AksjeNorge Trondheim

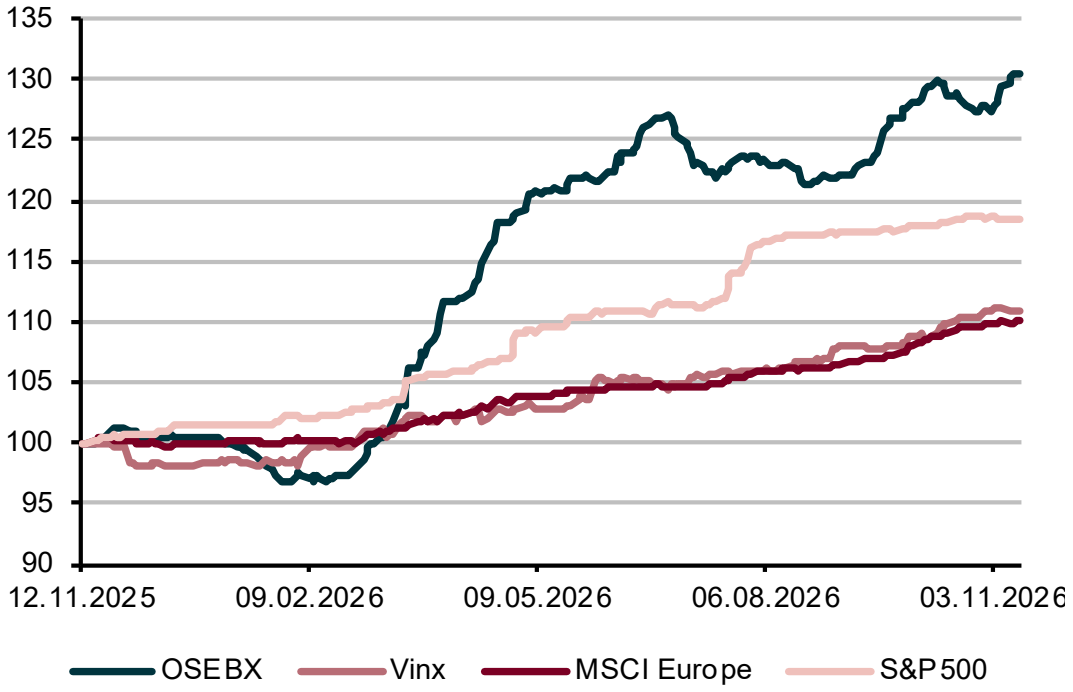
Paul Harper (Equity Market & Quant Strategist), paul.harper@dnbcarnegie.no

16 November 2026

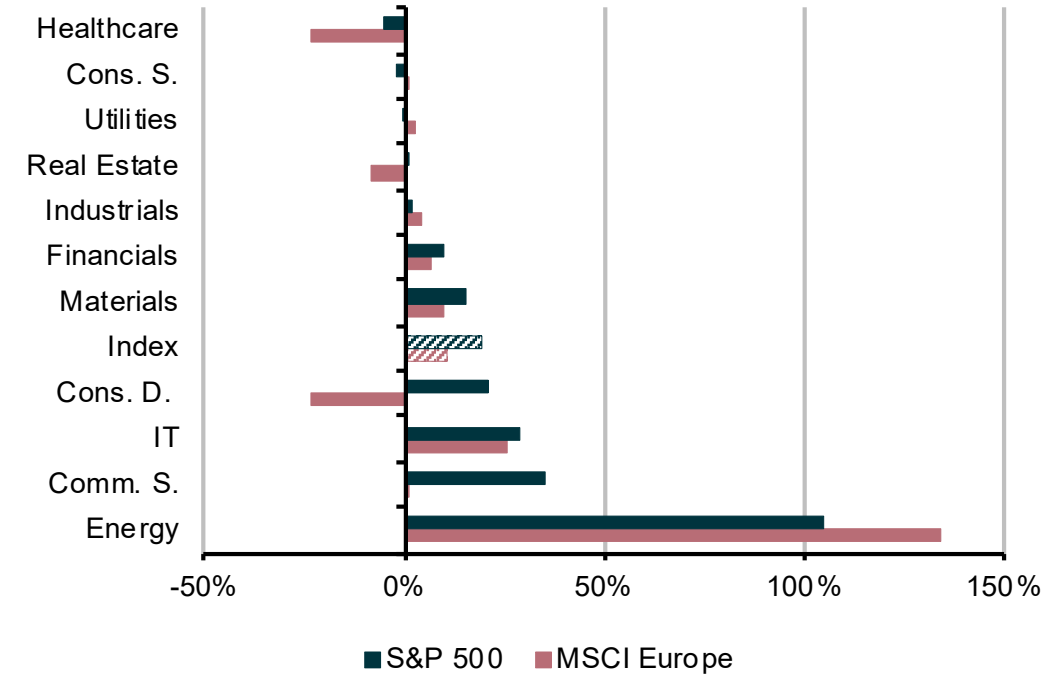
Very strong earnings development this year, supported by commodity prices

- Earnings estimates have been revised significantly higher this year, driven primarily by oil prices and AI related spending
- Excluding Energy, 2026 index EPS in Norway would have been revised lower

CONSENSUS 2026 EPS (REBASED)



YTD CHANGE IN 2026 CONSENSUS EPS (%)

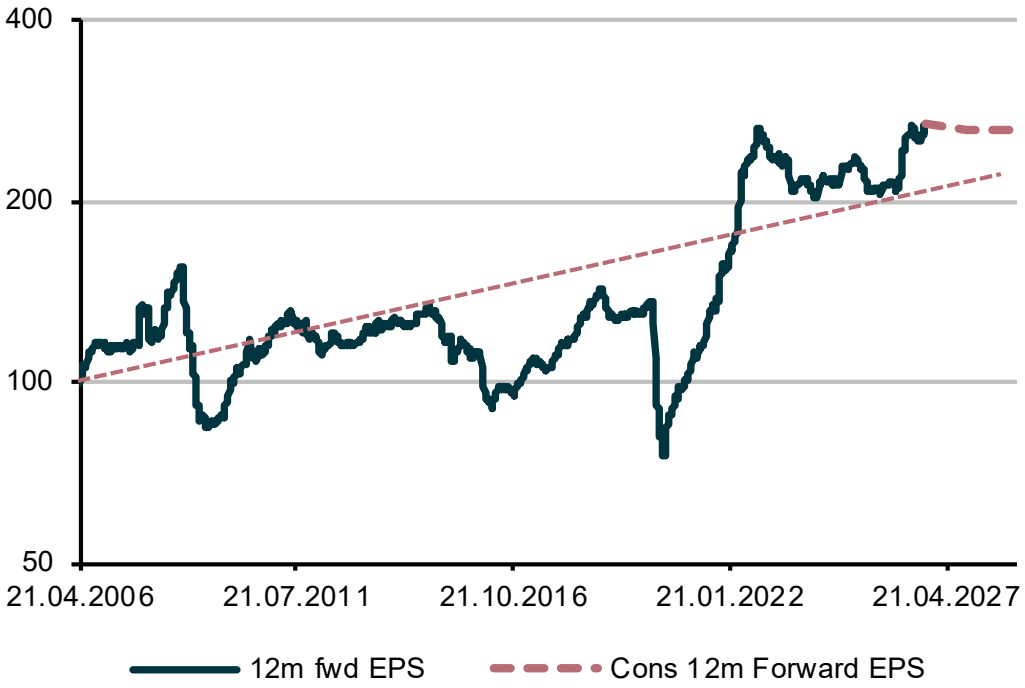


Source: Bloomberg (underlying data), DNB Carnegie (further calculations)

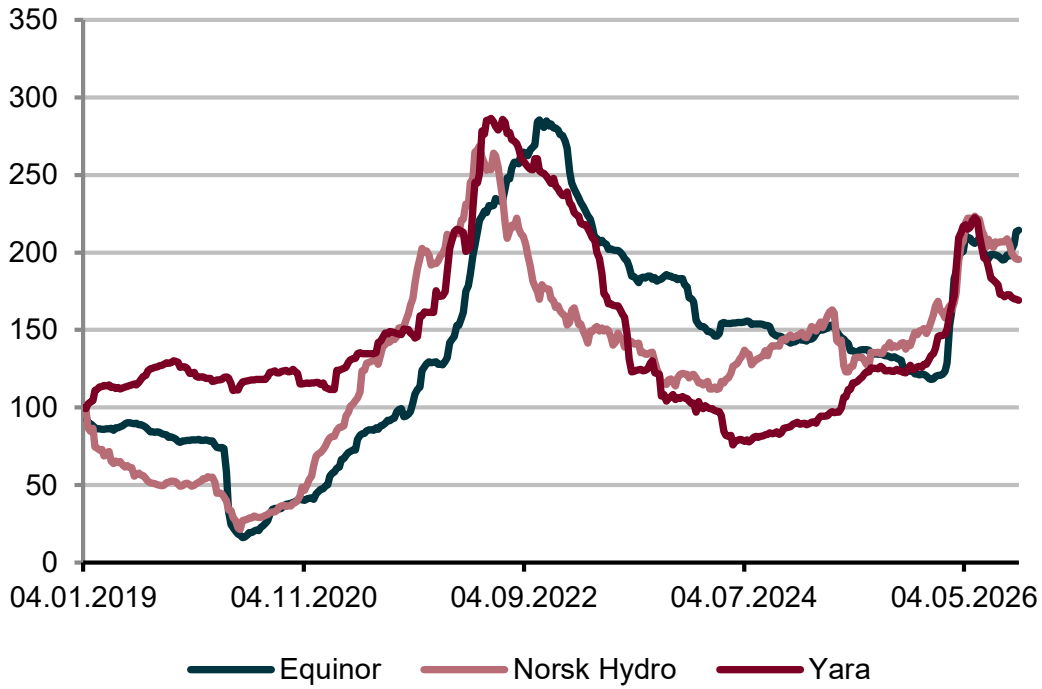
OSEBX earnings likely to decline when commodity markets normalise

- Consensus estimates point to lower earnings in the next two years
- Energy and materials sectors are both generating profits well above normalised levels, so this is unlikely to continue over the medium term
  - Earnings in these sectors are very cyclical
  - Earnings estimates for Yara and Norsk Hydro have already started to move lower

OBX INDEX 12-MONTH FORWARD EPS



ENERGY AND MATERIALS ARE BOTH MAKING "SUPER-PROFITS" CURRENTLY (EPS, USD REBASED)

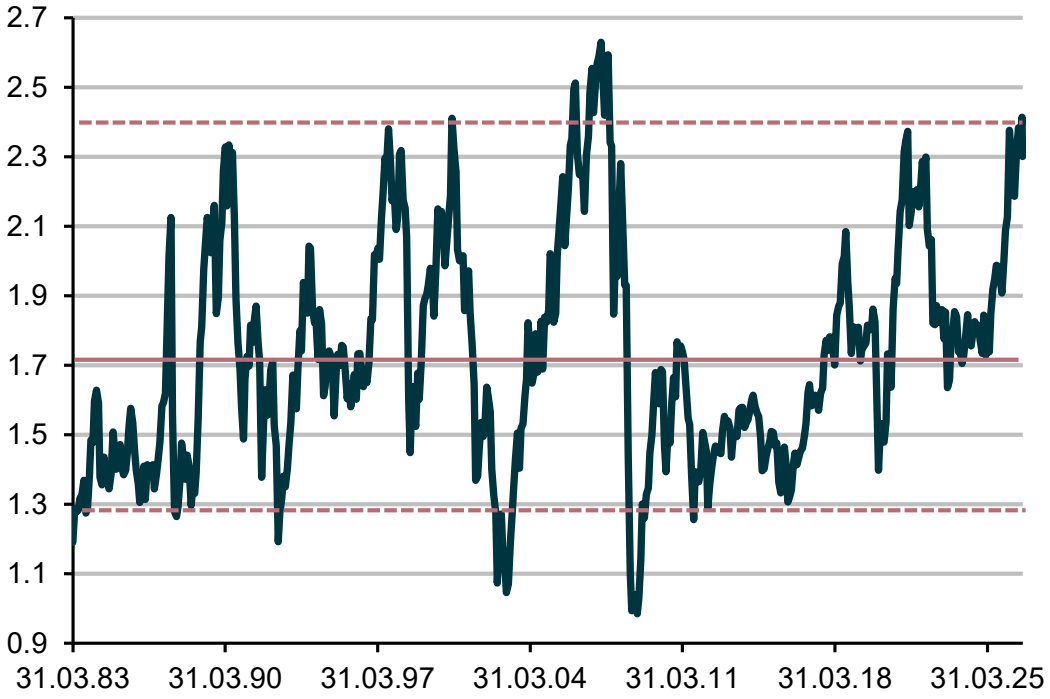


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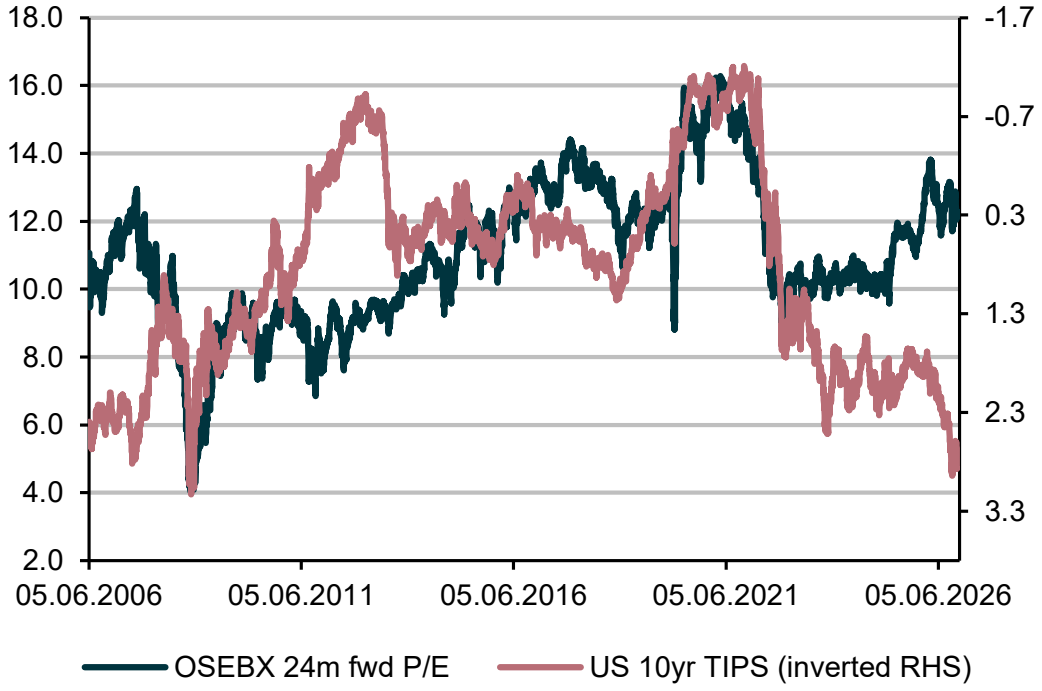
Valuation for the OSEBX index is towards the high-end of its historical range

- OSEBX index price relative to its book value has only ever been higher ahead of the financial crisis in 2007
- OSEBX index price relative to earnings looks more reasonable but we need to remember that earnings are elevated, and interest rates are higher than during the last 20 years

OSEBX INDEX P/B



OSEBX P/E VERSUS RISK-FREE RATE (INVERTED RHS)

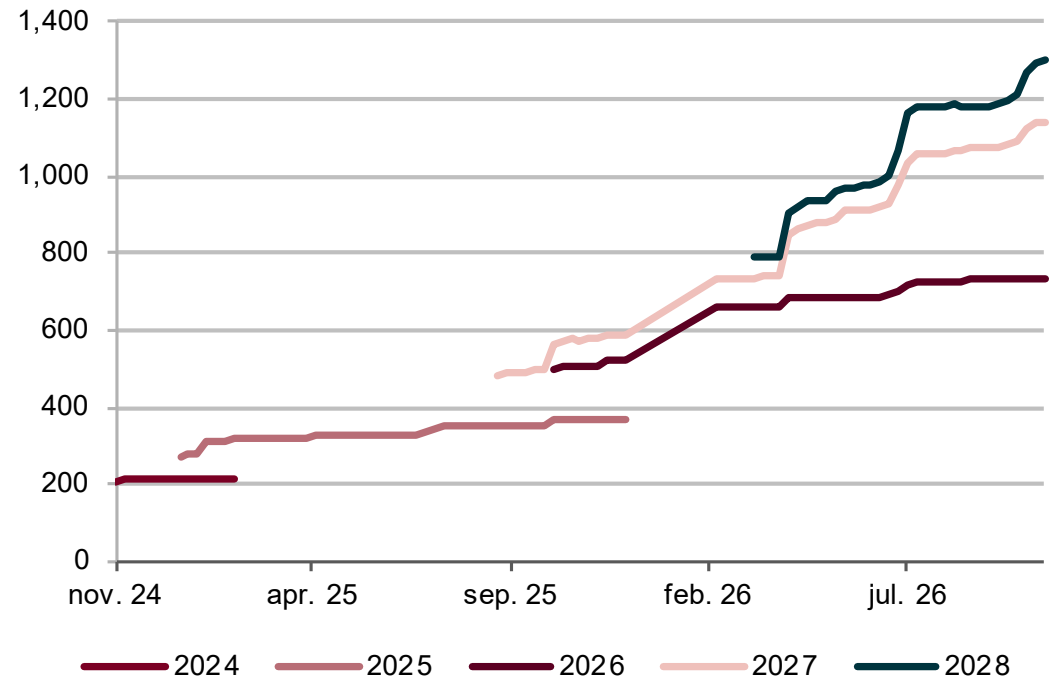


Source: Bloomberg (underlying data), DNB Carnegie (further calculations)

The OSEBX is still indirectly exposed to AI despite few companies with direct exposure

- Hyperscaler capex is equivalent to >3% of US GDP and a significantly larger share of GDP growth, so a sudden capex stop is a big deal
  - If this hits share prices, a negative wealth-effect will likely hit consumer spending
- Weakness in US GDP will impact global GDP growth and ultimately demand for energy, shipping and commodities

US HYPERSCALER* TOTAL CAPEX (USDBN)



SHARE OF US HOUSEHOLD WEALTH HELD IN CORPORATE EQUITIES (%)

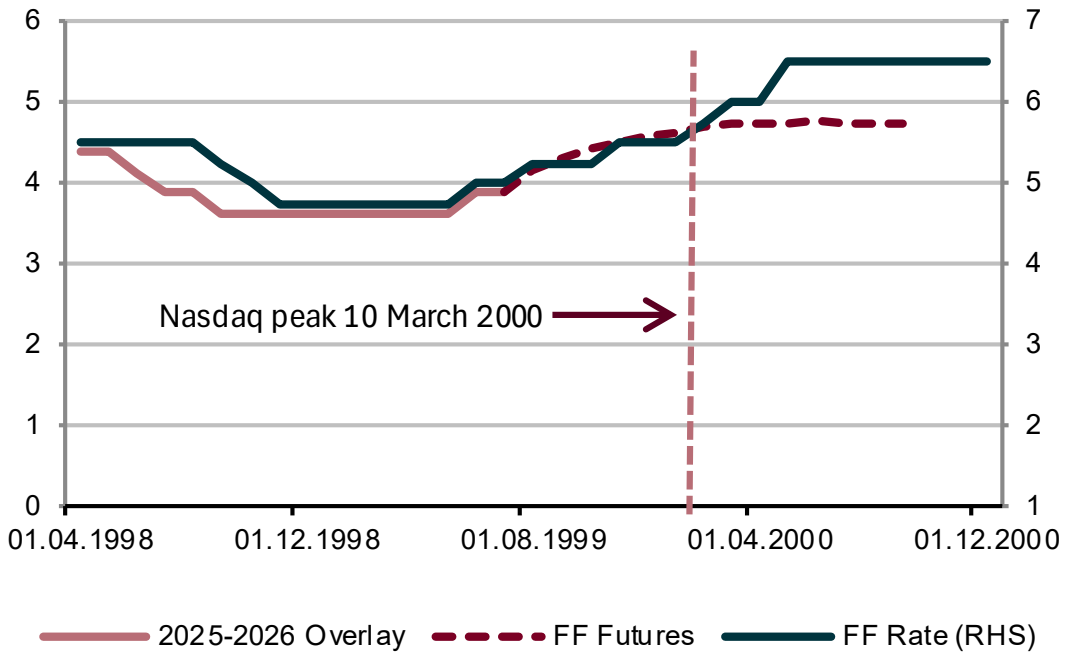


Source: Bloomberg (underlying data), DNB Carnegie (further calculations)
* Amazon, Google, Meta, Microsoft, Oracle

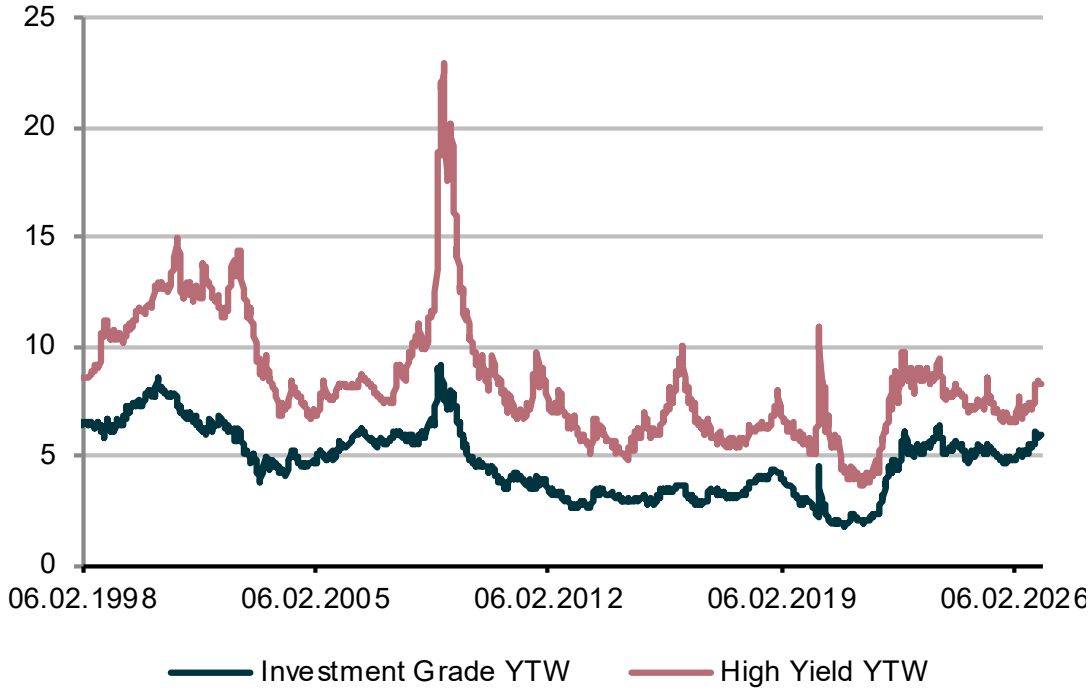
Financing costs are the most likely cause of a capex reduction

- Increased regulation is a potential issue, but increased financing costs are a bigger risk in our view
- The market is pricing in a similar US central bank interest rate (Fed funds rate) profile as in 1999-2000, which ultimately burst the tech bubble
- Corporate financing costs have risen, but not enough to stop investments yet

FED FUNDS RATE 1998-2000 WITH 2025-2027 OVERLAY



SHARE OF US HOUSEHOLD WEALTH HELD IN CORPORATE EQUITIES (%)

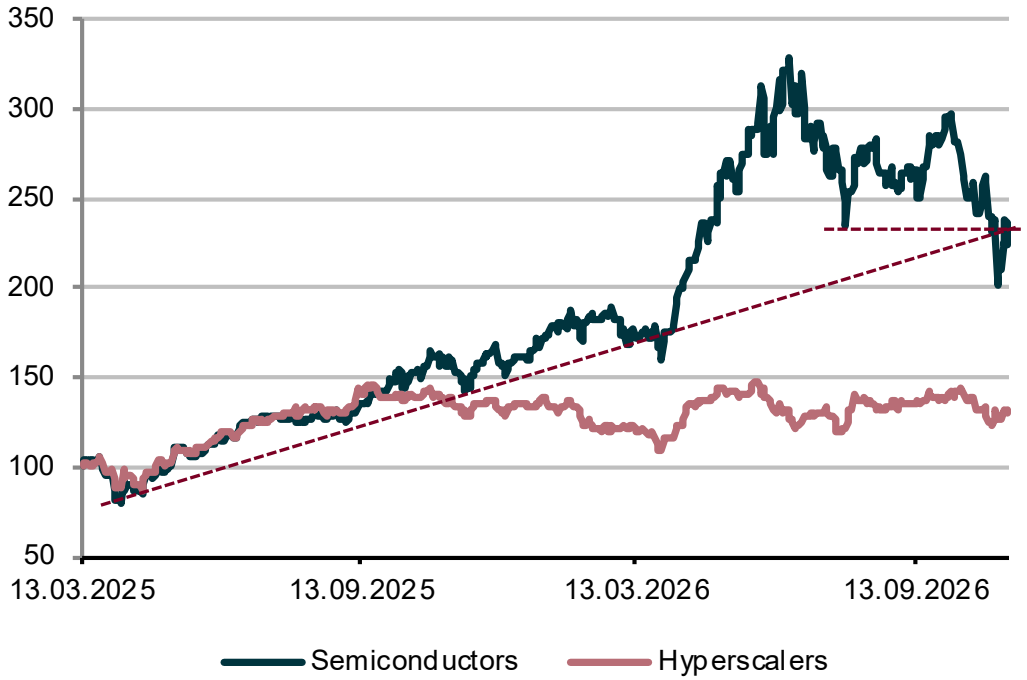


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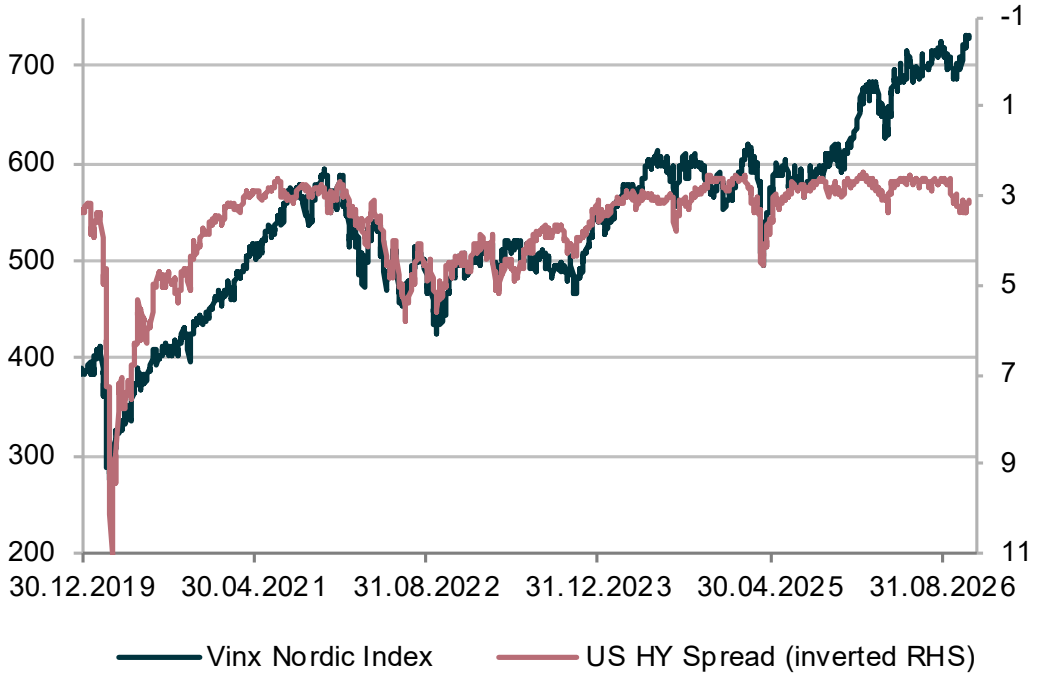
Two potential early warning indicators to lookout for

- "Prices lead fundamentals"
  - Semiconductor share prices will likely have already started to underperform before significant capex cuts are announced
- High yield is one of the few assets that lead the equity markets: wider spreads = trouble ahead (but looks fine currently)

US SEMICONDUCTOR INDEX VERSUS HYPERSCALERS* (REBASED)



VINX NORDIC INDEX VERSUS US HIGH YIELD SPREAD

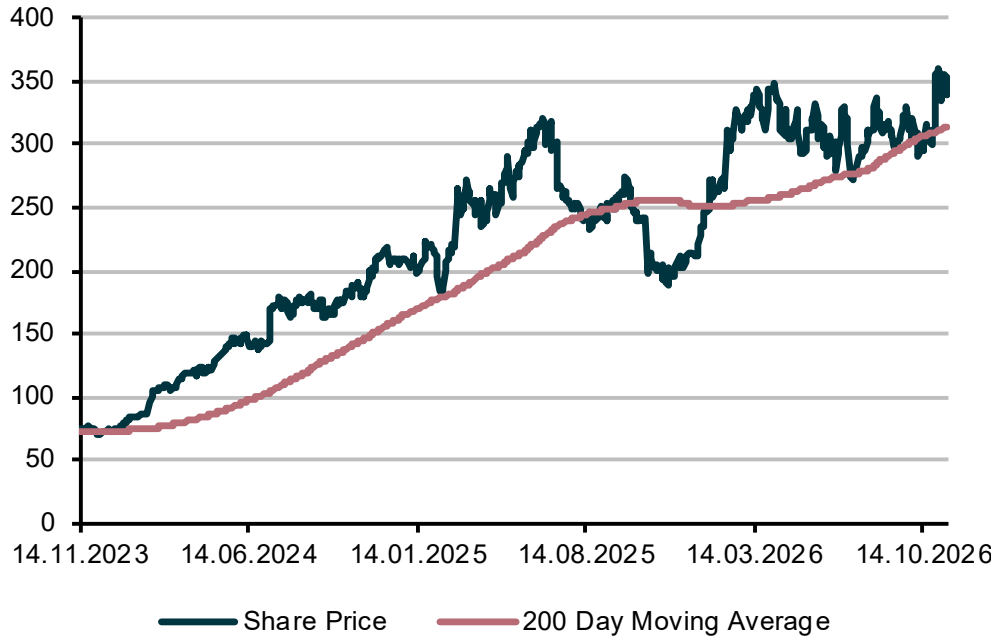


Source: Bloomberg (underlying data), DNB Carnegie (further calculations)
* Amazon, Google, Meta, Microsoft, Oracle

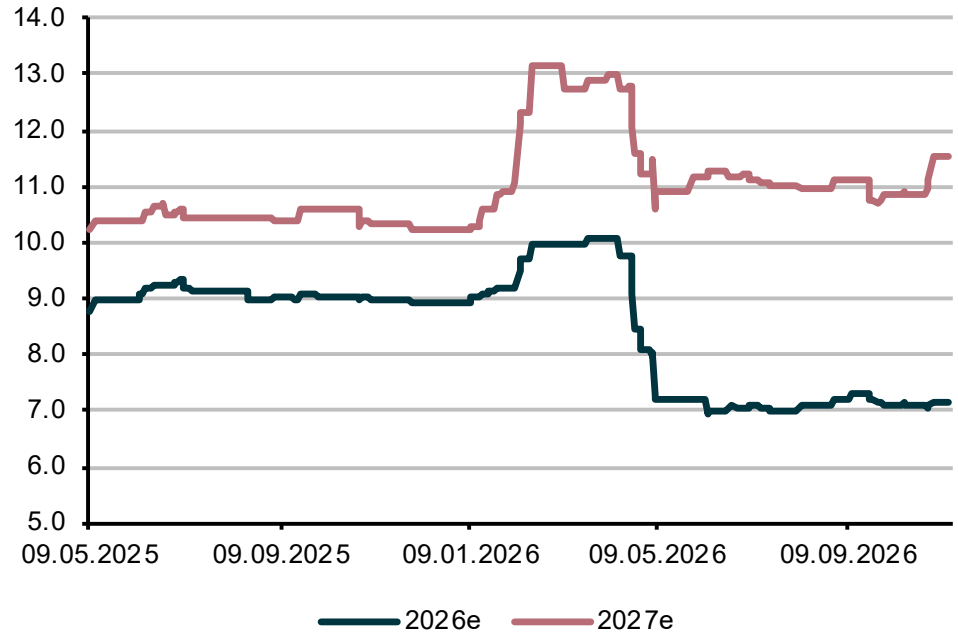
Kongsberg (BUY, TP NOK420)

- High order backlog provides good earnings visibility
- Strong long-term growth profile with low cyclicality
  - Particularly attractive when many large-caps are set to see lower than average EPS growth due to their current elevated earnings levels
- Product portfolio is focussed on missiles and air defence, so should gain a larger share of growing military budgets

KONGSBERG DIVIDEND ADJUSTED SHARE PRICE (NOK)



KONGSBERG EPS (NOK)

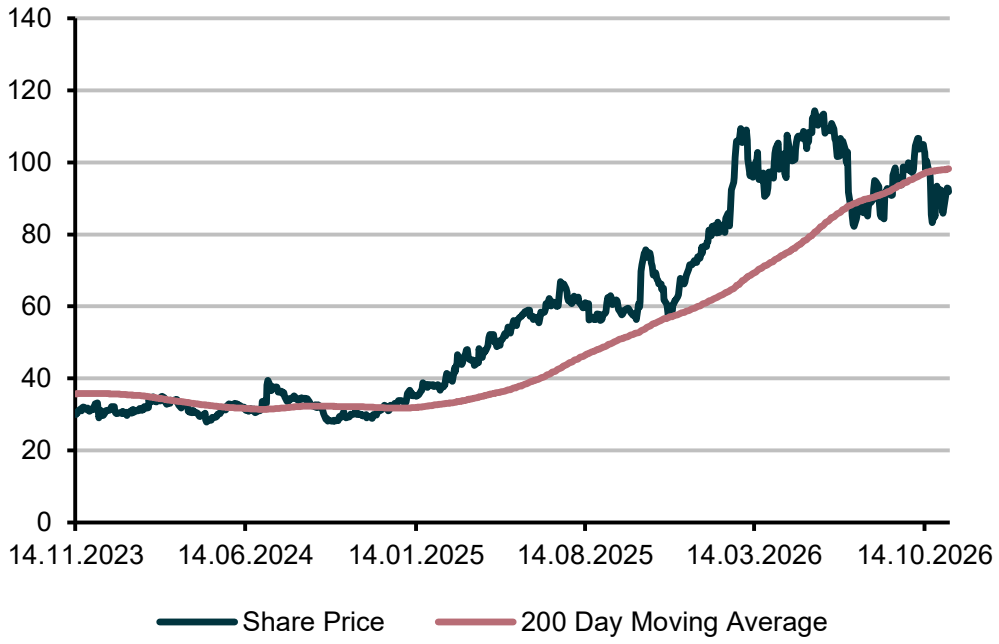


Source: Bloomberg (underlying data), DNB Carnegie (further calculations)

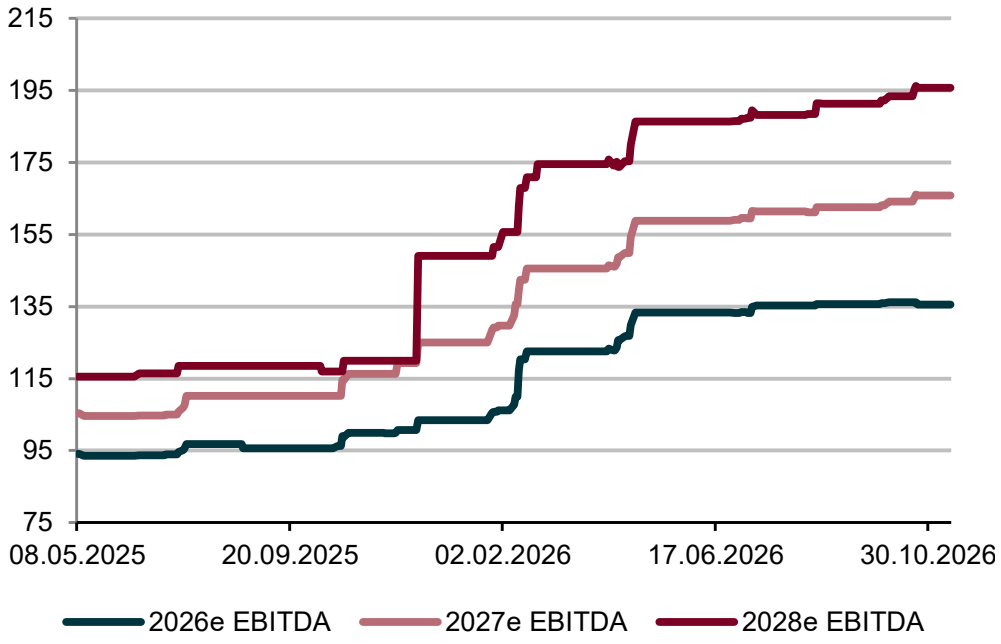
Kitron (BUY, TP NOK94)

- The share price declined excessively in our view on the Q3 results, despite EBITDA estimates raising slightly
- Kitron's earnings trajectory is exposed to several mega-trends, including electrification, rising defence spending (particularly within electronic warfare and surveillance technologies) and industrial IoT
- Attractive 'growth at a reasonable price' profile, in our view

KITRON DIVIDEND ADJUSTED SHARE PRICE (NOK)



KITRON EBITDA (EURM)

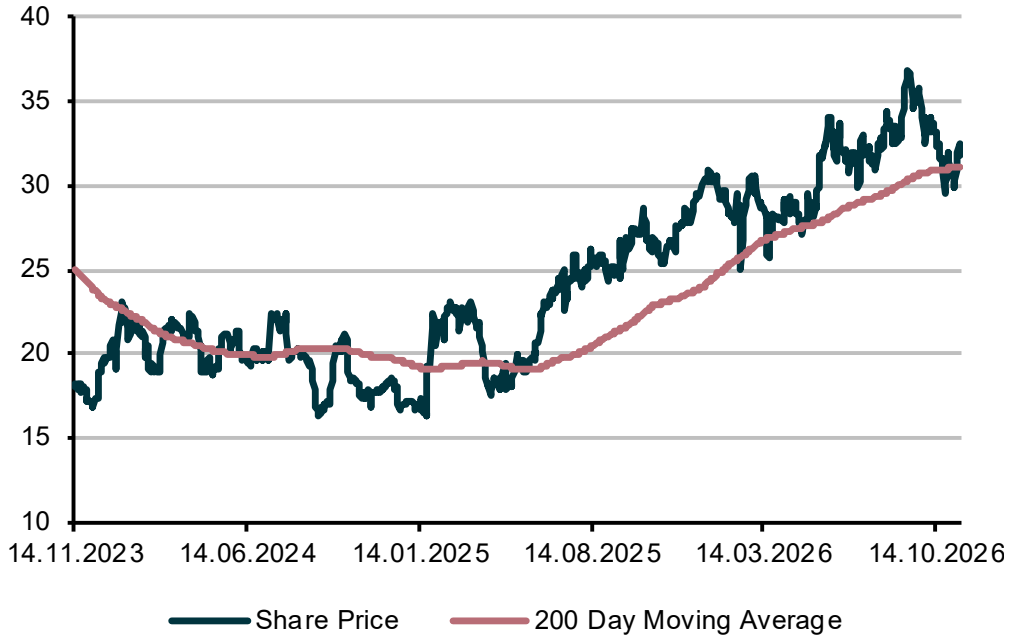


Source: Bloomberg (underlying data), DNB Carnegie (further calculations)

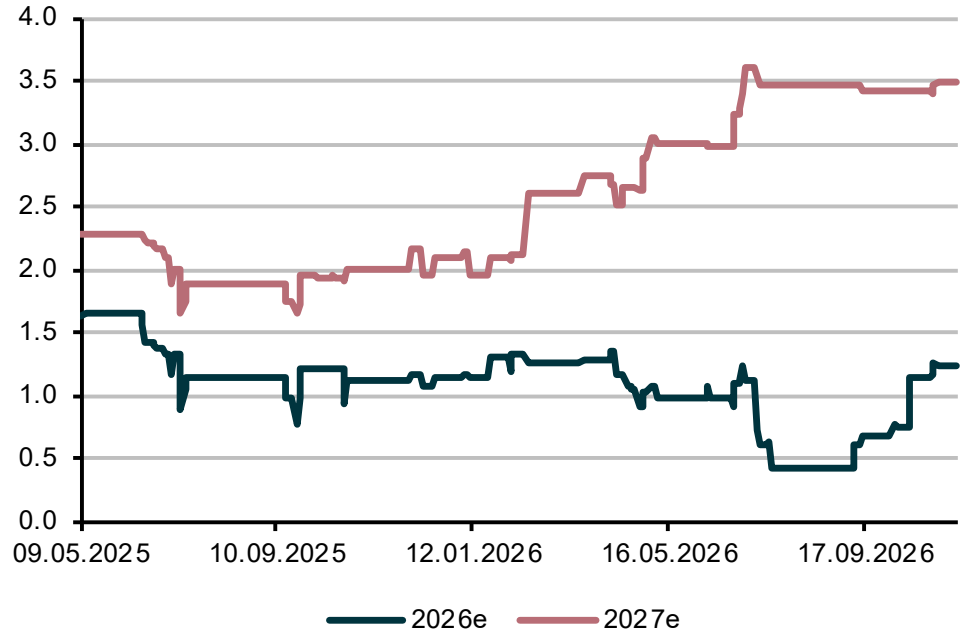
Elkem (BUY, TP NOK40)

- The silicon metal business enjoys some of the market's lowest production costs due to its location in Northern Norway, and CRU (industry consultants) estimates nearly 70% of producers are loss-making at current prices
- CRU forecasts an improvement in silicon metal demand, with a 2026–30e CAGR of 5%, while it believes EU safeguarding measures could limit supply growth
- Normalised earnings imply an attractive valuation

ELKEM DIVIDEND ADJUSTED SHARE PRICE (NOK)



ELKEM EPS (NOK)

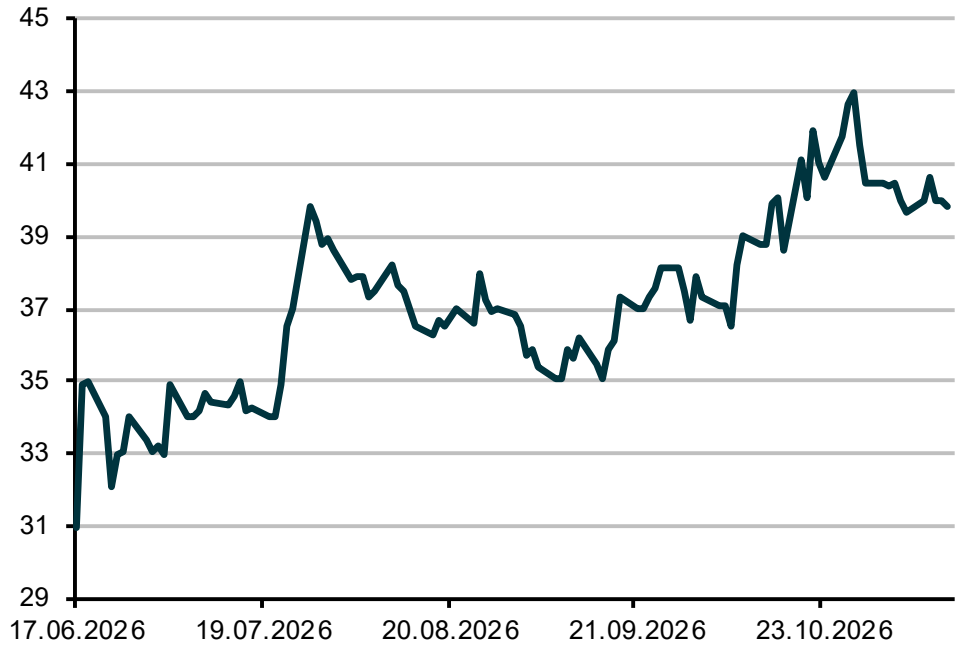


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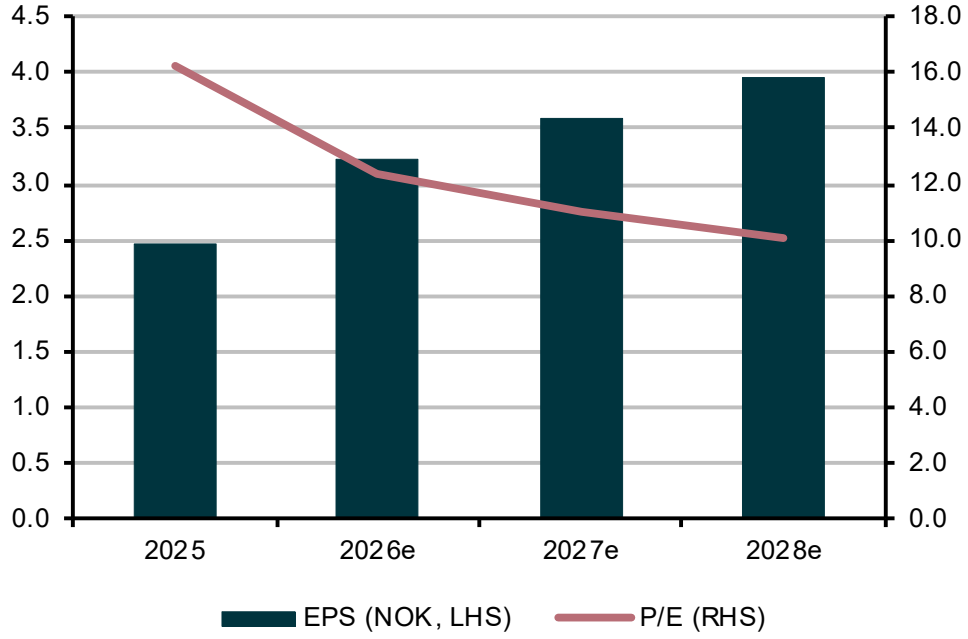
Bohus (BUY, TP NOK50)

- Well positioned to continue gaining market share in a fragmented furniture market, supported by its scale, strong brand and nationwide footprint
- Store expansion, online growth and category development provide a long runway for revenue growth, while the centralised operating model should drive further purchasing, logistics and operating efficiencies, supporting higher margins and returns over time
- Attractive valuation at 11x 2027 P/E with 20% annual earnings growth and a dividend yield of 6%

BOHUS DIVIDEND ADJUSTED SHARE PRICE (NOK)



BOHUS EPS (NOK) AND P/E



Source: Bloomberg (underlying data), DNB Carnegie (further calculations)

DNB Utbytte podcast

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- New updates every Saturday or more frequently



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