

WE RECONFIRM OUR EBITDA GUIDANCE OF DKK 600M FOR 2024

EBITDA was in line with expectations despite a slower market recovery than initially expected. Consequently, EBITDA guidance remains unchanged at DKK 600m, whereas we revise revenue guidance downwards from DKK 12,500m to DKK 12,300m.

CEO Jens Andersen says:

“In September, adjusted organic growth amounted to -0.6%. This shows that recovery continues to take root, especially in Denmark. Other markets are also showing signs of quarter-by-quarter recovery, but at a slower pace than initially expected.

As for industrial high-capacity heat pumps we are seeing an increase in the conversion rate, which results in increasing orders.

Consequently, we reconfirm our EBITDA guidance of DKK 600m for 2024.”

Q3 key financial messages

- Q3 EBITDA is on par with expectations.
- Continuous improvement in EBITDA quarter by quarter.
- 2024 EBITDA guidance of DKK 600m reconfirmed.

Financial highlights (DKK million)	Q3 2024	Q3 2023	Q1-Q3 2024	Q1-Q3 2023
Revenue	2,860	2,965	8,990	9,871
EBITDA	202	187	427	681
Cash flow from operating activities	-196	190	13	369
Financial ratios (%)				
Organic growth adj. for number of working days	-5.3	-4.7	-9.4	0.5
EBITDA margin	7.1	6.3	4.7	6.9
Net working capital, end of period/revenue (LTM)	16.8	16.6	16.8	16.6
Gearing (NIBD/EBITDA), no. of times	2.7	1.5	2.7	1.5
Return on invested capital (ROIC)	6.8	16.9	6.8	16.9

Guidance

Due to a slower recovery than expected, revenue guidance has been revised downwards from DKK 12,500m to DKK 12,300m. EBITDA guidance remains unchanged at DKK 600m.

General assumption

Our 2024 guidance continues to be impacted by the unpredictable market outlook caused by macroeconomic uncertainties. However, we expect the macroeconomic situation to recover towards the end of the year albeit at a slower pace than initially expected.

Audio webcast and teleconference today

The presentation of Quarterly Report Q3 2024 will be done in English on 31 October 2024 at 11:00 CET. The presentation will be transmitted as an audio webcast and will be available at www.solar.eu. Participation will be possible via teleconference.

Access to the webcast:

<https://edge.media-server.com/mmc/p/b64ddq9h>

To participate by telephone, and thus have the possibility to ask questions:

Register in advance of the teleconference by clicking the link below. When registered, each participant will receive a dial-in number and a unique, personal PIN code:

<https://register.vevent.com/register/Blee98fb5f56e645bba0ef324f4b246a0b>

Contacts

CEO Jens Andersen - tel. +45 79 30 02 01
CFO Michael H. Jeppesen - tel. +45 79 30 02 62
IR Director Dennis Callesen - tel. +45 29 92 18 11

FACTS ABOUT SOLAR

Solar is a leading European sourcing and services company mainly within electrical, heating and plumbing, ventilation and climate and energy solutions. Our core business centres on product sourcing, value-adding services and optimisation of our customers' businesses.

We facilitate efficiency improvement and provide digital tools that turn our customers into winners. We drive the green transition and provide best in class solutions to ensure sustainable use of resources.

Solar Group is headquartered in Denmark, generated revenue of approx. DKK 13.0bn in 2023 and has approx. 3,000 employees. Solar is listed on Nasdaq Copenhagen and operates under the short designation SOLAR B. For more information, please visit www.solar.eu.

Disclaimer

This announcement was published in Danish and English today via Nasdaq Copenhagen. In the event of any inconsistencies between the two versions, the Danish version shall prevail.