2026-06-22

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 reprice 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.

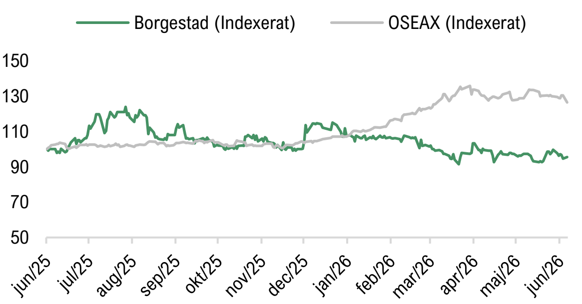
Valuation Range

Bear	Base	Bull
NOK 14.4	NOK 20.7	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)	= 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**
COGS[1]	-528.9	-504.1	-512.6	-536.4	-553.3
Gross Profit	**640.5**	**621.9**	**628.1**	**667.1**	**710.7**
Gross Margin	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**
EBITDA Margin	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.

Introduction

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About the Company

Borgestad is an industrial investment company headquartered at Lysaker, Norway, with a focused portfolio in two core sectors: real estate and refractory solutions. The Group's key assets are Agora Bytom, a shopping centre in the Silesian region of Poland, and Höganäs Borgestad, a refractory production and installation group, where real estate is the largest segment by asset value and refractory drives the highest revenue. The two assets are managed independently, with no operating synergies. Borgestad has been listed on the Oslo Stock Exchange since 1917 under the ticker BOR and traces its origins to 1904.

CEO and Chairman	
CEO	Pål Feen Larsen
Chairman	Glen Ole Rødland

Analyst	
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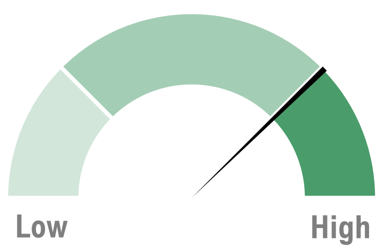
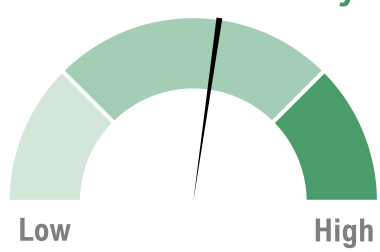
Value Drivers



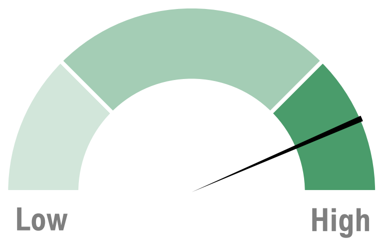
In the near term, Höganäs Borgestad operates through a cyclical low in Nordic heavy industry, where a largely fixed, service-led cost base means earnings recover with disproportionate force as activity is expected to normalizes from late 2026, aided by cost savings and an efficient production base. In parallel, Agora Bytom generates stable, high-margin rental income, driven by rising rent per sqm on a near-fully-let asset. Analyst Group considers the eventual realization of either asset, through a refractory consolidation or a property divestment, the single most important long-term value driver.

Historical Profitability



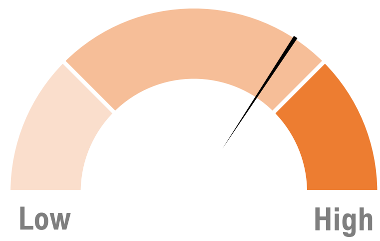
Borgestad combines a cyclical refractory business with a stable, cash-generative property, and reported profitability tracks the refractory cycle. On an LTM basis as of Q1-26, adjusted Group EBITDA amounted to approximately NOK 119m, with the refractory segment in a cyclical trough while Agora Bytom held an EBITDA margin near 52%. Reported 2025 earnings were additionally affected by non-recurring items, excluded from the adjusted figures. The rating is based on historical profitability and does not incorporate forward-looking projections.

Management & Board



Borgestad is led by CEO Pål Feen Larsen, in the role since 2019, with Glen Ole Rødland as Chair since 2023. Analyst Group considers management and the Board to possess relevant expertise in industrial investment, capital allocation and corporate finance. Insider ownership is notably high at approximately 55%, concentrated among Board-represented holding companies, which closely aligns decision-makers with minority shareholders and supports confidence in disciplined execution of the divestment and capital-return strategy.

Risk Profile



Borgestad's value is concentrated in two assets, therefore future value creation depends on the refractory recovery materializing and on the achievable transaction value of Agora Bytom, the latter exposed to Polish retail yields and occupancy. The refractory backlog, down 8% YoY in Q1-26, illustrates the near-term cyclical sensitivity. Analyst Group considers the Group's available liquidity of around NOK 188m, an equity ratio of 54% and a debt-free parent to provide resilience through the cycle, with the conditional Bjuv sale-leaseback a potential financial upside.

Investment Thesis

Portfolio Companies

agora BYTOM

100% owned

Höganäs Borgestad

69.7% owned

Agora occupancy
96.4%
signed leases, Q1-26

Group Revenue (LTM)
NOK 1,126m
Two-segment industrial Holding

Refractory adj. EBIT margin (LTM)
5.6%

Base Scenario

Equity Value		Per Share
725 NOKm	=	20.7 NOK

Industrial Investment Company Exposed to a Cyclical Trough and an Approaching Refractory Recovery

Borgestad is an industrial investment company holding two market-leading assets in distinct sectors: a 69.7% stake in Höganäs Borgestad, the Nordic leader within refractory products and installation services, and full ownership of Agora Bytom, a leading shopping centre in Polish Silesia. Refractory products are essential consumables for the steel, ferroalloy and process industries, where roughly 70% of global demand originates, which ties activity to the industrial cycle. With European steel and Norwegian ferroalloy output presently subdued, the business is operating through a cyclical trough in which revenue softens while profitability is held broadly stable by the cost programme. The structural case rests on deferred maintenance demand and an anticipated cyclical turn, supported by the green-steel transition and supply-chain reshoring that, in Analyst Group's view, underpin demand over the longer term.

Stable, Yield-Bearing Real Estate Anchors the Group Through the Refractory Cycle

Agora Bytom holds a strong position within its primary catchment in an extremely fragmented Polish retail market of more than 400 centres, drawing some 4.7 million annual visitors across a diversified tenant base and generating a stable, contracted income that anchors the Group through the refractory cycle. The centre operates at high occupancy and an EBITDA margin around 52%, supported by a resilient Polish consumer economy that has outgrown much of Europe. Value creation rests on rising rent per square meter as legacy leases reprice, the conversion of parking capacity to retail, and continued tenant upgrading, levers largely independent of the cycle. A divestment is the communicated endpoint, pursued on the Company's terms and timed to the right market, where the Libero sale in the same Silesian region evidences institutional demand for dominant secondary-city assets.

Market-Leading Refractory Operator With Operational Leverage and Strategic Optionality

Höganäs Borgestad is the only independent Nordic refractory operator with a complete value chain from production through installation and service, and holds world-leading niche competence within ferroalloys. The service business carries high operational leverage, as fixed capacity is held through the seasonal low in Q1 to meet the Q3 peak, which amplifies the recovery as utilization normalizes and the cost programme reaches full effect. Profitability is further supported by selective bolt-on acquisitions, struck at modest multiples and most recently within refractory recycling and flue-gas systems, that consolidate a fragmented Nordic market into a larger platform. The Bjuv sale-leaseback is the clearest near-term catalyst: a refused leave to appeal lets the favorable ruling stand and the transaction close during 2026, freeing capital for debt reduction and a dividend while consolidating production into a more purpose-built facility, communicated as a material driver of the margin trajectory. A fully assembled Nordic platform would in turn be a natural target for an international consolidator at materially higher multiples.

Forecast and Sum-of-the-Parts Valuation: Summary

The earnings trajectory is driven by distinct levers in each asset. In refractory, Analyst Group estimates that recovering maintenance demand, the full cost-programme effect and the operational leverage in the service segment lift EBITDA toward NOK 106m in 2027, at a margin approaching the mid-term target of at least 10%. In the property, the estimates are driven by gradually higher rent per square meter alongside an expanding lettable area. The valuation is derived on a sum-of-the-parts basis, with Höganäs Borgestad valued at 6.2x EV/EBITDA on 2027 earnings and Agora Bytom capitalized at a yield of 8.2% on stabilized net operating income, before deducting capitalized holding overhead and parent-level net cash. This results in a Base scenario value of approximately NOK 20.7 per share, of which Höganäs Borgestad contributes NOK 9.6 and Agora Bytom NOK 8.5, with the balance attributable to the parent company.

Operating Cyclicality and Capital Structure Represent the Primary Risk Factors

As with many industrial holding companies, Borgestad's value creation is partly tied to the cyclical recovery in its principal asset and to the eventual realization of value through divestment. The primary risk is a prolonged weakness in European steel and construction that delays the refractory recovery, alongside rising vacancy or falling rents at Agora Bytom. These risks are cushioned by a solid financial position and a debt-free parent: a dividend has been distributed in each of the past two years while operating through the trough. Capital allocation is structured to keep the holding debt-free, returning surplus liquidity and divestment proceeds to shareholders while funding new investments through directed issues, so that value extends beyond the two current assets to the redeployment of proceeds into new niche positions, including potential transformational M&A.

Company Description

Borgestad, founded in 1904 and listed on the Oslo Stock Exchange in 1917, is a Norwegian investment company that owns and develops two principal assets: **Höganäs Borgestad**, the Nordic market leader within refractory solutions, and **Agora Bytom**, a leading shopping centre in southern Poland. The two assets are operated and developed independently, each on its own commercial merits and value-realization path, and together they form a Group whose equity combines an established industrial operating business with a standalone, cash-generative real estate holding. As the longest-listed company on the Oslo Stock Exchange, Borgestad has evolved through more than a century of Norwegian industrial history, originating under founder and then Prime Minister Gunnar Knudsen as a combination of shipping partnerships and the refractory business Borgestad Fabrikker, exiting shipping in the mid-2000s and over the following two decades building the present structure around refractory and real estate.

Portfolio Companies

Agora Bytom

100% Owned

Shopping mall in Poland, representing the Group's real estate value

Höganäs Borgestad

69.7% Owned

Refractory production and installation group, which is market leader in the Nordic region

Investment Strategy

Borgestad operates as an active-ownership investment company rather than a passive holder of assets. The Group works closely with the management of its two assets to optimize operations and support growth, and looks for niche opportunities where it can consolidate fragmented or under-consolidated segments, thus building a position of scale and relevance. This consolidation logic is most clearly visible in the refractory business, which has been assembled and unified over time into a single Nordic group. The Company has indicated that it intends to pursue selective M&A within refractory where transactions can strengthen its competitive position and create long-term value. Each asset is developed toward the point at which its value can be realized, the defining endpoint of the ownership model, reached through operational improvement and structural transactions that build toward an eventual divestment.

While real estate is the largest segment measured by total assets, the refractory business is the largest measured by revenue. Beyond the two current assets, the strategy extends to redeploying divestment proceeds into new niche positions, including potential transformational M&A, with the concentrated, insider-anchored ownership base, around 55% held by the Board, management and related parties, underpinning this long-term approach.

Capital allocation is structured around three priorities: keeping the holding company effectively free of debt, financing any larger investment in a way that preserves that flexibility, and returning surplus capital to shareholders. Larger acquisitions are intended to be funded through directed share issues, share-for-share transactions or asset-level debt, so that leverage sits against the cash flows of the individual assets rather than the parent. Holding-level overhead is modest, at a normalized NOK 10-14m per year. Within this framework the Company has a stated ambition of high and stable dividends, with distributions in each of the past two years paid as a return of paid-in capital, complemented in May 2026 by a buyback of 180,000 shares (around 0.5% of capital) at NOK 17 to meet incentive-program obligations.

KEY FIGURES (FY2025)

1,126 MNOK Revenue	**107** MNOK EBITDA	**2.8x** NIBD / EBITDA	**55%** Equity ratio	**0.50** NOK Dividend[1]

GROUP STRUCTURE

Borgestad ASA
OSE: BOR • Investment company

Höganäs Borgestad	**Agora Bytom**	**Holding / Other**
Refractory	Real Estate	Financial inv.
69.7% owned	**100% owned**	**Parent level**

[1] Dividend of NOK 0.50 per share for the 2025 financial year, paid as a return of paid-in capital (ex-date 2 March 2026).

Company Description

Real Estate: Agora Bytom

Agora Bytom is a leading shopping centre located centrally in Bytom, a city in the densely populated Upper Silesian region of southern Poland, close to Katowice and within a province of more than four million residents. Borgestad has owned the centre in full since 2013. The property comprises a gross area of approximately 52,000 sqm and a lettable area of 33,870 sqm, together with a connected parking facility of 820 spaces, and houses a broad tenant base spanning major international chains and established Polish brands, complemented by eight cinema halls, a fitness centre and a wide selection of cafés and restaurants. This composition positions Agora Bytom as both a commercial and a social hub in its catchment, drawing some 4.7 million visitors annually, and the centre holds BREEAM In-Use certification.

Business and Revenue Model

The segment generates rental income from leasing the centre's space to tenants, characterized by a modest revenue base but a high EBITDA margin, in the region of 52%, reflecting a single, well-established asset with a largely fixed cost base. Lease income combines fixed base rents with a smaller turnover-based component and recharged service charges, and the contract profile is healthy, with a weighted average unexpired lease term of close to four years and the largest tenants' first material expiries spread across the coming years. The principal cost drivers are property operating expenses, asset-level financing on the secured bank debt, and currency, since the centre earns in EUR and PLN while Borgestad reports in NOK. The property carries a loan-to-value of approximately 50%, and because that bank financing limits distributions up to the parent, the value of Agora Bytom is expected to be realized for shareholders primarily through a future sale rather than ongoing income.

The operational focus has shifted toward renegotiating or replacing lower-yielding leases to lift the actual rent per square meter, alongside continued work to strengthen the tenant mix, reflecting a centre that is already close to fully let. Higher achieved rent per square meter, rather than further gains in occupancy, is therefore the principal driver of future appreciation in the property's value, and the Company additionally sees potential in converting parts of the parking structure to retail use. The centre is managed by an in-house team employed directly by the Group, providing close local market insight and agility in responding to shifting tenant and consumer patterns. A divestment remains the communicated long-term intention, pursued in the right market environment, with a falling Polish interest-rate trajectory expected to support lower yields and higher transaction activity over time.

Agora Bytom
KPI:s, LTM

Occupancy (signed leases)
96.4%

WAULT[1]
3.91 years
by income

Visitors
4.7 million

Tenant Turnover Growth
+4.6%

Agora Bytom: Asset Profile

Agora Bytom — A Prime Shopping Center in Upper Silesia

Centrally located in Bytom, Poland · fully owned by Borgestad ASA

KEY FACTS

Location	**Central Bytom, Upper Silesia (~10 km from Katowice)**
Gross area	**~52,000 sqm**
Lettable area	**~33,870 sqm**
Parking	**820 spaces**
Tenants	**~160**
Annual visitors	**~4–5 million**
Certification	**BREEAM In-Use**

S — **SHOP**
~115 stores
Leading international and Polish brands

P — **PLAY**
Cinema · Fitness
Family entertainment and leisure

E — **EAT**
Cafés & Restaurants
Food court and casual dining

Source: Agora Bytom; Borgestad.

[1] Weighted average unexpired lease term.

Company Description

Refractory: Höganäs Borgestad

Höganäs Borgestad KPI:s, LTM	
Order Backlog (31 March 2026)	NOK 310.3m
Revenue	NOK 1,039m
Adj. EBIT	NOK 4.7m
Adj. EBIT Margin	+5.6%

Höganäs Borgestad manufactures, installs and maintains refractory products, the heat-resistant bricks and monolithic masses that line furnaces, kilns, ladles and vessels in processes operating above 1,250°C, across industries including steel, cement, aluminum, ferroalloys and waste-to-energy. With production heritage dating back to 1825 and more than 350 employees across Norway, Sweden and Finland, the company is the Nordic market leader and the only independent actor in the region covering the complete refractory value chain, from production through engineering and installation to integrated turnkey solutions. It holds a world-leading niche position within ferroalloys, supported by its proximity to the Norwegian ferroalloy industry. Led by CEO Bendik Persch Andersen since April 2025, the company maintains in-house research and development, with a value proposition resting on solutions that lift productivity while lowering energy consumption, a combination that grows in relevance as energy costs and decarbonization rise on customers' agendas. Borgestad owns the refractory group through a majority holding.

Business and Revenue Model

The business combines product sales with a recurring service-and-installation business, and the two carry different economics. Services account for roughly two thirds of refractory revenue and represent the part that carries the margin and the customer relationship. Refractory bricks are sourced from German partner Refratechnik, following the closure of in-house brick production in 2021, and serve a global market, while monolithics and masses are produced in Bjuv, Sweden, at roughly 10,000 tonnes per year against a theoretical capacity of around 25,000 tonnes, serving a more local-to-regional market as transport cost and a limited shelf life constrain their reach. Installation and maintenance contracts are frequently structured on a time-and-material basis, which lowers operational risk by passing input-cost movements through to the customer, and rest on framework agreements with large customers such as LKAB and SSAB. Contract durations are short and therefore serve as a leading indicator of demand, with the order backlog lengthening in upcycles and shortening in downturns, while a diversified base, where no single customer exceeds 10% of Group turnover, thus limiting concentration risk.

The segment combines cyclicality with high operational leverage. Demand is seasonal, low in the cold first and fourth quarters and peaking in the third, when customers schedule major furnace maintenance over the summer. Because the fixed cost base, principally personnel, is carried through the year to retain the skilled capacity needed for the peak, profitability varies considerably between quarters. The principal cost drivers are personnel, raw materials and sourced products, including andalusite, bauxite, mullite and chamotte for in-house production and finished bricks from Refratechnik, plus energy, both for the Bjuv kiln and indirectly through the energy-intensive German supplier.

Höganäs Borgestad: Business Model

Services — ~67% of revenue · value core

Engineering & Design → Installation → Supervision & Maintenance

Local-to-regional · Time-and-material · Carries the margin and customer relationship · high operational leverage · Q3-peak Seasonality.

Products — ~33% of revenue

Monolithics — in-house (Bjuv, SE) | Bricks — sourced (Refratechnik, DE)

Monolithics local-to-regional (transport cost, shelf life) · Bricks global.

Recycling — Mo i Rana (acquired Dec 2025)

Used refractories ground into new raw material, feeding back into in-house production.

End markets

- **Steel**
- **Ferro Alloy**
- Cement
- Aluminium
- Foundries
- Pulp & Paper
- Energy & Waste
- Petrochemical
- Passive Fire Protection

Steel ≈ 70% of global refractory demand; Ferro Alloy a world-leading niche.

~200 yrs heritage | Nordic market leader | Only independent full-value-chain operator

ISO 9001 / 14001 / 45001 | World-leading ferroalloy niche

Source: Höganäs Borgestad, Borgestad and Analyst Group.

Company Description

Mid-term EBIT Target ≥10%
Refractory Segment

Höganäs Borgestad is working toward a medium-term EBIT margin target of 10% or higher, to be reached through operational improvement, a lower structural cost base and a cyclical recovery in its end markets. In parallel, the company pursues selective bolt-on acquisitions that strengthen its capabilities and extend its position along the value chain, having recently added a recycling operation in Mo i Rana, Norway. The acquisition grinds used refractories into new material, supporting both a lower-carbon product offering and the in-house production base. Furthermore, the Company has added a Swedish flue-gas-cleaning specialist that broadens the service offering. Struck at modest multiples, these bolt-ons are accretive from the outset and steadily build out the platform.

The Bjuv Sale-Leaseback

Bjuv Property Value
SEK 145m
Sale-leaseback, Held for Sale

The Bjuv facility, the Group's monolithic production site in southern Sweden, occupies a building footprint of approximately 50,000 sqm, only part of which is used operationally. The planned sale-leaseback of the property is the single most important structural initiative within the refractory segment. The transaction is more than a financing event; it would release liquidity to the Group, with the two properties valued at SEK 145m and a purchase price of around SEK 139.3m after stamp duty, settled in three instalments of 60% on completion and 20% after twelve and twenty-four months. It would also enable production to be consolidated into a smaller, more purpose-built facility, lowering maintenance and property costs and improving operational flows, which the Company has communicated as a meaningful step-change for the segment's profitability. The transaction is conditional on a legal process running through the Swedish courts: the Administrative Court of Appeal in Gothenburg ruled in Borgestad's favor in December 2025, after which the complainant appealed to the Supreme Administrative Court, expected to decide whether to grant leave to appeal during the second or third quarter of 2026. The Company does not consider it probable that leave will be granted, in which case the favorable ruling stands. On completion, the related Nordea debt of NOK 40m is repaid and, through the lower cost base, the segment moves toward its margin target, making this the clearest near-term catalyst.

Strategic Outlook

Recycling Acquisition Mo i Rana
Lower-carbon Refractory loop, Dec 2025

Borgestad's medium-term trajectory consists of two largely independent value-realization processes running in parallel, underpinned by a capital structure deliberately kept flexible at the holding level. In refractory, the priority is to lift profitability toward the 10% EBIT-margin target and to continue consolidating the fragmented Nordic market through selective bolt-on acquisitions, building a larger and cleaner business. Small and mid-sized Nordic service-and-installation businesses typically change hands at modest multiples, which makes disciplined acquisitions accretive, while a fully assembled Nordic platform would constitute a natural target for an international refractory group within the coming years, where strategic transactions in the sector have historically been struck at considerably higher multiples. In real estate, the intention is to divest Agora Bytom once the asset's income quality and the Polish yield environment support an attractive valuation, an outcome made more likely by falling interest rates, and the Company has communicated that a sale will be pursued in the right market on its own terms.

The Group's investment strategy reinforces this outlook. Capital allocation is structured to keep the holding company effectively free of debt, with surplus liquidity and divestment proceeds returned to shareholders and any larger new investment financed through directed share issues or asset-level debt, so that the parent retains both its flexibility and its capacity to act on opportunities. Within this framework Borgestad continues to evaluate new niche investments where active ownership can build a position of scale, and the Company has communicated an intention to explore transformational M&A should a compelling opportunity arise. The value on offer to shareholders therefore extends beyond the realization of the two current assets to the redeployment of the proceeds into new value-creating positions.

Borgestad's Strategic Outlook

Bjuv Sale-Leaseback

Releases liquidity and enables consolidation into a smaller, purpose-built facility, lowering maintenance costs and lifting refractory margins. Awaits final court ruling.

Opportunistic M&A

Disciplined bolt-ons consolidate the fragmented Nordic refractory market at modest multiples, building a larger platform that is accretive to the holding from day one.

Exit-Divestments by Segment

Agora Bytom and, longer term, a fully assembled Nordic refractory platform are positioned for divestment at materially higher multiples in the right market.

Market Analysis

Global Refractory Market
USD 34bn
2024, Toward USD 42bn By 2029

Borgestad's two assets are exposed to markets that share almost no common drivers, and the analysis therefore treats them separately. Höganäs Borgestad operates in the global, steel-linked market for high-temperature industrial materials, mature and cyclical in the near term but supported by durable structural trends. Agora Bytom is exposed to the Polish retail-property market, and specifically to consumer activity and property yields in the Upper Silesian region of southern Poland.

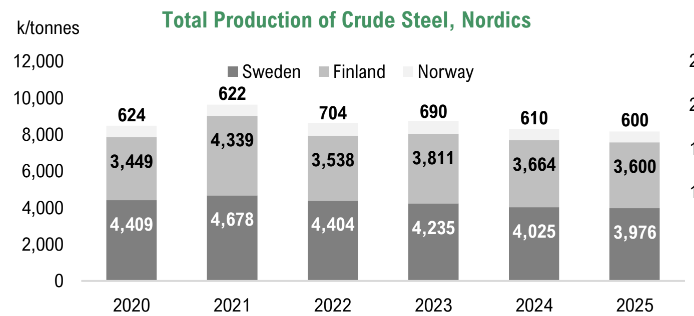
Refractory revenue is generated principally in Sweden, Norway and Finland, with smaller contributions from the rest of Europe and Asia, while the entire real estate revenue is Polish. The Group is therefore, at its core, a combination of a Nordic industrial business and a Polish retail asset, with limited diversification beyond those markets. Within refractory the customer base is nevertheless well spread, with no single customer accounting for more than 10% of Group turnover, which tempers the concentration risk that comes with serving large industrial accounts such as steel and ferroalloy producers.

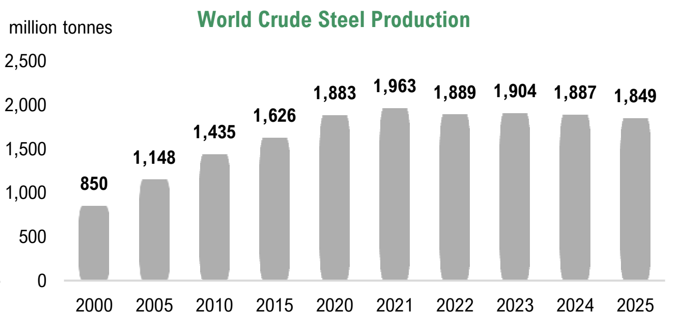
The Global Refractory Market

4.4% CAGR
Global Refractories Market

Refractories are the heat-resistant bricks and monolithic masses that line furnaces, kilns, ladles and reactors in processes operating above 1,250°C, and because linings wear out in use, they are consumed and replaced continuously, which gives the market a recurring, maintenance-driven character. This is a large and mature market, growing at low-to-mid single digits and tied closely to heavy-industry output, with demand driven by the underlying need to maintain and reline the high-temperature equipment at the core of steel, cement, aluminium and other process industries. Asia Pacific accounts for over 75% of global volume on the back of Chinese, Indian and Southeast Asian steel production, while Höganäs Borgestad participates in a specialized Nordic niche with world-leading competence in ferroalloys.

The single most important determinant of demand is steel, which accounts for approximately two-thirds of global refractory consumption, meaning refractory volumes function effectively as a leveraged read on steel-sector activity. The most useful real-time indicator for the segment is therefore global crude steel product-ion, published monthly by the World Steel Association and freely available to track. That indicator has recently pointed down, which explains much of the pressure on Höganäs Borgestad's results: world crude steel output fell around 2% in 2025, with the decline concentrated in the Group's home markets, as the EU contracted and Germany fell close to 9%. A weak steel cycle feeds directly into postponed maintenance, lower installation activity and a shorter order backlog, and it is the principal reason the near-term outlook is subdued.





Source: Eurofer and World Steel Association

European EAF Share
45% → 57%
By 2030, Refractory-Intensive Shift

Beneath the cycle, however, sit structural drivers that are more relevant to the investment case than the current downturn. The transition toward greener steelmaking, and in particular the shift from blast-furnace routes to electric-arc-furnace technology, is refractory-intensive and supports consumption even where total steel volumes are flat, since new furnace installations require new linings, and hydrogen-DRI-fed furnaces tend to carry higher refractory wear than scrap-based ones. The European EAF share of steelmaking is projected to rise from around 45% toward 57% by 2030, supported by close to EUR 9bn in approved EU state aid, and several of the flagship green-steel projects, including SSAB and Stegra, sit in Höganäs Borgestad's Nordic home market. The transition is structural rather than imminent, with some projects delayed by high European power prices, but the direction of travel is clear and refractory-positive.

Market Analysis

Recycled Raw Materials
≥10%
Target By 2030, Norwegian Recycling Op

Demand for lower-carbon and recycled refractory products is rising in parallel, a trend Höganäs Borgestad has positioned for through its acquisition of a Norwegian recycling operation, a new internal drying unit and a target of at least 10% recycled raw materials in production by 2030. The broader push toward European industrial resilience and regional supply favors independent, locally rooted suppliers with their own production and service capability, precisely the position Höganäs Borgestad occupies as the only independent full-value-chain actor in the Nordics. The counterweight is the near-term reality of weak European steel and construction activity, compounded for the Group by tariff frictions affecting the Norwegian ferroalloy industry and high regional energy prices.

The global market is led by large integrated players such as RHI Magnesita, Vesuvius, Imerys, Saint-Gobain and several Japanese groups, none of which competes directly with Höganäs Borgestad in its served niche. Rather, they are relevant as potential consolidation acquirers and as valuation reference points. The strategic transactions periodically seen in the sector, where international groups acquire regional specialists, are the natural template for an eventual sale of Höganäs Borgestad, typically struck at meaningfully higher multiples than the small-to-mid-sized Nordic service businesses that change hands more routinely.

Structural Demand Drivers

2030

Green-Steel Transition

45% → 57%

EU arc-furnace share, 2030

The European electric-arc-furnace share of steelmaking is projected to rise from around 45% to 57% by 2030, supported by close to EUR 9bn in EU state aid. New furnaces require new linings, and flagship Nordic projects such as SSAB and Stegra sit in Höganäs Borgestad's home market.

Circular Refractories

≥ 10%

Recycled raw materials, 2030

Demand for lower-carbon and recycled refractories is rising. Höganäs Borgestad has positioned for this through a Norwegian recycling acquisition, a new internal drying unit, and a target of at least 10% recycled raw materials by 2030.

European Supply Resilience

Only 1

Independent full-value-chain operator, Nordics

Friendshoring and regional supply security favor independent, locally rooted suppliers with full production and service capability, precisely Höganäs Borgestad's position as the only independent full-value-chain refractory operator in the Nordics.

Polish GDP Growth
+3.6%
Full-Year 2025, **+4.0%** In Q4-25

The Polish Retail-Property Market

Agora Bytom's performance is anchored to the Polish consumer economy, which has remained notably resilient through a period of broader European weakness. Polish GDP grew 4.0% year-on-year in Q4-25, the strongest quarter since 2022, taking full-year 2025 growth to 3.6% against 3.0% in 2024, and the European Commission projects a further 3.5% in 2026, well ahead of the euro-area average. Growth has been led by private consumption, while unemployment of around 3% remains among the lowest in the EU and inflation has settled near 3%. Polish consumer confidence stood at -1.4 in December 2025 against an EU average of -13.6, among the most optimistic in the region. This backdrop matters on two fronts: it supports consumer spending and tenant turnover, and, importantly for an eventual divestment of the asset, the falling policy-rate trajectory tends to support property valuations and transaction activity by allowing yields to compress over time.

On the capital side, the market is liquid but selective. Polish retail investment reached EUR 859m across 52 transactions in 2025, including the EUR 103m sale of the Libero centre in Katowice, a transaction in the same Silesian region as Bytom that demonstrates active institutional demand for dominant assets in the area. A structural feature of the market is ownership concentration: the largest owner, NEPI Rockcastle, holds only a modest share of the more than 400 centres in the market and concentrates its portfolio on prime assets in the major cities.

Upper Silesian Catchment
4 Million
Province Population, ~10 km From Katowice

Dominant centres in secondary cities are therefore held and traded in a distinct segment of the market, with its own pricing and its own pool of regional and value-oriented investors, a segment in which transaction activity tends to strengthen as interest rates fall.

On yields, Cushman & Wakefield reports a prime shopping-centre yield of 6.45% nationally and 7.00% for the Silesian Agglomeration at year-end 2025, the regional reference point closest to Bytom. With Polish policy rates on a downward trajectory, the prevailing direction for retail yields is toward gradual compression over time, which would be supportive of capital values across the market. Bytom sits within the densely populated Upper Silesian conurbation, roughly 10 kilometers from Katowice and within a province of more than four million people. Agora Bytom holds a central, city-core position while competing modern-format schemes sit on the outskirts, a structural advantage in accessibility and daily footfall that out-of-town retail parks cannot replicate. The centre functions as much as a social and leisure destination as a shopping venue, anchored by cinema, dining, family entertainment and a fitness offering, and is therefore weighted toward exactly the categories that have led Polish shopping-centre turnover growth, services, entertainment and food and beverage, rather than the discretionary goods most exposed to online substitution.

Prime Rent Growth
+5–6%
2025, Indexation 3.5–4% Into 2026

Because the asset already operates near full occupancy, the principal avenue for income growth is a higher rent per square metre as leases roll rather than additional space take-up. The backdrop is supportive: Cushman & Wakefield reports prime shopping-centre rents rising 5 to 6% in 2025 and expects rent indexation of 3.5 to 4% in early 2026, while tenant turnover rose around 2% in 2025 even as footfall held broadly flat, indicating rising spend per visit. With Polish online penetration still structurally lower than in Western Europe, a dominant, multi-purpose centre that serves its catchment as a destination is comparatively well insulated from e-commerce pressure. Taken together, a resilient consumer, rising rents and a falling-rate environment establish the conditions under which a centrally located, near-fully-let asset can grow its income and support its capital value over time.

Overview over Polish Economics and Retail Property Market.

Polish Economy

+4.0% ▲
GDP growth, Q4-25 (y/y)
Strongest quarter since 2022

+3.6% ▲
GDP growth, FY 2025
vs +3.0% in 2024

~3%
Unemployment
Among the lowest in the EU

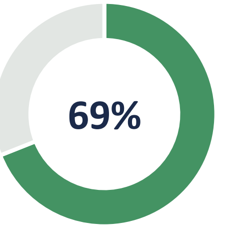
-1.4 ▲
Consumer confidence, Dec-25
EU average -13.6

Polish Retail Property

6.45%
Prime shopping-centre yield, national
Year-end 2025

7.00%
Prime yield, Silesian Agglomeration
Region closest to Bytom

+5-6% ▲
Prime shopping-centre rent growth, 2025
Indexation 3.5-4% expected early 2026



Source: Statistics Poland (GUS), Cushman & Wakefield, European Commission; latest available data.

Retail parks & convenience · EUR 859m, 52 deals (2025)

Financial Forecast

Financial history and Basis for Forecasts

Group Revenue 2025
NOK 1,126m
Two-Segment Industrial Holding

Borgestad's financial history reflects the dual nature of an investment company that combines a cyclical industrial business with a stable, cash-generative property asset, and the consolidated accounts are most usefully read as the sum of these two parts. Höganäs Borgestad contributes the large majority of Group revenue and essentially all of its cyclicality, while Agora Bytom adds a smaller but considerably steadier and higher-margin income stream, and a holding function carries central costs of NOK 10m to 14m per year. Reported figures have been shaped by several non-recurring items, which makes adjusted figures the more meaningful basis for evaluating underlying performance and constructing forecasts.

Refractory EBIT 2025
NOK 65m, 6.2% Margin, Cyclical Trough

The Group's top line has been broadly stable, holding around NOK 1,130m to 1,170m, therefore the relevant signal lies in profitability, which tracks the refractory cycle. Adjusted refractory EBIT troughed at NOK 33m in 2023, recovered to NOK 81m in 2024 at a 7.5% margin as Swedish and Finnish installation activity strengthened, and moderated to NOK 65m at a 6.2% margin in 2025 as Nordic steel demand softened. This swing, on a near-flat revenue base, illustrates the operational leverage in the service-and-maintenance model, where a largely fixed cost base is carried through the year to retain skilled capacity for the seasonal peak. Reported 2025 earnings were further depressed by non-recurring items of approximately NOK 27m, comprising restructuring costs and write-downs on the ERP system and goodwill.

The pattern continued into 2026, where a seasonally soft first quarter, weak Swedish steel demand and EU ferroalloy tariff frictions produced a refractory EBIT of NOK -18m, a figure that should be read against a Q1 that historically represents only around a fifth of annual refractory revenue. Analyst Group's forecasts assume 2026 broadly resembles adjusted 2025 before a gradual recovery from 2027, supported by three drivers: the full-year effect of the cost-saving program, the operational benefits of the Bjuv production consolidation on completion of the sale-leaseback, and a normalization of end-market demand. The communicated mid-term EBIT margin target of at least 10% provides an explicit anchor for the recovery.

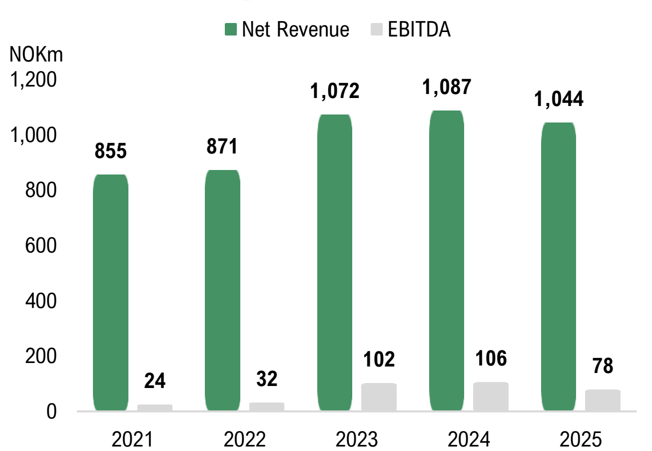
Agora EBITDA Margin
~52%
Stable, Yield-Bearing Income

Agora Bytom has shown a fundamentally steadier profile, with revenue advancing from NOK 60.6m in 2022 to NOK 81.6m in 2025 including service income, a CAGR of 10.4%, while the EBITDA margin held in the 52% to 55% range. The improvement reflects rising signed-lease occupancy, from around 94.5% at year-end 2024 to 96.4% by Q1-26, alongside a gradual increase in effective rent per square meter. With the centre now close to fully let, the focus has shifted toward renegotiating lower-yielding leases to lift the realized rent, and the Company guides toward steady growth in revenue and EBITDA.

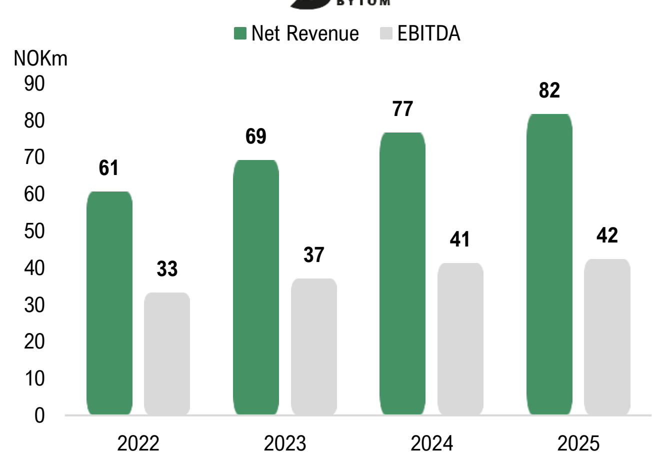
The balance sheet has strengthened structurally. Equity of NOK 786m at year-end 2025 corresponds to an equity ratio of 54%, a marked improvement from the heavily leveraged position of earlier years. The net interest-bearing debt of NOK 305m corresponds to around 2.8x reported Group EBITDA, the majority secured against Agora Bytom. The holding company itself is effectively free of interest-bearing debt, which underpins the dividend ambition and the capacity to absorb refractory cyclicality without financial stress.

Borgestad combines a cyclical industrial earnings stream with a stable, growing property income.

Höganäs Borgestad



agora BYTOM



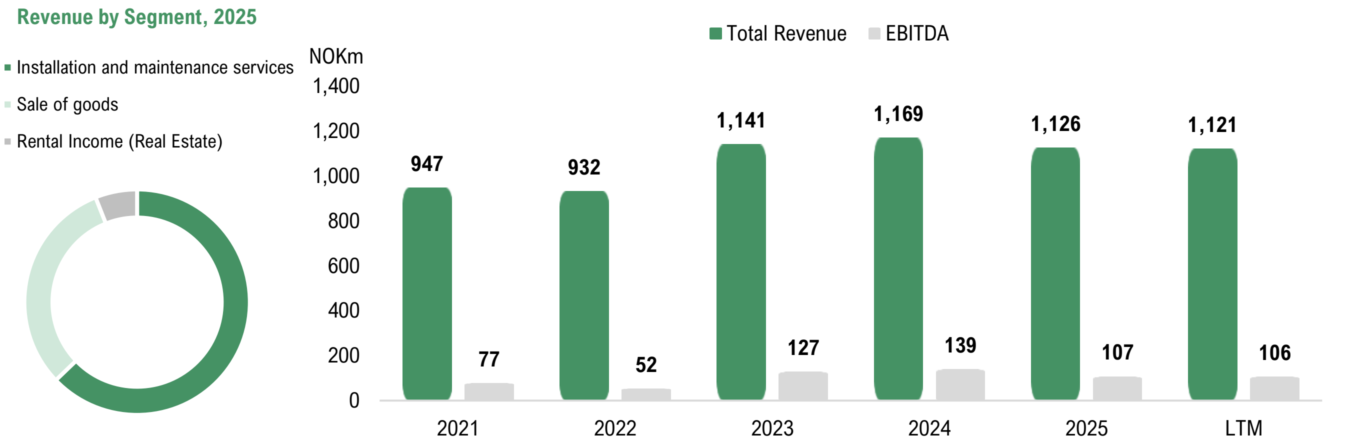
Source: Analyst Group's Financial Forecast

Financial Forecast

Currency translation is a further, though limited, factor: Agora Bytom earns in EUR and PLN while the Group reports in NOK, so the property's roughly 7% share of Group revenue carries modest translation sensitivity. With EUR/NOK having moved from a 2025 average of 11.73 toward the high-10s at the date of this report, Analyst Group applies a flat EUR/NOK of 11.00 across the projection period, a deliberately conservative assumption that builds a modest currency headwind into the property's NOK revenue.

Taken together, the historical record establishes Borgestad as a Group with two clearly differentiated value drivers: a cyclical but operationally leveraged refractory business approaching the end of a soft cycle, and a stable property asset that provides downside protection and consistent cash generation. The forecasts that follow build on this dual structure and on the catalysts already in place for 2026 and beyond.

Consolidated Group revenue and EBITDA: a stable top line over a cyclical earnings base.



Source: Borgestad and Analyst Group's Financial Forecast

Revenue model overview: Borgestad

Borgestad consists of two operationally independent businesses, and the forecasts are constructed from segment-specific drivers that reflect their fundamentally different revenue mechanics. The refractory segment behaves like a service-led industrial business with exposure to the Nordic heavy-industry cycle, while Agora Bytom resembles a yield-generating property with predictable cash flows. This bottom-up architecture captures both the cyclical recovery potential of Höganäs Borgestad and the structural stability of Agora Bytom.

Real Estate: a yield asset with operational levers intact

Signed-Lease Occupancy
96.4%
Q1-26, Near Fully Let

The Real Estate revenue model rests on a transparent set of drivers: rental income equals leasable area multiplied by occupancy and effective rent per square meter per month, with a smaller turnover-based component and recharged service charges that behave as pass-through items. Leases are denominated in EUR, introducing the translation effect discussed above. With the centre close to fully let, signed-lease occupancy of 96.4% as of Q1-26 leaves limited room for further volume gains, so the forecast is driven primarily by rent per square meter rather than occupancy.

Signed vs Realized Rent
€16.6 / €15.0
per sqm/mo, the Repricing Runway

The key driver is the gap between newly signed leases, at EUR 16.6 per sqm per month at year-end 2025, and the effective realized rent of approximately EUR 15.0. As legacy contracts are renegotiated or replaced on expiry, the portfolio average is expected to converge gradually toward the higher signed level, providing a multi-year runway for rental growth largely independent of the macro cycle. A second, more incremental lever is the conversion of underutilized parking space into additional retail area, reflected in the rising leasable area through 2025.

The EBITDA margin has remained anchored in the 52% to 54% range, reflecting the largely fixed cost base of a single well-established property where incremental revenue converts almost entirely into profit. The forecast therefore models steady mid-single-digit revenue growth in EUR terms, supported by rent escalation and incremental area expansion, with the EBITDA margin held broadly stable.

Financial Forecast

Demand Driver
Lining Wear
Recurring, Cycle-Independent Maintenance

Refractory: a service-led business with product complement

Höganäs Borgestad provides refractory products and installation services to industries operating above 1,250°C, primarily steel, ferroalloys, aluminum and cement. Refractory linings are mission-critical components of furnaces and reactors, and their wear creates a recurring need for replacement and maintenance that is largely independent of the customer's capital-investment cycle. This underpins the service-led nature of the business, with installation and maintenance services accounting for 67% of segment revenue in 2025 and product sales for the remaining 33%.

Bjuv Utilization
~10,000 / 25,000 t
Monolithics, Capacity Headroom

The service business operates through long-standing relationships with major Nordic industrial customers, structured as multi-year framework agreements complemented by project-specific orders billed on a time-and-material basis. This design transfers a meaningful portion of input-cost risk to the customer and supports stable underlying activity through the cycle. The product business comprises monolithic masses produced at the Bjuv facility in Sweden and refractory bricks sourced from German partner Refratechnik under an agreement in place since 2021. A refractory recycling capability was added through the acquisition of an operation in Mo i Rana, Norway, in December 2025, broadening the portfolio and aligning with the increasing customer focus on circular industrial processes.

Geographic exposure is concentrated in the Nordics, with Sweden the largest market followed by Norway and Finland, and a smaller share from continental Europe and other international markets. End-market sensitivity is anchored in steel and ferroalloy production, which together account for the large majority of demand. The combination of pronounced seasonality, with the third quarter the strongest and the first and fourth the seasonal lows, and a cost base, particularly personnel, that is carried through the full year, means profitability moves with disproportionate force relative to changes in volume.

Revenue Model: Two Independent Segments

Agora Bytom Real Estate · Yield asset	**Höganäs Borgestad** Refractory · Service-led
Rent = Area × Occupancy × €/sqm	Service contracts + product sales
~96% Signed-lease occupancy (2025)	67% services · 33% products (2025)
€16.6 vs €15.0 Signed vs realized rent (€/sqm/mo)	**> 1,250°C** Mission-critical linings; steel & alloys
52–54% Stable EBITDA margin range	**Q3 peak** Pronounced seasonality · Nordic-focused

Bottom-up build: two largely uncorrelated revenue streams underpin the group forecast

Revenue Forecast: Agora Bytom

Agora Bytom generated rental income of NOK 66m in 2025, up from NOK 62m in 2024, and total segment revenue including service charges of NOK 82m, at a signed-lease occupancy of 96.2% at year-end 2025, rising to 96.4% by Q1-26, on a leasable area of 33,870 sqm. The centre is now close to fully let, which moves the growth story away from filling vacant space and toward the two levers that remain: a larger leasable area and a higher rent per square meter.

Leasable Area
33,870 → ~37,000 sqm
Forecast-End, via Parking Conversion

The primary driver is the gradual expansion of leasable area, as underutilized space, principally parking, is converted to retail use. Analyst Group models leasable area rising from 33,870 sqm toward roughly 37,000 sqm by the end of the forecast period, adding revenue-generating floor on a largely fixed cost base. Occupancy is held broadly stable in the 96-97% range, a level Agora Bytom has demonstrated it can sustain, while allowing for short periods where refurbishments and tenant changes temporarily affect the rate, as seen during the 2025-26 transition.

Financial Forecast

Effective Rent per sqm
€15 → €17
~3.4% CAGR Over the Forecast Period

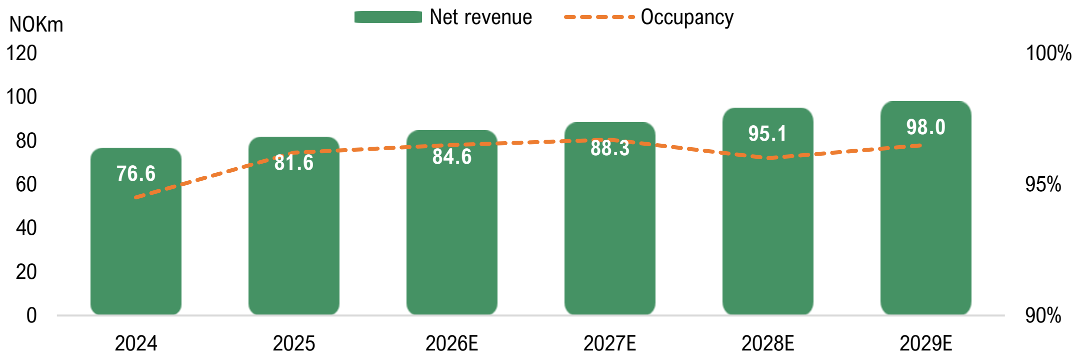
The second driver is rent per square meter, where the gap between newly signed leases, at EUR 16.6 net of tenant discounts, and the effective realized rent of around EUR 15.0 provides a clear runway. As legacy contracts reprice on expiry, realized rent converges toward the signed level and is carried higher by continued market indexation, which Analyst Group models rising toward approximately EUR 17 per sqm by the end of the period, a CAGR of 3.4%. The pace is set by a strong Polish backdrop: prime shopping-centre rents rose 5 to 6% in 2025 with 3.5 to 4% indexation expected into 2026, carried by a resilient consumer economy that has outgrown much of Europe, while Agora Bytom's EUR 15-17 range sits well below prime Warsaw levels of EUR 25-28 per sqm, leaving clear headroom. The repricing accrues gradually, consistent with a WAULT of around four years and first top-ten expiries in Q1-28.

Combining these drivers, Analyst Group forecasts segment revenue to rise from NOK 83m in 2026 to NOK 98m in 2029, a CAGR of approx. 5% from the 2025 base. Growth is back-end weighted: 2026 is modeled as a transition year, in which tenant turnover declined 3% in Q1-26 as several replacement occupiers opened only late in the quarter, before the steeper contribution arrives from 2027 as replacement tenants reach full-quarter run rates and the area expansion takes effect.

Real Estate Segment Revenue
NOK 98m
2029E

~5% CAGR
During Period 2025-2029E

Agora Bytom is estimated to show steady revenue growth driven by rent per sqm and area expansion.



Source: Analyst Group's Financial Forecast

Cost Drivers and Margin

Agora Bytom operates with a high and stable margin that reflects the economics of a single, fully managed asset run by an in-house team. Segment EBITDA was NOK 42m in 2025 on revenue of NOK 82m, an EBITDA margin of 51.8%, broadly in line with the 52-54% band the centre has delivered in recent years.

The cost base is dominated by property operating expenses, covering management, maintenance, security, marketing and energy, which together account for roughly half of segment revenue. The defining feature is that these costs attach to the building and its floor area rather than to the rent it earns, so they move only slowly as income rises. Personnel costs are modest and largely fixed, reflecting the small in-house team that runs the centre regardless of the rent level, while materials and supplies are negligible for a property of this kind.

This cost structure is the source of the margin dynamic. Because both revenue drivers, a higher rent per square meter and an expanding lettable area, lift income against a near-stable cost line, incremental revenue converts almost entirely into profit. The margin therefore widens as the repricing strategy takes effect, rather than through any absolute cost reduction. Service charges are recharged to tenants and treated as pass-through, so they neither inflate revenue nor distort the margin.

Incremental Revenue Converts to Profit Margin Widens as Rents Reprice

Energy, the most variable cost component, is well contained over the forecast period. Electricity prices have been fixed for both 2026 and 2027, removing near-term price volatility, while the BREEAM In-Use certification and a doubling of rooftop solar capacity completed in Q1-26 provide a more structural, if modest, support over time. The net operating income (NOI), property income less direct operating costs, is the standard measure of a property's recurring earnings power and the basis on which a yield-based valuation capitalizes the asset; for Agora Bytom it has risen broadly in step with rents.

Financial Forecast

On these assumptions, Analyst Group forecasts the EBITDA margin to expand gradually from 52.1% in 2026 toward 54% in 2028 and 2029, held in the higher range of the historically demonstrated range. Combined with the revenue trajectory, this lifts segment EBITDA from NOK 42m in 2025 to NOK 51m in 2029, a CAGR of 4.7% from the 2025 base. Thus, EBITDA is estimated to grow faster than revenue, 4.7% against 3.4%, the operating leverage of a fixed-cost property working in the Group's favor as realized rent converges toward signed levels.

Revenue Forecast: Höganäs Borgestad

Höganäs Borgestad generated revenue of NOK 1,044m in 2025, down 4.0% from NOK 1,087m in 2024, reflecting reduced activity in the Swedish service and maintenance market, compounded into early 2026 by EU tariffs on Norwegian ferro-alloy imports and high electricity prices in Northern Norway. As the Nordic market leader and the only independent operator covering the full value chain from production through service and installation, the business enters the forecast period at a cyclical low rather than from a position of structural weakness.

The revenue base splits into installation and maintenance services (*services*) at 67% and sale of goods (*products*) at 33%, and the distinction shapes the forecast. The service business is local and regional, constrained by transport cost and the 6-12 month shelf life of monolithic masses, while the brick business is global and sourced from a German partner. The service line carries high operational leverage: fixed capacity is held through the low-season Q1 to meet the Q3-peak, when customers schedule major furnace maintenance over the summer, so that profitability swings with disproportionate force in either direction. This is the central mechanism behind both the depressed 2025 and the recovery that follows.

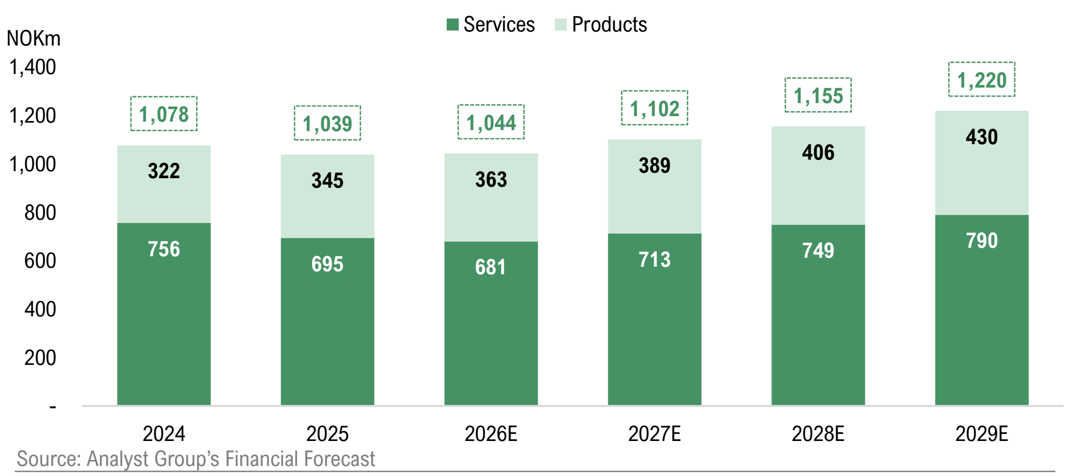
The order backlog is the near-term indicator of activity, and at NOK 310m as of Q1-26 it stood 7.8% below the prior year, as heightened uncertainty has led customers to place orders later than usual. Backlog lengthens in upturns and shortens in downturns, and the current level is consistent with a soft entry into 2026. Analyst Group therefore models 2026 as a stabilization year that broadly tracks adjusted 2025, in line with the Company's own guidance, with ferro-alloy activity expected to improve from the second quarter and the steeper contribution arriving from 2027 as pent-up maintenance demand and a cyclical upturn materialize. The market backdrop is structurally supportive but cyclically soft. Iron and steel account for roughly two thirds of global refractory demand, though Höganäs Borgestad is more indirectly exposed through Swedish steel and Norwegian ferro-alloys than through global steel volumes, which positions it to capture a regional recovery as Nordic industrial activity is set to normalize. Green-steel initiatives in Europe, including the pivot toward hydrogen-based direct-reduced iron, represent an incremental structural driver rather than a near-term volume catalyst, with flagship Nordic projects such as SSAB and Stegra situated directly in Höganäs Borgestad's home market.

Combining these drivers, Analyst Group forecasts revenue broadly flat at NOK 1,048m in 2026 before recovering to NOK 1,106m in 2027 and reaching NOK 1,220m by 2029, a CAGR of 3.7% from the 2025 base. The growth is firmly back-end weighted, reflecting a stabilization year followed by the cyclical recovery, and the operating leverage in the service business means the earnings recovery is expected to outpace the revenue recovery materially, a dynamic developed in the margin discussion that follows.

Refractory Segment Revenue
NOK 1,220m
2029E

~4% CAGR
During Period 2025-2029E

Höganäs Borgestad's revenue recovers from 2027, led by the service business as the cycle turns.



Source: Analyst Group's Financial Forecast

Financial Forecast

Cost Drivers and Margin: Höganäs Borgestad

Refractory profitability moved with the cycle: the EBITDA margin eased from 9.8% in 2024 to 7.5% in 2025, corresponding to adjusted EBIT from NOK 81m to NOK 65m, as lower Nordic volumes met a largely fixed cost base. This is the operating leverage working in reverse, the same mechanism that amplifies the recovery, with the Q1-26 EBIT of NOK -18m marking the seasonal trough at the bottom of the cycle.

Gross Margins
>50%
over the Forecast Period

The two principal cost blocks are supplies, subcontracting and materials, at roughly half of revenue, and personnel, at around 36% of revenue. The materials line is closely tied to volume and sourced input prices, including finished bricks from the German partner, and moves broadly with activity, which keeps the gross margin stable in the low-50s through the cycle. Personnel is the more telling line: a substantial part of the service capacity is held through the year to retain skilled installers for the seasonal peak, thereby the cost is effectively fixed in the near term. This is what gives the business its operating leverage: as utilization recovers, returning volumes fall onto a cost base that does not need to grow in step, so each NOK of recovered revenue carries a high incremental margin.

Cost Program Effect
NOK 10m
Full-Year, From 2026

Two levers drive the near-term improvement. The cost-saving program initiated through 2025, primarily personnel-related, carries an estimated full-year effect of NOK 10m and reaches full effect from 2026, while the Bjuv sale-leaseback, if completed, would allow production to be consolidated into a smaller and more efficient facility, which the Company describes as a structural support to profitability through lower maintenance costs and improved flows. The latter is treated as upside to the base scenario rather than an embedded assumption.

Refractory EBITDA Margin
7.5% → 11.7%
2025 to 2029E

On these drivers, Analyst Group forecasts the EBITDA margin to lift to 8.0% in 2026 despite broadly flat revenue, carried by the cost program rather than by volume, before expanding to 9.6% in 2027 and toward 11.7% by 2029 as the cyclical recovery converts into higher utilization of the fixed service base. The improvement is carried by the falling personnel cost ratio, modeled to decline from 36.2% in 2025 toward 34.0% by 2029, rather than by the gross line, where modest near-term price pressure persists. The path is gradual rather than abrupt: the 2026 step is cost-led and constrained by soft volumes, while the more material expansion from 2027 depends on the recovery materializing. The combination is estimated to lift segment EBITDA from NOK 78m in 2025 toward NOK 141m in 2029, an EBITDA CAGR of 16%, far outpacing the 3.7% revenue CAGR and bringing the EBIT margin to the communicated mid-term target of at least 10% within the forecast period.

Analyst Group's estimates for Höganäs Borgestad's revenue mix, gross profit and EBITDA over the forecast period.

Financial Forecast, Höganäs Borgestad, Base scenario (NOKm)	2024	2025	2026E	2027E	2028E	2029E
Services	756.2	694.7	680.6	713.3	749.0	790.2
Products	321.7	344.6	363.2	388.6	406.1	429.7
Total Segment Revenue	**1,078**	**1,039**	**1,044**	**1,102**	**1,155**	**1,220**
Materials, supplies and subcontracting	-528	-503	-512	-536	-553	-579
Gross Profit	**559**	**540**	**536**	**570**	**606**	**645**
Gross Margin	*51.4%*	*51.8%*	*51.1%*	*51.5%*	*52.3%*	*52.7%*
EBITDA	**106.1**	**77.8**	**84.8**	**105.8**	**126.2**	**143.2**
EBITDA margin	*9.8%*	*7.5%*	*8.0%*	*9.6%*	*10.9%*	*11.7%*

Source: Analyst Group's Financial Forecast

Borgestad: Holding Costs and Eliminations

Borgestad operates as an industrial investment company with two independently managed segments, so the group-level cost base consists almost entirely of the parent and intermediate holding companies. This "other activities" layer carried an EBITDA of NOK -14m in 2025, against NOK -10m in 2024, and represents the central holding overhead between the segments and the consolidated result. The overhead has historically run in the NOK 10-14m range per year, and Analyst Group models it at the upper end, at approximately NOK -14m across the forecast period, a reasonable level for an administrative cost base that is stable rather than activity-linked. Consolidated Group EBITDA is therefore not simply the sum of the two segments: the segment figures are reduced by this overhead and adjusted for minor intra-group eliminations that reconcile the forecasts to the reported Group basis.

Financial Forecast

Group EBITDA margin expands from 7.9% to 12.3% over the forecast period

Earnings Recovery led by the Refractory Cycle and Cost Program

Group EBITDA CAGR of ~16% 2025-2029E

Consolidated Summary: Borgestad

Analyst Group forecasts Group total revenue to rise from NOK 1,140m in 2026 to NOK 1,329m in 2029, a CAGR of 5.2%, driven overwhelmingly by the Refractory recovery while Real Estate adds a stable NOK 84-98m. Group EBITDA is forecast to expand from NOK 124m in 2026 toward NOK 191m in 2029, with the adjusted EBITDA margin rising from 8.6% to 12.3%. The expansion combines the two segment paths: the Refractory cost program and cyclical recovery lifting the larger contributor, and the Real Estate operating leverage on rising rent per square metre adding a stable, high-margin layer.

The 2026 forecast is anchored to the Company's guidance that the year should broadly track adjusted 2025, with Group EBITDA of NOK 124m sitting close to the adjusted 2025 level of NOK 119m. This reflects a measured entry point, with the Q1-26 result before tax of NOK -28m and a Refractory backlog down 7.8% year-on-year marking the seasonal and cyclical low. The recovery from 2027 rests on pent-up maintenance demand and a cyclical upturn converting into higher utilization of Höganäs Borgestad's fixed service base, supported by the cost program reaching full effect from 2026. Two items sit outside the operating forecast. The 2025 result included non-recurring items of approximately NOK 27m, principally lay-off compensation and the write-down of the ERP system and goodwill, which are excluded from the adjusted figures and not carried forward. Separately, the Bjuv sale-leaseback, pending a Supreme Administrative Court decision expected around mid-2026, would on completion release proceeds directed primarily to a dividend with partial debt amortization; given that it remains conditional, Analyst Group treats it as upside to the base case rather than an embedded assumption.

Below EBITDA, depreciation and amortization is forecasted at roughly NOK 39-43m per year, anchored to the 2025 actual and reflecting the elevated Agora Bytom depreciation following the shortened useful life, while net financial items run at approximately NOK -30m, consistent with the 2025 run-rate and the Agora amortization schedule that began in April 2026. The resulting trajectory takes Group EBIT from an estimated NOK 85m in 2026 toward NOK 148m in 2029, lifting the EBIT margin from 5.2% to 8.9%, a path driven by operational recovery rather than balance-sheet events.

Financial Forecast, Base scenario (NOKm)[1]	2024	2025	2026E	2027E	2028E	2029E
Growth YoY	*3.1%*	*-3.0%*	*0.6%*	*5.5%*	*5.0%*	*5.5%*
Total Revenue	**1,169**	**1,126**	**1,141**	**1,203**	**1,264**	**1,333**
COGS[2]	-528.9	-504.1	-512.6	-536.4	-553.3	-579.5
Gross Profit	**640.5**	**621.9**	**628.1**	**667.1**	**710.5**	**753.5**
Gross Margin	*53.6%*	*54.4%*	53.9%	54.3%	55.1%	55.4%
Other expenses	-106.6	-124.1	-123.3	-125.4	-126.5	-129.5
Salary and personnel expenses	-394.9	-390.5	-381.6	-393.1	-410.5	-430.4
EBITDA	**139.1**	**107.3**	**123.2**	**148.5**	**173.5**	**193.6**
EBITDA margin	11.9%	9.5%	10.8%	12.3%	13.7%	14.5%
Depreciation and amortization	-34.7	-54.7	-38.5	-42.7	-42.9	-43.2
EBIT	**104.3**	**52.6**	**84.7**	**105.9**	**130.6**	**150.4**
EBIT margin	8.9%	4.7%	7.4%	8.8%	10.3%	11.3%

Financial KPI:s, Base scenario (NOKm)	2024	2025	2026E	2027E	2028E	2029E
Growth	3.1%	-3.0%	0.6%	5.5%	5.0%	5.5%
Gross Margin	53.6%	54.4%	53.9%	54.3%	55.1%	55.4%
EBITDA Margin	11.9%	9.5%	10.8%	12.3%	13.7%	14.5%
EBIT Margin	8.9%	4.7%	7.4%	8.8%	10.3%	11.3%
NIBD/EBITDA	1.6x	2.8x	2.0x	1.4x	0.9x	0.5x
Equity Ratio	55.3%	54.7%	54.4%	56.6%	59.3%	62.0%
Dividend per share	0.80	0.50	0.47	0.53	0.70	0.84
Occupancy	94.5%	96.2%	96.5%	96.7%	96.0%	96.5%

[1] Consolidated, including central holding overhead and intra-group eliminations; segments do not sum directly to the Group total.
[2] Refers to materials, supplies and subcontracting.

Valuation

BORGESTAD ASA

Market Cap

NOK 564m

Enterprise Value

NOK 899m

Valuation: Borgestad

Borgestad holds two structurally distinct assets, a majority stake in the cyclical refractory operator Höganäs Borgestad and full ownership of the yield-generating Agora Bytom, with no operating synergies between them. Analyst Group therefore values the Company on a sum-of-the-parts (SOTP) basis, each asset on the method best suited to its economics, bridged to a group equity value. This also mirrors how a realization of either asset would be priced, since the Company has communicated that a divestment is the natural endpoint for both. A consolidated multiple is of limited use here, as it blends an industrial earnings stream with a property yield and obscures the value of each. The valuation rests on three components: Höganäs Borgestad on a forward EV/EBITDA multiple appropriate to a Nordic refractory operator, Agora Bytom on a capitalization yield appropriate to a secondary-city Polish retail asset, and a group bridge deducting capitalized holding overhead and adjusting for parent-level net cash and the refractory minority interest.

In Analyst Group's view, the current share price reflects the refractory trough more than the combined value of the two assets. Refractory earnings are cyclically depressed, with the Q1-26 order backlog down 7.8% year-on-year to NOK 310m, yet the business retains its position as the only independent Nordic operator across the full value chain, and its fixed service capacity amplifies the earnings recovery given that the utilization normalizes. Agora Bytom, by contrast, delivered an EBITDA of NOK 42m in 2025 at a margin near 52% and anchors the Group's cash flows through the cycle. This supports a valuation anchored to the normalized earnings power of the refractory business and the capitalized income value of the property, rather than to the trough figures currently reported.

Agora Bytom: Yield-Based Capitalization of Stabilized Income

Agora Bytom is valued through direct capitalization of a stabilized net operating income of NOK 49m for 2026, derived from an effective rent of EUR 15.03 per sqm per month across the leasable area of 33,870 sqm, occupancy of 96.4% and the property's historical operating cost ratio. The stabilized basis is deliberately applied in place of the reported transition-year figures, during which tenant changes and the associated refurbishment completed in Q1-26 temporarily depressed earnings, so that the asset is valued on its normalized earning capacity.

Applied yield of **8.2%**, benchmarked above prime and within the secondary range

The applied capitalization yield of 8.2% is benchmarked against external reference points. The year-end 2025 appraisals of NEPI Rockcastle's Polish retail portfolio, where Jones Lang LaSalle (JLL) reports a prime yield of 6.50% and a capitalization rate of 7.00%, price prime assets in major Polish cities and form the lower bound rather than the relevant comparison. Transaction evidence for secondary-city Polish retail indicates yields of 7.0 to 9.5%, the relevant interval for a dominant centre in a city of Bytom's size. Within that interval, the asset's strong local position, diversified tenant base, WAULT of approximately four years and BREEAM In-Use certification support a placement in the lower half. The applied 8.2% implies a gross asset value of NOK 621m, from which the Bank Pekao loan of NOK 324m is deducted, giving an equity value of approximately NOK 297m, or NOK 8.5 per share.

This sits below the property's IFRS carrying value of NOK 727m and the Company's estimated fair value of NOK 745m at year-end 2025. The difference is primarily one of method rather than of view: the figures derive from the Group's IAS 36 value-in-use model, which assesses the present value of the asset's future cash flows for impairment-testing purposes using a post-tax discount rate of 7.2% over a ten-year horizon, whereas a yield-based capitalization reflects the price a transaction in the current secondary-city market would more likely support as of today. The two measures are therefore not directly comparable, and Analyst Group applies the transaction-oriented basis as the more conservative anchor for an asset whose value is intended to be realized through a sale. A transaction completed at a yield closer to the prime end of the range would imply a materially higher value, which frames the applied 8.2% as a conservative starting point.

Polish retail yields by market segment and source

Source	Location/Market	Asset type	Yield[1]
Cushman & Wakefield	Poland, prime	Shopping Centre	6.5-6.9%
NEPI Rockcastle/JLL	Poland, major cities	Prime Retail	6.5%
Avison Young	Poland, regional cities	Secondary Retail	7.0-9.5%

[1] Yields as of 31 December 2025. Capitalization rates run somewhat higher and vary by market; prime Polish retail (JLL) at 7.00%.

Valuation

Höganäs Borgestad: Relative Valuation on Normalized Earnings

Höganäs Borgestad is valued by applying an EV/EBITDA multiple to estimated 2027 EBITDA of NOK 106m, the first year in which the NOK 10m cost-saving program carries full effect and the anticipated recovery in deferred maintenance demand materializes. Anchoring to 2027 rather than 2026 reflects the view that a cyclical operator should be valued on its mid-cycle earnings power, as 2026 is expected to resemble adjusted 2025 and therefore understates the normalized level. The implied 2027 EBITDA margin of approximately 9.6%, rising toward 11% in 2028, is consistent with the Company's communicated mid-term margin target and marks a credible trajectory rather than an aggressive assumption.

The listed peer group, RHI Magnesita, Vesuvius, Imerys and Morgan Advanced Materials, defines the public-market pricing of refractory and advanced-materials earnings, with RHI Magnesita the global market leader in the segment. The group trades at a median EV/EBITDA of approximately 5.6x on 2027 estimates, on EBITDA margins of 14 to 17% and an estimated EBITDA CAGR of approximately 6% over 2025 to 2028. Höganäs Borgestad differs in both directions: its estimated EBITDA CAGR of 17% over the same period substantially exceeds the peer median, reflecting the trough-to-recovery profile, the full-year cost effect and the service-business leverage, while against this stand a smaller scale, a lower margin level, a regional footprint and an unlisted, indirectly held stake.

Company[1]	Equity Value (NOKm)	Enterprise Value (NOKm)	EV/Sales				EV/EBITDA				Revenue CAGR	EBITDA CAGR	EBITDA Margin		
			LTM	2026E	2027E	2028E	LTM	2026E	2027E	2028E	2025-2028E	2025-2028E	2026E	2027E	2028E
RHI Magnesita	1,406	2,883	0.9x	0.8x	0.8x	0.8x	7.1x	5.4x	5.2x	4.9x	2.5%	5.4%	15.5%	15.8%	16.3%
Vesuvius PLC	1,155	1,608	0.9x	0.9x	0.8x	0.8x	8.1x	6.6x	5.9x	5.6x	3.4%	9.6%	13.0%	13.9%	14.3%
Imerys	1,913	3,301	1.0x	1.4x	0.9x	0.9x	6.8x	5.9x	5.7x	5.4x	2.9%	4.0%	23.2%	16.6%	16.6%
Morgan Advanced	631	865	0.9x	0.9x	0.8x	0.8x	6.4x	6.0x	5.5x	5.0x	1.6%	6.8%	14.2%	15.1%	15.9%
Max.	1,913	3,301	1.0x	1.4x	0.9x	0.9x	8.1x	6.6x	5.9x	5.6x	3.4%	9.6%	23.2%	16.6%	16.6%
75th Percentile	1,533	2,988	0.9x	1.0x	0.9x	0.8x	7.3x	6.2x	5.7x	5.4x	3.0%	7.5%	17.4%	16.0%	16.4%
Median	**1,281**	**2,246**	**0.9x**	**0.9x**	**0.8x**	**0.8x**	**6.9x**	**6.0x**	**5.6x**	**5.2x**	**2.7%**	**6.1%**	**14.9%**	**15.5%**	**16.1%**
Mean	**1,276**	**2,164**	**0.9x**	**1.0x**	**0.9x**	**0.8x**	**7.1x**	**6.0x**	**5.6x**	**5.2x**	**2.6%**	**6.4%**	**16.5%**	**15.4%**	**15.8%**
25th Percentile	1,024	1,422	0.9x	0.9x	0.8x	0.8x	6.7x	5.8x	5.4x	5.0x	2.3%	5.0%	13.9%	14.8%	15.5%
Min.	631	865	0.9x	0.8x	0.8x	0.8x	6.4x	5.4x	5.2x	4.9x	1.6%	4.0%	13.0%	13.9%	14.3%

[1]Source: Company Reports, Factset and Tikr.

Höganäs Borgestad

Höganäs Borgestad

By Analyst Group Estimates

Net Revenue CAGR 2025-2028E

3.5%

EBITDA CAGR 2025-2028E

17%

EBITDA Margin 2027E

9.6%

The applied multiple of 6.2x is set at a modest premium to the listed peer median, which Analyst Group considers justified by the materially higher growth trajectory, and is framed by transaction evidence at both ends of the range. At the lower end, small and mid-sized Nordic service and maintenance businesses, broadly the profile of bolt-on targets a consolidator such as Höganäs Borgestad would acquire rather than market-leading platforms, have generally changed hands at industry multiples in the region of 3 to 6x EBIT, which can be read as a floor for the underlying operating assets. At the strategic end, Shinagawa's acquisition of Gouda Refractories, completed in October 2024 at EUR 162m on a debt-free basis against revenue of EUR 104m and EBITDA of EUR 15m, implies an EV/EBITDA of roughly 11x. This upper reference is the more relevant anchor for a fully assembled Nordic platform, since the Company has communicated that an international consolidation of the market through an acquisition of the business is the natural longer-term exit route, and it sits well above the level the listed peers alone would imply.

The applied 6.2x therefore sits deliberately between a listed peer set that prices large, mature global players at 5 to 6x and a strategic transaction market that has paid above 10x for full-suite regional platforms. Anchoring near the lower reference rather than the strategic one keeps the valuation conservative and does not capitalize an exit premium that is not yet contracted. On this basis, applying 6.2x to 2027 EBITDA of NOK 106m yields an enterprise value of NOK 656m at year-end 2027, discounted to present value at a WACC of 10%. After deducting segment-level net interest-bearing debt of NOK 53m and the 31.3% minority interest, the value attributable to Borgestad is NOK 336m, or NOK 9.6 per share.

Valuation

Sensitivity Analysis

SOTP valuations are sensitive to the assumptions applied to each part, and for Borgestad the implied value is driven primarily by two variables: the EV/EBITDA multiple on Höganäs Borgestad and the capitalization yield on Agora Bytom. Varying the refractory multiple between 5.2x and 7.2x and the property yield between 7.5% and 9.5% produces an implied value range of roughly NOK 17 to NOK 24 per share, against the Base scenario of 6.2x and 8.2%, which corresponds to NOK 20.7 per share. Because the two assets are valued independently, the analysis also shows where the value is most exposed: the refractory multiple governs the cyclical upside, while the property yield governs the stability of the asset base. The implied value is further sensitive to the normalized earnings level of each asset, where the 2027 refractory EBITDA estimate carries the largest weight, and a normalized parent-level net cash position.

The resulting profile is asymmetric in a way that distinguishes Borgestad from a single-asset cyclical company. The downside is cushioned by the contracted income value of Agora Bytom, and by the strategic floor under the refractory asset implied by international acquisition multiples. The upside is tied to the recovery in refractory earnings as utilization normalizes and the service-business leverage takes effect, to the multiple a consolidation of the Nordic market would justify, and to the eventual realization of either asset. The Bjuv sale-leaseback is the nearest discrete catalyst, capable of releasing capital for distribution and improving the refractory cost base within the forecast horizon. Taken together, the current share price in Analyst Group's assessment reflects the trough in the refractory market rather than the combined value of the two assets, a point the Bear, Base and Bull scenarios in the following section illustrate across internally consistent sets of assumptions.

EV/EBITDA (Refractory)

Yield (Real Estate)	5.2x	5.7x	6.2x	6.7x	7.2x
7.5%	21.6	22.3	23.1	23.8	24.5
8.0%	20.4	21.1	21.8	22.5	23.2
8.5%	19.3	20.0	**20.7**	21.4	22.1
9.0%	18.3	19.0	19.7	20.4	21.1
9.5%	17.4	18.1	18.8	19.5	20.2

EBITDA Refractory (2027E)

EV/EBITDA (Refractory)	95	101	106	111	116
5.2	18.3	18.8	19.3	19.7	20.2
5.7	19.0	19.5	20.0	20.5	21.0
6.2	19.6	20.1	**20.7**	21.2	21.8
6.7	20.2	20.8	21.4	22.0	22.6
7.2	20.8	21.5	22.1	22.7	23.4

SOTP Valuation: Summary (NOKm/NOK)	
Real Estate Valuation	297
Refractory per share	8.5
Refractory Valuation	336
Real Estate per share	9.6
Sum:	**633**
Net Cash and Holding	92
Total Equity Value	**725**
Shares outstanding	35.1
Value per share (NOK)	**20.7**

NOK 20.7
Base Scenario

Valuation: Summary

The two asset values sum to NOK 633m, or NOK 18.1 per share. From this, the central holding overhead, estimated at a run-rate of approximately NOK 13m and in line with its historical level, is capitalized at the refractory multiple of 6.2x to a deduction of NOK 82m. Adjusting for the estimated normalized parent-level net cash position and other group items then takes the implied equity value to NOK 725m, which, divided by 35.1 million shares outstanding, gives the potential Base scenario value of NOK 20.7 per share.

This Base value deliberately excludes the Bjuv sale-leaseback, which represents a near-term and largely binary source of upside. The property is classified as held for sale and the long stop date is extended to December 31, 2026. The Supreme Administrative Court is expected to decide whether to grant leave to appeal around mid-2026, with the Company stating that it does not consider it probable that leave will be granted, in which case the Administrative Court of Appeal's favorable ruling would stand and the transaction could proceed toward completion. A favorable resolution would deliver value through two distinct channels from a single event. The first is a capital return: on completion the Nordea loan of NOK 39.8m is repaid and the majority of the net proceeds are distributed upward through the structure, consistent with the Company's communicated principle of returning surplus liquidity to shareholders. The second is structural: production is consolidated into a smaller, more purpose-built facility, which the Company has communicated as a material support to the refractory margin trajectory through lower maintenance and property costs. Because neither channel is embedded in the Base scenario, a positive outcome would represent clean upside to the assessed value rather than a revision of the operating forecast.

Bull & Bear

Bull Scenario

Real Estate Valuation

NOK 361m

Refractory Valuation

NOK 465m

Value per Share

NOK 27.3

Bull Scenario

In the Bull scenario, Analyst Group assumes that the Nordic refractory cycle turns more decisively from 2027, with Höganäs Borgestad converting pent-up maintenance demand and the full cost-program effect into a stronger margin recovery than in the Base scenario. Under this scenario, the refractory business is assumed to reach its mid-term profitability target ahead of schedule, supported by firm Swedish steel and Norwegian ferro-alloy activity, while Agora Bytom continues to lift realized rent per square metre against a stable, near-fully-let cost base.

In addition, the Bull scenario assumes that the Bjuv sale-leaseback completes during 2026, delivering both the capital return and the structural consolidation of production into a smaller, more efficient facility, which further supports the refractory margin trajectory. While a Nordic consolidation is not assumed to close within the forecast period, the strategic optionality is assumed to be increasingly reflected in how the asset would be priced. Supported by a stronger earnings recovery and an improved cost base, Höganäs Borgestad is assumed to command a higher exit multiple than in the Base scenario, approaching the level implied by strategic refractory transactions. Combined with a firm property yield, this underpins a materially higher sum-of-the-parts. The Bull scenario reflects a case in which both assets are valued toward the upper end of their respective ranges, with the refractory recovery and the eventual realization of either asset reinforcing the combined value and the Group's strategic relevance to an international consolidator.

For valuation purposes, the Bull scenario applies an EV/EBITDA multiple of 7.0x to estimated 2027 refractory EBITDA of NOK 125m and a capitalization yield of 8.0% to Agora Bytom's stabilized NOI. This multiple reflects a premium relative to the listed peer median, justified by Höganäs Borgestad's superior growth profile, the operational leverage in the service business and the strategic value of a complete Nordic platform. Applying the selected assumptions results in a refractory enterprise value of approximately NOK 465m in 2027. Discounted to present value at a WACC of 10% and bridged to group equity through a net group adjustment of approximately NOK 132m, covering the parent cash position less capitalized holding overhead, this corresponds to a present value per share of approximately NOK 27.3. The Bull scenario assumes a firm cyclical recovery, completion of the Bjuv transaction and favorable conditions across both Nordic industry and the Polish retail market.

Bear Scenario

Real Estate Valuation

NOK 266m

Refractory Valuation

NOK 179m

Value per Share

NOK 14.4

Bear Scenario

In the Bear scenario, Analyst Group assumes a materially slower cyclical recovery, where continued weakness in European steel and construction delays the rebound in Höganäs Borgestad's service and maintenance activity. Under this scenario, refractory earnings recover only gradually, the mid-term margin target is not reached within the forecast horizon, and the order backlog remains subdued as customers continue to defer maintenance and project work.

As a result, the refractory margin recovery falls short of the Base scenario, and earnings remain below the segment's normalized potential. In this scenario, 2027 refractory EBITDA is estimated at approximately NOK 71m. A more conservative EV/EBITDA multiple of 5.5x is applied, in line with the listed peer median and reflecting lower earnings visibility, a slower recovery and higher perceived cyclical risk relative to the Base and Bull scenarios. For Agora Bytom, a higher capitalization yield of 9.0% is applied, reflecting a weaker secondary-city transaction market and softer Polish retail conditions.

Applying the selected assumptions results in a refractory enterprise value of approximately NOK 179m in 2027 and a capitalized property value of approximately NOK 266m. Discounted to present value at a WACC of 10% and bridged to group equity through a net group adjustment of approximately NOK 62m, covering the parent cash position less capitalized holding overhead, the implied value per share in the Bear scenario amounts to approximately NOK 14.4. This scenario reflects a prolonged industrial downturn, a delayed Bjuv resolution and a more cautious market view on both the refractory recovery and the value of the Polish retail asset.

Management & Board

Management

Pål Feen Larsen, CEO

Pål Feen Larsen has held the position of CEO of Borgestad since 2019. He was hired in 2013 and served as CFO of the group from 2015. Feen Larsen has a master's degree in accounting and auditing from BI Norwegian Business School and is certified public accountant. He has experience in auditing and consulting for several publicly listed companies and other international corporations.

Shareholding: Pål owns 158,786 shares (0.45%) in Borgestad.

Bendik Persch Andersen, CEO Höganäs Borgestad Group

Persch Andersen was appointed CEO of Höganäs Borgestad Group in April 2025, having previously served as Head of M&A at Borgestad ASA. He holds a Master of Science in Industrial Economics from NTNU and the University of Queensland. He brings advisory experience from management consulting and corporate finance, and has served as interim CFO and later interim Director of Strategy at Elaway, Europe's largest charge-point operator for EV charging in housing associations.

Shareholding: Bendik owns 57,000 shares (0.16%) in Borgestad.

Board

Glen Ole Rødland, Chair of the Board

Rødland was elected Chair in 2023. He holds an MBA and postgraduate studies in finance from the Norwegian School of Economics (NHH) and UCLA. Rødland has 30 years of experience across shipping, oil and gas services, finance and investment management, including as an analyst and in corporate finance from investment banking, family office and private equity. He has served as board member and chair of several Norwegian and international public and private companies, and is currently chair of BlueNord ASA and ABL Group ASA. He was previously a board member of Spectrum ASA (merged into TGS ASA) for more than ten years, seven as chair, and brings extensive financial-restructuring experience from chairing Seadrill Ltd and Prosafe SE.

Shareholding: Glen owns 1,707,759 shares in Borgestad, held through Gross Management AS.

Wenche Kjølås, Board member

Kjølås was elected to the Board in 2023. She holds a Master of Economics and Business Administration from the Norwegian School of Economics (NHH) and an Executive Management Program in Strategic Management and Innovation from INSEAD. An experienced chair and board member across listed, private, family-owned and private-equity firms, she has held leadership roles including COO, CFO and CEO of the Grieg Group's holding company, Grieg Maturitas AS, CEO of Kavli Norway and CFO of Kavli Holding. She has served on the boards of Grieg Seafood ASA, Cermaq ASA, PGS ASA and DOF ASA, and chaired Magseis Fairfield ASA, Keolis Norway and Flytoget AS. She currently sits on the boards of DeepOcean Group Holding AS, Alginor ASA, Avarn Security Group Holding AS and Western Norway University.

Shareholding: Wenche owns 100,000 shares in Borgestad, held through Jawendel AS.

Jan Erik Sivertsen, Board member

Sivertsen was elected to the Board in 2022. A qualified auditor from the University of Agder, he is chair and board member of a number of boards through active ownership under the Kontrari umbrella, and currently serves as managing director of Kontrari AS, a holding company with significant investments in listed and unlisted companies. He was previously finance director at B&G Group and an authorized auditor at Iversen Revisjon AS.

Shareholding: Jan owns 10,462,736 shares in Borgestad, held through Kontrari AS.

Management & Board

Helene Steen, Board member

Steen was elected to the Board in 2022. She holds a master's degree in shipping and finance from Bayes Business School in London (formerly Cass Business School) and a bachelor's degree from BI Norwegian Business School. Over several years she held various positions in DNB Bank's large-corporates division within shipping and offshore, and in DNB Asset Management. She currently serves as principal and CFO of SES AS, a holding company with significant investments in listed and unlisted companies.

Shareholding: Helene owns 5,750,000 shares in Borgestad, held through SES AS.

Jacob Møller, Board member

Møller has been a board member since 2009 and was Chair from 2021 to 2024. He holds a law degree from the University of Oslo and a master's in law from the University of Cambridge. He has a background as a lawyer at BAHR and as head of Schibsted's M&A department, and is currently a Partner and Head of the technology department at BAHR, with extensive board experience.

Shareholding: Jacob owns 1,217,994 shares in Borgestad, held through Ploot Invest AS and Dione AS.

Appendix

Financial Forecast, Base scenario (NOKm)[1]	2024	2025	2026E	2027E	2028E	2029E
Total Revenue	**1,169**	**1,126**	**1,141**	**1,203**	**1,264**	**1,333**
COGS[1]	-528.9	-504.1	-512.6	-536.4	-553.3	-579.5
Gross Profit	**640.5**	**621.9**	**628.1**	**667.1**	**710.5**	**753.5**
Gross Margin	53.6%	54.4%	53.9%	54.3%	55.1%	55.4%
Other expenses	-106.6	-124.1	-123.3	-125.4	-126.5	-129.5
Salary and personnel expenses	-394.9	-390.5	-381.6	-393.1	-410.5	-430.4
EBITDA	**139.1**	**107.3**	**123.2**	**148.5**	**173.5**	**193.6**
EBITDA margin	11.9%	9.5%	10.8%	12.3%	13.7%	14.5%
Depreciation and amortization	-34.7	-54.7	-38.5	-42.7	-42.9	-43.2
EBIT	**104.3**	**52.6**	**84.7**	**105.9**	**130.6**	**150.4**
EBIT margin	8.9%	4.7%	7.4%	8.8%	10.3%	11.3%
Net Financial Items	-22.1	-28.7	-24.4	-22.5	-20.5	-17.7
EBT	**82.3**	**23.9**	**60.3**	**83.3**	**110.1**	**132.7**
Tax	-20.5	-3.5	-13.3	-18.3	-24.2	-29.2
Net Profit	**61.8**	**20.3**	**47.0**	**65.0**	**85.9**	**103.5**
Net Profit Margin	5.3%	1.8%	4.1%	5.4%	6.8%	7.8%
EPS	1.29	0.44	1.01	1.40	1.84	2.22

Financial KPI:s, Base scenario (NOKm)	2024	2025	2026E	2027E	2028E	2029E
Growth	3.1%	-3.0%	0.6%	5.5%	5.0%	5.5%
Gross Margin	53.6%	54.4%	53.9%	54.3%	55.1%	55.4%
EBITDA Margin	11.9%	9.5%	10.8%	12.3%	13.7%	14.5%
EBIT Margin	8.9%	4.7%	7.4%	8.8%	10.3%	11.3%
NIBD/EBITDA	1.6x	2.8x	2.0x	1.4x	0.9x	0.5x
Equity Ratio	55.3%	54.7%	54.4%	56.6%	59.3%	62.0%
Dividend per share	0.80	0.50	0.47	0.53	0.70	0.84
Occupancy	94.5%	96.2%	96.5%	96.7%	96.0%	96.5%

Financial Forecast (Quarterly, NOKm)	Q1-25	Q2-25	Q3-25	Q4-25	2025A	Q1-26	Q2-26E	Q3-26E	Q4-26E	2026E
Growth YoY	-7.3%	-6.1%	-1.8%	-0.1%	-3.0%	-2.4%	-0.1%	3.4%	3.2%	0.6%
Total Revenue	**206**	**316**	**354**	**250**	**1,126**	**202**	**316**	**365**	**258**	**1,141**
OPEX (excl. D&A)	-113	-139	-130	-133	-515	-107	-122	-107	-168	-505
EBITDA	**-2**	**31**	**65**	**14**	**107**	**-3**	**35**	**89**	**3**	**123**
EBITDA-marginal	-0.8%	9.7%	18.3%	5.4%	9.5%	-1.6%	11.0%	24.3%	1.1%	10.8%
EBIT	**-11**	**8**	**54**	**2**	**53**	**-17**	**27**	**79**	**-4**	**85**
EBIT-marginal	-5.3%	2.5%	15.3%	0.6%	4.8%	-8.7%	8.5%	21.7%	-1.6%	7.4%

[1] Consolidated, including central holding overhead and intra-group eliminations; segments do not sum directly to the Group total.

Appendix

Financial Forecast, Höganäs Borgestad, Base scenario (NOKm)	2024	2025	2026E	2027E	2028E	2029E
Services	756.2	694.7	680.6	713.3	749.0	790.2
Products	321.7	344.6	363.2	388.6	406.1	429.7
Total Segment Revenue	**1,078**	**1,039**	**1,044**	**1,102**	**1,155**	**1,220**
Materials, supplies and subcontracting	-528	-503	-512	-536	-553	-579
Gross Profit	**559**	**540**	**536**	**570**	**606**	**645**
Gross Margin	*51.4%*	*51.8%*	*51.1%*	*51.5%*	*52.3%*	*52.7%*
EBITDA	**106.1**	**77.8**	**84.8**	**105.8**	**126.2**	**143.2**
EBITDA margin	*9.8%*	*7.5%*	*8.0%*	*9.6%*	*10.9%*	*11.7%*

Financial Forecast, Bull scenario (NOKm)	2024	2025	2026E	2027E	2028E	2029E
Total Revenue	**1,169.4**	**1,126.0**	**1,171.8**	**1,273.1**	**1,367.1**	**1,443.4**
COGS[1]	-528.9	-504.1	-520.1	-555.6	-587.4	-622.5
Gross Profit	**640.5**	**621.9**	**651.7**	**717.5**	**779.6**	**820.9**
Gross Margin	53.6%	54.4%	54.5%	55.3%	56.0%	55.8%
Other expenses	-106.6	-124.1	-120.7	-131.5	-126.5	-133.0
Salary and personnel expenses	-394.9	-390.5	-381.1	-396.8	-422.0	-444.5
EBITDA	**139.1**	**107.3**	**149.9**	**189.3**	**231.1**	**243.4**
EBITDA margin	9.6%	7.9%	10.6%	12.7%	14.8%	14.8%
Depreciation and amortization	-34.7	-54.7	-38.5	-42.7	-42.9	-43.2
EBIT	**104.3**	**52.6**	**111.4**	**146.6**	**188.2**	**200.2**
EBIT margin	6.6%	2.9%	7.2%	9.3%	11.6%	11.7%

Financial Forecast, Bear scenario (NOKm)	2024	2025	2026E	2027E	2028E	2029E
Total Revenue	**1,169.4**	**1,126.0**	**1,085.1**	**1,062.6**	**1,058.2**	**1,090.1**
COGS[1]	-528.9	-504.1	-484.9	-473.1	-463.4	-477.1
Gross Profit	**640.5**	**621.9**	**600.2**	**589.5**	**594.7**	**612.9**
Gross Margin	53.6%	54.4%	54.2%	54.4%	55.1%	55.1%
Other expenses	-106.6	-124.1	-121.8	-120.1	-110.0	-110.6
Salary and personnel expenses	-394.9	-390.5	-361.8	-349.6	-335.1	-348.5
EBITDA	**139.1**	**107.3**	**116.6**	**119.9**	**149.6**	**153.9**
EBITDA margin	9.6%	7.9%	8.5%	9.1%	12.0%	12.0%
Depreciation and amortization	-34.7	-54.7	-38.5	-42.7	-42.9	-43.2
EBIT	**104.3**	**52.6**	**78.1**	**77.2**	**106.7**	**110.6**
EBIT margin	6.6%	2.9%	4.9%	4.9%	7.8%	7.9%

[1] Consolidated numbers for Bull- and Bear scenario, including central holding overhead and intra-group eliminations; segments do not sum directly to the Group total.

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