

## ANNUAL REPORT 2023

In 2023, we reached a revenue of DKK 13.0bn and an EBITDA DKK 0.9bn. EBITDA was in line with our guidance, whereas revenue came in below caused by a market slowdown. At the Annual General Meeting, the Board of Directors will propose a dividend distribution of DKK 30 per share.

### CEO Jens Andersen says:

“Our 2023 result was one of the best in Solar’s history and in line with our guidance. However, in Q4 we saw a considerable revenue decrease across all segments. Nevertheless, we managed to offset the headwinds through several measures such as cost containment and thereby meet the DKK 0.9bn EBITDA target.

Today, we introduce our new strategy: Solve, where we will continue to strengthen Solar’s core business. With Solve, it is our ambition to create additional value at an earlier stage of our customers’ decision-making process focusing on effective solutions to their challenges. With our three strategic focus areas we will maximise the growth potential of Climate & Energy, improve profitability via Concept strength, and increase market share by delivering Solution sales.

As a company we are resilient, and we are ready to take on a challenging 2024. We therefore have an ambition of an EBITDA margin of >6% in 2026.”

Financial highlights (DKK million)	Q4 2023	Q4 2022	2023	2022
Revenue	3,160	3,684	13,031	13,863
EBITDA	190	326	871	1,175
EBITA	131	274	648	978
Earnings before tax	85	223	468	858
Cash flow from operating activities	486	242	855	16
Financial ratios (%)				
Organic growth adj. for number of working days	-11.1	12.0	-2.6	12.9
EBITDA margin	6.0	8.8	6.7	8.5
EBITA margin	4.1	7.4	5.0	7.1
Net working capital, end of period/revenue (LTM)	14.6	15.9	14.6	15.9
Gearing (NIBD/EBITDA), no. of times	1.3	0.9	1.3	0.9
Return on invested capital (ROIC)	13.2	25.5	13.2	25.5

**2023 revenue**

- Adjusted organic growth amounted to -2.6% (12.9%) and revenue came to DKK 13.0bn (DKK 13.9bn).

**2023 EBITDA**

- EBITDA amounted to DKK 0.9bn (DKK 1.2bn). The EBITDA decrease is partly due to a DKK 0.2bn one-off income in 2022.

**Dividend distribution**

- At the Annual General Meeting, the Board of Directors will propose dividend distribution of DKK 30.00 per share, corresponding to a payout ratio of 63%.

**2024 outlook**

- We expect a revenue of DKK 12.5bn.
- We expect an EBITDA of DKK 600m.

Our guidance assumptions are included on page 8 in Annual Report 2023.

**Audio webcast and teleconference today**

The presentation of Annual Report 2023 will be made in English on 8 February 2023 at 11:00 CET. The presentation will be transmitted as an audio webcast and will be available at [www.solar.eu](http://www.solar.eu). Participation will be possible via teleconference.

**Access to the webcast:**

<https://edge.media-server.com/mmc/p/h6cvmeus>

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

Register in advance of the teleconference using the link below. Upon registering, each participant will be provided with a Dial In Number, and a unique Personal PIN:

<https://register.vevent.com/register/BI41ef68a199be4d3db65cf10c963839d1>

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## FACTS ABOUT SOLAR

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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](http://www.solar.eu).

### Disclaimer

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