



SOLAR INCREASES 2021 EBITDA TO DKK 900M

Based on preliminary reporting, Solar increases its guidance for 2021 EBITDA to DKK 900m from DKK 825m.

Moreover, we are increasing revenue guidance by DKK 200m to DKK 12.3bn compared to our previous guidance of DKK 12.1bn as presented in announcement no. 15.

CEO Jens Andersen says:

"Q3 has been a continuation of the strong growth rates we saw in Q2. Our Core+ strategy continues to exceed expectations by among other things increasing our Concept and Industry business - with Industry delivering all-time high growth in September.

Furthermore, we expect the strong demand experienced in Q3 to continue in Q4. This also applies to price effects that we estimate will have a total one-off impact of DKK 100m on EBITDA for the full year 2021."

Q3 key financial messages

- With 8.8% organic growth, we realised stronger growth rates than anticipated in all markets.
- The growth was supported by our four strategic focus areas Concepts, Industry, Climate & Energy and Trade.
- One-off price effects resulted in an impact of approx. DKK 50m on gross profit.

Financial highlights (DKK million)	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020
Revenue	2,872	2,618	8,974	8,408
Gross profit	660	563	1,999	1,748
EBITDA	237	177	652	446
EBITA	192	132	515	310
EBIT	179	115	475	262
Financial ratios (%)				
Organic growth adj.	8.8	-4.8	5.4	-0.8
Gross profit margin	23.0	21.5	22.3	20.8
EBITDA margin	8.3	6.8	7.3	5.3



Guidance 2021

Guidance overview (DKK million)	Updated guidance	Latest guidance
Revenue	12,300	12,100
EBITDA	900	825

Revenue guidance

We now expect revenue at DKK 12.3bn, corresponding to an organic growth of approx. 6%. The Better Business project is an integral part of our strategic focuses in the Core+ strategy and is expected to reduce revenue by DKK 200m compared to 2020. Adjusted for this, we expect organic growth of approx. 8%.

EBITDA guidance

Supported by increased demand we expect the strategic focus areas to deliver continuous improvements in earnings, resulting in an EBITDA of DKK 900m, of which DKK 100m can be explained by one-off price effects.

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 & plumbing and climate & 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 more than DKK 11.5bn in 2020 and has approx. 2,900 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 inconsistency between the two versions, the Danish version shall prevail.