



Q1 EBITDA AMOUNTED TO DKK 280M

Q1 revenue and EBITDA are in line with our expectations. We confirm our 2023 EBITDA guidance of DKK 900m.

CEO Jens Andersen says:

"Our Q1 results are in line with our expectations. The top line is driven by strong performance in Norway and the Netherlands, while EBITDA is supported by improvements in all our four strategic focus areas.

Within Climate & Energy we continue to make good progress and reached almost DKK 400m in revenue in Q1 albeit a slowdown in Denmark.

In Q1, we acquired 51% of the shares in ThermoNova A/S, a Danish manufacturer of high-capacity heat pumps, which will further strengthen our product offering.

Despite currency headwinds we confirm our 2023 EBITDA guidance of DKK 900m, but decrease our 2023 revenue guidance to DKK 13,500m."

Q1 key financial messages

- Revenue increased by DKK 0.2bn to DKK 3.7bn
- EBITDA margin reached 7.7%
- 2023 guidance: Revenue of DKK 13,500m and EBITDA of DKK 900m

Financial highlights (DKK million)	Q1 2023	Q1 2022
Revenue	3,656	3,462
EBITDA	280	281
Cash flow from operating activities	101	-202
Financial ratios (%)		
Organic growth adj. for number of working days	6.7	13.6
EBITDA margin	7.7	8.1
Net working capital, end of period/revenue (LTM)	16.7	14.0
Gearing (NIBD/EBITDA), no. of times	1.3	0.6
Return on invested capital (ROIC)	23.2	26.5



Revenue guidance

Due to currency headwinds, we decrease our revenue guidance to DKK 13.5bn compared to our previous guidance of DKK 13.7bn, corresponding to an unchanged adjusted organic growth of approx. 0%.

In the wake of substantial price increases in 2022, the majority of growth for 2023 is projected to take place in H1 whereas we expect negative growth in H2.

Adjusted for price increases, mainly roll-over effects from 2022, we expect negative growth in all main segments, which will only partly be offset by the expected strong growth within Climate & Energy.

EBITDA guidance

Despite currency headwinds, we expect unchanged EBITDA of approx. DKK 900m, which corresponds to an EBITDA margin of approx. 6.7%.

In 2022, we saw substantial positive one-off price effects. We expect this to normalise in 2023, which means that no major one-off price effects are included in our guidance.

General assumption

Due to the heightened geopolitical and macroeconomic uncertainty, our market outlook is characterised by greater unpredictability, particularly for H2.

Audio webcast and teleconference today

The presentation of Quarterly Report Q1 2023 will be made in English on 2 May 2023 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 a teleconference.

Teleconference call-in numbers:

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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 13.9bn in 2022 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 inconsistency between the two versions, the Danish version shall prevail.