International AG (BGI).

In September, Borealis declared a dividend of EUR 408,044,414.48 to OMV and XRG Austria GmbH (formerly MPP Holdings GmbH (ADNOC)) in combination with the sale of Borouge 4 to OMV and ADNOC. This dividend has not yet been paid and will be offset against the receivable for the sale of Borouge 4 in the same amount, completed in October 2025. In December 2025, Borealis declared a dividend of EUR 6,823,118,026.43 to BGI. The dividend payable will not be paid in cash but offset against the future receivables from the sale of Borouge PLC and Borouge Pte from Borealis to BGI in the same amount.

#### Other Provisions

|                                                               | 2025<br>EUR           | 2024<br>EUR thousand |
|---------------------------------------------------------------|-----------------------|----------------------|
| Provisions for customer rebates and bonuses                   | 53,589,229.25         | 57,258               |
| Provisions for impending losses from uncompleted transactions | 9,188,318.36          | 391                  |
| Provisions for outstanding invoices                           | 8,547,008.36          | 33,487               |
| Provisions for long-term incentive plan                       | 8,054,255.22          | 5,486                |
| Provisions for employee bonuses                               | 6,400,399.84          | 12,751               |
| Provisions for unused vacation entitlement                    | 5,094,237.29          | 4,238                |
| Provisions for social fund                                    | 2,889,581.04          | 5,408                |
| Provisions for jubilee bonuses                                | 1,808,162.70          | 2,190                |
| Other provisions                                              | 5,056,275.69          | 30,360               |
| <b>Total</b>                                                  | <b>100,627,467.75</b> | <b>151,570</b>       |

## Liabilities

The maturities of liabilities are presented in the table below:

| EUR                                      | 2025                            |                               |
|------------------------------------------|---------------------------------|-------------------------------|
|                                          | Carrying value as of 12/31/2025 | Thereof maturity > five years |
| Bank loans and overdrafts                | 563,847,442.13                  | 118,617,021.28                |
| Trade accounts payable                   | 462,612,180.65                  | 0.00                          |
| Accounts payable to affiliated companies | 7,774,233,006.63                | 0.00                          |
| Accounts payable to associated companies | 300,758,771.05                  | 0.00                          |
| Other liabilities                        | 25,633,133.92                   | 0.00                          |
| <b>Total</b>                             | <b>9,127,084,534.38</b>         | <b>118,617,021.28</b>         |

  

| EUR                                      | 2024                            |                               |
|------------------------------------------|---------------------------------|-------------------------------|
|                                          | Carrying value as of 12/31/2024 | Thereof maturity > five years |
| Bonds                                    | 300,000,000.00                  | 0.00                          |
| Bank loans and overdrafts                | 904,488,084.90                  | 132,955,662.84                |
| Trade accounts payable                   | 333,017,208.69                  | 0.00                          |
| Accounts payable to affiliated companies | 622,745,924.82                  | 0.00                          |
| Accounts payable to associated companies | 161,969,982.43                  | 0.00                          |
| Other liabilities                        | 33,462,318.57                   | 0.00                          |
| <b>Total</b>                             | <b>2,355,683,519.41</b>         | <b>132,955,662.84</b>         |

Accounts payable to affiliated companies comprise financial liabilities of EUR 7,433,659,827.96 (2024: EUR 51,125 thousand) and trade payables of EUR 340,573,178.67 (2024: EUR 571,621 thousand). The increase primarily relates to dividends payable to Borouge Group International AG amounting to EUR 6,827,062,372.90, which will be offset against future receivables from the sale of Borouge PLC and Borouge Pte. to BGI.

Accounts payable to associated companies consist solely of trade payables.

Other liabilities do not contain any material expenses that would result in cash outflows after the balance sheet date.

## Obligations From the Use of Fixed Assets Not Stated in the Balance Sheet

| EUR thousand                       | 2025                                 |                                            |
|------------------------------------|--------------------------------------|--------------------------------------------|
|                                    | Expenses for the next financial year | Expenses for the next five financial years |
| Obligations from lease agreements  | 67,666                               | 128,613                                    |
| Obligations from rental agreements | 2,285                                | 1,431                                      |
| <b>Total</b>                       | <b>69,951</b>                        | <b>130,044</b>                             |

### Notes to Financial Instruments

In line with the Borealis Group's financial policy, derivative instruments are used to hedge specified exposures and thereby mitigate risks arising from operating, financing, and investment activities – particularly risks relating to foreign exchange rates, interest rates, and commodity prices. Accordingly, Borealis GmbH employs foreign exchange forwards, interest rate swaps, cross-currency interest rate swaps, and commodity derivatives (for feedstock and electricity).

Financial risk management is centralized within the Treasury and Funding department. This unit manages foreign exchange risks associated with short-term cash flows and sets limits for long-term foreign exchange exposures. Most borrowings carry fixed interest rates; for borrowings with variable rates, interest rate swaps are used to convert them into fixed-rate obligations.

A proportion of expected feedstock purchases and finished goods sales is hedged through feedstock swaps. Commodity price risks are managed by feedstock traders and monitored by Trade Support and Risk Management. Forecast energy purchases are hedged using electricity swaps.

As of the balance sheet date, the Company's financial instruments are categorized as follows and recognized under the respective balance sheet items:

| Derivatives                                    | 2025          |              |              |          |                                |                    |
|------------------------------------------------|---------------|--------------|--------------|----------|--------------------------------|--------------------|
|                                                | Nominal value |              | Fair value   |          | Carrying value<br>EUR thousand | Balance sheet item |
|                                                |               |              | EUR thousand |          |                                |                    |
|                                                |               | Unit         | Positive     | Negative |                                |                    |
| Foreign exchange forwards                      | 0             | USD thousand | 0            | 0        | 0                              |                    |
|                                                | 1,716,000     | SEK thousand | 3,800        | 0        | 0                              |                    |
| thereof valuation unit with hedged transaction | 0             | USD thousand | 0            | 0        | 0                              |                    |
|                                                | 1,716,000     | SEK thousand | 3,800        | 0        | 0                              |                    |
| Commodity derivatives                          | 4,212,156     | metric tons  | 39,860       | -24,275  | -2,188                         | other provisions   |
|                                                | 4,147         | GWh          | 9,753        | -26,499  | 0                              |                    |
| thereof valuation unit with hedged transaction | 3,740,885     | metric tons  | 38,227       | -22,087  | 0                              |                    |
|                                                | 4,147         | GWh          | 9,753        | -26,499  | 0                              |                    |

| Derivatives                                    | 2024          |              |              |          |                                | Balance sheet item |
|------------------------------------------------|---------------|--------------|--------------|----------|--------------------------------|--------------------|
|                                                | Nominal value |              | Fair value   |          | Carrying value<br>EUR thousand |                    |
|                                                |               |              | EUR thousand |          |                                |                    |
|                                                |               | Unit         | Positive     | Negative |                                |                    |
| Foreign exchange forwards                      | 199,000       | USD thousand | 0            | -9,768   | 0                              |                    |
|                                                | 1,582,000     | SEK thousand | 1,170        | -853     | 0                              |                    |
| thereof valuation unit with hedged transaction | 199,000       | USD thousand | 0            | -9,768   | 0                              |                    |
|                                                | 1,582,000     | SEK thousand | 1,170        | -853     | 0                              |                    |
| Commodity derivatives                          | 703,877       | metric tons  | 21,897       | -1,541   | -391                           | other provisions   |
|                                                | 4,281         | GWh          | 16,186       | -47,586  | 0                              |                    |
| thereof valuation unit with hedged transaction | 629,925       | metric tons  | 21,150       | -1,149   | 0                              |                    |
|                                                | 4,281         | GWh          | 16,186       | -47,586  | 0                              |                    |

The fair value of foreign exchange forward contracts is based on the quoted market price as of the balance sheet date, representing the present value of the quoted forward rate. The fair value of interest rate swaps reflects the amount the entity would receive or pay if the position were settled on the balance sheet date, taking current interest rates into account. The fair value of commodity derivatives corresponds to the market prices quoted at the balance sheet date.

Provisions for anticipated losses arising from negative fair values of derivative instruments that are not part of valuation units amount to EUR 2,188 thousand as of the balance sheet date (2024: EUR 391 thousand).

Foreign exchange forwards have an average maturity of six months, with all contracts outstanding at the balance sheet date maturing no later than the end of 2026. As of the balance sheet date, Borealis GmbH had no outstanding interest rate derivatives or cross-currency interest rate swaps.

At the balance sheet date, Borealis GmbH held commodity derivative contracts used to hedge raw material prices with an average maturity of nine months, and energy price hedges with an average maturity of 27 months. All commodity derivatives mature no later than 2028.

Provisions for anticipated losses are recognized for foreign exchange forwards and commodity derivatives that show a negative fair value at the balance sheet date and are not designated as hedging instruments. Instruments of this type with a positive fair value are not recognized as assets. Interest rate swaps used to hedge interest-bearing loans are not recognized, as they form a valuation unit with the underlying loans. The parameters of the hedged item and hedging instrument match (critical terms match), ensuring an effective hedging relationship without ineffectiveness.

Gains and losses from derivative instruments not used for hedge accounting are generally recognized in other operating income or other operating expenses. Derivatives associated with financing or financial investments are reflected in the financial result. Where derivatives qualify

as hedging instruments, results are recognized in the same profit or loss line item as the underlying hedged transaction.

Hedge effectiveness is assessed prospectively using the critical-terms-match method and retrospectively using the cumulative dollar-offset method. To qualify as highly effective, retrospective effectiveness must fall within the 80% to 125% range. Effectiveness testing confirmed that all hedging relationships were fully effective as at December 31, 2025.

#### Contingent Liabilities

Borealis GmbH assumed bank guarantees amounting to EUR 2,276 thousand (2024: EUR 2,486 thousand). In addition, Borealis GmbH provides four parental guarantees, which are treated as contingent liabilities, to Baystar in the amount of EUR 1,530,475 thousand (2024: EUR 726,394 thousand).

Borealis GmbH granted a guarantee for the funding of Borouge 4 LLC under the Italian Export Credit Agency agreement. Following the full repayment of the loan in 2025, the guaranteed amount as of December 31, 2025, amounted to EUR 0 thousand (2024: EUR 1,009,098 thousand).

## 4. Notes to the Income Statement

### Sales and Cost of Materials

Sales and cost of materials relate to the sale of products from the Borealis Group, predominantly to external customers.

| EUR thousand            | Sales by market and business area 2025 |                  |                   |                  |
|-------------------------|----------------------------------------|------------------|-------------------|------------------|
|                         | Polyolefins                            | Base chemicals   | Other             | Total            |
| EU countries            | 3,991,253                              | 952,752          | 339,316.00        | 5,283,321        |
| Non-EU countries        | 648,850                                | 196,397          | 14,798.00         | 860,045          |
| <b>Total Europe</b>     | <b>4,640,103</b>                       | <b>1,149,149</b> | <b>354,114.00</b> | <b>6,143,366</b> |
| Asia                    | 359,005                                | 0                | 1,002.00          | 360,007          |
| Africa                  | 255,399                                | 0                | 0.00              | 255,399          |
| North America           | 159,788                                | 6,798            | 2,604.00          | 169,190          |
| South America           | 160,135                                | 0                | 0.00              | 160,135          |
| Middle East (excl. UAE) | 31,809                                 | 0                | 0.00              | 31,809           |
| United Arab Emirates    | 31,626                                 | 0                | 106,706.00        | 138,332          |
| Australia, New Zealand  | 1,109                                  | 0                | 0.00              | 1,109            |
| <b>Total</b>            | <b>5,638,974</b>                       | <b>1,155,947</b> | <b>464,426</b>    | <b>7,259,347</b> |

| EUR thousand            | Sales by market and business area 2024 |                  |                |                  |
|-------------------------|----------------------------------------|------------------|----------------|------------------|
|                         | Polyolefins                            | Base chemicals   | Other          | Total            |
| EU countries            | 4,155,303                              | 832,227          | 532,360        | 5,519,890        |
| Non-EU countries        | 675,101                                | 199,021          | 35,333         | 909,455          |
| <b>Total Europe</b>     | <b>4,830,404</b>                       | <b>1,031,248</b> | <b>567,693</b> | <b>6,429,345</b> |
| Asia                    | 299,826                                | 5                | 771            | 300,602          |
| Africa                  | 221,847                                | 0                | 0              | 221,847          |
| North America           | 163,737                                | 6,425            | 2,480          | 172,642          |
| South America           | 146,855                                | 171              | 0              | 147,026          |
| Middle East (excl. UAE) | 36,777                                 | 0                | 0              | 36,777           |
| United Arab Emirates    | 19,824                                 | 0                | 123,464        | 143,288          |
| Australia, New Zealand  | 1,442                                  | 0                | 0              | 1,442            |
| <b>Total</b>            | <b>5,720,712</b>                       | <b>1,037,849</b> | <b>694,408</b> | <b>7,452,969</b> |

### Other Operating Income

For the 2025 financial year, no insurance compensation (2024: EUR 23,212 thousand) for business interruptions is included in the remaining other operating income.

### Personnel Expenses

In the 2025 financial year, the average number of employees was 370 (2024: 368). Exclusively white-collar workers are employed.

Severance payments, pension fund, and corporate staff and self-employment fund contributions are broken down as follows:

|                      | 2025<br>EUR         | 2024<br>EUR thousand |
|----------------------|---------------------|----------------------|
| Executive Board      | 485,402.49          | 554,421              |
| Managerial employees | 847,827.81          | 924,616              |
| Other employees      | 2,133,590.60        | 55,958               |
| <b>Total</b>         | <b>3,466,820.90</b> | <b>1,534,996</b>     |

Voluntary severance payments amounted to EUR 1,948,796.72 (2024: EUR 332 thousand) and are broken down as follows:

|                      | 2025<br>EUR         | 2024<br>EUR thousand |
|----------------------|---------------------|----------------------|
| Executive Board      | 0.00                | 0                    |
| Managerial employees | 1,077,869.75        | 0                    |
| Other employees      | 870,926.97          | 331,944              |
| <b>Total</b>         | <b>1,948,796.72</b> | <b>331,944</b>       |

### Other Operating Expenses

|                                           | 2025<br>EUR           | 2024<br>EUR thousand |
|-------------------------------------------|-----------------------|----------------------|
| Freight                                   | 381,588,037.48        | 372,894              |
| Research and development costs            | 88,303,072.37         | 62,327               |
| Result from foreign exchange translations | 76,751,557.97         | 37,952               |
| IT Expenses                               | 49,606,578.59         | 17,988               |
| Selling expenses                          | 31,481,305.22         | 25,229               |
| Other third-party services                | 25,530,975.56         | 34,985               |
| Storage                                   | 21,622,627.80         | 37,039               |
| Insurance                                 | 18,115,028.08         | 26,082               |
| Royalties                                 | 12,562,078.84         | 15,721               |
| Legal and consulting expenses             | 11,741,315.73         | 19,750               |
| Derivatives                               | 8,756,688.21          | 4,816                |
| Rents                                     | 4,689,520.98          | 4,493                |
| Sundry                                    | 14,964,972.82         | 33,077               |
| <b>Total</b>                              | <b>745,713,759.65</b> | <b>692,352</b>       |

Effective 2025, the cost categories previously disclosed as “Marketing” and “Commission” have been reclassified to “Selling expenses”.

## Audit Expenses

|                                                                    | 2025<br>EUR       | 2024<br>EUR thousand |
|--------------------------------------------------------------------|-------------------|----------------------|
| Audits of statutory national and consolidated financial statements | 506,000.00        | 435                  |
| Other assurance services                                           | 214,000.00        | 191                  |
| <b>Total</b>                                                       | <b>720,000.00</b> | <b>626</b>           |

## Financial Result

The financial result is broken down as follows:

|                                                      | 2025<br>EUR           | 2024<br>EUR thousand |
|------------------------------------------------------|-----------------------|----------------------|
| <b>Income from investments</b>                       |                       |                      |
| Borealis Brasil S.A., Brazil                         | 24,480,634.78         | 10,107               |
| Borealis Polyolefine GmbH, Austria                   | 17,999,972.04         | 20,000               |
| Borealis Rialti S.p.A, Italy                         | 11,000,000.00         | 0                    |
| Borealis Poliolefinas da América do Sul Ltda, Brazil | 1,867,123.08          | 0                    |
| Borealis Italia S.p.A., Italy                        | 756,000.00            | 5,000                |
| Borealis s.r.o., Czech Republic                      | 40,954.10             | 39                   |
| Borealis Colombia S.A.S., Colombia                   | 1,308.83              | 0                    |
| Borealis Sverige AB, Sweden                          | 0.00                  | 17,359               |
| Borealis Polymere GmbH, Germany                      | 0.00                  | 11,117               |
| Borealis Polymers N.V., Belgium                      | 0.00                  | 270,000              |
|                                                      | <b>56,145,992.83</b>  | <b>333,622</b>       |
| <b>Interest income from long-term loans</b>          |                       |                      |
| Bayport Polymers LLC, USA                            | 24,300,942.92         | 61,007               |
| Kilpilahden Voimalaitos Oy, Finland                  | 1,586,372.83          | 1,489                |
| Other                                                | 12,155,555.00         | 13,176               |
|                                                      | <b>38,042,870.75</b>  | <b>75,672</b>        |
| <b>Other interest and similar income</b>             |                       |                      |
| Interest income from intercompany financing          | 106,826,825.05        | 135,042              |
| Result from foreign exchange translations            | 138,336,055.71        | 85,917               |
| Interest from bank accounts                          | 13,435,568.48         | 68,730               |
| Other                                                | 3,479,275.21          | 2,334                |
|                                                      | <b>262,077,724.45</b> | <b>292,023</b>       |

|                                                                              | 2025<br>EUR           | 2024<br>EUR thousand |
|------------------------------------------------------------------------------|-----------------------|----------------------|
| <b>Gains on sale and from the write-up of financial assets</b>               |                       |                      |
| Write-up of affiliated companies                                             | 13,350,000.00         | 18,500               |
| Gain on sale of shares in affiliated companies                               | 0.00                  | 1,330                |
|                                                                              | <b>13,350,000.00</b>  | <b>19,831</b>        |
| <b>Expenses arising from financial assets</b>                                |                       |                      |
| Impairment of Borealis Circular Solutions Holding GmbH                       | 45,580,828.08         | 15,900               |
| Impairment of mtm compact GmbH                                               | 0.00                  | 4,164                |
| Impairment of mtm plastics GmbH                                              | 0.00                  | 9,310                |
| Impairment of Ecoplast GmbH                                                  | 17,800,000.00         | 14,270               |
| Other                                                                        | 3,456,714.97          | 0                    |
|                                                                              | <b>66,837,543.05</b>  | <b>43,644</b>        |
| <b>Interest and similar expenses</b>                                         |                       |                      |
| Result from foreign exchange translations                                    | 78,309,064.30         | 125,528              |
| Interest expenses from intercompany financing                                | 36,686,674.44         | 53,263               |
| Interest charged by banks                                                    | 18,896,134.45         | 31,781               |
| Interest and similar expenses arising from interest rate swaps and FX hedges | 0.00                  | -1,135               |
| Interest and other expenses related to factoring                             | 8,953,141.72          | 18,143               |
| Other                                                                        | 8,781,018.90          | 705                  |
|                                                                              | <b>151,626,033.81</b> | <b>228,285</b>       |
| <b>Financial Result</b>                                                      | <b>151,153,011.17</b> | <b>449,219</b>       |

Due to a sustained recovery in value during the 2025 financial year, write-ups were recognized on the shares of Borealis Polymers Oy, Finland, and Borealis UK Ltd., partially reversing two historical impairments.

Conversely, unfavorable economic developments required impairments to be recorded on the shares of Borealis Circular Solutions Holding GmbH and Ecoplast GmbH.

#### Taxes on Income

Since the 2021 financial year, Borealis GmbH has been a member of a tax group in line with Section 9 of the Corporate Income Tax Act ("KStG") with OMV Aktiengesellschaft as the Group parent. According to the tax group agreement, if the income derived by the entity during a financial year is positive, the Company has to make a tax compensation payment for this financial year to the Group parent. In the event of a negative tax result, the parent company does not have to pay any tax compensation. Negative tax results are carried forward by the Group parent and will be deducted from positive tax results of the Group members in the future.

With the exception of deferred taxes, the tax expenses stated in the income statement result entirely from the tax group and therefore represent a tax allocation.

The tax rate applied is 23% (2024: 23%).

In December 2023, the Government of Austria, where the ultimate parent company of the Group is incorporated, enacted the Pillar Two legislation (Mindestbesteuerungsgesetz) effective from January 1, 2024. Under this legislation, Group companies are subject to Pillar Two income taxes on profits that are taxed at an effective tax rate of less than 15%. Certain subsidiaries of the Group are subject to a qualified domestic minimum tax in the countries where Pillar Two rules were transposed into national law.

The Group has performed a preliminary calculation of transitional safe harbors for Pillar Two purposes. Based on the preliminary safe harbors calculation and the detailed Pillar Two calculation for those jurisdictions not qualifying for the safe harbors, no material exposure to Pillar Two income taxes is expected.

#### Significant Events After the Balance Sheet Date

Subsequent to the reporting date, geopolitical tensions in the Middle East have intensified following military actions involving the United States and Israel and retaliatory actions by Iran, including incidents affecting the United Arab Emirates, where Borouge has its primary operational exposure.

At the date of authorization of these financial statements, management is closely monitoring the situation. The evolving geopolitical environment may increase risks related to regional security, logistics, energy supply, insurance coverage, and the continuity of operations at Borouge. At the date of authorization of these financial statements, no material disruptions to production or operations at Borouge have been identified.

For Borealis, whose production assets and primary markets are located predominantly in Europe, no direct operational impact has been observed. Furthermore, in certain scenarios, prolonged disruptions to Middle Eastern supply routes—such as a potential blockade or restriction of the Strait of Hormuz—could result in tighter global polyolefin supply and shifts in trade flows and could also contribute to higher and more volatile oil prices and related feedstock and energy costs. However, the extent and duration of any such effects remain uncertain and dependent on future developments.

Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify the overall financial impact, whether adverse or favorable, on Borealis or its respective investments. Accordingly, no adjustments have been made to the financial statements as of the reporting date, as these events are considered non-adjusting subsequent events.

Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.

### Other Information

The total remuneration received by Executive Board members amounted to EUR 4,967 thousand (2024: EUR 6,463 thousand):

- Active Board members: EUR 4,967 thousand (2024: EUR 3,631 thousand)
- Former Board members: EUR 0 thousand (2024: EUR 2,832 thousand)

along with additional payments into pension funds amounting to EUR 409 thousand (2024: EUR 457 thousand).

Active members of the Supervisory Board received remuneration totaling EUR 856 thousand (2024: EUR 856 thousand). Members of the Company Boards have not been granted any advances, loans, or guarantees.

Borealis AG was converted into a limited liability company, Borealis GmbH, with effect as of June 13, 2025, following changes in the Company's ownership structure.

The consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards issued by the IASB as adopted by the EU and additional Austrian disclosure requirements. The consolidated financial statements are filed under No. 269858a in the Commercial Register in Vienna.

Borealis GmbH is included in the consolidated financial statements of OMV Aktiengesellschaft, Vienna, Austria.

Borealis GmbH is a large joint stock corporation pursuant to Section 221 of the Austrian Commercial Code.

### Executive Board

Stefan Doboczky (Chairperson)

Daniel Turnheim

Wolfram Krenn

Philippe Roodhooft

Craig Arnold

### Supervisory Board

Daniela Vlad (Chairperson until February 28, 2025)

Alfred Stern (Chairperson since March 1, 2025)

Hetal Patel (Vice Chairperson)

Reinhard Florey

Martijn Arjen van Koten

Michael James Baker

Nikolai Philipp Wolfgang Riesenkauff (delegated by the Works Council)

Dorothea Wiplinger (delegated by the Works Council)

Gernot Baumgaertel (delegated by the Works Council)

Vienna, March 3, 2026

**Executive Board:**

signed

**Stefan Doboczky**  
Chief Executive Officer

signed

**Daniel Turnheim**  
Chief Financial Officer

signed

**Wolfram Krenn**  
Executive Vice President  
Operations

signed

**Philippe Roodhooft**  
Executive Vice President  
Joint Ventures

signed

**Craig Arnold**  
Executive Vice President  
Polyolefins, Circular Economy Solutions  
and Base Chemicals

# Auditor's Report – Financial Statements

## Report on the Financial Statements

### Audit Opinion

We have audited the financial statements of

**Borealis GmbH,  
Vienna, Austria,**

which comprise the Balance Sheet as at December 31, 2025, the Income Statement for the year then ended, and the Notes.

In our opinion, the financial statements comply with the legal requirements and present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and its financial performance for the year then ended, in accordance with Austrian Generally Accepted Accounting Principles and other legal or regulatory requirements.

### Basis for our Opinion

We conducted our audit in accordance with Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the „Auditor's Responsibilities" section of our report. We are independent of the Company, in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Our liability as auditors is guided under Section 275 UGB.

### Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles and other legal or regulatory requirements and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result 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 Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements 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.
- We 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 entity's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to it in our audit report to the respective note in the financial statements. If such disclosures are not appropriate, we will modify our audit 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 to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the audit committee regarding, amongst other matters the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.

### **Management Report**

In accordance with Austrian company law, the management report is to be audited as to whether it is consistent with the financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the management report in accordance with Austrian company law and other legal or regulatory requirements.

We have conducted our audit in accordance with generally accepted standards on the audit of management reports.

### **Opinion**

In our opinion, the management report is consistent with the financial statements and has been prepared in accordance with legal requirements.

### Statement

Based on our knowledge gained in the course of the audit of the financial statements and our understanding of the Company and its environment, we did not note any material misstatements in the management report.

### Engagement Partner

The engagement partner is Mr. Karl Braun.

Vienna, March 3, 2026

KPMG Austria GmbH  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed

Karl Braun  
Wirtschaftsprüfer  
(Austrian Chartered Accountant)

The financial statements, together with our auditor's opinion, may only be published if the financial statements and the management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies.

**This report is a translation of the original report in German, which is solely valid.**

**Note on gender inclusive language:**

The masculine form partially specified by ESRS and chosen by us always refers to female, male, and diverse persons. To improve accessibility and machine readability, we generally refrain from using plural forms.

**IMPRINT**

This report is available in English and German. The original version was written in English. Both documents are available online and can be downloaded from [www.borealisgroup.com](http://www.borealisgroup.com).

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Project Management/editorial team: Benjamin Wegscheider, Sonja Gepperth, Claudia Korntner and representatives of featured business segments of Borealis  
Graphic Design: Borealis GmbH  
Cover image: © Borealis  
Published in April 2026

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