



BORGESTAD ASA

First Quarter 2026 Report

May 20, 2026

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Highlights and Key Figures

Highlights

- 1 For Q1 2026, Borgestad Group delivered a result before tax of MNOK -28.0, compared to MNOK -21.6 in 2025.
- 2 Höganäs Borgestad delivered weaker Q1'26 results compared to the corresponding period in 2025, reporting revenues of MNOK 181.3 and an EBIT of MNOK -18.3, versus MNOK 186.0 and adjusted MNOK -11.5, respectively, in Q1'25.
- 3 Agora Bytom delivered 5 % revenue increase in Q1'26 reporting revenues of MNOK 20.3 compared to MNOK 19.3 in Q1'25. EBITDA increased by MNOK +0.4 to MNOK 10.7 from MNOK 10.3.
- 4 Agora Bytom achieved during Q1'26 a BREEAM in Use certificate, based on its solid standard of environmental performance, energy efficiency and sustainable building management.

Key Figures

MNOK	3 months		Full year	
	2026	2025	Adj. 2025	2025
Operating income	202	206	1 126	1 126
EBITDA	-3	-2	119	107
Depreciation & impa. of intangible assets	14	9	40	55
Operating profit (EBIT)	-17	-11	79	53
Profit before tax	-28	-22	51	24

MNOK	31.03.2026	31.03.2025	31.12.2025
Cash	121	175	153
Available liquidity at end of period	187	235	213
IBD	456	424	458
NIBD	335	249	305
NIBD/EBITDA LTM	3,2	1,9	2,8
Equity ratio	52 %	54 %	55 %

*Adjusted EBITDA, EBIT and result before tax exclude accrued cost for lay-off compensations and write down of RP system.

About Borgestad ASA

Borgestad ASA is an 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 the Agora Bytom shopping mall and the refractory production and installation company Höganäs Borgestad, both of which play a crucial role in the group's overall performance. Real estate represents the largest segment by asset value, while the refractory industry drives the highest revenue.



Agora Bytom

Agora Bytom shopping center in Poland is the Group's largest investment, accounting for more than half of its total asset values. The center features a gross area of 52,000 sqm, with more than 30,000 sqm dedicated to rental space. It also includes a parking garage with 820 spaces, conveniently connected to the main facility.

Centrally located in the Silesian region, Agora Bytom holds a strong market position within its primary catchment area. The center hosts a diverse range of tenants, including major international chains and prominent Polish brands, along with eight cinema halls, a fitness center, and an extensive selection of cafés.



Höganäs Borgestad

Höganäs Borgestad manufactures and supplies high-quality refractory products, systems, and installation services, essential for industrial processes exceeding 1,200°C in industries such as steel, cement, and aluminum. Refractory materials, available in various forms depending on their application, are designed to withstand extreme temperatures and protect industrial equipment. They play a critical role in safeguarding production processes and contribute significantly to energy efficiency.

CEO Letter

The start of 2026 continues to be characterized by challenging conditions in the refractory market. Global steel production, which accounts for approximately 70 percent of worldwide refractory consumption, remains below historical levels. Ongoing uncertainty related to geopolitics, energy prices, and investment appetite in heavy industry has resulted in reduced and more volatile demand for refractory solutions. This situation continues to affect the refractory market broadly, across multiple geographies and customer segments.

For Höganäs Borgestad, market conditions have been increasingly challenging across the Nordics. As a part of the global steel value chain, the Norwegian ferro-alloy sector has been affected both by the international steel demand and by Norway specific developments. Trade measures introduced by the European Union on imports from Norway, combined with persistently high electricity prices in Northern Norway, have led to temporary shutdowns and reduced activity at several ferro-alloy plants. These factors have had a negative impact on revenues and margins during the period. Moreover, a general slowdown in Sweden and Finland has intensified competition and increased price pressure, negatively affecting both revenues and margins.

Pål Feen Larsen
CEO

Despite a challenging market environment, it is important to emphasize that Höganäs Borgestad has a solid underlying operational performance. The Höganäs Borgestad Group has initiated comprehensive internal improvement initiatives aimed at further adapting and professionalizing the organization. These measures include enhanced governance and management processes, improved project execution and cost discipline, as well as focus on organizational development and competence building, including the appointment of a dedicated resource to support these efforts. Together, these efforts have strengthened, and will continue to strengthen, the Group's resilience in a volatile market environment and have established a stronger platform for profitable growth as market conditions improve.

Borgestad considers the long-term prospects for Höganäs Borgestad to be attractive, despite near-term uncertainty. As part of its continued strategic development, the Group will also assess selective M&A opportunities within the refractory sector, where such transactions may contribute to enhanced competitiveness, a strengthened market position, and long-term value creation.

Borgestad remains committed to execute its strategy for both Höganäs Borgestad and Agora Bytom, which hold strong market positions in their respective markets. The Group's ongoing focus is on improving profitability and strengthening operational performance.

Operational and Financial Review

Group Results

(MNOK)	2026	2025	2025
	1st quarter	1st quarter	Year
Revenue	202	206	1 126
Total operating cost	205	208	1 019
EBITDA	-3	-2	107
Depreciation	11	9	40
Impairment of fixed & intangible assets	3	-	15
Earnings before financial items and tax (EBIT)	-17	-11	53
Financial items	-11	-11	-29
Profit before tax	-28	-22	24

Profit and Loss

Numbers in parenthesis are as of March 31, 2025.

Borgestad Group reported revenues of MNOK 201.5 in Q1'26 and a negative EBITDA of MNOK 3.3 for Q1'26, compared to MNOK 206.5 and negative MNOK 1.6, respectively. The decrease in revenue and EBITDA is due to a challenging and uncertain refractory market, primarily due to ongoing global market uncertainty.

An impairment of MNOK 3.2 was recognized at Agora Bytom following a change of tenants. The impairment relates to the write-down of the residual value of equipment associated with the former tenant.

Net financial items were stable compared to the corresponding period last year.

Due to the heightened uncertainty in global markets, Höganäs Borgestad is observing a trend toward later order placements among its customers, as a result the order intake and order backlog at end of Q1'26 is 7.8 percent below last year, at MNOK 310.3.

Balance Sheet

Numbers in parenthesis are as of March 31, 2025.

As of March 31, 2026, the Group had total assets of MNOK 1,381 (MNOK 1,445), with equity

amounting to MNOK 720.4 compared to MNOK 802.9 December 31, 2025, corresponding to an equity ratio of 52% compared to 55 % as of December 31, 2025. The reduction in equity, other than the loss for the period, primarily reflects negative translation differences arising from currency effects, as well as the dividend distributed during Q1'26.

Current assets totalled MNOK 419.7 (MNOK 497.1), while non-current liabilities stood at MNOK 396.3 (MNOK 383.8) and current liabilities at MNOK 264.5 (MNOK 282.5).

Working capital amounted to MNOK 199.1 (MNOK 216.6).

The Group's total interest-bearing debt as of March 31, 2026, was MNOK 456.4 (MNOK 424.2), with net interest-bearing debt at MNOK 335.0 (MNOK 249.0). Total interest-bearing debt increased mainly due to currency translation effects and higher debt levels following M&A transactions within the Höganäs Borgestad Group.

Cash Flow, Investments, and Liquidity

Numbers in parenthesis are as of March 31, 2025.

The Group's year-to-date cash flow from operating activities was positive with MNOK 11.8 (negative MNOK 30.0).

Cash flow from investing activities amounted to negative MNOK 8.4 (negative MNOK 5.7).

Cash flow from financing activities was negative MNOK 34.5 year-to-date (negative MNOK 9.8). The difference mainly reflects the payment of MNOK 17.5 in dividends during Q1'26, while the dividend in 2025 was distributed in Q2.

Net cash flow year-to-date was negative with MNOK 31.1 compared to MNOK 45.2 in Q1'25.

Available liquidity as of March 31, 2026, was MNOK 187.5 (MNOK 233.5), which includes MNOK 77.3 of undrawn credit facilities. The decrease in available liquidity is mainly explained by the fact that the dividend for 2025 was distributed during Q1'26, whereas the dividend for 2024 had not yet been distributed as at the end of Q1'25.

Real Estate

(MNOK)	2026	2025	2025
	1st quarter	1st quarter	Year
Revenue	20	19	82
EBITDA	11	10	42
Earnings before financial items and tax (EBIT)	4	7	29

In Q1'26, tenant turnover at Agora Bytom decreased by 3.0 percent compared to the same period in 2025, while last twelve months turnover grew by 4.6 percent year-over-year. The decrease in Q1 2026 is partly due to a temporary disruption related to tenant relocations, refurbishments and changes to the commercial mix.

Tenants at Agora Bytom have decreased their revenues by 3.0 percent in Q1'26 compared to the same period in 2025, reflecting relocations and refurbishment activities and changes to the commercial mix.

In Q1'26, visitor numbers decreased by 2.5 percent compared to the same period last year. On a last twelve months basis, visitors' numbers declined by 0.4 percent year-over-year.

In first quarter, the property segment generated rental income of MNOK 20.3 and an EBITDA of MNOK 10.7, compared to MNOK 19.3 and MNOK 10.3 in same period in 2025. The EBITDA result for Q1'26 is considered strong, considering several tenant changes during the period. The changes included temporary reductions in rental income related to the onboarding of new tenants.

An impairment of MNOK 3.2 was recognized at Agora Bytom following a change of tenants in Q1'26. The impairment relates to the write-down of the residual value of equipment associated with former tenant.

As of March 31, 2026, the WAULT¹ stands at 3.89 years by area and 3.91 years by income.

As of March 31, 2026, occupancy based on signed leases was at 96.4 percent, an increase of 0.2 percentage points since December 31, 2025. Per March 31, 2026, the total leasable area stands at 33,870 sqm.

The occupancy rate for Agora Bytom increased by 0.2 percentage points during Q1 2026.

Over recent periods, Agora Bytom has shown strong progress in increasing occupancy and is now close to being fully let. With this solid occupancy as a foundation, the focus is shifting toward renegotiating or replacing lower-yielding leases to increase the actual rent per square metre per month, while continuing ongoing efforts to enhance the centre's commercial attractiveness.

Borgestad expects revenue and EBITDA to increase moderately in the coming periods compared to previous years. However, global

geopolitical uncertainty, including ongoing tensions in the Middle East, may increase volatility in energy prices and inflation expectations, representing a risk factor that could impact overall market conditions going forward. However, for Agora Bytom electricity prices have been fixed for 2026 and 2027, reducing exposure to energy price volatility in this period.

During the quarter, Agora Bytom achieved BREEAM In-Use certification. The property received an "Excellent" rating for *Asset Performance* and "Very good" for *Management performance*. Prior to the certification process, targeted sustainability investments were completed, including the installation of additional rooftop solar panels, doubling the solar generation capacity. The certificate confirms a solid standard of environmental performance, energy efficiency and sustainable building management.

BREEAM In-Use certification was achieved during Q1 with "Excellent" rating for *Asset performance* and "Very good" for *Management performance*.

Refractory

(MNOK)	2026	2025	2025
	1st quarter	1st quarter	Year
Revenue	181	186	1 044
EBITDA	-11	-8	78
Earnings before financial items and tax (EBIT)	-18	-14	33
EBIT in percent	-10.1 %	-7.7 %	3.2 %

In the first quarter of 2026, Höganäs Borgestad reported stable revenues of MNOK 181.3, compared to MNOK 186.0 in Q1 2025. EBIT for Q1 2026 was negative at MNOK 18.3, compared

to negative MNOK 14.2 in the corresponding period last year. The weaker EBIT performance was primarily attributable to increased competitive pressure, specific challenges related

¹ Weighted average unexpired lease term.

to project execution, and a temporary slowdown among several customers.

Höganäs Borgestad assesses that the refractory market remains generally challenging and uncertain, primarily due to ongoing global market uncertainty. This uncertainty continues to affect the Nordic markets across several segments, leading to reduced production activity and, consequently, lower demand for refractory products.

In addition to the general market uncertainty, ferro-alloy tariffs imposed by the European Union on imports from Norway, combined with high energy prices in Northern Norway, negatively affected Höganäs Borgestad's revenues and margins in the first quarter. This impact was mainly driven by temporary shutdowns at several ferro-alloy plants supplied by the Group.

In the ferro-alloy market, activity levels are expected to improve from the beginning of the second quarter of 2026 and onwards.

Adjusted revenue LTM² were MNOK 1 039.2 and adjusted LTM EBIT of MNOK 58.1, corresponding to an adjusted EBIT margin of 5.6 percent.

However, supported by internal improvement initiatives and expectations of a gradual market

recovery, the group anticipates improved performance over the remainder of 2026. Management is actively working to further professionalize operations. While the Nordic refractory market is currently in a downturn, there remains significant potential to enhance processes and ways of working, which is expected to drive improved profitability over time. Borgestad maintains a positive outlook for Höganäs Borgestad in 2026 and expects seasonal patterns broadly in line with those observed in 2025. However, increased global market uncertainty has led customers to place orders later than usual. As a result, the order backlog as of March 31, 2026, amounted to MNOK 310.3, representing a decrease of 7.8 percent compared to MNOK 336.7 on the same date last year.

Höganäs Borgestad continues to focus on steadily improving its EBIT margin and cash flow, and the group sees clear potential for further improvements in the years ahead. The mid-term EBIT target of 10 percent remains unchanged, with key priorities including revenue growth, particularly in the low-season months of Q1 and Q4 and maintaining strict cost discipline to ensure a healthy cost base.

Other Activities Included in the Group

Other activities primarily include the group company Borgestad ASA.

(MNOK)	2026	2025	2025
	1st quarter	1st quarter	Year
Revenue	1	1	5
EBITDA	-3	-4	-14
Earnings before financial items and tax (EBIT)	-3	-4	-15

In Q1'26 Borgestad ASA has had a normal quarter in terms of costs and EBITDA.

² LTM = last twelve months

Subsequent Events

No subsequent events have occurred between March 31, 2026, and the date of this report.

Outlook

The Board of Directors recognizes the ongoing uncertainty in the global landscape, driven by multiple conflicts and the risk of trade tensions between countries and regions. While the direct impact of potential trade barriers for Borgestad is considered limited, there could be indirect effects, particularly if customers of Höganäs Borgestad Group face challenges due to reduced demand or unfavourable tariffs. This, in turn, could temporarily dampen demand for refractory products, services, and installations. However, the refractory industry has historically shown resilience during such fluctuations, often followed by increased activity after periods of slowdown. The Board and management continue to monitor developments closely and are prepared to take necessary measures if required.

The Polish economic growth has been resilient and above the EU average growth despite the trade turmoil and the ongoing war in

neighbouring Ukraine. The Board of Directors expects continued positive development in consumer spending in Polen, and this should lead to better performance for the shopping center in Polen.

Looking ahead, the Board expects the Group to deliver improved underlying results and stronger cash flow, with continued positive margin development in both the refractory and property segments over time. However, progress may vary quarter by quarter due to seasonality, cyclical swings, one-off items, and variations in project activity.

Borgestad ASA will continue to evaluate strategic opportunities, including transformational M&A initiatives and potential liquidity events.

Condensed Consolidated Interim Statement of Income

(NOK 1 000) (Unaudited)	Note	2026	2025	2025
		1st quarter	1st quarter	Year
Revenue and other income	2	201 529	206 463	1 125 972
Materials, supplies and subcontracting		97 941	95 080	504 079
Salary and personnel expenses		82 668	87 101	390 477
Other expenses		24 174	25 886	124 127
Depreciation	6	10 992	9 370	39 827
Impairment of intangible assets		3 203	-	14 857
Operating cost and expenses		218 978	217 437	1 073 366
Operating income/(loss)	2	-17 449	-10 974	52 606
Financial items				
Foreign currency gain/(loss)		-507	113	-342
Interest expenses		7 448	7 082	30 452
Other financial income/(expenses)		-2 604	-3 687	2 060
Net financial items		-10 559	-10 656	-28 733
Profit before tax	2	-28 009	-21 631	23 873
Income tax		2 276	1 415	3 538
Profit/(loss) for the period		-30 285	-23 045	20 335
Allocated as follows:				
Controlling interest's share of the profit		-23 778	-17 585	15 310
Non-controlling interest's share of the profit		-6 507	-5 460	5 024
Basic and diluted earnings per share		-0,68	-0,50	0,44

Condensed Consolidated Interim Statement of Comprehensive Income

(NOK 1 000) (Unaudited)	2026	2025	2025
	1st quarter	1st quarter	Year
Profit/(loss) for the period	-30 285	-23 045	20 335
Other comprehensive income			
<i>Other income and expenses that will not be reclassified to profit:</i>			
Net actuarial gain/(loss) on defined benefit pension plans net of tax	-	-	-1 136
<i>Other income and expenses that may be reclassified to profit or loss:</i>			
Translation differences	-36 395	-7 628	13 591
Change in fair value of cash flow hedging net of tax	2 472	512	2 453
Change in other equity transactions	-	-41	42
Net other comprehensive income	-33 923	-7 157	14 866
Total comprehensive income for the period	-64 208	-30 202	35 201
Controlling interest's share of total comprehensive income	-54 193	-26 510	40 121
Non-controlling interest's share of total comprehensive income	-10 016	-3 692	-4 920

Condensed Consolidated Interim Statement of Financial Position

(NOK 1 000) (Unaudited)	Note	2026 31.3.	2025 31.3.	2025 31.12.
Assets				
Investment property	6	687 281	704 721	726 858
Land, buildings		17 138	13 251	17 526
Fixtures, machinery and vehicles		42 767	44 640	46 563
Licences, trade marks and similar rights		10 763	26 433	11 305
Right-of-use assets		69 257	33 326	40 668
Goodwill		107 107	90 667	110 785
Other financial assets		1 343	5 042	5 330
Deferred tax asset		12 136	15 684	15 590
Total non-current assets		947 792	933 764	974 626
Inventories		139 379	146 093	138 061
Receivables and contract assets		158 862	175 741	186 801
Cash and cash equivalents		121 451	175 238	152 576
Total current assets		419 692	497 072	477 439
Non-current assets classified as held for sale	5	13 746	14 214	14 786
Total assets		1 381 230	1 445 050	1 466 851

Consolidated Balance Sheet, continued

(NOK 1 000) (Unaudited)	Note	2026 31.3.	2025 31.3.	2025 31.12.
Equity and liabilities				
Shareholders' equity		643 025	702 318	715 139
Non-controlling interest		77 387	76 510	87 770
Total equity		720 412	778 828	802 909
Interest-bearing debt	4	323 471	336 335	339 416
Other non-current liabilities		11 438	9 684	17 533
Lease liability		54 872	23 401	30 475
Pension liabilities		6 511	5 836	6 506
Deferred tax		-	8 496	-
Total non-current liabilities		396 292	383 752	393 930
Interest-bearing debt	4	53 529	48 738	60 047
Lease liability		19 822	15 726	15 738
Bank overdraft		4 714	-	11 835
Trade payables		67 619	88 254	55 471
Tax payables		745	3 925	7 151
Public duties payable		27 817	29 474	29 038
Other short-term liabilities		90 280	96 353	90 733
Total current liabilities		264 526	282 469	270 012
Total equity and liabilities		1 381 230	1 445 050	1 466 851

Lysaker, May 20, 2026

Board of Directors, Borgestad ASA

Glen Ole Rødland
Chairman

Helene Bryde Steen
Board Member

Jacob Andreas Møller
Board Member

Wenche Kjølås
Board Member

Jan Erik Sivertsen
Board Member

Pål Feen Larsen
CEO

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Consolidated Statement of Cash Flows

(NOK 1 000) (Unaudited)	2026	2025	2025
	1st quarter	1st quarter	Year
Cash flow from operating activities before balance changes	-14 772	-17 013	73 777
+/- Balance changes	26 525	-12 786	-39 999
Net cash flow from operating activities	11 752	-29 799	33 778
Investment in fixed tangible and intangible assets	-7 628	-5 794	-23 332
Investments in shares	-758	-	-26 028
Sale of fixed assets	-	142	192
Net cash flow from investing activities	-8 385	-5 652	-49 168
Proceeds from borrowings	-	-	14 997
Repayment of borrowings	-3 603	-4 442	-16 290
Net change bank overdraft	-7 121	-	11 835
Dividend paid to equity holders of the parent	-17 531	-	-28 050
Dividend paid to minority interests	-	-	-13 274
Payment of principal portion of lease liabilities	-6 237	-5 330	-21 715
Net cash flow from financial activities	-34 492	-9 772	-52 496
Cash flow for the period	-31 125	-45 222	-67 886
Cash and cash equivalent at beginning of period	152 576	220 462	220 462
Cash and cash equivalent at the end of the period	121 451	175 238	152 576

Statement of Change in Equity

(NOK 1 000)	Share capital	Share premium reserve	Other paid-in capital	Hedge reserve	Translation differences	Other equity	Shareholders' equity	Non-controlling interests	Total equity
Equity as at 01.01.2025	35 062	211 759	429 921	-7 025	166 008	-106 894	728 831	80 202	809 032
Dividends	-	-	-28 050	-	-	-	-28 050	-13 274	-41 324
Reclassification between equity	-	-	-	-	-	-25 763	-25 763	25 763	-
Profit/(loss) for the periode	-	-	-	-	-	15 310	15 310	5 024	20 335
Net other comprehensive income	-	-	-	2 453	13 591	8 767	24 811	-9 944	14 866
Equity as at 31.12.2025	35 062	211 759	401 871	-4 572	179 599	-108 581	715 139	87 770	802 909
Equity as at 01.01.2026	35 062	211 759	401 871	-4 572	179 599	-108 581	715 139	87 770	802 909
Dividends			-17 531				-17 531	-	-17 531
Purchase of shares in subsidiaries						-390	-390	-368	-758
Profit/(loss) for the period						-23 778	-23 778	-6 507	-30 285
Net other comprehensive income				2 472	-36 395	3 509	-30 414	-3 509	-33 923
Equity as at 31.03.2026	35 062	211 759	384 340	-2 100	143 204	-129 240	643 025	77 387	720 412

Notes to the Condensed Interim Financial Statements

Note 1 Accounting Principles and Comparable Numbers

All reported figures in the financial statements are based on International Financial Reporting Standards (IFRS). Borgestad's accounting principles are presented in Borgestad's Financial Statements - 2025.

The interim financial statements are presented in accordance with IAS 34 Interim Financial

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, revenues, expenses, and disclosure of potential obligations. This applies to depreciation of fixed assets, impairment of goodwill, valuations related to acquisitions, and pension obligations. Future events may cause the estimates to change.

Reporting. The condensed consolidated interim financial information should be read in conjunction with Borgestad's *Financial Statements – 2025* that are a part of *Borgestad's Annual Report – 2025*.

The interim financial information has not been subject to audit or review.

Estimates and their underlying assumptions are assessed on an ongoing basis and are based on best judgment and historical experience. Changes in accounting estimates are recognized in the period in which the changes occur. If the changes also relate to future periods, the effect is distributed over the current and future periods.

Note 2 Operating Segment Information

Group	2026	2025	2025
(NOK 1 000)	1st quarter	1st quarter	Year
Revenue	201 529	206 463	1 125 972
EBITDA	-3 254	-1 604	107 290
Depreciation	10 992	9 370	39 827
Impairment of fixed & intangible assets	3 203	-	14 857
Operating profit (EBIT)	-17 449	-10 974	52 606
Financial items	-10 559	-10 656	-28 733
Profit before tax	-28 009	-21 631	23 873

Segment Real Estate	2026	2025	2025
(NOK 1 000)	1st quarter	1st quarter	Year
Revenue	20 264	19 291	81 649
EBITDA	10 650	10 340	42 331
Depreciation	3 353	3 345	13 572
Impairment of fixed assets	3 203	-	-
Operating profit (EBIT)	4 094	6 995	28 758
Financial items	-10 306	-10 645	-27 932
Profit before tax	-6 212	-3 650	827

Segment Refractory	2026	2025	2025
(NOK 1 000)	1st quarter	1st quarter	Year
Revenue	181 265	185 960	1 043 922
EBITDA	-10 779	-8 496	77 825
Depreciation	7 517	5 746	25 113
Impairment of intangible assets	-	-	19 615
Operating profit (EBIT)	-18 296	-14 242	33 097
Financial items	-2 837	-2 401	-10 163
Profit before tax	-21 133	-16 643	22 934

Segment Other	2025	2025	2025
(NOK 1 000)	1st quarter	1st quarter	Year
Revenue	889	1 213	4 709
EBITDA	-3 126	-3 855	-14 491
Depreciation	122	112	471
Operating profit (EBIT)	-3 248	-3 966	-14 962
Financial items	-5 849	694	29 524
Profit before tax	-9 097	-3 273	14 562

Note 3 Significant Events in 2026

No significant events have occurred in 2026.

Note 4 Interest-Bearing Debt

Agora Bytom Sp. z o.o. has a MEUR 28.9/ MNOK 324.0 loan in Bank Pekao in Poland as of March 31, 2026. The loan is recognized at amortized cost and matures on maturity. Loan maturity date is December 31, 2028.

Agora Bytom has entered an interest rate hedging arrangement covering 70 percent of the outstanding loan amount, effective until the loan's maturity. Under the hedging arrangement, the interest rate on the hedged portion is fixed at 3.17 percent, in addition to an interest margin of 2.80 percent, for the remaining term of the loan.

Höganäs Borgestad has mortgage debt of MNOK 53.0 in Nordea as of March 31, 2026. Loan maturity date is June 30, 2028.

Part of the loan, MNOK 39.8, is reclassified as short-term interest-bearing debt in connection to assets held for sale on March 31, 2026.

In addition, the Group has MSEK 80 in credit facilities for ongoing financing of working capital. As of March 31, 2026, the credit facility was drawn by MNOK 4.7.

Note 5 Assets Classified as Held for Sale

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through sale rather than continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sales and presented separately as assets held for sale and liabilities held for sale in the statement of financial position.

The criteria for held-for-sale classification are regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan to sell will be withdrawn. In addition, management must be committed to the plan, and it is expected that the sale will be completed within a year.

Property, plant, and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Höganäs Bjuv Fastighets AB, an indirect subsidiary of Borgestad ASA, entered into a conditional agreement with Bjuv municipality in Sweden on October 27, 2023, for a sale and leaseback transaction for two properties in Sweden where the Group's production plant and other production facilities for refractory products are located.

Borgestad Group will sell the two properties, including the production facilities, to Bjuv municipality and then lease the production facilities back to continue its production of refractory products in line with previous practice. Prior to the completion of the transaction, the two properties will be transferred to a new wholly owned subsidiary of Höganäs Bjuv Fastighets AB, and the transaction will be structured as a sale of the shares in this subsidiary by Höganäs Bjuv Fastighets AB.

The transaction was approved by the Municipal Council of Bjuv December 11, 2023, but a complaint regarding the approval from Bjuv municipality has been received prior to the expiration of the appeal period. The complaint

relates to the purchase price in the transaction and that this, in the claimant's opinion, significantly exceeds the market value of the two properties.

The Administrative Court in Malmö (the "Administrative Court") has processed the complaint. According to the Administrative Court, Bjuv municipality has not provided sufficient documentation regarding the valuation of the two properties. As a result, the Administrative Court decided to revoke Bjuv municipality's approval of the Transaction.

In March 2025, Bjuv municipality appealed the Administrative Court's ruling.

In December 2025, the Administrative Court of Appeal in Gothenburg (the "Administrative Court of Appeal") set aside the ruling from the Administrative Court, concluding that the purchase price had been sufficiently substantiated and that there were no grounds to revoke Bjuv municipality's approval of the transaction.

Borgestad Group has been informed that an appeal against the Administrative Court of Appeal's decision has been filed within the extend deadline granted to the complainant.

The matter will be handled by the Supreme Administrative Court, which will determine whether to admit the appeal for review.

The approval of the Transaction by Bjuv municipality will only become binding once the pending appeal has been finally resolved in the claimants' disfavour, and the completion of the Transaction remains conditional upon such binding approval.

Considering this updated processing time, Bjuv municipality and Höganäs Bjuv Fastighets AB entered into an amendment of the agreement regarding the long stop date that has been extended until December 31, 2026.

In connection with the sale, the Group has outstanding interest-bearing debt to Nordea that will be repaid upon completion of the transaction. The total loan amount that needs to be repaid at completion is MNOK 39.8 as of March 31, 2026. The loan amount is classified as interest-bearing debt under current liabilities.

Asset	2026	2025	2025
(NOK 1 000)	31.3.	31.3.	31.12.
Höganäs Bjuv Fastighet	13 746	14 214	14 786
Total assets classified as held for sale	13 746	14 214	14 786

Note 6 Investment Property

	2026	2025	2025
(NOK 1 000)	31.3.	31.3.	31.12.
Opening balance as at 1st of January	726 858	729 553	729 553
Net additions/disposal	4 238	2 073	10 413
Depreciation	3 353	3 345	13 572
Impairment of fixed assets	3 203	-	-
Translation differences	-37 259	-23 560	464
As at period end	687 281	704 721	726 858

Investment Property

In Q1 2026, Management did not identify any indicators of impairment for Agora Bytom.

The recoverable amount of Agora Bytom has been determined based on the higher of its fair value less costs of disposal and its value in use. The recoverable amount used in the Group's

quarterly report is based on value in use. The value in use was calculated using discounted cash flow projections from financial forecasts approved by Management covering a ten-year period.

The accounting standard suggests using a five-year cash flow projection period for these tests. However, Management considers that using a longer projection period better reflects the business cycle, providing a more realistic estimate of the asset's value. The assessment is supported by the Company's track record of extending or re-leasing the area to other tenants. Furthermore, Management believes that utilizing longer periods aligns with market practice.

Management acknowledges that a longer projection period introduces more uncertainty into the cash flow estimates; however, they believe that the reliability of the Group's data and robust forecasting methods support a ten-year cash flow projection.

The value in use is estimated based on significant unobservable inputs. These inputs include:

Discount Rate

The present value of future cash flows was calculated using a pre-tax discount rate of 8.9 percent and a post-tax discount rate of 7.3 percent. These rates reflect current market assessments of the time value of money and the risks specific to Agora Bytom. The discount rate is calculated based on an applicable market WACC.

Rent per sqm

The rent level is estimated to be EUR 15.03 per sqm per month in next twelve months and is forecasted to increase at a steady growth rate of 2 percent. The estimated rent of EUR 15.03 per sqm is based on signed leases at EUR 16.88 per sqm, with deductions for tenant discounts.

Vacancy

Estimated vacancy rates are based on current and expected future market conditions, in line with the average market vacancy in the Polish region where Agora Bytom operates. The estimated vacancy rate in the terminal period is 4 percent. Vacancy as of 31.03.2026 is 3.6 percent, based on a total leasable area of 33,870 sqm in Agora Bytom.

Capitalization expenses

Capitalization rates are based on the specific location in Poland, as well as the size and quality of the properties, while considering market data as of the valuation date. Management anticipates a rise in capital expenditure towards the conclusion of the projected timeline, attributable to climate risk considerations, to ensure adherence to regulatory standards.

Terminal value

Cash flows beyond the ten-year period were extrapolated using a steady growth rate of 2 percent, which is consistent with the long-term average growth rate for the industry.

Sensitivities

The below sensitivity tables are showing the calculated value in use, valued in euro, for the investment property given changes in the different assumptions.

Terminal growth

		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
WACC	%-change ->	-1.5%	-1.0%	-0.5%	0.0%	0.5%	1.0%	1.5%
	5.8%	68 547	73 052	78 604	85 617	94 757	107 161	124 960
	6.3%	62 820	66 406	70 738	76 078	82 824	91 615	103 546
	6.8%	57 998	60 900	64 349	68 517	73 655	80 144	88 601
	7.3%	53 882	56 263	59 055	62 374	66 385	71 328	77 572
	7.8%	50 326	52 304	54 596	57 283	60 477	64 336	69 094
	8.3%	47 224	48 884	50 787	52 993	55 580	58 654	62 369
	8.8%	44 493	45 898	47 496	49 329	51 453	53 943	56 902

Vacancy in terminal

		7.0%	6.0%	5.0%	4.0%	3.0%	2.0%	1.0%
WACC	%-change ->	3.0%	2.0%	1.0%	0.0%	-1.0%	-2.0%	-3.0%
	5.8%	82 685	83 662	84 640	85 617	86 595	87 572	88 550
	6.3%	73 586	74 417	75 248	76 078	76 909	77 740	78 571
	6.8%	66 369	67 085	67 801	68 517	69 233	69 949	70 665
	7.3%	60 502	61 126	61 750	62 374	62 998	63 622	64 246
	7.8%	55 637	56 185	56 734	57 283	57 832	58 380	58 929
	8.3%	51 535	52 021	52 507	52 993	53 480	53 966	54 452
	8.8%	48 028	48 462	48 895	49 329	49 763	50 196	50 630

Capex in terminal

		1 123 617	1 073 617	1 023 617	973 617	923 617	873 617	823 617
WACC	%-change ->	-150 000	-100 000	-50 000	-	50 000	100 000	150 000
	5.8%	83 138	83 964	84 791	85 617	86 444	87 271	88 097
	6.3%	73 971	74 673	75 376	76 078	76 781	77 484	78 186
	6.8%	66 701	67 306	67 912	68 517	69 123	69 728	70 334
	7.3%	60 791	61 319	61 846	62 374	62 902	63 429	63 957
	7.8%	55 891	56 355	56 819	57 283	57 747	58 211	58 675
	8.3%	51 760	52 171	52 582	52 993	53 405	53 816	54 227
	8.8%	48 229	48 596	48 962	49 329	49 696	50 062	50 429

Rent / sqm

		14.6	14.7	14.9	15.0	15.2	15.3	15.5
WACC	EUR / Sqm->							
	%-change ->	-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%
	5.8%	82 757	83 711	84 664	85 617	86 571	87 524	88 477
	6.3%	73 546	74 390	75 234	76 078	76 923	77 767	78 611
	6.8%	66 244	67 001	67 759	68 517	69 275	70 033	70 790
	7.3%	60 311	60 999	61 686	62 374	63 062	63 749	64 437
	7.8%	55 394	56 023	56 653	57 283	57 913	58 542	59 172
	8.3%	51 251	51 832	52 412	52 993	53 574	54 155	54 736
	8.8%	47 711	48 250	48 790	49 329	49 868	50 407	50 947

Note 7 Share Information

Number of shares	Ordinary shares outstanding
31.12.2025	35 062 072
31.03.2026	35 062 072

Total number of shares outstanding on 31 March 2026 is 35,062,072. Borgestad has not held any own shares throughout 2025 and 2026.

In February 2026 the Board of Directors exercised the authority granted by the Annual General Meeting in 2005 to distribute an ordinary

dividend of NOK 0.50 per share for the fiscal year 2025. The dividend corresponds to MNOK 17.5 and was paid to shareholders on March 6, 2026. The dividend was distributed as repayment of paid-in capital.

Note 8 Subsequent Events

No subsequent events have occurred between March 31, 2026, and the date of this report.

Alternative Performance Measures (APMs)

Alternative performance measures, i.e., financial targets that are not defined or stated in the relevant regulations for reporting historical financial information, are used by Borgestad to provide supplementary information by excluding items that, in Borgestad's assessment, do not give a good indication of periodic operating profit or cash flow.

Financial alternative performance measures are intended to provide better comparability of results and cash flows from period to period, and Borgestad's experience shows that these measures are often used by analysts, investors, and other stakeholders. Borgestad uses the same performance targets internally to further improve results and profitability by setting long-term financial targets.

Borgestad's financial alternative performance measures

EBITDA: EBIT + depreciation, amortization and write-downs.

Interest-bearing debt (IBD): Long-term and short-term loans, including financial leasing obligations.

Reason for including

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

Borgestad's alternative performance measures are defined based on adjusted IFRS concepts and are consistently defined, calculated, and applied in a transparent manner across all business areas and the Group as a whole. Financial alternative performance measures must not be considered a substitute for reported results in accordance with IFRS.

Net interest-bearing debt (NIBD): IBD minus Cash.

Working capital: Inventories, trade receivables minus trade payables.

operating performance. EBITDA is part of Borgestad's financial covenants.

Adjusted figures: To be able to compare the EBITDA of different reporting periods, significant non-recurring items not directly related to operating activities, are included in Other income and expenses.

EBITDA group	2026	2025	2025
(NOK 1000)	31.3.	31.3.	31.12.
Operating profit (EBIT)	-17 449	-10 974	52 606
Impairment of non-current assets	3 203	-	14 857
Depreciation	10 992	9 370	39 827
EBITDA	-3 254	-1 604	107 290

²⁾ EBIT segment refractory	2026	2025	2025
(NOK 1000)	31.3.	31.3.	31.12.
Revenue and other income LTM	1 039 228	1 069 450	1 043 922
EBIT adjusted LTM	58 142	60 275	64 655
EBIT adjusted	5,6 %	5,6 %	6,2 %

Reason for including

Net interest-bearing debt provides an indicator of the net indebtedness and an indicator of the overall strength of the statement of financial

position. Net interest-bearing debt is part of Borgestad's financial covenants (leverage ratio) and is important in understanding the capital structure.

IBD (Interest-bearing debt)	2026	2025	2025
(NOK 1000)	31.3.	31.3.	31.12.
Mortgage debt	376 999	385 072	399 463
Lease liability	74 694	39 127	46 213
Bank overdraft	4 714	-	11 835
Total interest-bearing debt	456 407	424 199	457 510

NIBD (Net Interest-bearing debt)	2026	2025	2025
(NOK 1000)	31.3.	31.3.	31.12.
IBD (Interest-bearing debt)	456 407	424 199	457 510
Cash	121 451	175 238	152 576
Total	334 956	248 961	304 934

NIBD/EBITDA LTM	2026	2025	2025
(NOK 1000)	31.3.	31.3.	31.12.
NIBD (Net Interest-bearing debt)	334 956	248 961	304 934
Adjusted EBITDA LTM	105 640	129 309	107 290
NIBD/EBITDA	3,2	1,9	2,8

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

Working capital	2026	2025	2025
(NOK 1000)	31.3.	31.3.	31.12.
Inventories	139 379	146 093	138 061
Trade receivables	127 337	158 741	151 943
Trade payables	-67 619	-88 254	-55 471
Working capital	199 097	216 580	234 533

Available liquidity at end of period	2026	2025	2025
(NOK 1000)	31.3.	31.3.	31.12.
Drawn on the overdraft facility	-4 714	-	-11 835
Overdraft facility 80 MSEK	81 968	73 640	87 552
Restricted deposits	-11 213	-13 999	-15 651
Cash	121 451	175 238	152 576
Available liquidity at end of period	187 493	234 879	212 642



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