



SOLAR INCREASES 2022 EBITDA GUIDANCE TO DKK 1.1BN

Solar increases its guidance for 2022 EBITDA to DKK 1.1bn from DKK 975m. Moreover, we increase revenue guidance to DKK 13.45bn compared to our previous guidance of DKK 13.25bn.

CEO Jens Andersen says:

"We delivered a strong Q2 EBITDA growth driven by our four strategic focus areas, Concepts, Industry, Climate & Energy and Trade, supported by a positive development in all markets.

The increased 2022 guidance is due to a higher impact from price effects in July than anticipated and a continued strong performance in all markets supported by a greater focus on electrification."

Q2 key financial messages

- Adjusted organic growth amounted to 12.4% up from 8.6%.
- EBITDA increased by DKK 56m to DKK 267m
- One-off price effects resulted in an impact of approx. DKK 45m on gross profit compared to DKK 30m in Q2 2021.

Financial highlights (DKK million)	Q2 2022	Q2 2021	H1 2022	H1 2021
Revenue	3,451	3,098	6,913	6,102
Gross profit	790	681	1,590	1,339
EBITDA	267	211	548	415
EBITA	218	166	454	323
EBIT	202	153	424	296
Financial ratios (%)				
Organic growth adj.	12.4	8.6	12.9	3.8
Gross profit margin	22.9	22.0	23.0	21.9
EBITDA margin	7.7	6.8	7.9	6.8
Return on invested capital (ROIC)	25.5	21.0	25.5	21.0



Guidance 2022

(DKK million)	Updated guidance	Latest guidance
Revenue	13,450	13,250
EBITDA	1,100	975

Revenue guidance

We now expect revenue at DKK 13.45bn, corresponding to an organic growth of approx. 9%. 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 2021. Adjusted for this, we expect organic growth of approx. 11%.

EBITDA guidance

We expect EBITDA to amount to DKK 1.1bn, of which DKK 200m can be attributed to one-off price effects. Previous guidance included DKK 80m in one-off price effects.

General assumption

The guidance for 2022 assumes that the Russian invasion of Ukraine and sanctions imposed by the European Union and other international bodies will not have any significant knock-on effects e.g. leading to significant drop in market activities.

Contacts

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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 approx. DKK 12.4bn in 2021 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.

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