

Borgestad (BOR)



Positioned for the Heat, Underpinned by a Yield Asset

Borgestad ASA (“Borgestad”, “the Group” or “the Company”) is an industrial investment company built around two market-leading assets. The first is a 69.7% stake in Höganäs Borgestad, the Nordic leader in refractory solutions, the high-temperature products and installation services that steel, ferroalloy and cement producers rely on, and the only independent Nordic operator spanning the full chain from production to service. The second is full ownership of Agora Bytom, a leading shopping centre in Polish Silesia generating a stable, high-margin income that anchors the Group through the cycle. With refractory earnings in a cyclical trough, the cost programme reaching full effect and recovering maintenance demand position the Company for a margin uplift, while the property underpins the downside. On a sum-of-the-parts basis, Analyst Group derives a justified value of NOK 20.7 per share in a Base scenario.

Refractory Recovery as the Primary Value Driver

Höganäs Borgestad is the only independent Nordic refractory operator covering the full chain from production through installation and service, with world-leading niche competence within ferroalloys. Weak European steel and Norwegian ferroalloy activity has placed the business in a cyclical trough, yet the service segment carries high operational leverage through the pronounced seasonality, with fixed capacity held through the Q1 low to meet the Q3 peak. As deferred maintenance returns and the cost programme takes full effect, segment EBITDA is estimated to compound at 16% per year through 2029 against a 4% revenue CAGR, recovering toward NOK 106m in 2027 at a margin near the mid-term target of at least 10%. Selective bolt-on acquisitions, struck at modest multiples, add a further lever and build toward a consolidation-ready Nordic platform.

A Leading Retail Asset With Rising Rents

Agora Bytom is a leading shopping centre in Polish Silesia, centrally located in its catchment and drawing 4.7 million annual visitors across a diversified base of international and Polish brands. Managed in-house, the centre reported an EBITDA of NOK 42.3m in 2025 at a margin near 52%, with signed-lease occupancy of 96.4% and a WAULT of around four years per Q1-26. Now close to fully let, growth shifts from occupancy to rent per square meter, as legacy leases repriced toward higher signed rents, a multi-year runway largely independent of the cycle and a step toward an eventual divestment.

Bjuv Sale-Leaseback as a Near-Term Catalyst

The Bjuv sale-leaseback is the nearest trigger, with the property held for sale pending the Supreme Administrative Court's decision on whether to grant leave to appeal, expected in Q2 or Q3 2026, which the Company does not consider probable. A refusal lets the favorable Court of Appeal ruling stand, the transaction close during 2026 and capital free for both debt reduction and a dividend, in line with the Company's principle of returning surplus liquidity. It also lets Höganäs Borgestad consolidate production into a smaller, purpose-built site, described as a meaningful lever on the refractory margin.

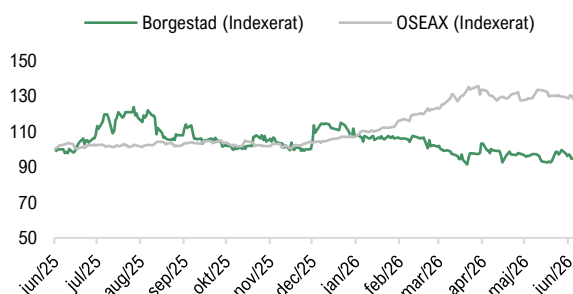
VALUATION RANGE

Bear NOK 14.4 **Base** NOK 20.7 **Bull** NOK 27.3

KEY INFORMATION

Share Price (2026-06-19)	16.10
Shares Outstanding	35,062,072
Market Cap (NOKm)	564.5
Net cash(-)/debt(+) (NOKm)	335.0
Enterprise Value (NOKm)	899.5
List	Oslo Stock Exchange
Quarterly report 2 2026	2026-08-14

SHARE PRICE DEVELOPMENT



OWNERS (SOURCE: THE COMPANY)

OWNER	INSIDER
Kontari AS	29.84%
SES AS	16.40%
Auris AS	5.61%
Intertrade Shipping AS	4.99%
Gross Management AS	4.87%

Estimates (NOKm) ¹	2024	2025	2026E	2027E	2028E
Total Revenues	1,169	1,126	1,141	1,204	1,264
COGS¹	-528.9	-504.1	-512.6	-536.4	-553.3
Gross Profit	640.5	621.9	628.1	667.1	710.7
<i>Gross Margin</i>	53.6%	54.4%	53.9%	54.3%	55.1%
Operating Costs ¹	-501.4	-514.6	-504.9	-518.6	-537.1
EBITDA	139.1	107.3	123.2	148.6	173.6
<i>EBITDA Margin</i>	11.9%	9.5%	10.8%	12.3%	13.7%
P/S	0.5x	0.5x	0.5x	0.5x	0.4x
EV/S	0.8x	0.8x	0.8x	0.7x	0.7x
EV/EBITDA	8.4x	7.3x	6.1x	5.2x	4.6x
EV/EBIT	17.1x	10.6x	8.5x	6.9x	6.0x

¹ Refers to the Groups consolidated financial numbers and COGS refers to materials, supplies and subcontracting.

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Other

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