BORGESTAD ASA

Second Quarter 2026 Report

August 13, 2026.

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Highlights and Key Figures

Highlights

1. In Q2 2026, Borgestad Group delivered a result before tax of MNOK 35.9, compared to adjusted MNOK 20.9 in 2025.

2. Höganäs Borgestad delivered a stronger Q2'26 results compared to the corresponding period in 2025, reporting revenues of MNOK 290.4 and an EBIT of MNOK 36.8, versus MNOK 296.4 and adjusted MNOK 22.1 in Q2'25.

3. Agora Bytom had a 5 % revenue decrease in Q2'26 reporting revenues of MNOK 19.9 compared to MNOK 21.0 in Q2'25. EBITDA decreased from MNOK 12.1 to MNOK 10.9.

4. As of June 30, 2026, Agora Bytom's occupancy based on signed leases was 97.4 percent. The newly signed tenants are expected to open during the second half of 2026, and their contribution is expected to support continued growth in the centre's overall financial performance.

Key Figures

	6 months			Full year	
MNOK	**2026**	**Adj. 2025**	**2025**	**Adj. 2025**	**2025**
Revenue and other income	512	523	523	1 126	1 126
EBITDA	49	38	29	119	107
Depreciation & impa. of intangible assets	24	18	32	40	55
Operating profit (EBIT)	25	20	-3	79	53
Profit before tax	8	2	-21	51	24

MNOK	**30.06.2026**	**30.06.2025**	**31.12.2025**
Cash	120	117	153
Available liquidity at end of period	145	127	213
IBD	494	509	458
NIBD	375	392	305
NIBD/EBITDA LTM	3.0	3.4	2.8
Equity ratio	51 %	49 %	55 %

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 aluminium. 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

First half of 2026 has continued to be characterized by uncertainty across global industrial markets. Geopolitical developments, volatile energy markets, trade-related uncertainties, and a cautious investment climate have contributed to low activity levels in several industrial sectors. Although industrial customers remain prudent in their investment decisions, maintenance and operational requirements continue to be critical. Industrial facilities must maintain production and operating reliability regardless of economic cycles, supporting an underlying demand for refractory products and services.

For Höganäs Borgestad, market conditions across the Nordic region remain challenging. Several customer segments continue to experience pressure from both international market developments and regional factors, including high energy costs and increased competition. At the same time, the Group benefits from its strong market position, broad customer base, and long-standing relationships within critical industrial sectors. The essential nature of refractory solutions in industrial production provides a resilient foundation for the business, even during periods of lower economic activity.

Despite the uncertain market environment, Höganäs Borgestad continues to demonstrate solid operational performance. During the year, the Group has continued implementing initiatives aimed at strengthening governance, improving project execution, enhancing cost discipline, and further professionalizing the organization. These measures are designed to improve profitability, increase resilience, and position the business for continued value creation over the long term.

Agora Bytom has continued its positive development during this period. The shopping center has achieved its highest occupancy rate ever, reflecting the attractiveness of the property and the strength of its tenant mix. At the same time, the total leasable area within the center is higher than at any previous point in its history, making the achievement particularly noteworthy. This development demonstrates the continued attractiveness of Agora Bytom as a commercial destination and provides a strong foundation for future cash flow growth and value creation.

Borgestad remains confident in the long-term prospects of its assets. In addition to continuing the operational development of Höganäs Borgestad and Agora Bytom, the Group will actively evaluate consolidation opportunities within the refractory sector. Borgestad believes that selective acquisitions may strengthen market positions, expand capabilities, increase scale, and contribute to long-term shareholder value creation. The fragmented nature of parts of the refractory market may present attractive opportunities for strategic growth through consolidation.

Borgestad remains committed to executing 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.

Pål Feen Larsen
CEO

Operational and Financial Review

Group Results

(MNOK)	2026 2nd quarter	2025 Adj. 2nd quarter	2025 2nd quarter	2026 First half	2025 Adj. first half
Revenue	310	316	316	512	523
Total operating cost	258	279	285	463	485
EBITDA	**52**	**37**	**31**	**49**	**38**
Depreciation	9	9	9	20	18
Impairment of intangible assets	-	-	14	3	-
Earnings before financial items and tax (EBIT)	**42**	**28**	**8**	**25**	**20**
Financial items	-6	-7	-7	-17	-18
Profit before tax	**36**	**21**	**1**	**8**	**2**

Profit and Loss

Numbers in parenthesis are as of June 30, 2025.

Borgestad Group reported revenues of MNOK 310.3 in Q2'26 and an EBITDA of MNOK 51.9 for Q2'26, compared to MNOK 316.2 and adjusted[1] MNOK 36.9, respectively. EBITDA improved because of a lower cost base and stronger margins in the refractory segment, although the refractory market remains uncertain and challenging due to continued global market uncertainty.

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

At the end of Q2 2026, order intake and order backlog were 12.6 percent higher than in the corresponding period last year, amounting to MNOK 296.4.

Balance Sheet

Numbers in parenthesis are as of June 30, 2025.

As of June 30, 2026, the Group had total assets of MNOK 1,480.8 (MNOK 1,523.9), with equity amounting to MNOK 755.1 compared to MNOK 752.3 June 30, 2025, corresponding to an equity ratio of 51 % compared to 49 % as of June 30, 2025. Despite the positive profit for the period, the reduction in equity mainly reflects negative currency translation differences and the dividend distributed in 2026.

Current assets totalled MNOK 513.4 (MNOK 543.8), while non-current liabilities stood at MNOK 404.4 (MNOK 407.8) and current liabilities at MNOK 321.3 (MNOK 363.8). Working capital amounted to MNOK 263.0 (MNOK 321.1).

The Group's total interest-bearing debt as of June 30, 2026, was MNOK 494.4 (MNOK 508.6), with net interest-bearing debt at MNOK 374.6 (MNOK 391.6). The decrease in total interest-bearing debt mainly reflects currency translation effects and lower utilization of bank overdraft facilities, driven by reduced working capital.

[1] Adjusted EBITDA, EBIT and result before tax exclude accrued cost for lay-off compensations in and write down of ERP system.

Cash Flow, Investments, and Liquidity

Numbers in parenthesis are as of June 30, 2025.

The Group's year-to-date cash flow from operating activities was negative with MNOK 4.6 (negative MNOK 92.7).

Cash flow from investing activities amounted to negative MNOK 16.6 (negative MNOK 25.4).

Cash flow from financing activities was negative MNOK 11.6 year-to-date (positive MNOK 14.7). The decrease compared with the first half of 2025 mainly reflects a lower increase in bank overdrafts and the repurchase of own shares in Q2'26.

Net cash flow year-to-date was negative with MNOK 32.8 compared to negative MNOK 103.5 in first half 2025.

Available liquidity as of June 30, 2026, was MNOK 144.8 (MNOK 126.9), which includes MNOK 36.4 of undrawn credit facilities. The increase in available liquidity is mainly explained by the increased cash flow from operating activities during Q2'26.

Real Estate

(MNOK)	2026 2nd quarter	2025 2nd quarter	2026 First half	2025 First half	2025 Year
Revenue and other income	20	21	40	40	82
EBITDA	11	12	22	22	42
Earnings before financial items and tax (EBIT)	8	9	12	16	29

In Q2 2026, tenant turnover at Agora Bytom decreased by 1.4% compared with the corresponding period in 2025, while turnover for the last twelve months increased by 2.3% year-on-year. The decline moderated compared with Q1 2026, reflecting the completion of tenant relocations, refurbishment projects, and adjustments to the commercial mix, which are expected to support the centre's long-term performance.

Tenants at Agora Bytom have increased their revenues by 2.3 percent LTM compared year-on-year.

In Q2'26, number of visitors decreased by 2.7 percent compared to the same period last year. On a last twelve months basis, number of visitors declined by 1.5 percent year-over-year.

In the second quarter, the property segment generated rental income of MNOK 19.9 and an EBITDA of MNOK 10.9, compared to MNOK 21.0 and MNOK 12.1 in the same period in 2025. The EBITDA result for Q2 2026 is considered strong, reflecting the resilience of the underlying operations despite tenant changes during the period. The changes included temporary reductions in rental income associated with the onboarding of new tenants. Furthermore, Agora Bytom incurred non-recurring costs of approximately MNOK 0.4 in the first half of 2026. Excluding these temporary effects, the underlying operating performance was stronger than the reported result indicates.

As of June 30, 2026, the WAULT[2] stands at 3.79 years by area and 3.74 years by income.

[2] Weighted average unexpired lease term.

As of June 30, 2026, occupancy based on signed leases was at 97.4 percent, an increase of 1.0. percentage points since March 31, 2026. Per June 30, 2026, the total leasable area stands at 34,210 sqm, increased from 33,870 sqm since March 31, 2026, as a result of converting gallery space into leasable area.

The occupancy rate for Agora Bytom increased by 1.0 percentage points during Q2 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.

Refractory

(MNOK)	2026 2nd quarter	2025 Adj. 2nd quarter	2026 First half	2025 First half	2025 Year
Revenue and other income	290	296	472	482	1 044
EBITDA	43	28	32	13	78
Earnings before financial items and tax (EBIT)	37	22	19	-12	33
EBIT in percent	12.7 %	7.5 %	3.9 %	-2.5 %	3.2 %

In Q2 2026, Höganäs Borgestad delivered revenues of MNOK 290.4, compared with MNOK 296.4 in Q2 2025. EBIT increased to MNOK 36.8, from adjusted MNOK 22.1 in the same period last year, mainly reflecting cost measures implemented in 2025 and the positive impact of ongoing internal improvement initiatives.

Höganäs Borgestad assesses that the refractory market remains challenging and uncertain, primarily due to continued global economic uncertainty. This has affected several segments across the Nordic markets, resulting in lower industrial activity and reduced demand for refractory products.

At the same time, there are indications of improving activity levels in certain segments following an extended period in which customers largely limited maintenance and investment activities to business-critical requirements. While management does not expect an immediate return to normal market conditions, early signs of recovery are emerging and are expected to support a gradual improvement in demand over the medium term.

Adjusted revenue LTM[3] were MNOK 1 033.4 with an adjusted LTM EBIT of MNOK 72.6, corresponding to an adjusted EBIT margin of 7.0 percent.

Supported by ongoing internal improvement initiatives and expectations of a gradual market recovery, the Group expects performance to improve over time. Management continues to focus on professionalising operations, improving efficiency, and strengthening commercial and operational processes. Although the Nordic refractory market remains in a low-cycle environment, there is considerable potential to enhance the way the business operates, which is expected to support improved profitability over the medium term.

Borgestad maintains a positive outlook for Höganäs Borgestad in 2026 and expects seasonal patterns broadly in line with those observed in previous years. The order backlog as of June 30, 2026, amounted to MNOK 296.4, representing an increase of 12.6 percent compared to MNOK 263.2 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 2nd quarter	2025 2nd quarter	2026 First half	2025 First half	2025 Year
Revenue and other income	1	1	2	2	5
EBITDA	-2	-3	-5	-7	-14
Earnings before financial items and tax (EBIT)	-2	-3	-5	-7	-15

In Q2'26 Borgestad ASA has had a normal quarter in terms of costs and EBITDA.

Subsequent Events

No subsequent events have occurred between June 30, 2026, and the date of this report.

[3] LTM = last twelve months

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 Poland, and this should lead to better performance for the shopping centre in Poland.

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

		2026	2025	2026	2025	2025
(NOK 1 000) (Unaudited)	**Note**	**2nd quarter**	**2nd quarter**	**First half**	**First half**	**Year**
Revenue and other income	2	**310 345**	**316 173**	**511 874**	**522 636**	**1 125 972**
Materials, supplies and subcontracting		146 731	136 630	146 731	234 571	241 811
Salary and personnel expenses		94 670	105 056	177 338	192 157	390 477
Other expenses		27 187	33 711	51 361	59 597	124 127
Depreciation	6	9 474	9 067	20 466	18 438	39 827
Impairment of intangible assets	3	-	13 595	3 203	13 595	14 857
Operating cost and expenses		267 961	308 161	486 939	525 598	1 073 366
Operating income/(loss)	2	**42 384**	**8 012**	**24 934**	**-2 962**	**52 606**
Financial items						
Foreign currency gain/(loss)		-94	-174	-601	-61	-342
Interest expenses		6 953	8 024	14 401	15 106	30 452
Other financial income/(expenses)		586	1 278	-2 019	-2 410	2 060
Net financial items		**-6 461**	**-6 920**	**-17 021**	**-17 577**	**-28 733**
Profit before tax	2	**35 922**	**1 092**	**7 913**	**-20 539**	**23 873**
Income tax		5 988	4 076	8 264	5 490	3 538
Profit/(loss) for the period		**29 934**	**-2 984**	**-351**	**-26 029**	**20 335**
Allocated as follows:						
Controlling interest's share of the profit		20 988	-1 585	-2 790	-19 170	15 310
Non-controlling interest's share of the profit		8 946	-1 399	2 440	-6 859	5 024
Basic and diluted earnings per share		-0.08	-0.05	-0.08	-0.55	0.44

Condensed Consolidated Interim Statement of Comprehensive Income

	2026	2025	2026	2025	2025
(NOK 1 000) (Unaudited)	**2nd quarter**	**2nd quarter**	**First half**	**First half**	**Year**
Profit/(loss) for the period	29 934	-2 984	-351	-26 029	20 335
Other comprehensive income	-	-	-	-	-
Other income and expenses that will not be reclassified to profit:	-	-	-	-	-
Net actuarial gain/(loss) on defined benefit pension plans net of tax	-	-	-	-	-1 136
Other income and expenses that may be reclassified to profit or loss:	-	-	-	-	-
Translation differences	11 989	17 969	-24 406	10 341	13 591
Change in fair value of cash flow hedging net of tax	-235	-345	2 237	167	2 453
Change in other equity transactions	-	-	-	-42	-42
Net other comprehensive income	**11 754**	**17 623**	**-22 169**	**10 467**	**14 866**
Total comprehensive income for the period	**41 688**	**14 640**	**-22 520**	**-15 562**	**35 201**
Controlling interest's share of total comprehensive income	33 510	15 282	-20 683	-11 228	40 121
Non-controlling interest's share of total comprehensive income	8 179	-643	-1 837	-4 334	-4 920

Condensed Consolidated Interim Statement of Financial Position

		2026	2025	2025
(NOK 1 000) (Unaudited)	**Note**	**30.6.**	**30.6.**	**31.12.**
Assets				
Investment property	6	694 538	727 469	726 858
Land, buildings		16 916	14 627	17 526
Fixtures, machinery and vehicles		41 034	45 069	46 563
Licences, trade marks and similar rights		11 788	12 144	11 305
Right-of-use assets		68 617	40 652	40 668
Goodwill		106 930	101 893	110 785
Other financial assets		1 293	5 588	5 330
Deferred tax asset		12 510	18 329	15 590
Total non-current assets		**953 625**	**965 771**	**974 626**
Inventories		151 471	155 793	138 061
Receivables and contract assets		242 231	270 975	186 801
Cash and cash equivalents		119 742	117 009	152 576
Total current assets		**513 444**	**543 778**	**477 439**
Non-current assets classified as held for sale	5	13 776	14 345	14 786
Total assets		**1 480 845**	**1 523 894**	**1 466 851**

Consolidated Balance Sheet, continued

(NOK 1 000) (Unaudited)	Note	2026 30.6.	2025 30.6.	2025 31.12.
Equity and liabilities				
Shareholders' equity		673 076	689 553	715 139
Non-controlling interest		82 070	62 709	87 770
Total equity		**755 146**	**752 262**	**802 909**
Interest-bearing debt	4	321 568	346 042	339 416
Other non-current liabilities		10 629	10 547	17 533
Lease liability		65 711	29 575	30 475
Pension liabilities		6 530	5 858	6 506
Deferred tax		-	15 812	-
Total non-current liabilities		**404 438**	**407 834**	**393 930**
Interest-bearing debt	4	53 425	55 458	60 047
Lease liability		8 506	16 918	15 738
Bank overdraft		45 164	60 583	11 835
Trade payables		94 698	85 217	55 471
Tax payables		5 693	6 283	7 151
Public duties payable		32 223	38 052	29 038
Other short-term liabilities		81 552	101 288	90 733
Total current liabilities		**321 261**	**363 798**	**270 012**
Total equity and liabilities		**1 480 845**	**1 523 894**	**1 466 851**

Lysaker, August 13, 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

The document is electronically signed.

Consolidated Statement of Cash Flows

	2026	2025	2025
(NOK 1 000) (Unaudited)	**First half**	**First half**	**Year**
Cash flow from operating activities before balance changes	27 302	6 739	73 777
+/- Balance changes	-31 924	-99 473	-39 999
Net cash flow from operating activities	**-4 622**	**-92 734**	**33 778**
Investment in fixed tangible and intangible assets	-15 816	-9 559	-23 332
Investments in shares	-758	-16 027	-26 028
Sale of fixed assets	-	142	192
Net cash flow from investing activities	**-16 574**	**-25 445**	**-49 168**
Proceeds from borrowings	-	9 555	14 997
Repayment of borrowings	-8 165	-10 089	-16 290
Net change bank overdraft	33 329	60 583	11 835
Dividend paid to equity holders of the parent	-17 531	-28 050	-28 050
Dividend paid to minority interests	-3 864	-6 579	-13 274
Repurchase of own shares	-3 091	-	-
Payment of principal portion of lease liabilities	-12 316	-10 695	-21 715
Net cash flow from financial activities	**-11 638**	**14 725**	**-52 496**
Cash flow for the period	-32 834	-103 453	-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	**119 742**	**117 009**	**152 576**

Statement of Change in Equity

(NOK 1 000)	Share capital	Own shares	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 period	-	-	-	-	-	-	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	-3 864	-21 395
Purchase of own shares	-	-180	-	-	-	-	-2 911	-3 091	-	-3 091
Purchase of shares in subsidiaries	-	-	-	-	-	-	-390	-390	-368	-758
Profit/(loss) for the period	-	-	-	-	-	-	-2 790	-2 790	2 440	-351
Net other comprehensive income	-	-	-	-	2 237	-24 406	3 909	-18 260	-3 908	-22 169
Equity as at 30.06.2026	**35 062**	**-180**	**211 759**	**384 340**	**-2 335**	**155 193**	**-110 763**	**673 076**	**82 070**	**755 146**

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 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.

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. 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**	**2026**	**2025**	**2025**	**2025**
(NOK 1 000)	**2nd quarter**	**Adj. 2nd quarter**	**2nd quarter**	**First half**	**Adj. first half**	**First half**	**Year**
Revenue and other income	310 345	316 173	316 173	511 874	522 636	522 636	1 125 972
EBITDA	**51 857**	**36 858**	**17 079**	**48 603**	**37 954**	**29 071**	**107 290**
Depreciation	9 474	9 067	9 067	20 466	18 438	18 438	39 827
Impairment of fixed & intangible assets	-	-	-	3 203	-	13 595	14 857
Operating profit (EBIT)	**42 384**	**27 790**	**8 012**	**24 934**	**19 516**	**-2 962**	**52 606**
Financial items	-6 461	-6 920	-6 920	-17 021	-17 577	-17 577	-28 733
Profit before tax	**35 922**	**20 870**	**1 092**	**7 913**	**1 940**	**-20 539**	**23 873**

Segment Real Estate	**2026**	**2025**	**2026**	**2025**	**2025**
(NOK 1 000)	**2nd quarter**	**2nd quarter**	**First half**	**First half**	**Year**
Revenue and other income	19 922	21 036	40 185	40 327	81 649
EBITDA	**10 912**	**12 087**	**21 563**	**22 427**	**42 331**
Depreciation	3 252	3 341	6 605	6 686	13 572
Impairment of fixed assets	-	-	3 203	-	-
Operating profit (EBIT)	**7 660**	**8 746**	**11 755**	**15 741**	**28 758**
Financial items	-7 618	-6 723	-17 924	-17 368	-27 932
Profit before tax	**43**	**2 023**	**-6 169**	**-1 627**	**827**

Segment Refractory	**2026**	**2025**	**2025**	**2026**	**2025**	**2025**	**2025**
(NOK 1 000)	**2nd quarter**	**Adj. 2nd quarter**	**2nd quarter**	**First half**	**Adj. first half**	**First half**	**Year**
Revenue and other income	290 423	296 372	296 372	471 688	482 331	482 331	1 043 922
EBITDA	42 913	27 541	21 357	32 134	21 745	12 862	77 825
Depreciation	6 096	5 444	5 444	13 613	11 190	11 190	25 113
Impairment of intangible assets	-	-	13 595	-	-	13 595	19 615
Operating profit (EBIT)	**36 817**	**22 097**	**2 319**	**18 521**	**10 555**	**-11 923**	**33 097**
Financial items	-2 559	-2 906	-2 906	-5 396	-5 307	-5 307	-10 163
Profit before tax	**34 258**	**19 191**	**-588**	**13 125**	**5 248**	**-17 231**	**22 934**

Segment other and eliminations	**2026**	**2025**	**2026**	**2025**	**2025**
(NOK 1 000)	**2nd quarter**	**2nd quarter**	**First half**	**First half**	**Year**
Revenue and other income	900	972	1 789	2 185	4 709
EBITDA	**-1 968**	**-3 143**	**-5 093**	**-6 997**	**-14 491**
Depreciation	127	115	249	227	471
Operating profit (EBIT)	**-2 094**	**-3 258**	**-5 342**	**-7 224**	**-14 962**
Financial items	3 706	20 647	-2 143	21 341	29 524
Profit before tax	**1 612**	**17 388**	**-7 485**	**14 115**	**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 28.5/ MNOK 322.9 loan in Bank Pekao in Poland as of June 30, 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 52.1 in Nordea as of June 30, 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 June 30, 2026.

In addition, the Group has MSEK 80 in credit facilities for ongoing financing of working capital. As of June 30, 2026, the credit facility was drawn by MNOK 45.2.

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 Bjuf 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 Bjuf Fastighets AB, and the transaction will be structured as a sale of the shares in this subsidiary by Höganäs Bjuf 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 Bjuf 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 June 30, 2026. The loan amount is classified as interest-bearing debt under current liabilities.

Asset	**2026**	**2025**	**2025**
(NOK 1 000)	**30.6.**	**30.6.**	**31.12.**
Höganäs Bjuf Fastighet	13 776	14 345	14 786
Total assets classified as held for sale	**13 776**	**14 345**	**14 786**

Note 6 Investment Property

	2026	**2025**	**2025**
(NOK 1 000)	**30.6.**	**30.6.**	**31.12.**
Opening balance as at 1st of January	726 858	729 553	729 553
Net additions/disposal	10 294	4 394	10 413
Depreciation	-6 605	-6 686	-13 572
Impairment of fixed assets	-3 203	-	-
Translation differences	-32 806	208	464
At period end	**694 538**	**727 469**	**726 858**

Investment Property
In Q2 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 9.3 percent and a post-tax discount rate of 7.2 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 15.30 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 15.30 per sqm is based on signed leases at EUR 16.41 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 June 30, 2026, is 2.6 percent, based on a total leasable area of 34,210 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, valuated in euro, for the investment property given changes in the different assumptions.

Terminal growth

WACC	%-change ->	0.5% -1.5%	1.0% -1.0%	1.5% -0.5%	2.0% 0.0%	2.5% 0.5%	3.0% 1.0%	3.5% 1.5%
	5.7%	68 971	73 883	79 960	87 670	97 776	111 599	131 651
	6.2%	62 922	66 826	71 556	77 408	84 833	94 564	107 875
	6.7%	57 851	61 005	64 765	69 321	74 956	82 108	91 480
	7.2%	53 537	56 124	59 163	62 784	67 173	72 602	79 491
	7.7%	49 824	51 971	54 464	57 392	60 881	65 109	70 339
	8.2%	46 595	48 396	50 465	52 867	55 688	59 050	63 125
	8.7%	43 762	45 286	47 022	49 016	51 331	54 050	57 290

Vacancy in terminal

WACC	%-change ->	7.0% 3.0%	6.0% 2.0%	5.0% 1.0%	4.0% 0.0%	3.0% -1.0%	2.0% -2.0%	1.0% -3.0%
	5.7%	84 527	85 575	86 623	87 670	88 718	89 765	90 813
	6.2%	74 740	75 629	76 518	77 408	78 297	79 186	80 075
	6.7%	67 024	67 789	68 555	69 321	70 086	70 852	71 618
	7.2%	60 783	61 450	62 117	62 784	63 451	64 118	64 785
	7.7%	55 632	56 219	56 805	57 392	57 978	58 564	59 151
	8.2%	51 308	51 827	52 347	52 867	53 386	53 906	54 426
	8.7%	47 625	48 089	48 552	49 016	49 480	49 943	50 407

Capex in terminal

WACC	Change ->	1 123 617 -150 000	1 073 617 -100 000	1 023 617 -50 000	973 617 -	923 617 50 000	873 617 100 000	823 617 150 000
	5.7%	85 085	85 947	86 809	87 670	88 532	89 394	90 255
	6.2%	75 213	75 945	76 676	77 408	78 139	78 870	79 602
	6.7%	67 431	68 061	68 691	69 321	69 950	70 580	71 210
	7.2%	61 139	61 687	62 236	62 784	63 333	63 881	64 430
	7.7%	55 945	56 427	56 909	57 392	57 874	58 356	58 838
	8.2%	51 585	52 012	52 439	52 867	53 294	53 721	54 149
	8.7%	47 872	48 253	48 635	49 016	49 397	49 778	50 160

Rent / sqm

WACC	EUR / Sqm-> %-change ->	14.6 -3.0%	14.7 -2.0%	14.9 -1.0%	15.0 0.0%	15.2 1.0%	15.3 2.0%	15.5 3.0%
	5.7%	84 653	85 659	86 664	87 670	88 676	89 682	90 688
	6.2%	74 742	75 631	76 519	77 408	78 296	79 184	80 073
	6.7%	66 933	67 729	68 525	69 321	70 117	70 912	71 708
	7.2%	60 621	61 342	62 063	62 784	63 505	64 226	64 947
	7.7%	55 414	56 073	56 732	57 392	58 051	58 710	59 370
	8.2%	51 044	51 652	52 259	52 867	53 474	54 082	54 689
	8.7%	47 326	47 889	48 452	49 016	49 579	50 143	50 706

Note 7 Share Information

	2026	2025	2025
Number of shares	**First half**	**First half**	**Year**
Ordinary shares outstanding	34 882 072	35 062 072	35 062 072
Total shares	**34 882 072**	**35 062 072**	**35 062 072**

	2026	2025	2025
Own shares	**First half**	**First half**	**Year**
Ordinary own shares	180 000	-	-
Total own shares	**180 000**	**-**	**-**

As of 30 June 2026, the Borgestad had 35,062,072 issued shares. After completion of the share buyback program on 5 June 2026, Borgestad ASA held 180,000 treasury shares.

Earnings per share for the first half of 2026 is calculated based on a weighted average of 35,032,072 outstanding shares. The weighted average reflects the Company's repurchase of 180,000 shares with settlement on 5 June 2026, after which the number of outstanding shares was reduced from 35,062,072 to 34,882,072.

Note 8 Subsequent Events

No subsequent events have occurred between June 30, 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 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.

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.

Net interest-bearing debt (NIBD): IBD minus Cash.
Working capital: Inventories, trade receivables minus trade payables.

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 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)	30.6.	30.6.	31.12.
Operating profit (EBIT)	24 934	-2 962	52 606
Impairment of non-current assets	3 203	13 595	14 857
Depreciation	20 466	18 438	39 827
EBITDA	**48 603**	**29 071**	**107 290**

[1)] Adjusted group 2025	2025	2025
(NOK 1000)	2nd quarter	First half
EBITDA	30 675	29 071
Accrued cost for lay-off compensations	-6 183	-8 883
EBITDA adjusted	**36 858**	**37 954**

[1)] Adjusted group 2025	2025	2025
(NOK 1000)	2nd quarter	First half
EBIT	**8 012**	**-2 962**
Accrued cost for lay-off compensations	-6 183	-8 883
Write down ERP system and goodwill	-13 595	-13 595
EBIT adjusted	**27 790**	**19 516**
Financial items	-6 920	-17 577
Profit before tax	**20 870**	**1 940**

[2)] EBIT segment refractory	2026	2025	2025
(NOK 1000)	30.6.	30.6.	31.12.
Revenue and other income LTM	1 033 279	1 047 868	1 043 922
EBIT adjusted LTM	72 621	52 821	64 655
EBIT adjusted	**7.0 %**	**5.0 %**	**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)	30.6.	30.6.	31.12.
Mortgage debt	374 993	401 500	399 463
Lease liability	74 217	46 493	46 213
Bank overdraft	45 164	60 583	11 835
Total interest-bearing debt	**494 374**	**508 575**	**457 510**

NIBD (Net Interest-bearing debt)	2026	2025	2025
(NOK 1000)	30.6.	30.6.	31.12.
IBD (Interest-bearing debt)	494 374	508 575	457 510
Cash	119 742	117 009	152 576
Total	**374 632**	**391 566**	**304 934**

NIBD/EBITDA LTM	2026	2025	2025
(NOK 1000)	30.6.	30.6.	31.12.
NIBD (Net Interest-bearing debt)	374 632	391 566	304 934
Adjusted EBITDA LTM	126 823	114 789	107 290
NIBD/EBITDA	**3.0**	**3.4**	**2.8**

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

Equity ratio	2026	2025	2025
(NOK 1000)	30.6.	30.6.	31.12.
Total equity	755 146	752 262	802 909
Total capital	1 480 845	1 523 894	1 466 851
Equity ratio in %	**51,0 %**	**49,4 %**	**54,7 %**

Working capital	2026	2025	2025
(NOK 1000)	30.6.	30.6.	31.12.
Inventories	151 471	155 793	138 061
Trade receivables	206 189	250 497	151 943
Trade payables	-94 698	-85 217	-55 471
Working capital	**262 961**	**321 074**	**234 533**

Available liquidity at end of period	2026	2025	2025
(NOK 1000)	30.6.	30.6.	31.12.
Drawn on the overdraft facility	-45 164	-60 583	-11 835
Overdraft facility 80 MSEK	81 568	84 936	87 552
Restricted deposits	-11 311	-14 506	-15 651
Cash	119 742	117 009	152 576
Available liquidity at end of period	**144 836**	**126 856**	**212 642**

Statement from the Board and the CEO of Borgestad ASA

We confirm to the best of our knowledge that the condensed set of financial statements at June 30, 2026, and for the six-month period January 1, 2026, to June 30, 2026, have been prepared in accordance with IAS 34 - Interim Financial Reporting, and gives a true and fair view of the Group's assets, liabilities, financial position and result for the period. We also confirm to the best of our knowledge that the financial review includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the financial statements, any major related parties transactions, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

Borgestad, August 13, 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

The document is electronically signed.

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