



BORGESTAD ASA

Third Quarter 2025 Report

October 30, 2025

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Highlights and Key Figures

Highlights

- 1 In Q3'25, Borgestad Group delivered a result before tax of MNOK 47.0, compared to MNOK 44.1 in Q3'24.
- 2 Höganäs Borgestad delivered a better quarter compared to Q3'24, reporting revenues of MNOK 333.3 and an EBIT of MNOK 49.6, compared to MNOK 340.4 and MNOK 45.5 Q3'24, respectively.
- 3 Agora Bytom delivered an EBITDA of MNOK 10.3 in Q3'25, compared to MNOK 10.3 in Q3'24.

Key Figures

	3rd quarter		First 9 months	
MNOK	2025	2024	Adj. 2025*	2024
Operating income	354	360	876	919
EBITDA	65	63	103	117
Depreciation & impa. of intangible assets	11	11	29	28
Operating profit (EBIT)	54	52	74	89
Profit before tax	47	44	49	73

MNOK	30.09.2025	30.09.2024
Cash	133	132
Available liquidity at end of period	145	162
IBD	497	474
NIBD	363	364
NIBD/ adj. EBITDA LTM	2,9	2,5
Equity ratio	51 %	53 %

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

Overall, Borgestad continues to demonstrate a solid underlying operational trend, and the development is expected to continue.

Agora Bytom continued the positive trend with increasing rental income. Cost reductions implemented in 2024, along with a high occupancy rate, are reflected in the third quarter and year to date EBITDA.

The occupancy rate as of September 30 showed an increase compared to June 30, in addition Agora Bytom has signed leases in October'25 that will contribute to continued increase in the occupancy rate. These leases will also contribute to further conversion of common area to leasable area of 350 sqm, equal to one percent of total leasable area. These leases are expected to further increase rental income and EBITDA from second quarter of 2026 and onwards.

Agora Bytom has shown a strong development in recent periods, both operationally and financially. Based on current signed leases, Borgestad expects the occupancy rate to exceed 97.0 percent by the end of the year.

Höganäs Borgestad reported its best EBIT in history, with a quarterly EBIT of MNOK 49.6, corresponding to an EBIT margin of 14.9 percent and an adjusted EBIT year-to-date of 7.4 percent. The underlying development is good, although the global environment remains volatile, with ongoing conflicts and rising geopolitical tensions. Especially in Sweden, Höganäs Borgestad review

a slowdown within several industries. In response, Höganäs Borgestad implemented cost reduction measures in the second quarter, while preserving the necessary capacity to meet the expected increase in sales over the coming quarters.

The orderbook at the end of September'25 is at a solid level, supporting expectations for a continued positive development for Höganäs Borgestad Group.

The Administrative Court of Malmö issued its verdict in the first quarter regarding the sale and leaseback transaction in Bjuv, ruling against both Bjuv Municipality and Höganäs Borgestad. The Court concluded that the municipality had not provided sufficient documentation to support the property valuations and therefore revoked its approval of the transaction. In response, Bjuv Municipality appealed the decision and submitted updated valuation documentation as part of the process.

A positive development occurred before the summer when the Court formally accepted the appeal for review. Both Bjuv Municipality and Höganäs Borgestad expect the appeal to ultimately result in a favourable outcome for both parties. A final verdict is expected by the end of 2025 or early 2026.

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

	2025	2024	2025	2024
(MNOK)	3rd quarter	3rd quarter	Adjusted first 9 months	First 9 months
Revenue	354	360	876	919
Total operating cost	289	296	773	803
EBITDA	65	63	103	117
Depreciation	11	11	29	28
Impairment of intangible assets	-	-	-	-
Earnings before financial items and tax (EBIT)	54	52	74	89
Financial items	-7	-8	-25	-17
Profit before tax	47	44	49	73

Profit and Loss

Numbers in parenthesis are as of December 31, 2024.

Over the last twelve months Borgestad Group has a revenue of MNOK 1,126.2 and an adjusted¹ EBITDA of MNOK 125.0

Borgestad Group's EBITDA was MNOK 64.7, an increase from MNOK 63.3 in Q3'24. The increase in EBITDA was due to a good performance within refractory segment in the quarter.

Net financials were better compared to the same period last year, mainly due to decreased interest rates.

At the end of Q3'25, order intake and order backlog for the refractory segment were at normal seasonal levels.

Balance Sheet

Numbers in parenthesis are as of December 31, 2024.

As of September 30, 2025, the Group had total assets of MNOK 1,544 (MNOK 1,463), with equity amounting to MNOK 790.4 (MNOK 809), corresponding to an equity ratio of 51 % (55 %).

Current assets totalled MNOK 575 (MNOK 497), while non-current liabilities stood at MNOK 402 (MNOK 393) and current liabilities at MNOK 352 (MNOK 261).

Working capital amounted to MNOK 352 (MNOK 197), up from MNOK 335 as of September 30, 2024. The increase year-on-year is mainly driven by increase in trade receivables.

The Group's total interest-bearing debt as of September 30, 2025, was MNOK 497 (MNOK 437), with net interest-bearing debt at MNOK 363 (MNOK 217).

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

Cash Flow, Investments, and Liquidity

Numbers in parenthesis are as of December 31, 2024.

The Group's year-to-date cash flow from operating activities was negative with MNOK 63.4 (positive MNOK 149).

Cash flow from investing activities was negative MNOK 28.4 (negative MNOK 19.3). In Q2'25 the Group closed the acquisition of 100 percent of the shares in Emcothech AB. The acquisition a total of MNOK 16.0 was paid. The transaction was settled with a payment of MNOK 11.0 for the shares at closing, subject to adjustment for

deviations from historically seasonal working capital levels and net debt as of closing.

Cash flow from financing activities was positive with MNOK 4.6 year-to-date (negative MNOK 62.2). The Group distributed dividend of MNOK 34.6 in June'25 to shareholders of Borgestad ASA and minority shareholders of Höganäs Borgestad Holding AB.

Net cash flow year-to-date was negative with MNOK 87.2.

Available liquidity as of September 30, 2025, was MNOK 145.3 (MNOK 276), which includes MNOK 26.3 of undrawn credit facilities.

Real Estate

	2025	2024	2025	2024
(MNOK)	3rd quarter	3rd quarter	First 9 months	First 9 months
Revenue	20	19	60	57
EBITDA	10	10	33	31
Earnings before financial items and tax (EBIT)	7	8	23	24

In Q3'25, tenant turnover at Agora Bytom increased by 6.2 percent compared to the same period in 2025, while last twelve months turnover grew by 3.7 percent year-over-year.

Tenants at Agora Bytom have increased their revenues by 6.2 percent in Q3'25 compared to the same period in 2024.

In Q3'25, visitor numbers decreased by 1.3 percent compared to the same period last year. The last twelve months number of visitors declined with 0.9 percent year-over-year.

In third quarter, the property segment generated rental income of MNOK 20.1 and EBITDA of MNOK 10.3, compared to MNOK 19.4 and MNOK 10.3 in same period in 2024.

Agora Bytom continues to maintain a strong position in the local market, with a consistently high occupancy rate. The centre remains committed to ongoing improvements and actively engages in the rental market, currently negotiating with several potential tenants, underscoring its focus on expansion and development.

As of September 30, 2025, the WAULT² stands at 4,14 years by area and 3.64 years by income.

² Weighted average unexpired lease term.

As of September 30, 2025, occupancy based on signed leases was at 95.5 percent, an increase of 0.7 percent since June 30. Per June 30, 2025 the total leasable area stands at 33,630 sqm.

The occupancy rate for Agora Bytom is estimated to stand at 97.0 percent per of the date of this report.

Agora Bytom has from September 30, to the date of this report had an active period for finalizing new lease agreements. At the date of this report the estimated occupancy based on signed leases stands at 97.0 percent, and leasable area of 33.980 sqm. The signed leases are estimated to open during fourth quarter 2025 and first quarter 2026 and is expected to improve the commercial attractiveness of Agora Bytom.

Agora Bytom has over recent periods shown good development in increasing the occupancy

rate and has now nearly fully leased out the centre. With this strong occupancy as a foundation, the focus is shifting toward renegotiating or replacing lower leases to increase the actual rent per sqm per month, while continuing efforts to enhance the centre's commercial attractiveness. A combination of high occupancy, improved rent levels, and increased attractiveness is critical for any potential future increase in the value of the property.

Borgestad expects revenue and EBITDA to increase moderately in the coming periods compared to previous years. Inflation in Poland and Europe has been gradually declining and, according to the European Central Bank, is now considered to be under control. This downward trend, together with other factors, has contributed to falling interest rates, which are expected to support lower yields and more transactions going forward.

Refractory

	2025	2024	2025	2024
(MNOK)	3rd quarter	3rd quarter	Adjusted first 9 months	First 9 months
Revenue	333	340	816	862
EBITDA	57	54	78	97
Earnings before financial items and tax (EBIT)	50	46	60	77
EBIT in percent	14,9 %	13,4 %	7,4 %	8,9 %

In Q3'25, Höganäs Borgestad delivered a record high EBIT of MNOK 49.6 and an EBIT margin in Q3'25 of 14.9 percent. Höganäs Borgestad reported a year-over-year revenue decline of 2.0 percent in Q3'25, primarily attributed to reduced activity in the Swedish service and maintenance market. Adjusted EBIT³ for year to date 2025 is at

MNOK 60.2, down from MNOK 76.6 for same period in 2024.

Over the last twelve months, Höganäs Borgestad Group reported revenue of MNOK 1,040.7 and adjusted EBIT of MNOK 64.7, corresponding to an adjusted EBIT margin of 6.2 percent.

³ Adjustments for accrued costs related to lay-off compensations and extraordinary write-offs

Q3'25 EBIT at MNOK 49.6, an EBIT margin of 14.9 percent, compared to MNOK 53.9 and 13.4 percent for Q3'24.

In Q2'25, Höganäs Borgestad implemented a cost-saving program in parts of the Group, including staff reductions. The estimated full-year effect is a cost reduction of MNOK 7.3, expected to be fully realized from October 2025 onwards. A total restructuring cost of MNOK 6.2 was recognized in Q2'25 as a provision for personnel who left their positions before the end of their lay-off period. These costs are excluded from the adjusted figures. Additionally, changes in subsidiary managements were made, effective

September 1, to increase sales and improve operation efficiency.

Additional operational improvement measures are planned for implementation during 2025.

Borgestad remains optimistic about the outlook for Höganäs Borgestad for the remainder of the year, supported by an order backlog of MNOK 145.2 as of September 30, 2025, compared to MNOK 99.1 as of September 30, 2024.

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.

	2025	2024	2025	2024
(MNOK)	3rd quarter	3rd quarter	First 9 months	First 9 months
Revenue	1	1	3	1
EBITDA	-3	-2	-10	-12
Earnings before financial items and tax (EBIT)	-3	-2	-10	-12

In Q3'25 Borgestad ASA has had a normal quarter in terms of costs and EBITDA.

Subsequent Events

No subsequent events have occurred between September 30, 2025 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 escalating trade

tensions between countries and regions. While the direct impact of potential trade barriers on 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 catch-up effects after periods of slowdown. The Board and management continue to monitor developments closely and are prepared to take necessary measures if required.

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.

The Höganäs Borgestad Group is in the final stages of liquidating its subsidiary, Höganäs Borgestad Asian Pacific Ltd. (“HBAP”). This liquidation marks the concluding step in the shutdown of standard brick production in Bjuv, completed in 2021. The final outcome of the liquidation is expected to have a negative impact of MNOK 44.9 on EBITDA, EBIT, and profit before tax. However, the effect is purely accounting-related and will have no impact on the Group’s equity or cash flow. The result is estimated to be recognized in the Group’s financial statements in the fourth quarter of 2025, effectively removing the last legacy element from the discontinued operations.

Borgestad ASA will continue to explore strategic opportunities, including transformational M&A and potential liquidity events related to Agora Bytom.

Condensed Consolidated Interim Statement of Income

		2025	2024	2025	2024	2024
		3rd	3rd	First 9	First 9	Year
(NOK 1 000) (Unaudited)		quarter	quarter	months	months	
	Note					
Revenue and other income	2	353 503	359 830	876 139	919 316	1 169 428
Materials, supplies and subcontracting		159 133	175 637	400 944	429 951	528 946
Salary and personnel expenses		100 747	99 304	292 903	295 598	394 855
Other expenses		28 950	21 557	88 547	77 084	106 558
Depreciation	6	10 685	11 110	29 122	27 588	34 733
Impairment of intangible assets	3	-	-	13 595	-	-
Operating cost and expenses		299 514	307 607	825 112	830 221	1 065 092
Operating income/(loss)	2	53 989	52 222	51 027	89 095	104 336
Financial items						
Foreign currency gain/(loss)		-169	168	-231	571	1 386
Interest expenses		7 703	9 219	22 808	19 864	27 403
Other financial income/(expenses)		903	927	-1 507	2 713	3 966
Net financial items		-6 969	-8 124	-24 546	-16 580	-22 051
Profit before tax	2	47 020	44 098	26 481	72 515	82 285
Income tax		3 678	11 612	9 168	14 641	20 521
Profit/(loss) for the period		43 342	32 486	17 313	57 874	61 764
Allocated as follows:						
Non-controlling interest's share of the profit		13 271	9 223	6 412	15 574	16 535
Controlling interest's share of the profit		30 071	23 264	10 901	42 299	45 229
Basic and diluted earnings per share		0,86	0,66	0,31	1,21	1,29

Condensed Consolidated Interim Statement of Comprehensive Income

	2025	2024	2025	2024	2024
	3rd quarter	3rd quarter	First 9 months	First 9 months	Year
Profit/(loss) for the period	43 342	32 486	17 313	57 874	61 764
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	-	-	-	-	-664
<i>Other income and expenses that may be reclassified to profit or loss:</i>					
Translation differences	-6 439	16 713	3 902	19 819	18 403
Change in fair value of cash flow hedging net of tax	1 235	-5 037	1 402	-13 606	-13 178
Change in other equity transactions	-	126	-42	-	-
Net other comprehensive income	-5 204	11 802	5 263	6 214	4 560
Total comprehensive income for the period	38 138	44 288	22 576	64 087	66 325
Non-controlling interest's share of total comprehensive income	13 185	11 556	8 851	17 309	17 714
Controlling interest's share of total comprehensive income	24 953	32 732	13 725	46 779	48 611

Condensed Consolidated Interim Statement of Financial Position

(NOK 1 000) (Unaudited)		2025 30.9.	2024 30.9.	2024 31.12.
	Note			
Assets				
Investment property	6	719 784	729 419	729 553
Land, buildings		13 862	18 926	12 502
Fixtures, machinery and vehicles		44 289	35 434	42 667
Licences, trade marks and similar rights	3	11 668	40 153	26 032
Right-of-use assets		37 266	26 993	35 751
Goodwill		100 218	90 487	90 082
Other financial assets		5 682	757	6 248
Deferred tax asset		21 655	17 311	8 941
Total non-current assets		954 424	959 478	951 777
Inventories		143 401	137 172	126 254
Trade receivables		278 626	269 472	139 214
Other receivables		19 688	10 405	11 185
Cash and cash equivalents		133 272	132 342	220 462
Total current assets		574 987	549 390	497 115
Non-current assets classified as held for sale	5	14 330	16 782	13 907
Total assets		1 543 741	1 525 650	1 462 799

Consolidated Balance Sheet, continued

		2025	2024	2024
(NOK 1 000) (Unaudited)	Note	30.9.	30.9.	31.12.
Equity and liabilities				
Share capital		35 062	35 062	35 062
Share premium and other paid-in capital	7	613 630	641 679	641 679
Total paid-in capital		648 692	676 741	676 741
Other reserves		164 288	159 973	158 983
Other equity		-98 451	-109 755	-106 894
Retained earnings		65 836	50 218	52 089
Non-controlling interest		75 894	79 836	80 202
Total equity		790 422	806 795	809 032
Interest-bearing debt	3, 4	342 814	345 895	343 600
Other non-current liabilities		21 948	10 510	10 713
Lease liability		27 736	28 545	24 730
Pension liabilities		5 875	6 040	5 813
Deferred tax		3 379	10 727	8 288
Total non-current liabilities		401 753	401 718	393 144
Interest-bearing debt	4	52 449	52 233	51 900
Lease liability		15 166	18 424	16 986
Bank overdraft		58 569	28 992	-
Trade payables		69 961	71 809	68 489
Tax payables		11 996	24 754	11 928
Public duties payable		46 341	48 064	28 991
Other short-term liabilities		97 085	72 861	82 330
Total current liabilities		351 567	317 137	260 623
Total equity and liabilities		1 543 741	1 525 650	1 462 799

Lysaker, October 30, 2025

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

	2025	2024	2024
(NOK 1 000) (Unaudited)	First 9 months	First 9 months	Year
Cash flow from operating activities before balance changes	64 444	90 873	104 871
+/- Balance changes	-127 873	-67 910	44 430
Net cash flow from operating activities	-63 429	22 963	149 301
Acquisitions of property, equipment and intangible assets	-12 477	-8 415	-12 220
Acquisitions of subsidiaries	-16 027	-13 169	-13 194
Sale of fixed assets	142	253	6 079
Net cash flow from investing activities	-28 362	-21 331	-19 335
Proceeds from borrowings	9 555	-	-
Repayment of borrowings	-13 265	-14 410	-17 161
Net change bank overdraft	58 569	4 894	-24 098
Dividend paid to equity holders of the parent	-28 050	-	-
Dividend paid to minority interests	-6 579	-	-
Payment of principal portion of lease liabilities	-15 629	-12 462	-20 933
Net cash flow from financial activities	4 601	-21 978	-62 192
Cash flow for the period	-87 190	-20 347	67 774
Cash and cash equivalent at beginning of period	220 462	152 688	152 688
Cash and cash equivalent at the end of the period	133 272	132 342	220 462

Statement of Change in Equity

(NOK 1 000)	Share capital	Share premium reserve	Other paid-in capital	Fair value reserve of debt instruments at FVOCI	Translation differences	Total other equity	Non-controlling interests	Total equity
Equity as at 01.01.2024	350 621	211 759	114 362	6 154	147 605	-147 929	73 270	755 842
Issue of share capital	-							-
Share capital decrease by transfer to other paid-in capital	-315 559		315 559					-
Purchase of shares in subsidiaries						-2 392	-10 743	-13 135
Profit/(loss) for the year						45 229	16 535	61 764
Net other comprehensive income				-13 178	18 403	-1 803	1 140	4 560
Equity as at 31.12.2024	35 062	211 759	429 921	-7 025	166 008	-106 894	80 202	809 032
Equity as at 01.01.2025	35 062	211 759	429 921	-7 025	166 008	-106 894	80 202	809 032
Dividends			-28 050				-13 136	-41 186
Profit/(loss) for the period						10 901	6 412	17 313
Net other comprehensive income				1 402	3 902	-2 459	2 417	5 263
Equity as at 30.09.2025	35 062	211 759	401 871	-5 623	169 910	-98 452	75 894	790 422

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 - 2024.

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 – 2024* that are a part of *Borgestad's Annual Report – 2024*.

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	2025	2024	2025	2025	2024	2024
(NOK 1 000)	3rd quarter	3rd quarter	First 9 months	Adjusted first 9 months	First 9 months	Year
Revenue	353 503	359 830	876 139	876 139	919 316	1 169 428
EBITDA	64 674	63 332	93 744	102 646	116 683	139 069
Depreciation	10 685	11 110	29 122	29 122	27 588	34 733
Impairment of intangible assets	-	-	13 595	-	-	-
Operating profit (EBIT)	53 989	52 222	51 027	73 523	89 095	104 336
Financial items	-6 969	-8 124	-24 546	-24 546	-16 580	-22 051
Profit before tax	47 020	44 098	26 481	48 978	72 515	82 285

Segment Real Estate	2025	2024	2025	2024	2024
(NOK 1 000)	3rd quarter	3rd quarter	First 9 months	First 9 months	Year
Revenue	20 144	19 408	60 471	57 044	76 622
EBITDA	10 256	10 333	32 683	30 514	41 293
Depreciation	3 424	2 144	10 110	6 409	8 658
Operating profit (EBIT)	6 832	8 189	22 573	24 105	32 634
Financial items	-7 083	-8 200	-24 451	-14 082	-27 130
Profit before tax	-251	-11	-1 878	10 023	5 504

Segment Refractory	2025	2024	2025	2025	2024	2024
(NOK 1 000)	3rd quarter	3rd quarter	First 9 months	Adjusted first 9 months	First 9 months	Year
Revenue	333 256	340 410	815 587	815 587	862 236	1 087 363
EBITDA	56 569	53 876	69 431	78 332	97 054	106 146
Depreciation	6 970	8 368	18 160	18 160	20 436	25 024
Impairment of intangible assets	-	-	13 595	-	-	-
Operating profit (EBIT)	49 599	45 509	37 675	60 172	76 618	81 122
Financial items	-2 483	-3 612	-7 790	-7 790	-9 642	-11 393
Profit before tax	47 116	41 897	29 885	52 382	66 976	69 728

Segment other	2025	2024	2025	2024	2024
(NOK 1 000)	3rd quarter	3rd quarter	First 9 months	First 9 months	Year
Revenue	956	1 460	3 141	1 484	8 438
EBITDA	-2 591	-2 336	-9 588	-12 344	-9 994
Depreciation	123	95	349	239	380
Operating profit (EBIT)	-2 713	-2 191	-9 937	-12 344	-10 374
Financial items	352	10 129	21 694	18 103	56 787
Profit before tax	-2 359	7 937	11 756	5 759	46 413

Note 3 Significant Events in 2025

Impairment of intangible assets

Segment refractory has written down the ERP system with MNOK 13.6.

Höganäs Borgestad acquires Emcotech AB

In Q2'25 the Group closed the acquisition of 100 percent of the shares in Emcotech AB. The transaction of MNOK 16 (MSEK 15.1) was settled with a payment of MNOK 11.0 for the shares at closing, subject to adjustment for deviations from historically seasonal working capital levels and net debt as of closing. In

addition, a contingent performance-based earn-out, capped at MSEK 10, will be payable 18 months after closing, subject to fulfilment of the relevant conditions.

The purchase was financed with an increase in bank financing of MSEK 9 and cash.

Note 4 Interest-Bearing Debt

Agora Bytom Sp. z o.o. has a MEUR 28.9/ MNOK 338.9 loan in Bank Pekao in Poland as of September 30, 2025. The loan is recognized at amortized cost and matures on maturity. Loan maturity date is December 31, 2028.

Agora Bytom entered in 2024 into an interest hedging of 70 percent of the outstanding loan amount valid until maturity. The secured interest is fixed at a rate of 3.17 percent above the interest margin of 2.80 percent until maturity.

Höganäs Borgestad has mortgage debt of MNOK 56.3 in Nordea as of September 30, 2025. Loan maturity date is June 30, 2028.

Part of the loan, MNOK 47.0, is reclassified as short-term interest-bearing debt in connection to assets held for sale on September 30, 2025.

In addition, the Group has MSEK 80 in credit facilities for ongoing financing of working capital. At September 30, 2025 the credit facility was drawn by MNOK 58.6.

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 by Höganäs Bjuf Fastighets AB of the shares in this subsidiary.

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.

The approval of the transaction by Bjuv municipality will only become binding once the complaint has been finally resolved in the claimant's favor, and the completion of the

transaction is conditional upon such binding approval.

In light of 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 47 as of September 30, 2025. The loan amount is classified as interest-bearing debt under current liabilities.

Asset	2025	2024	2024
(NOK 1 000)	30.9.	30.9.	31.12.
Höganäs Bjuf Fastighet	14 330	13 875	13 907
Office Gunnar Knudsens veg, Skien	-	2 907	-
Total assets classified as held for sale	14 330	16 782	13 907

Note 6 Investment Property

	2025	2024	2024
(NOK 1 000)	30.9.	30.9.	31.12.
Opening balance as at 1st of January	729 553	701 408	701 408
Net Additions/Disposal	6 158	1 825	1 690
Depreciation	10 110	6 409	8 658
Translation differences	-5 817	32 596	35 114
As at period end	719 784	729 419	729 553

Investment Property

In the first three quarters of 2025, 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 9.7% and a post-tax discount rate of 7.1%. 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 15.08 per sqm per month in 2025 and is forecasted to increase at a steady growth rate of 2 %. The estimated rent of EUR 15.08 per sqm is based on signed leases at EUR 16.48 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%. Vacancy as of 30.09.2025 is 5.1%, based on a total leasable area of 33,630 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 taking into account 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%, 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						
WACC	%-change ->	0,5%	1,0%	1,5%	2,0%	2,5%	3,0%	3,5%
		-1,5%	-1,0%	-0,5%	0,0%	0,5%	1,0%	1,5%
	5,6%	76 365	81 953	88 890	97 733	109 389	125 458	149 029
	6,1%	69 616	74 049	79 436	86 124	94 649	105 887	121 378
	6,6%	63 969	67 547	71 821	77 016	83 465	91 685	102 521
	7,1%	59 175	62 106	65 557	69 679	74 688	80 908	88 835
	7,6%	55 054	57 485	60 313	63 641	67 617	72 449	78 448
	8,1%	51 474	53 513	55 859	58 586	61 797	65 633	70 295
	8,6%	48 336	50 062	52 029	54 292	56 924	60 022	63 723

		Vacancy in terminal						
WACC	%-change ->	7,0%	6,0%	5,0%	4,0%	3,0%	2,0%	1,0%
		3,0%	2,0%	1,0%	0,0%	-1,0%	-2,0%	-3,0%
	5,6%	94 566	95 622	96 677	97 733	98 788	99 844	100 899
	6,1%	83 440	84 335	85 230	86 124	87 019	87 914	88 809
	6,6%	74 707	75 476	76 246	77 016	77 786	78 556	79 326
	7,1%	67 668	68 338	69 008	69 679	70 349	71 019	71 689
	7,6%	61 874	62 463	63 052	63 641	64 230	64 820	65 409
	8,1%	57 020	57 542	58 064	58 586	59 108	59 631	60 153
	8,6%	52 894	53 360	53 826	54 292	54 758	55 224	55 690

		Capex in terminal						
WACC	-change ->	680 000	630 000	580 000	530 000	480 000	430 000	380 000
		-150 000	-100 000	-50 000	-	50 000	100 000	150 000
	5,6%	95 041	95 938	96 836	97 733	98 630	99 527	100 424
	6,1%	83 843	84 603	85 364	86 124	86 885	87 646	88 406
	6,6%	75 053	75 707	76 362	77 016	77 670	78 325	78 979
	7,1%	67 970	68 539	69 109	69 679	70 248	70 818	71 388
	7,6%	62 139	62 640	63 140	63 641	64 142	64 643	65 144
	8,1%	57 255	57 699	58 142	58 586	59 030	59 474	59 918
	8,6%	53 104	53 500	53 896	54 292	54 688	55 084	55 480

		Rent / sqm						
WACC	EUR / Sqm->	15,0	15,1	15,3	15,4	15,6	15,7	15,9
	%-change ->	-3,0%	-2,0%	-1,0%	0,0%	1,0%	2,0%	3,0%
	5,6%	94 735	95 734	96 734	97 733	98 732	99 731	100 730
	6,1%	83 483	84 363	85 244	86 124	87 005	87 885	88 766
	6,6%	74 654	75 441	76 229	77 016	77 803	78 591	79 378
	7,1%	67 542	68 254	68 966	69 679	70 391	71 103	71 815
	7,6%	61 690	62 340	62 991	63 641	64 292	64 942	65 593
	8,1%	56 790	57 389	57 987	58 586	59 185	59 784	60 383
	8,6%	52 627	53 182	53 737	54 292	54 847	55 402	55 957

Note 7 Share Information

Number of shares	Ordinary shares outstanding
01.01.2024	1 402 482 841
Rights issue 03.06.24*	39
Share reverse split 03.06.24	-1 367 420 808
31.12.2024	35 062 072
30.09.2025	35 062 072

*Borgestad increased the share capital by NOK 9.75 through the issue of 39 new shares in 2024, each with a nominal value of NOK 0.25, in order to facilitate for a reverse share split in the ratio 40:1

Total number of shares outstanding on 30 September 2025 is 35,062,072. Borgestad has not held any own shares throughout 2024 and 2025.

The Annual General Meeting on 28 May 2025 approved a dividend for 2024 of NOK 0.80 per share. This amounted to a total of MNOK 28.1. The dividend was paid out in June, 2025.

Note 8 Subsequent Events

No material subsequent events has occurred since September 30, 2025 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.

Available liquidity at end of period (NOK 1000)	2025 30.9.	2024 30.9.	2024 31.12.
Drawn on the overdraft facility	-58 569	-28 992	-
Overdraft facility 80 MSEK	84 848	72 877	72 051
Restricted deposits	-14 231	-14 588	-16 487
Cash	133 272	132 342	220 462
Available liquidity at end of period	145 321	161 639	276 026

IBD (Interest-bearing debt)	2025	2024	2024
(NOK 1000)	30.9.	30.9.	31.12.
Mortgage debt	395 263	398 128	395 500
Lease liability	42 902	46 969	41 716
Bank overdraft	58 569	28 992	-
Total interest-bearing debt	496 734	474 089	437 216

NIBD (Net Interest-bearing debt)	2025	2024	2024
(NOK 1000)	30.9.	30.9.	31.12.
IBD (Interest-bearing debt)	496 734	474 089	437 216
Cash	133 272	132 342	220 462
Total	363 462	341 748	216 754

NIBD/EBITDA LTM	2025	2024	2024
(NOK 1000)	30.9.	30.9.	31.12.
NIBD (Net Interest-bearing debt)	363 462	341 748	216 754
Adjusted EBITDA LTM	125 032	136 273	139 069
NIBD/EBITDA	2,9	2,5	1,6

Equity ratio	2025	2024	2024
(NOK 1000)	30.9.	30.9.	31.12.
Total equity	790 422	806 795	809 032
Total capital	1 543 741	1 525 650	1 462 799
Equity ratio in %	51,2 %	52,9 %	55,3 %

Working capital	2025	2024	2024
(NOK 1000)	30.9.	30.9.	31.12.
Inventories and trade receivables	422 027	406 643	265 468
Trade payables	69 961	71 809	68 489
Working capital	352 066	334 835	196 979

EBITDA group	2025	2024	2024
(NOK 1000)	30.9.	30.9.	31.12.
Operating profit (EBIT)	51 027	89 095	104 336
Impairment of non-current assets	13 595	-	-
Depreciation	29 122	27 588	34 733
EBITDA	93 744	116 683	139 069



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