

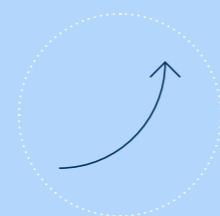
solar

Annual Report 2025

Solar A/S
CVR no. 15 90 84 16

This is Solar

We are a leading sourcing and services company. We combine excellent product sourcing, superior distribution, and value-adding services to support professionals and businesses in the electrical, heating & plumbing, and industrial sectors across five key European markets.



Empowering greater productivity

We provide products, technical know-how, and qualified services to approx. 50,000 customers, supported by valuable market knowledge and the expertise of 2,995 committed employees, driving greater productivity.



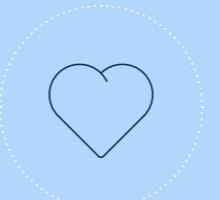
Enhancing service through digitalisation

With 66% of order lines made digitally, our digital engagement has become a key driver of customer satisfaction, raising our service offering to the next level and supporting our best in class digital customer journey.



Driving the green transition

As a driver of the green transition we are supporting our customers in achieving their CO₂e-emission reduction targets through our Climate & Energy products, which generate revenue exceeding DKK 1.2bn. Our CO₂e reduction targets are approved by the SBTi, and we operate and report in accordance with the CSRD.



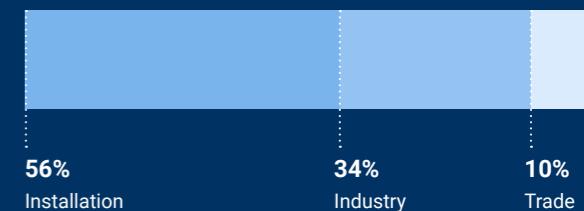
Driven by our purpose

We improve construction, building operation and industry processes with a commitment to sustainability and productivity. For our customers. With our partners. For a better world.

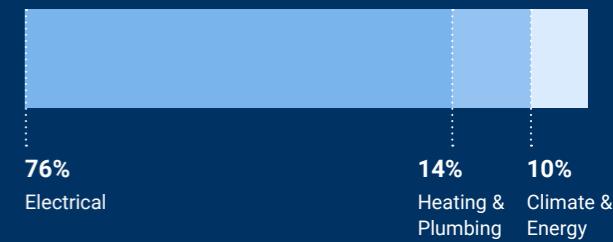
Markets

	% of revenue
33%	Denmark
23%	The Netherlands
17%	Sweden
15%	Norway
3%	Poland
9%	Other

Segments



Products



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Cover photo

Solar Sverige is building a new 48,000 m² logistics centre in Kumla to secure future growth, with strong focus on work environment and sustainability.

Statements, not audited, part of Management review

Q4 2025

Additional reports

Together with the Annual Report, the following publications constitute Solar's reporting for the year 2025:

Statutory report on
corporate governance 2025
cf. § 107b of the Danish
Financial Statements Act

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

Statutory report on data
ethics 2025 cf. § 99d of the
Danish Financial
Statements Act

 www.solar.eu/legal/

Positioning for long-term growth

Despite a challenging year, we invested in growth through our Sonepar Norge acquisition, digital upgrades, and a new logistics centre.

Strategic investments for sustainable growth

Despite headwinds in 2025, we reached key milestones that will shape our future. The acquisition of Sonepar Norge is a major step forward in strengthening our position in Norway. It will expand our reach, create economies of scale, and enhance our distribution network. Together, we will offer a broader portfolio of products and deliver even greater value to customers. Integration is already underway and will be completed by mid-2026.

At the same time, we continued to invest in digital transformation, upgrading platforms to deliver a seamless, future-ready customer experience. Our enhanced digital solutions will provide greater transparency, efficiency, and convenience, ensuring that we remain competitive in an increasingly digital marketplace. These investments go beyond technology - they are about delivering a better customer experience and enabling data-driven decision-making across the business.

Building operational excellence

Logistic modernisation is another cornerstone of our strategy. The construction of our state-of-the-art logistics centre in Kumla, Sweden, is progressing well and will be fully operational in 2026. This facility consolidates our

operations into one automated setup, improving service levels and supporting sustainability goals. It represents a significant leap forward in automation and efficiency, reduces complexity, lowers cost to serve and enable faster, more reliable deliveries. Most importantly, it marks our final major investment under the current strategy, and from 2027 onwards we expect to return to a normal investment level of below 1% of revenue.

Combined with our digital initiatives, these investments will make us more agile and competitive. They also support our ESG commitments by optimising resource use and reducing emissions. With 99.5% of our suppliers based in Europe and rigorous sustainability standards embedded in our sourcing practices, we continue to lead responsibly and support the green transition.

Resilience in a challenging year

2025 was a year that tested our resilience and adaptability. Geopolitical uncertainty and slower-than-expected market recovery impacted demand, particularly in the Industry segment, and our EBITDA adjusted for non-recurring items landed slightly below our latest guidance. While these challenges were significant, they reinforced the importance of our long-term strategy and the decisive actions we have taken to strengthen our foundation for sustainable growth.

We responded proactively by optimising our cost base and improving efficiency through targeted measures. Together, these actions will deliver lasting benefits, including an anticipated EBITDA improvement from 2026 onwards. Although short-term market conditions have been demanding, our strategic direction remains clear: to build a stronger, more agile business that advances sustainability and productivity across construction and industry – creating meaningful value for customers, partners, and society.

“

Our commitment to long-term value creation remains unchanged, even as 2025 presented challenges.

Looking ahead with confidence

Our commitment to long-term value creation remains unchanged. These strategic investments - acquisition, digitalisation, and logistics modernisation - form the foundation for sustainable growth. As we enter 2026, we expect market conditions to stabilise and new opportunities to strengthen our position.

None of this would be possible without the dedication of our employees and the trust of our customers and partners. Your resilience and commitment have been instrumental in navigating a challenging year and preparing



for a stronger future. Thank you for your unwavering support.

Together, we are building a more agile, digital, and sustainable business - ready to grow and thrive in the years ahead.

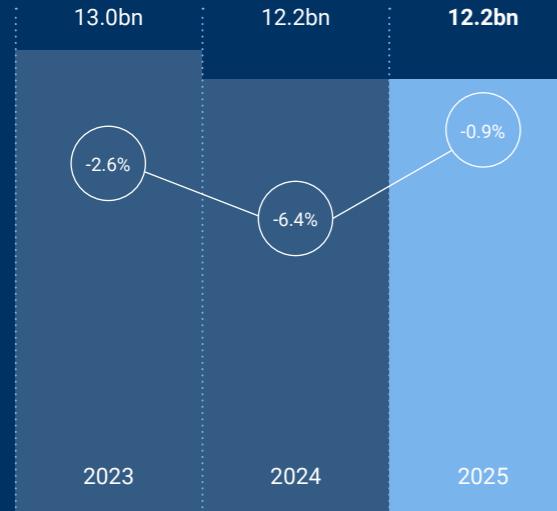

Jens Andersen
CEO

Financial highlights 2025

Revenue (DKK)

12.2bn

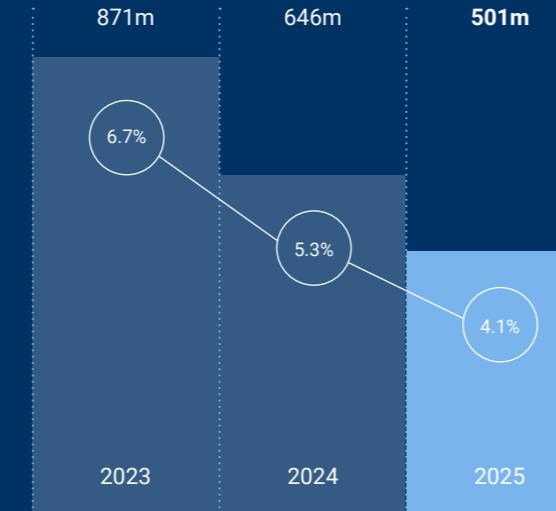
Market recovery came slower and with less strength than we expected. Adjusted organic growth at group level amounted to -0.9% (-6.4%) for 2025. Group revenue amounted to DKK 12.2bn (DKK 12.2bn).



EBITDA (DKK)

501m

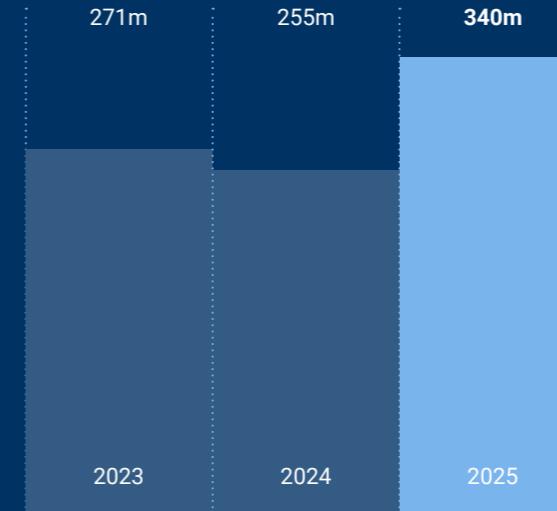
EBITDA amounted to DKK 501m (DKK 646m) which was above guidance due to non-recurring income of DKK 74m in gain on sale of our Halmstad warehouse. Non-recurring items net supported EBITDA by net DKK -2m (DKK 61m).



Net investments (DKK)

340m

We continue to invest in the development and optimisation of our business to strengthen efficiency and future growth. In 2025, we made net investments totaling DKK 340m, of which DKK 126m was dedicated to digitalisation initiatives.



Key events

Strengthening our position

Solar Norge acquired 100% of Sonepar Norge for a net consideration of DKK 309m, creating one of Norway's leading distributors in electrical, ventilation, and energy solutions. The combined business will offer 25,000 SKUs, generate approx. DKK 2.5bn revenue, and deliver strong synergies.

Kumla to be completed during 2026

Construction of a 44,000 sqm BREEAM-certified logistic centre in Kumla, Sweden, is on track to become operational by 2026. The Halmstad facility was sold in December, generating DKK 124m in proceeds and DKK 74m in gain recognised in the financial statements.

Leading the digital charge

Solar is advancing digital leadership with a new search engine to boost product discovery and conversion, and a next-gen e-commerce platform launching in H1 2026. These AI-driven initiatives, aligned with our Solve strategy, enhance customer experience and enable rapid market adaptation.

Strengthened cost base

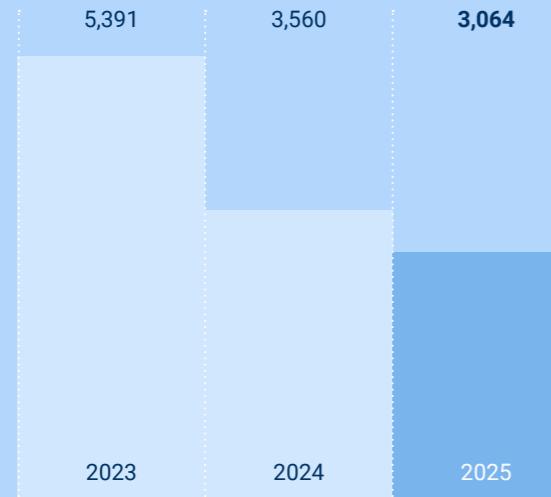
In 2025, we streamlined our cost base to boost efficiency and prepare for future growth. These measures strengthen our foundation for long-term performance, keeping costs under control while positioning us to adapt to changing market conditions.

Sustainability highlights 2025¹

Reduction of scope 1 and 2 emissions

57%

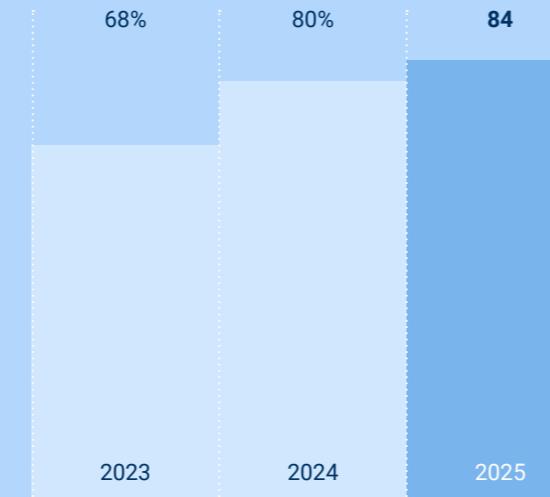
Since our 2020 baseline, we have reduced our CO₂e emissions by 57%. Our mid-term target is a 65% reduction in scope 1 and 2 emissions by 2026, and our target is to reach net-zero by 2030. Alongside our own targets, we are officially committed to the Science Based Targets initiative (SBTi), which requires a 42% reduction by 2030.



Spend undergoing risk assessment

84%

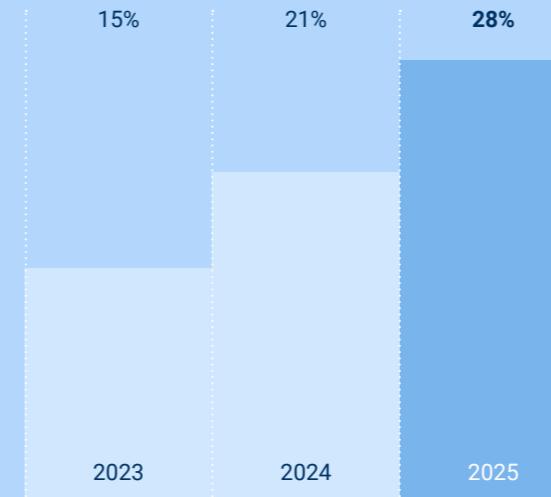
We engage with our suppliers to increase transparency in our value chain. We have surpassed our 2026 target of 82%, with 84% of our spend having undergone due diligence risk assessment. Our target will remain unchanged until the end of strategy period 2026.



Women in senior management²

28%

We are focused on diversifying our senior management team and have surpassed our 2026 target, with 25% women in senior management. Due to a new regulation, the target will be reviewed by June 2026.



Key events

Afforestation, Latvia

We are continuing our afforestation initiatives on our property in Latvia, chosen for its suitable land and long-term potential to support carbon removal. In 2025, we planted approximately 295,000 trees, and we aim to plant approximately 700,000 trees over a three-year period from 2024 to 2026.

Code of Conduct

In 2025, 96% of our total spend was covered by our Supplier Code of Conduct, representing more than 90% of our strategic and preferred spend. This achievement means we have already exceeded our 2026 group-level target of 95% coverage one year ahead of schedule.

Entry level of women

We actively work to increase the entry level of women however in some markets the talent pool is limited impacting our progress. In 2025, the entry level of women decreased from 34% in 2024 to 31% in 2025. We are committed to promoting gender diversity and to unbiased recruitment. Our ambition is to achieve 40% by 2026.

Climate data

We expanded the climate information available to our customers by adding Global Warming Potential (CO₂e) data to a significant share of our assortment. More than 60% of our products are now supported by generic CO₂e values, enabling more informed and climate-conscious choices.

¹) Solar acquired Sonepar Norge as at 1 December 2025. Sustainability information on this page does not include Sonepar Norge.

²) Calculated according to the Gender Balance Act.

EBITDA guidance of between DKK 400m and 480m for 2026

Our 2026 guidance reflects revenue in the range of DKK 12.9bn and 13.4bn, supported by revenue of DKK 700m from acquired businesses and of DKK 275m from a new major solar park project. EBITDA guidance is negatively impacted by projected integration and restructuring costs of DKK 85m.

Assumptions

As stated in our previous 2025 interim reports, macroeconomic uncertainty increased significantly at the beginning of Q2 2025 and continued throughout 2025. The start of 2026 offered no relief, and our guidance reflects this uncertainty.

Revenue

Under the most likely scenario, we expect all our markets to post stagnant growth in 2026.

Installation

Overall, we expect to see slightly positive growth across the new construction sector in 2026. The green transition is set

to deliver marginally improved growth rates compared to 2025. Our portfolio of project deliveries continues to expand, albeit with lower margins compared to day-to-day sales.

Industry

Our guidance assumes negative growth in Marine/Offshore and Utility, whereas we expect stagnant development in all other sub-segments. Overall, we expect the industry market to show a slightly negative trend.

Trade

We expect to see positive growth in 2026 driven by Solar Polaris' deliveries to a major solar park, with total expected revenue of DKK 275m.

Gross profit margin

In recent years, we have posted a loss in gross profit margin across all main product categories. Although we initially expected the downward trend to taper off in 2025, it persisted.

Our outlook for 2026 reflects a minor continued decline in gross profit margin, primarily driven by ongoing pressure on sales prices, combined with less cyclical inventory gains. This is due to fewer supplier price increases and a less favourable segment mix, partly due to Solar Polaris' deliveries to a major new solar park project.

External operating costs and staff costs

We expect the negative impact from salary inflation to continue, in part due to carry-over effects and in part due to collective labour agreements.

Our guidance includes DKK 85m in restructuring and integration costs, of which DKK 35m is expected in Q1,

DKK 45m in Q2 and DKK 5m in Q3. The restructuring costs include approx. DKK 20m regarding the transition from our warehouse in Örebro to our new logistics centre in Kumla, Sweden.

We will continue to initiate restructuring measures, albeit on a smaller scale. This, combined with other measures, including cost containment and process improvements, will continue to reduce costs.

Financial outlook 2026

Revenue guidance

We expect revenue to range between DKK 12.9bn and

13.4bn. This corresponds to organic growth of between approx. -1.5% and +3.5%, supported by Solar Polaris' deliveries to a major solar park, with total expected revenue of DKK 275m.

EBITDA guidance

We expect EBITDA to be in the range of DKK 400-480m, including DKK 85m in restructuring and integration costs.

Following the acquisition of Sonepar Norge last year, 2026 will be a transition year for Solar in Norway. This, in combination with the expected restructuring costs, dilutes the EBITDA margin for Solar Group by approx. 0.7 percentage points. From 2027 and onwards we expect the acquisition to strengthen the margin.

Specification of 2026 mid-range guidance

DKK million	2026 mid-range guidance				2025 actual
	Organic businesses	Acquired businesses	New solar park project	Guidance mid range	
Revenue	12,175	700	275	13,150	12,171
EBITDA	445	-20	15	440	501
Gain from sale of warehouse				-	-74
Restructuring costs	35			35	47
Integration & acquisition costs ¹		50		50	15
Transition costs				-	14
EBITDA, adj. non-recurring items	480	30	15	525	503
EBITDA margin	3.7%	-2.9%	5.5%	3.3%	4.1%
EBITDA margin, adj. non-recurring items	3.9%	4.3%	5.5%	4.0%	4.1%

¹) Acquisition costs only relate to 2025

Strategy and business

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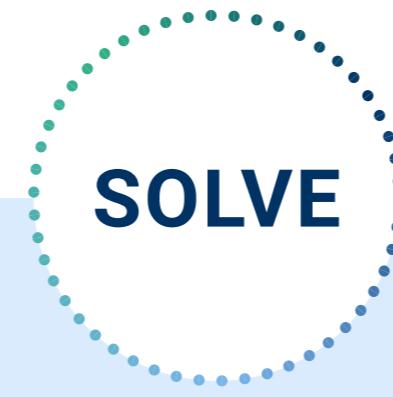
Thomas Skovli
Senior Vice President,
MD Solar Norge

In September 2025, Thomas became Managing Director of Solar Norge. With eight years of experience across key roles in Solar, he is ready to lead Solar Norge into the future.

Our strategy

Our purpose

We improve construction, building operation and industry processes with a commitment to sustainability and productivity. For our customers. With our partners. For a better world.



As a leading sourcing and services partner, we will use our strong core to combine products, services and specialist competence to deliver value-adding solutions solving business challenges sustainably.

With Solve, it is our ambition to create additional value at an earlier stage of our customers' decision-making process.

Strategic focus areas



Climate & energy

We maximise the growth potential in climate and energy solutions, such as heat pumps, solar panels, EV charging and ventilation. The newly established Solar Industrial Solutions offers combined solutions for both existing and new industry customers based on our product technology and know-how.



Concept strength

Our concepts will drive overall profitability and enhance our position in the value chain. We aim to further develop value adding concept assortments powered by logistical services and specialist competences to increase the ease and effectiveness of our customers' daily operations.



Solution sales

We create new opportunities in selected areas by leading with solution selling, specialist competence and a 360-degree view on the future needs of our customers' business. We aim to increase the share of wallet with existing customers and open new doors to new customer groups.

Sustainability



Climate impact

We work to become carbon neutral in our own operation and to enable our customers to decarbonize in their part of the value chain.



Sustainable supply chain

We source energy efficient products complying to the latest standards, from suppliers characterized by respect for human rights, environment, and society.



Diversity and inclusion

We foster a workplace and culture that promotes diversity and inclusion to attract, develop, and retain employees, while respecting human rights.

Powered by our **Dedicated people, Digital leadership and Superior logistics**



Strategy execution

We have launched several initiatives to support our strategic ambitions. These mark the end of the second year of our three-year strategy and underline our commitment to progress and innovation.



Climate & energy

Our target is to maximise the growth potential of Climate & Energy solutions.

- Solar Industrial Solutions has been rolled out across all markets to accelerate industrial heat pump sales, with a fully integrated vertical structure in each country – locally anchored and supported by a central setup.
- Introduced a new metric as an alternative to Return on Investment, which measures the investment required per ton of CO₂e displaced, highlighting the cost for our customers of removing one ton of CO₂e.
- Capitalised on the elimination of the electricity tax in Denmark to drive heat pump sales, while also pursuing opportunities to increase share of wallet through complementary solar panel and battery solutions.

Share of revenue

Current **10%**
Target 2026 **>10%**



Concept strength

Our objective is to increase overall profitability by increasing concept share.

- Launched a new Solar Light website that provides CO₂e data for each product. This will be expanded to cover all product categories.
- Increased conversion rates on our digital platforms by introducing more digital tools (Digital sales now represent 66% of total order lines).
- Established more strategic partnerships with our suppliers.
- Launched a feature programme for heat pumps, offering customers a more affordable and flexible alternative to fossil fuel solutions.
- Targeted single-product customers to increase their share of wallet by expanding engagement across our Solar portfolio, including electrical components, heating and plumbing and climate & energy products.

Gross profit margin improvement

Current **0.0**
Percentage points
Target 2026 **>0.5**
Percentage points



Solution sales

Our aim is to grow our business by leveraging Solution Sales.

- Led by Solar Danmark, we have increased our expertise across markets and strengthened commercial capabilities through strategic hiring in key roles across our four main markets – enabling closer decision-maker engagement and continued growth.
- Introduced a new add-on service for solar panel installations, where we handle the full technical installation of the solar panels, leaving customers only responsible for connecting the completed installation to the electricity grid.
- The establishment of tools, fastening & consumables in Solar Norge has resulted in a high-energy sales team and replicated proven strategies to drive strong growth and margin performance across key regions.

Share of revenue

Current **19%**
Target 2026 **>20%**

Stronger digital capabilities in 2025

In 2025, we made significant advancements in our digital infrastructure, improved our search experience, and brought climate data online for our customers. Together, these actions create a strong foundation for Solar to deliver long-term value.

Digital foundation improvements in 2025

Digital infrastructure advancements

We upgraded SAP WMS at our central warehouses, continued the application consolidation and standardisation by onboarding Solar Føroyar into our common SAP S/4HANA platform, and obtained ISO/IEC 27001:2022 certification, emphasising our commitment to information security and strengthening our market access to specific customer segments.

Improved personalised search

To ensure our customers receive an exceptional level of service, we have invested heavily in personalised search experiences across our online channels. In turn, this will increase conversion rates across sales channels, and create more upselling opportunities, increasing the average basket size. We have also seen improvements in the add-to-basket index as a result of better search results.

Bringing climate data to our customers

2025 was also the year that we rolled out Global Warming Potential (GWP) data across most of our assortment, helping customers to make informed and sustainable purchasing decisions, while also providing our customers

with climate data to fulfil their customers' sustainability data and reporting requirements.

Enhancing digital customer integration

We continued the development of digital customer integration services, thus offering customers improved integration options when doing business with Solar.

Digitalisation will be a key priority in 2026

Our commitment to digital innovation and information security ensures we continue to deliver reliable, efficient solutions for our customers and strengthen our position as a trusted digital partner. We will keep investing in digital solutions that create added value for customers while optimising our own operations to improve efficiency and agility.

Our 2026 digital roadmap contains targeted initiatives in customer insights and digital sales, transforming how we engage with our customers.

Customer Deep

Customer Deep is a strategy-enabling initiative that uses

advanced customer insight and AI-based micro-segmentation to identify up- and cross-selling opportunities, with the aim of increasing share-of-wallet and optimising our cost-to-serve through further digitalisation of customer interactions.

Investments in AI- and data platforms enable us to commercialise our customer insight, e.g. by identifying high potential Climate & Energy prospects to focus our sales efforts and improve win rates. As this identification tool can be applied to other products and customer segments, it will be rolled out in 2026 across our sales organisations.

Digital Selling

In 2026, we plan to introduce several solutions to drive digital transformation across our sales teams and customer base.

We are making major investments in a new omni-channel e-commerce platform with a modern web shop and mobile app as well as new digital services which will offer customers easier, personalised digital experiences. The project delivered the first prototype at the end of 2025, and the first customer segments will be migrated during H1 2026.

Advanced tools and revised sales follow-up processes will help sales teams to respond faster to changes in customer behaviour and to retain and grow our revenue.

Our commitment to digital innovation and information security ensures that we will continue to lead the way in providing our customers with reliable, efficient solutions, thus reinforcing our reputation as a strong digital partner.

Enablers support our Solve strategy

Our Solve strategy is supported by digital enablers that deepen customer insight, accelerate digital selling, and streamline operations.

From a digital perspective, we use the enablers to drive initiatives to execute the strategy by:

- gaining a better understanding of our customers (customer deep),
- creating personalised and efficient digital sales experiences (digital selling),
- running operations smoothly and securely (digital operation), and
- empowering customers with sustainability data (climate data).

Sustainability execution

We have launched several sustainability-driven initiatives to support our strategic ambitions. These efforts, marking the end of the second year of our three-year strategy, underlines our commitment to progress and creating long-term value.



Climate impact

We work to become carbon neutral in our own operation and support our customers decarbonisation pathways.

- We are committed to our climate change transition plan, working to reduce CO₂e emissions in our own operations and across our entire value chain.
- Our key actions include shifting to renewable electricity, replacing gas boilers with heat pumps, and transitioning to an EV fleet.
- We are moving from spend-based emission calculations to detailed product-level data, giving our customers greater transparency and control. Around 60% of our product portfolio includes Global Warming Potential (CO₂e) metrics, helping customers make informed choices and actively reduce carbon footprints across their value chains.
- We strive to become carbon neutral in our own operations while supporting our customers on their decarbonisation journey. We supplement our efforts with afforestation projects in Denmark and Latvia to address any residual emissions and ensure lasting carbon removal.

Reduction in % CO₂e since baseline 2020

Current	Target 2026
57%	65% (Net-zero by 2030)



Sustainable supply chain

We source products that meet the latest standards from suppliers who respect human and labour rights.

- By the end of 2025, we have achieved our 2026 targets for supplier risk management due diligence, including signing our Code of Conduct. Our long-term ambition is to cover our entire spend, which is why we continue to assess outstanding and new suppliers based on location and industry before onboarding them.
- We closely monitor supplier performance and implement corrective action plans where necessary.
- We conduct on-site audits of selected suppliers categorised as high-risk, based on a defined set of criteria, including compliance with human and labour rights.
- We source products that meet the latest standards from suppliers who respect human and labour rights.

Share of suppliers undergoing risk assessment

Current	Target 2026
84%	82%



Diversity and inclusion

We foster a workplace and culture that champions diversity and inclusion.

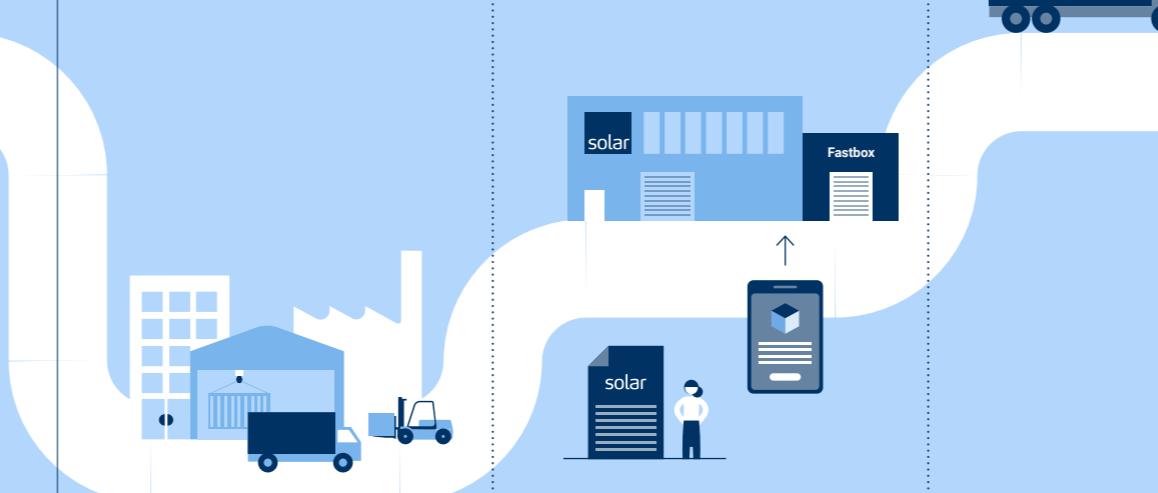
- By the end of 2025, we will have exceeded our 2026 target of 25% women in senior management. Our long-term ambition is to achieve a 40% gender balance.
- We remain committed to ensuring equal treatment and opportunities for all, regardless of gender, and continue to strengthen fairness in recruitment while actively working to increase the representation of women at entry level.
- We will adjust our targets in 2026 according to the rules of the Gender Balance Act.

Share of women in senior management

Current	Target 2026
28%	25%

* Calculated according to the Gender Balance Act.

How we create value

Key resources	Business activities	Value creation
<p>People Around 2,995 employees use market knowledge to develop new business areas and move our business forward.</p> <p>Technological know-how Our extensive knowledge of products and technologies.</p>	<p>Partnerships Our trusted partnerships with close to 55,000 customers and suppliers.</p> <p>Financials Our strong financial platform enables continuing business development.</p> <p>Excellent sourcing</p> <ul style="list-style-type: none"> Efficient supply chain Consolidating customer sourcing Strategic suppliers Product availability Supporting the green transition <p>Qualified sales and services</p> <ul style="list-style-type: none"> Digital platform Solution sales Product documentation Customer education <p>Superior distribution</p> <ul style="list-style-type: none"> Day-to-day delivery On site delivery Fastbox – within the hour Automated logistic centres 	<p>Improving productivity for customers Increasing customer productivity by enabling our customers to run their businesses more efficiently.</p> <p>Driving sustainability for the planet We are committed to achieving our targets of net-zero emissions in scopes 1 & 2 and a 25% reduction in scope 3 emissions by 2030.</p> <p>Other stakeholders We actively support local projects, fostering community development and sustainability. Our commitment extends to having direct representation on boards and networks, ensuring our voice and values are well-represented.</p> <p>We create value for our customers, employees, other stakeholders and the planet.</p>



Our business model

We are committed to tackling the challenges facing our industry and our customers – especially when it comes to supporting the green transition. By combining advanced technology with strong strategic partnerships, we empower 2,995 employees and serve approx. 50,000 customers. Our goal is to reduce the carbon footprint of our own operations, improve productivity, and help mitigate negative environmental impacts while creating value for our stakeholders.

Accessibility and availability are the cornerstone for delivering customer satisfaction

Our Solve strategy aims to further strengthen our position as a leading sourcing and services partner, providing value-added solutions that advance the green transition.

Key strategic focus areas include maximising the growth potential of Climate & Energy, increasing profitability via Concept strength and delivering a strong value proposition via Solution sales. See Our Strategy, page 9, for an in-depth description of the three areas.

Delivering from a strong foundation

Our greatest strength lies in our 2,995 employees and their deep knowledge of products, technologies, digitalisation, automation, and efficient distribution. Their expertise helps us support our approx. 50,000 customers, fostering strong, trust-based relationships. Backed by a solid financial foundation, we continue to grow and invest in further digitalisation and automation.

Sustainability is key

Sustainability is the vital component that shapes our operational practices and the solutions and products we bring to market. Our sustainability focus includes:

- Reducing our carbon footprint: Measures have been initiated to minimise environmental impact. Our climate reduction targets have been approved by the Science Based Targets initiative and are aligned with the Paris Agreement.
- Responsible sourcing: We aim to ensure that our materials and products are sourced responsibly - ethically, socially, and environmentally. We require our suppliers to comply with the same standards we demand of ourselves, as stated in our Code of Conduct. We maintain supporting documentation to demonstrate compliance with responsible sourcing.
- Promoting equality: We address societal inequalities and create a transparent, respectful workplace. See sustainability statements, page 79.

We believe these elements are key to the successful delivery of our Solve strategy. They help us create value early in our customers' decision-making process and allow us to actively promote products and solutions that support the green transition.

This approach ensures that Solar remains resilient, competitive, and aligned with global sustainability goals.

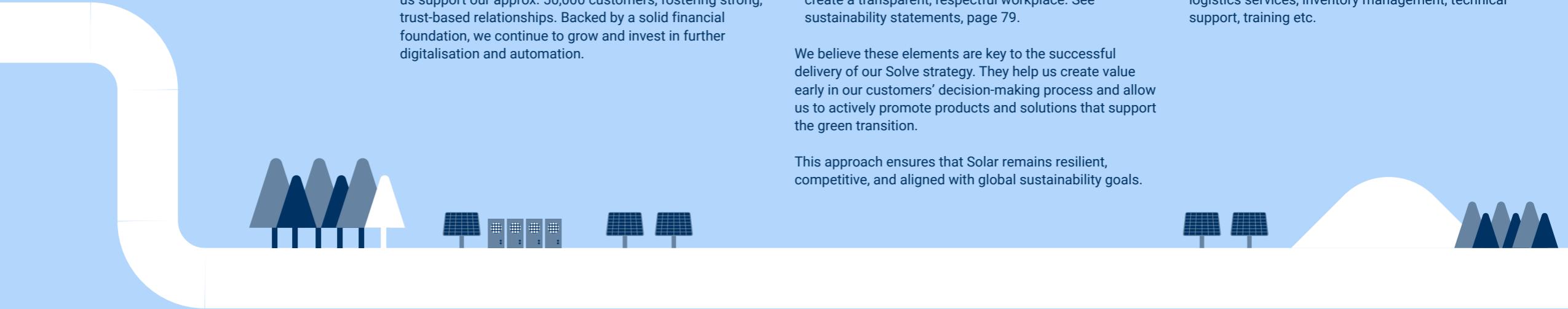
How we do it

Solar is present in five key markets. Our focus on optimising value from our product mix means that we carefully manage our supply chains, choose the right products, and offer value-adding services.

Our goal is to create value – not only for our customers and shareholders, but also for the environment.

Suppliers and products

Our more than 3,500 suppliers deliver more than 94,158 different electrical and heating & plumbing products on an annual basis. In 2025, we phased in 8,141 products and phased out 5,597 products. Revenue is divided as follows: electrical products (75%), heating and plumbing products (15%), and climate & energy products (10%). We partner with suppliers that produce high-quality and sought-after products for our customers, to which we add delivery and logistics services, inventory management, technical support, training etc.



Markets and customers

Our sales are mainly distributed across Denmark (33%), the Netherlands (23%), Sweden (17%), Norway (15%) and Poland (3%). We operate within the B2B segment, which is divided into three sub-segments: Installation, Industry and Trade. Revenue by segment is included in the consolidated financial statements, note 2.2, page 115.

The key to our success lies in strong collaboration with our suppliers and customers to provide the right products and services and ensure exceptional customer experience.

Employees

Our 2,995 employees are based in Denmark (786), the Netherlands (470), Sweden (524), Norway (509), Poland (361) and others (345). We offer safe and secure working conditions and fair pay in line with market standards.

See Our Workforce, page 79.

Segment information

For details on our segments, please refer to note 2.2 in the consolidated financial statements. Revenue from sectors defined as significant under the European Sustainability Reporting Standards (ESRS) is not material to Solar. No individual ESRS sector plays a major role in our business, and no single product group, service, or customer accounts for more than 10% of our total revenue. See note 2.2 on pages 115-116.

Strategic focus

Our sustainability strategy focuses on three main areas: climate impact, sustainable supply chain, and diversity & inclusion. Each area includes specific actions and targets that help us reduce emissions in our own operations, supporting our customers in their green transition. While diversity & inclusion does not directly support the green transition, it is essential for fostering an inclusive, innovative, and resilient organisation. These focus areas also reflect the findings of our Double Materiality Assessment and play a key role in enabling us to deliver climate and energy solutions, such as heat pumps and solar panels.

From cradle to grave

As a sourcing and services company, Solar's key activities include responsible product sourcing, efficient supply chain management, a digital sales platform, sales, services and efficient distribution. Our business is built on a strong foundation of the resources and capabilities of our 2,995 employees. They know our customers, they are experts in planning and they continuously enhance our sales opportunities.

Our employees are based in offices, at customer centres and in our logistic centres, where 80% of orders are packed using automated picking systems before often being shipped by lorry or electric vehicle.



Our operations target a broad group of customers within the Installation, Industry and Trade segments.

Our value creation

We are fully committed to supporting all those around us - our customers, employees, shareholders, the planet and other stakeholders.

Improving productivity

Our business model supports customers in their daily work by giving them access to the right products, fast delivery, and value-added services, including on-site delivery and installation guidance – all aimed at boosting their productivity.

Developing our people

We take pride in developing our people by offering career opportunities at every level, providing training and ensuring safe working conditions.

Driving sustainability

We are committed to achieving our ultimate targets of net-zero emissions in scopes 1 & 2 and a 25% reduction in scope 3 emissions by 2030.

Maximising value for investors

We strive to optimise our business to increase the value of our company for the benefit of our shareholders. We do this by maintaining a strict cost culture, sourcing the right assortment of products and boosting digitalisation and automation.

Meeting other stakeholders

We actively support local initiatives that foster community development and promote sustainability, for instance by planting new forests in our local area. We actively participate on boards and in networks, including industry-relevant boards, to ensure our values and perspectives are represented. See stakeholder engagement section, page 44.

Our cost structure

Our cost structure and revenue from our business segments can be seen in our consolidated financial statements, note 2.2, page 115.

Impacts, risk and opportunities

For impacts, risks and opportunities, see our double materiality assessment on page 45.



Risk management

Solar's risk management is based on Enterprise Risk Management (ERM) and the Board of Directors' rules of procedure, which place the responsibility for risk management with the Executive Board.

Risk management

The Executive Board is responsible for ensuring that the necessary policies and procedures are in place, that efficient risk management systems have been established for all relevant areas and are improved continuously. The overall purpose of risk management is to support a robust business that is able to react quickly and flexibly when conditions change.

Solar's risk management encompasses the relevant entities in Denmark, Norway, Sweden, the Netherlands, Poland, and MAG45. The process supports local management teams by taking a structured approach towards risk management, with risk self-assessments anchored in an annual cycle. Data is consolidated at group level, and the findings are presented to the Board of Directors for approval.

The individual risk owners are responsible for mitigating risks to a level within Solar's risk appetite and tolerance. Throughout the year, Solar's Group Risk Management and local management teams actively monitor the progress of the mitigation to ensure that risks are at the acceptable level.

Risk definition

The focus of Solar's risk management is to identify and assess operational risks and operational aspects of strategic risks throughout the Solar Group. Solar defines these risks as events or developments that could significantly reduce Solar's ability to:

- meet profit expectations,
- execute the strategy, and/or
- maintain a licence to operate.

Solar works with the concepts of gross risk (inherent risk) and net risk (residual risk). The gross risk effect is defined as the product of the impact and the likelihood of the risk materialising without any change to current risk mitigation. The net risk effect is defined as the risk level considering both current and planned mitigation activities that address impact and likelihood.

Three lines of defence

Solar's risk management is organised according to the three lines of defence model which demonstrates and structures roles, responsibilities for risks, decision-making and control to achieve effective governance.



Risk appetite and tolerance

Solar's risk appetite and risk tolerance articulate the extent to which Solar is willing to accept risks in three overarching categories: Governance & Compliance, Strategy & Planning, and Operation & Infrastructure.

Accordingly, the risk appetite outlines Solar's strategic outlook towards risk and defines the degree to which Solar is risk-seeking or risk-avoiding, while the risk tolerance, as an indicative parameter, outlines the level of net risk that Solar is willing to accept for a given measure of reward. Risk appetite and risk tolerance are set by the Board of Directors and are reviewed annually.

Risk self-assessment

Solar evaluates the effect of a risk by considering its likelihood and the potential outcomes should the risk materialise. The following dimensions illustrate its impact:

1. Effect on earnings
2. Reputational damage
3. Compliance (licence to operate)
4. Business continuity

Risk handling

The purpose of identifying and then handling risk is to reduce it to an acceptable level, which is in line with risk appetite and tolerance. In Solar, we work with four different risk treatment strategies when handling risks.

- **Avoid** – seeks to eliminate uncertainty by changing circumstances.
- **Transfer** – seeks to transfer ownership of and/or liability for the risk to a third party.
- **Accept** – recognises net risks and monitors risk exposure.
- **Mitigate** – seeks to minimise risk exposure to below the acceptable threshold.

Solar provides structured criteria regarding attitude towards risks, a wide range of preventive controls as well as a catalogue of mitigating activities.

Risk exposure

A list of the Group's top risks for 2026 includes themes similar to the ones from last year. However, several risks required changes in scope and definition to reflect their nature, development, and evolving circumstances.

Further to numerous efforts and investments improving the company's cybersecurity and resilience, proven by obtained ISO 27001 certification for information security, Solar needed to react accordingly in terms of risk analysis, priority measures and interdependencies of adverse events. Therefore, risks previously called "Cyberattack", "IT interruption" and "Central warehouse breakdown" were reframed based on their sources, effects, and approach towards mitigation. New headlines for risks (A, B and C in this report) as well as their revised descriptions, offer a more suitable classification of potential adversities.

Risk C from Annual Report 2024, "Product documentation", was removed from the list of the Group's top risks this year thanks to the mitigation efforts in the last two years. Nonetheless, we continue to monitor the risk exposure.

Risk D from 2024, "Macroeconomic uncertainty", was now extended to "Geopolitical and macroeconomic uncertainty". The aim was to highlight the growing impact of recent geopolitical tensions on international trade.

With several risk factors outside Solar's control, preventive and mitigating measures are ongoing and delivering results gradually.

Risk appetite and tolerance per risk category



Solar Risk Map 2026

ID	Risk	Potential net impact	Likelihood	Trend
A	Cybersecurity			↓
B	Operational continuity and resilience			→
C	Third party and supply chain dependencies			↑
D	Geopolitical and macroeconomic uncertainty			↑
E	Market and competition dynamics			↑
F	Integration of Sonepar Norge			

 Low  Medium  High  Very high

↓ Decreasing → Consistent ↑ Increasing

**A****Cybersecurity****Risk**

The risk is reframed.

Scenario

Risk of cyberattacks (e.g., ransomware), insider threats, or unauthorised access to sensitive systems and data, all of which exploit vulnerabilities in Solar's digital environment or human behaviour.

Impact

A successful cyberattack or insider breach could lead to data loss, operational disruption, reputational damage, and regulatory consequences, undermining Solar's trust and resilience.

Mitigation

Preventive and corrective measures focus on strengthening cybersecurity. This includes 24-hour monitoring of systems and networks for threat patterns and unusual behaviour, ensuring adequate endpoint protection solutions or upgrading existing ones. Advanced security analytics tools support the evaluation of the organisation's security measures and the implementation of recommended actions. System and application access is governed in accordance with the principle of least privilege. Solar enhances cybersecurity by implementing Zero Trust Network Access and microsegmentation to ensure containment of potential threats across our infrastructure. In addition, we maintain organisational awareness to reduce the likelihood of an unwanted event caused by the human factor. To reinforce confidence in our cybersecurity strategies, the organisational cybersecurity is subject to regular external evaluation.

B**Operational continuity and resilience**

The risk is reframed.

Risk related to internal system failures, continuity gaps, or physical disruptions (e.g., power outages, fire, flooding) that impact Solar's ability to maintain critical operations and recover effectively.

A failure in Solar's continuity, recovery, or infrastructure could result in extended downtime, loss of business-critical data, and inability to serve customers, with financial and reputational consequences.

C**Third party and supply chain dependencies**

The risk is reframed.

Risk stemming from Solar's reliance on external suppliers, partners, and connected systems (e.g., industrial control system) which may introduce vulnerabilities or disruptions beyond Solar's direct control.

A breach or failure in a critical supplier or connected system could cascade into Solar's operations, causing significant disruption, financial loss, and reputational harm.

Solar manages third-party and supply chain risks through structured oversight and contractual safeguards. Critical suppliers are subject to annual reviews and must provide independent attestations of their security posture, such as ISO 27001 certifications. All contracts include a right to audit, and supplier audits are conducted when necessary. While connected systems are segregated to reduce exposure, Solar continues to evaluate additional controls to strengthen resilience. Supplier-related risks are integrated into broader continuity and incident response planning, ensuring preparedness for potential disruptions outside of Solar's direct influence.



D Geopolitical and macroeconomic uncertainty

Risk The risk is increased.

Scenario Risk of challenging business conditions or a change to industry trends caused by the effects of an economic downturn and geopolitical trade tensions.

Impact Recent macroeconomic adversities, ongoing tariff-related conflicts as well as dynamic customer requirements may continue to impact markets, shift demand, and affect stock availability. In light of the growing global uncertainty, the risk continuously requires attention on group level.

Mitigation Solar draws up appropriate risk indicators and mitigation measures for specific parts of the business. These are monitored on a regular basis in anticipation of an event requiring a rapid response. Sudden imbalances between supply and demand have encouraged greater focus on selling the right products (e.g., climate & energy) or growing the concept share or solution sales to achieve the projected results.

E Market and competition dynamics

The risk is increased.

Risk of continued consolidation in the market and growing importance of customer buying groups giving rise to increased competition and/or price pressure with a negative impact on Solar's business.

The current commercial risk of significant acquisitions in the market and growing role of customer buying groups, combined with the potential slowdown in the green transition, may result in reduced competitiveness, lost revenue, and decreased earnings.

Solar seeks to engage in active and regular cross-border dialogue to share experience. A dedicated cross-functional team is in place to monitor the competitors' strategies and/or recent market developments as well as to understand customers' current and future buying criteria. Commercial market and sales organisations monitor this for early indicators, but also proactively engage with customers. Based on observations and feedback, Solar continues to invest in digital tools, reallocation of resources and value-adding services to adapt to new trends.

F Integration of Sonepar Norge

The risk is new.

Risk of ineffective integration of Sonepar Norge, potentially undermining the strategic value of the acquisition.

Failure to effectively integrate Sonepar Norge into the new structure may result in operational disruptions, increased costs, contract disputes, and loss of key talent. At the same time, the market's response to the acquisition - through actions by customers, suppliers, and competitors - represents a significant part of this risk. In the final analysis, inability to manage these factors productively could weaken the investment's overall strategic significance.

Solar has structured the integration process as a dedicated project, with its own governance, strong management oversight, and legal support. The established workstreams are responsible for the delivery of specified integration objectives, such as safeguarding business momentum, aligning commercial processes, and realising synergies. Dependencies and performance indicators have been defined, while operational risks are addressed on a regular basis. In the first three months of implementation, the focus is on rigorous monitoring of integration progress and executing short-term strategic gains. Cultural onboarding and clear communication of milestones and key decisions are also prioritised.

Results

- 21 Five-year summary
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- 23 Financial performance
- 26 Segment performance

KG Brattfors
Market Manager within
Electrical Installation

KG has been part of Solar since 1998, building extensive knowledge through diverse growth opportunities both nationally and internationally. His career journey showcases the strong professional development possibilities within Solar.



Five-year summary

Income statement (DKK million)	2025	2024	2023	2022	2021
Revenue	12,171	12,223	13,031	13,863	12,354
Earnings before interest, tax, depreciation and amortisation (EBITDA)	501	646	871	1,175	911
Earnings before interest, tax and amortisation (EBITA)	241	400	648	978	727
Earnings before interest and tax (EBIT)	155	278	558	909	672
Earnings before tax (EBT)	84	192	468	858	622
Net profit for the year	74	148	348	660	531
Balance sheet total	6,296	6,108	6,112	5,901	5,305
Total equity	1,996	1,874	1,982	1,931	1,952
Interest-bearing liabilities, net	1,625	1,232	1,157	1,074	-37
Cash flow from operating activities	410	538	855	16	783
Net investments in property, plant and equipment	-214	-101	-169	-167	-125

Financial ratios (% unless otherwise stated)	2025	2024	2023	2022	2021
Organic growth adjusted for number of working days	-0.9	-6.4	-2.6	12.9	5.9
Gross profit margin	20.4	20.6	22.5	23.4	22.4
EBITDA margin	4.1	5.3	6.7	8.5	7.4
EBITA margin	2.0	3.3	5.0	7.1	5.9
Effective tax rate	12.6	22.7	25.6	23.1	14.6
Net working capital (year-end NWC)/revenue	13.5	13.9	14.6	15.9	10.2
Gearing (net interest-bearing liabilities/EBITDA), no. of times	3.2	1.9	1.3	0.9	0.0
Return on equity (ROE)	3.9	8.0	18.0	34.0	29.1
Return on invested capital (ROIC)	3.0	8.3	13.2	25.5	24.6
Equity ratio	31.0	29.9	31.6	32.7	36.8

Share ratios (DKK unless otherwise stated)	2025	2024	2023	2022	2021
Earnings per share outstanding (EPS)	10.02	20.68	47.51	90.37	72.72
Ordinary dividend per share	-	15.00	30.00	45.00	45.00
Extraordinary dividend per share	-	-	-	-	45.00
Total dividend in % of net profit for the year (payout ratio)	-	72.1	63.1	49.8	123.8

Employees

Average number of employees (FTEs)	2025	2024	2023	2022	2021
2,932	2,899	3,036	3,019	2,908	

In all material aspects financial ratios are calculated in accordance with the Danish Finance Society's "Recommendations & Financial Ratios".

Guidance follow-up 2025

↑ Stronger than expected

Vacating and selling our central warehouse in Halmstad, Sweden

As announced in 2023, we have embarked on the process of selling our two central warehouses in Sweden. Our warehouse in Örebro, Sweden, was sold in 2024. Our efficient execution in vacating the Halmstad warehouse made it possible to finalise the sale successfully in December 2025. Fast-tracking the move to Kumla reduced risk and freed up cash by reducing net working capital by the initially expected amount of DKK 40m. In total, we managed to free up approx. DKK 65m and at the same time increase our ability to serve our customers.

New logistics centre in Kumla

The finalisation of the new logistics centre in Kumla is ahead of schedule – we now expect to be fully operational late Q2 2026 compared to initial early Q4 2026.

Integration Sonepar Norge

The integration plan for Sonepar Norge is ahead of the initial plan announced at closing. The first initiatives being implemented already in December 2025 where we initially expected the integration plan to kick off in January 2026.

→ As expected

Cost initiatives

Measures to reduce the impact of cost and salary inflation delivered savings as projected in our initial guidance.

↓ Less than expected

Revenue

We initially expected a recovery, primarily in H2. Although organic growth was strong at 6.5% in Q1, Q2 to Q4 fell below expectations, with negative growth rates accelerating the downward trend. As a result of this unexpected trend, we revised our revenue guidance downwards twice from the initial range of DKK 12.3-12.8bn to DKK 12.0bn in Q4.

Gross profit margin

The gross profit margin declined as our continued focus on concept sales failed to deliver the expected gross profit margin improvements in addition to continued pressure on sales prices combined with less cyclical inventory gains. Other main categories also declined in 2025.

EBITDA

Due to the revenue trend shift described above, combined with a lower gross profit margin, the EBITDA on a comparable basis amounted to DKK 448m against the expected DKK 460m in our latest guidance.

Guidance follow-up 2025

	Initial	Aug. update	Nov. update	Actual
Revenue, DKKbn	12.3-12.8	11.75-12.25	12.0	12.2
EBITDA, DKKm	530-600	450-510	460	501
Organic growth, %	1-5	-4-0	-0.5	-0.9
EBITDA margin, %	4.3-4.7	3.8-4.2	3.8	4.1

Bridging reported EBITDA to EBITDA guidance

	2025
DKKm	
EBITDA reported	501
Gain on sale of warehouse	-74
Bonus reactivated due to gain on sale of warehouse	10
Integration costs advanced	11
EBITDA comparable with guidance	448
Lower performance than anticipated in guidance	12
EBITDA guidance 2025 incl. non-recurring costs	460

EBITDA amounted to DKK 501m

2025 was a challenging year due to difficult market conditions, with revenue of DKK 12.2bn and EBITDA of DKK 501m. However, to support long-term growth we acquired Sonepar Norge and invested in our digital platforms. Moreover, a new logistics centre in Kumla, Sweden, is nearing completion.

Revenue

In our initial 2025 guidance, we expected to see improvements across all our markets, resulting in overall growth in all segments. However, an unexpected slowdown in Q2 persisted into H2, despite several new growth initiatives. This resulted in negative growth, particularly for Industry and, to a lesser extent, for Installation.

Adjusted organic growth at group level amounted to -0.9% (-6.4%). Revenue amounted to DKK 12.2bn (DKK 12.2bn) which was above our refined November guidance of DKK 12.0bn. This was partly due to December revenue of DKK 46m from Sonepar Norge not being included in guidance. Solar Polaris exceeded expectations, positively impacting organic growth at group level by 1.0 percentage points. However, the rest of the business fell short of our initial expectations by delivering growth of -1.9%.

Adjusted organic growth amounted to -0.6% (-8.0%) for Installation, -3.6% (-4.0%) for Industry and 7.6% (-6.3%) for Trade driven by Solar Polaris.

Revenue from Climate & Energy, a strategic focus area, also showed positive adjusted organic growth, amounting to 13.6% (-31%) driven by Solar Polaris.

Gross profit

As outlined in our guidance, we expected the downward trend in gross profit margin to taper off in 2025. However, the actual gross profit margin in Q1-Q3 did not support this assumption and the improvement we saw in Q4 did not offset the lower gross profit margin in the first nine months of 2025. In Q4 2025, we received extraordinary supplier bonus at around same level as in Q4 2024.

Gross profit margin at group level declined to 20.4% (20.6%). Solar Polaris' deliveries to a major solar project park diluted the overall gross profit margin. Adjusted for this, the underlying gross profit margin amounted to 20.5%

This disappointing development was mainly driven by continued pressure on sales prices combined with less cyclical inventory gains.

Other operating income

Other operating income amounted to DKK 76m (DKK 88m) in non-recurring income, primarily relating to the sale of our warehouse in Halmstad, Sweden. Owing to the construction of our new logistics centre in Kumla, Sweden, the warehouse in Halmstad was vacated in 2025. In 2024, non-recurring income related to the completion of the sale of our warehouse in Duiven, the Netherlands, and the sale of our warehouse in Örebro, Sweden.

External operating costs and staff costs

The construction of our new logistics centre in Kumla, Sweden, is ahead of schedule. This facilitated the completion of the relocation of the warehouses in Örebro and Halmstad more efficiently. We moved our inventory from Halmstad to Örebro, thus vacating the Halmstad warehouse earlier than expected. In 2025, this led to approx. DKK 14m in transition costs, which were initially expected in 2026. Fast-tracking the move to Kumla reduced risk and freed up cash by reducing net working capital by the initially expected amount of DKK 40m. In total, we managed to free up approx. DKK 65m and at the same time increase our ability to serve our customers.



(Data shown in brackets relate to the corresponding period in 2024)

In 2025, we also embarked on a range of measures to optimise our operating model, including cost containment, process improvements and staff reductions. Consequently, costs in 2025 include restructuring costs of approx. DKK 47m (DKK 27m), which generated equivalent savings in 2025 and full-year savings of approx. DKK 75m.

The acquisition of Sonepar Norge was approved by the authorities in November 2025 and the integration is ahead of schedule. In 2025, DKK 15m was included in integration and acquisition costs.

When adjusted for DKK 76m (DKK 27m) in non-recurring costs, including integration and acquisition costs, external operating costs and staff costs amounted to 16.2% (15.7%) of revenue.

EBITDA

EBITDA amounted to DKK 501m (DKK 646m) impacted by Sonepar Norge EBITDA of DKK -8m, which included integration costs of DKK 7m.

A gain of DKK 74m from the sale of our warehouse in Halmstad was the main reason EBITDA exceeded our latest guidance.

However, when adjusted for non-recurring items, EBITDA amounted to DKK 503m (DKK 585m). The EBITDA margin adjusted for non-recurring items amounted to 4.1% (4.8%).

DKKm	2025	2024
EBITDA	501	646
Gain from sale of warehouses	-74	-88
EBITDA adj. non-recurring income	427	558
Restructuring costs	47	27
Transition costs	14	-
Integration & acquisition costs	15	-
EBITDA adj. non-recurring items	503	585

We continually launch new growth and earnings initiatives to improve business development.

The results from the individual markets are shown on page 116.

Depreciation and write-down

Depreciation and write-down on property, plant and equipment increased to DKK 260m (DKK 246m) mainly due to increased tenancy lease.

Amortisation and impairment of intangible assets

Amortisation and impairment of intangible assets decreased to DKK 86m (DKK 122m). In 2025, amortisation on software increased by DKK 14m due to our increased investments in digitalisation and the upgrade to SAP S/4HANA, while 2024 included an impairment loss on Thermonova of DKK 47m.

Financials

Net financials amounted to DKK -71m (DKK -85m) and included DKK 4m in interest income from the Danish tax authorities in connection with the repayment of the taxable value of tax losses associated with divested activities in Belgium.

Earnings before tax

Despite revenue exceeding our November guidance a less favourable segment mix led to a reduced gross profit margin.

This resulted in earnings before tax of DKK 84m (DKK 192m).

Income tax

Income tax amounted to DKK -10m (DKK -44m). 2025 was positively impacted by DKK 17m in income tax from previous years related to repayment of the taxable value of tax losses from divested activities in Belgium. The posted income tax corresponds to an effective tax rate of 12.6% (22.7%).

Net profit

Net profit came to DKK 74m (DKK 148m).

Share capital

The Board of Directors regularly reviews the capital structure in relation to our gearing target and capital requirements.

As part of the financing of our acquisition of Sonepar Norge, in November, the Board of Directors resolved to utilise the authorisation in the Articles of Association to increase the share capital.

The share capital was therefore increased by a nominal amount of DKK 64.6m through the issuance of 646,000 new B shares. The share issue was completed through an accelerated bookbuilding process at an offer price of DKK 191 per share, raising gross proceeds of approx. DKK 123m.

Following the capital increase, the share capital has a total nominal value of DKK 800.6m, comprising DKK 90.0m A shares and DKK 710.6m B shares, each with a nominal value of DKK 100.

Cash flow

Net working capital as an average of the previous four quarters amounted to 14.9% (15.0%) of revenue. Net working capital at the end of 2025 decreased to 13.5% (13.9%).

Cash flow from operating activities totalled DKK 410m (DKK 538m). Through inventory optimisation, we succeeded in reducing inventories, which resulted in a cash flow impact of DKK 117m (DKK 113m). Changes in receivables impacted cash flow by DKK 143m (DKK -64m) while changes in non-interest-bearing liabilities had a cash flow impact of DKK -206m (DKK 96m) partly due to the ongoing inventory reduction.

Total cash flow from investing activities amounted to DKK -651m (DKK -265m).

Purchase of intangible assets DKK -126m (DKK -154m) primarily relates to ongoing investments in the optimisation of our digital platforms.

The purchase of property, plant and equipment amounted to DKK -420m (DKK -162m). DKK -370m relates to the construction of our new logistics centre in Kumla, Sweden. Of the total Kumla investment, approx. DKK 125m remains.

Our efficient execution in vacating the Halmstad warehouse in Sweden made it possible to finalise the sale successfully in December 2025. The sale of our Halmstad warehouse and the release of the proceeds from the sale of our warehouse in Duiven in the Netherlands, in Q4 2024 were the primary reasons for the disposal of property, plant and equipment amounted to DKK 206m (DKK 61m). In 2024, the sale of our warehouse in Örebro had a positive impact of DKK 61m.

The acquisition of businesses of DKK -311m (DKK -10m) relates primarily to the acquisition of Sonepar Norge in 2025.

Cash flow from financing activities amounted to DKK -85m (DKK -255m). Repayment of existing loans amounted to DKK -111m (DKK -9m) while raising of non-current interest-bearing liabilities of DKK 250m (DKK 100m) and the issuance of new shares with net proceeds of DKK 120m were primarily used to finance the acquisition of Sonepar Norge. In addition, changes in current interest-bearing

liabilities were affected by DKK -78m (DKK 11m) and dividend distribution by DKK 110m (DKK 219m).

As a result, total cash flow amounted to DKK -326m (DKK 18m).

Net interest-bearing liabilities amounted to DKK 1,625m (DKK 1,232). By the end of 2025, gearing was 3.2 (1.9) times EBITDA, which is above our gearing target of 1.0-3.0 times EBITDA, primarily due to the acquisition of Sonepar Norge.

By the end of 2025, Solar had undrawn credit facilities of DKK 1,134m (DKK 1,028m).

Invested capital

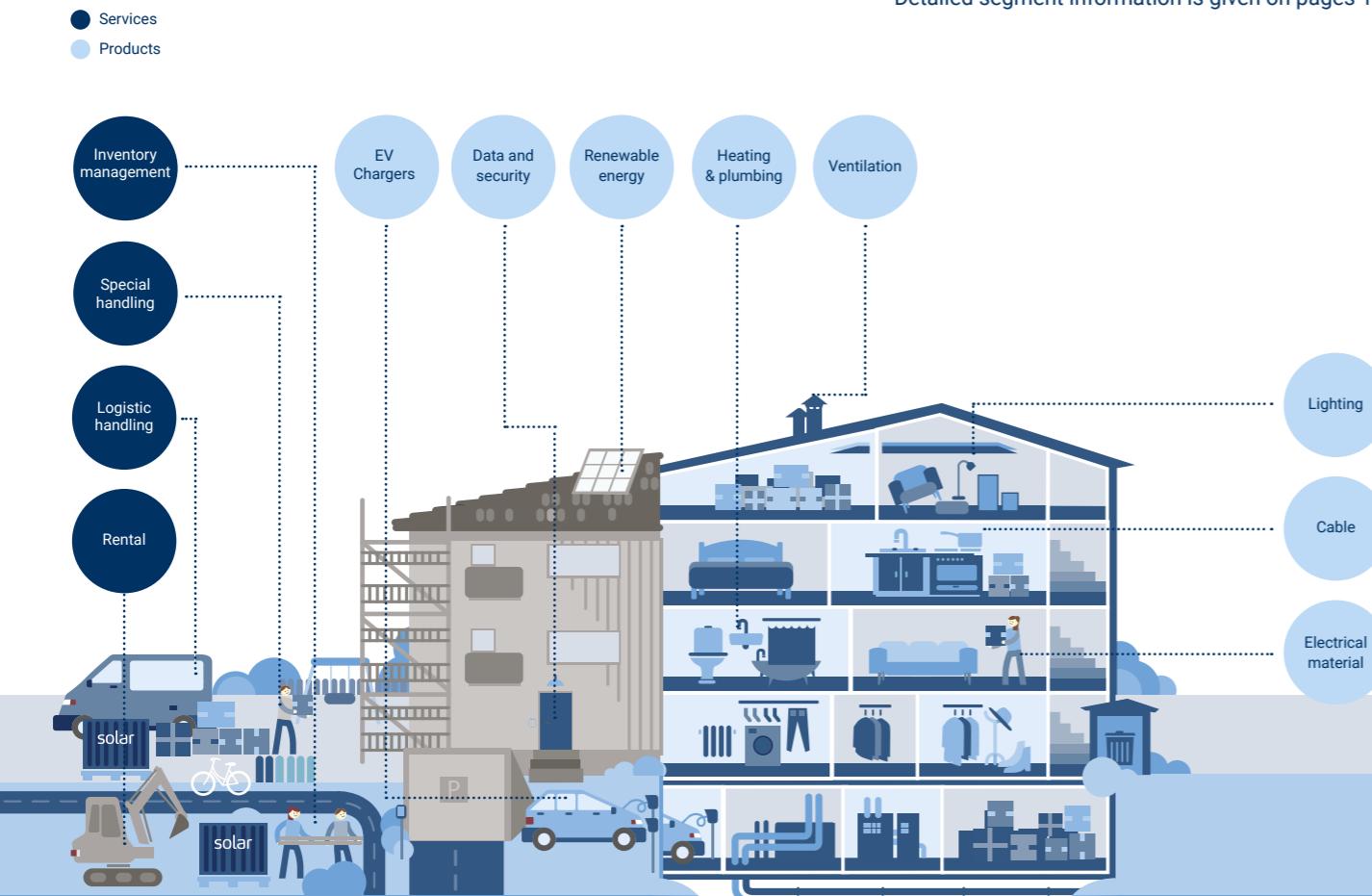
Solar Group's invested capital totalled DKK 3,608m (DKK 3,089m) impacted by the acquisition of Sonepar Norge. ROIC calculated over the past 12 months amounted to 3.0% (8.3%).

Activities with a Solar equity interest of less than 50% and activities attributable to non-controlling interests are not included in the ROIC calculation. Invested capital includes operating assets and liabilities only.



Installation

(Data shown in brackets relate to 2024)



Today's installers require more than just a product

Our installation customers range from sole installation contractors to large installation companies. Irrespective of their size, they value both our expertise and our extensive range, which covers electrical, heating & plumbing installations as well as climate & energy products.

Installation revenue totalled DKK 6,748m (DKK 6,722m), which corresponds to overall adjusted organic growth of around -0.6% (-8.0%). Solar Danmark and Solar Polska posted positive growth while negative growth was seen in all other main markets.

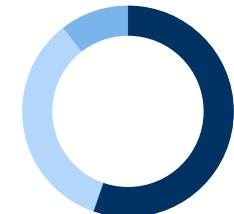
Segment profit* amounted to DKK 477m (DKK 545m) which corresponds to a segment profit margin of 7.1% (8.1%).

Detailed segment information is given on pages 115-116.

2025 Segment revenue

DKKm

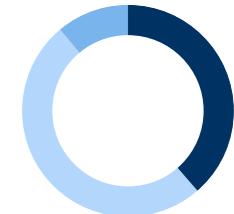
● Installation	6,748
● Industry	4,171
● Trade	1,252



2025 Segment profit

DKKm

● Installation	477
● Industry	616
● Trade	135



* Segment profit does not include non-allocated costs, which cover income and costs related to joint group functions and to costs which cannot be reliably allocated to the individual segment.

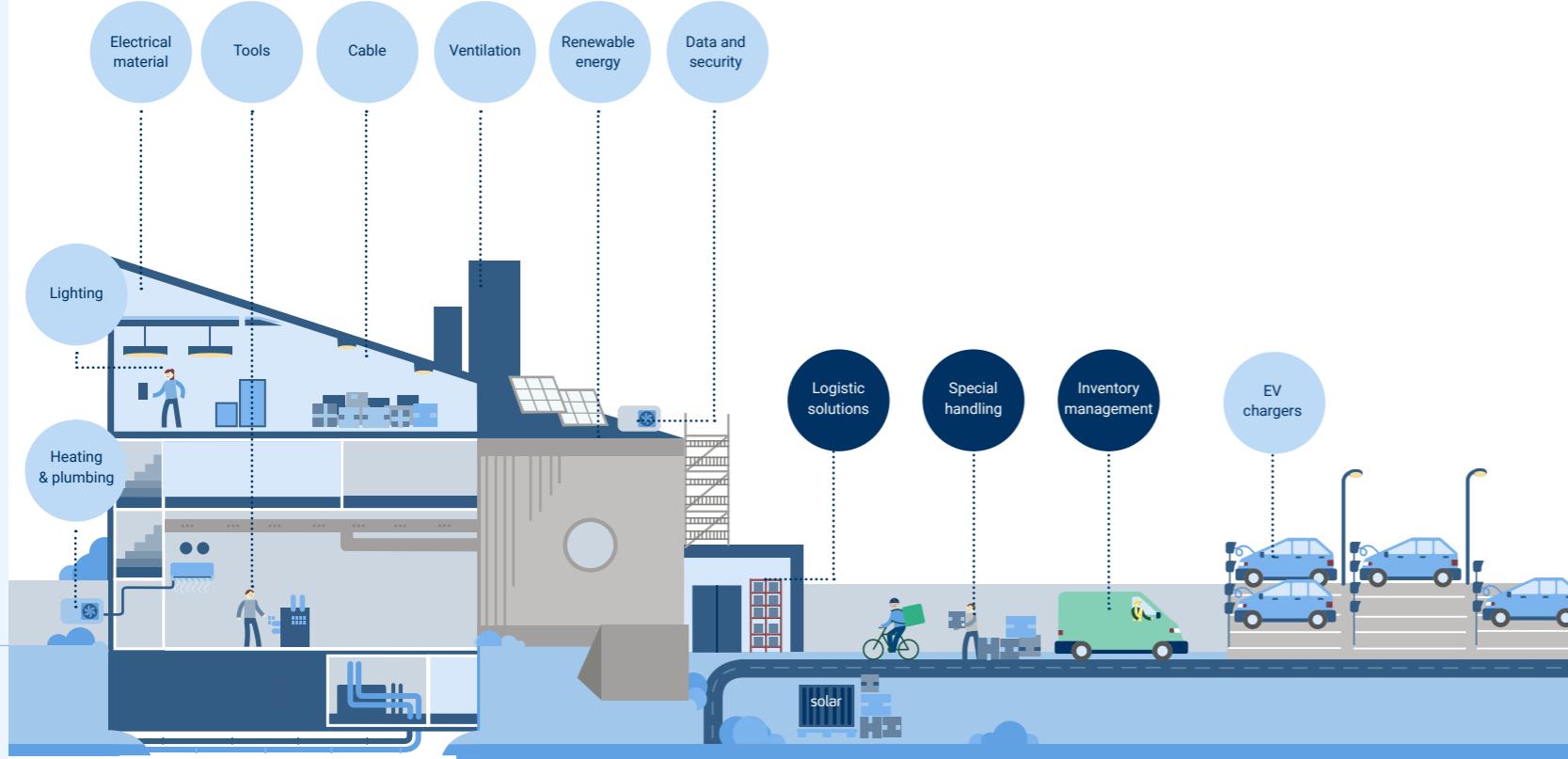


Segment performance

Industry

(Data shown in brackets relate to 2024)

- Services
- Products



Expertise and insight create value for our industry customers

Our Industry customers cover the following sub-segments: OEM (Original Equipment Manufacturers), MRO (Maintenance, Repair & Operations), Infrastructure and Offshore & Marine. They all share one common factor in that they rely on our insight and ability to deliver the right products at the right time.

Industry revenue amounted to DKK 4,171m (DKK 4,336m). This corresponds to overall adjusted organic growth of around -3.6% (-4.0%). Solar Norge, Solar Sverige and Solar Polska posted solid growth while other main markets and MAG45 posted negative growth.

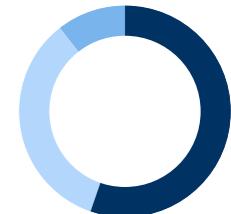
Segment profit* amounted to DKK 616m (DKK 669m), which corresponds to a segment profit margin of 14.8% (15.4%).

Detailed segment information is given on pages 115-116.

2025 Segment revenue

DKKm

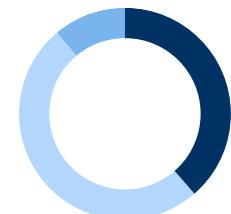
● Installation	6,748
● Industry	4,171
● Trade	1,252



2025 Segment profit

DKKm

● Installation	477
● Industry	616
● Trade	135

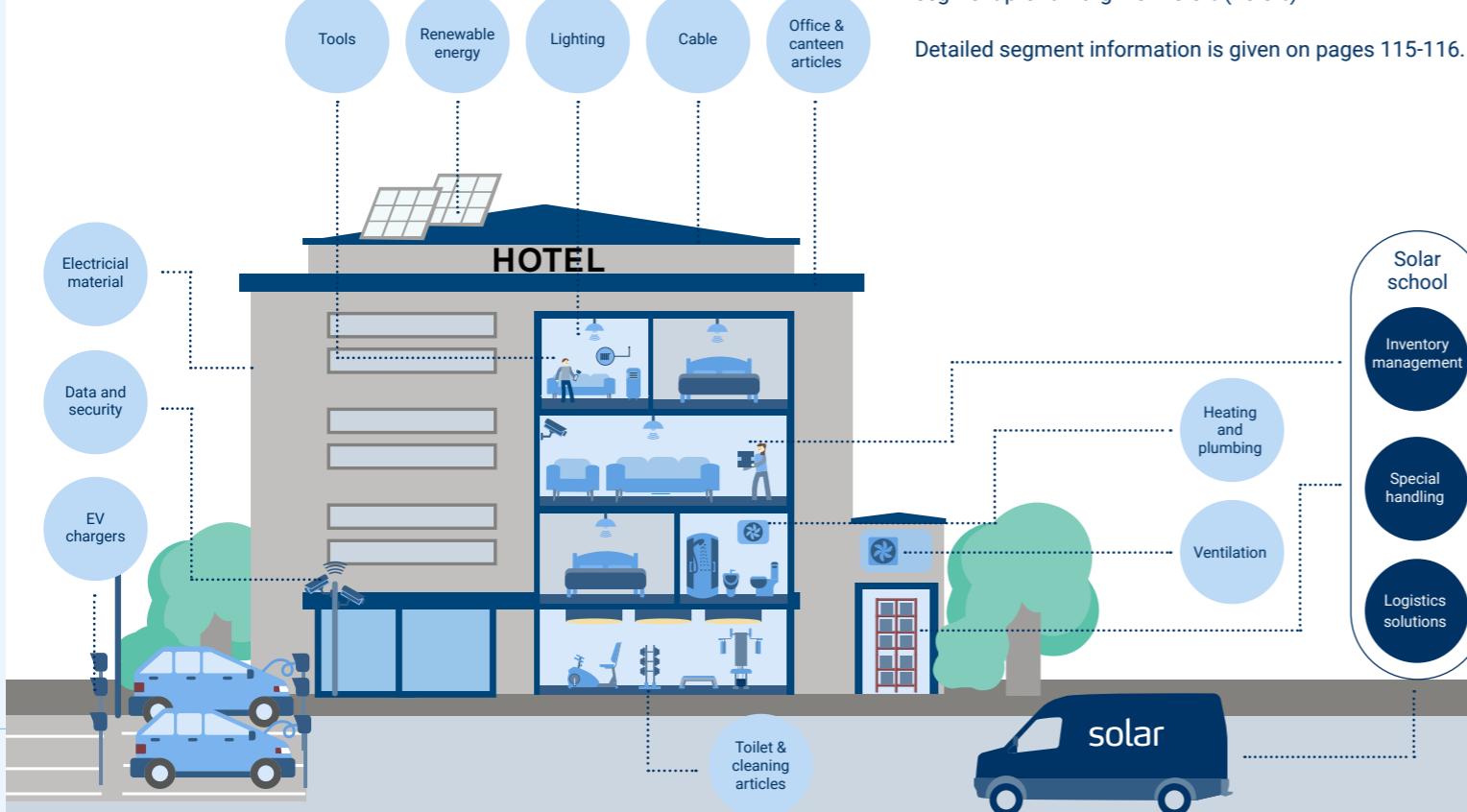


* Segment profit does not include non-allocated costs, which cover income and costs related to joint group functions and to costs which cannot be reliably allocated to the individual segment.

Trade

(Data shown in brackets relate to 2024)

● Services
● Products



Dedicated local teams support Trade customers with specialised services

Our trade customers' requirements and buying preferences differ from those of our Installation and Industry segments. Each of our segments comprises unique services. For Trade, these include storage solutions, logistics and shelf cleaning for DIY shops. Such services and solutions support our Trade customers in their daily business and allow them to focus on what they do best. We prioritise the ongoing development of our Trade services by engaging with our customers.

Revenue from Trade amounted to DKK 1,252m (DKK 1,165m), which corresponds to overall adjusted organic growth of 7.6% (-6.3%). Organic growth was positively impacted by Solar Polaris' deliveries to a major solar park project. When adjusted for Solar Polaris' deliveries, organic growth amounted to approx. -3.4%.

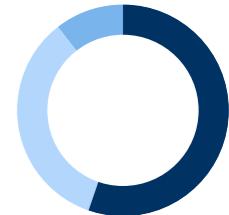
Segment profit* amounted to DKK 135m (DKK 120m), which corresponds to a segment profit margin of 10.8% (10.3%).

Detailed segment information is given on pages 115-116.

2025 Segment revenue

DKKm

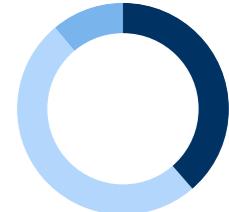
● Installation	6,748
● Industry	4,171
● Trade	1,252



2025 Segment profit

DKKm

● Installation	477
● Industry	616
● Trade	135



* Segment profit does not include non-allocated costs, which cover income and costs related to joint group functions and to costs which cannot be reliably allocated to the individual segment.

Corporate governance

- 30 Governance framework
- 35 Board of Directors
- 37 Executive Board
- 38 Shareholder information

Anna Stranne
Communication Lead,
Solar Sverige

She began as an Internal Communicator and has since advanced to her current role. Over the more than three years at Solar, she has built strong communication expertise and is dedicated to delivering clear, consistent messaging that keeps employees and customers informed and engaged.



The administrative, management and supervisory bodies

Solar operates under a two-tier governance structure. The Board of Directors serves as the first tier, and the Executive Board forms the second tier. Together, these bodies constitute Solar's administrative, management, and supervisory bodies.

Composition and diversity

The Board of Directors consists of nine non-executive members, six of whom are elected by the Annual General Meeting and three by Solar's employees. All members elected at the Annual General Meeting stand for election annually, while employee-elected members serve four-year terms.

The Executive Board comprises two executive members, the CEO and the CFO. Together, they form the executive part of Solar's administrative, management, and supervisory bodies.

Details on the relevant experience and qualifications of the nine members of the Board of Directors are provided on page 35.

The Board of Directors is committed to promoting equal gender representation while maintaining a broad range of skills and experience. Solar aims to ensure that women are

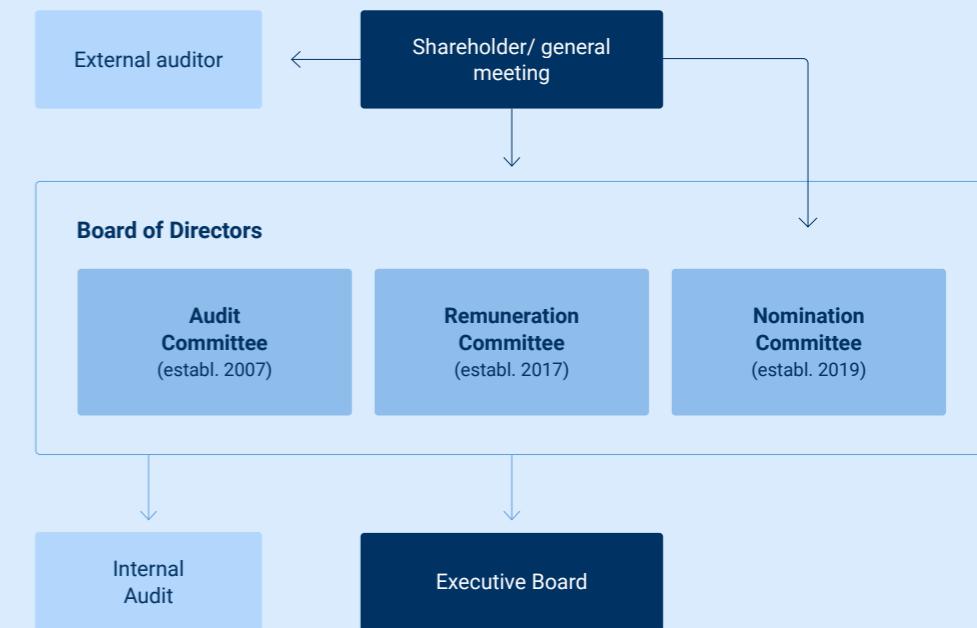
not underrepresented in its administrative, management, and supervisory bodies.

In accordance with ESRS2 GOV-1, Solar has three female members, 27.3%, and eight male members, 72.7%, across these bodies, resulting in an average gender ratio of 0.38. Among the six board members elected by the Annual General Meeting, two are women, 33.3%. One, 33.3%, of the three employee-elected board members is also female. Under the Danish Gender Balance Act, this composition is considered an even distribution within each group.

As of now, the Executive Board has no, 0%, female members. There are currently no plans to expand the Executive Board. However, should such a decision be made, the selection of candidates will follow the same principles and procedures applied to the appointment of board members, including a focus on diversity and equal opportunity.

In accordance with the definitions set out in ESRS and corporate governance guidelines, Peter Bang, Morten Chrone, Louise Knauer Baroudy, and Michael Troensegaard Andersen are considered independent members of the Board of Directors. Jesper Dalsgaard and Katrine Borum are affiliated with Fonden af 20. December, Solar's majority shareholder. The three employee-elected board members have a contractual relationship with Solar, which does not qualify as independence under the relevant standards. Independent board members represent 44.4% of the total Board composition, and 66.7% of the members elected by the Annual General Meeting.

Corporate governance structure



See Charters for:

Audit Committee

Remuneration Committee

Nomination Committee

Roles and responsibilities

The Board of Directors and the Executive Board share responsibility for the overall and strategic management of the Solar Group.

The Board of Directors has established three committees to support its work. The Nomination Committee includes a representative from Solar's majority shareholder, Fonden af 20. December, along with three members of the Board of Directors, including the Chair. Members of the Remuneration Committee and the Audit Committee are appointed by, and from among, the members of the Board of Directors.

In 2025, Peter Bang, Michael Troensegaard Andersen and Louise Knauer Baroudy were re-elected to the Audit Committee, with Peter Bang continuing as Chair. Both he and Michael Troensegaard Andersen possess special accountancy qualifications.

The Remuneration Committee was also re-elected, comprising Morten Chrone, Louise Knauer Baroudy, and the Chair of the Board of Directors, Michael Troensegaard Andersen, who also chairs this committee.

The Board of Directors is responsible for defining the company's strategy and making decisions on major investments and divestments, the capital base, key policies, control and audit matters, risk management, and other significant operational issues. These responsibilities are outlined in the Board of Directors' Rules of Procedure, which also include oversight of sustainability and other non-financial matters.

In relation to sustainability, the Board of Directors monitors and approves reporting in accordance with CSRD and ESRS. It sets sustainability targets, approves policies and oversees the management of material impacts, risks, and opportunities (IRO). The Audit Committee prepares and recommends proposals on these matters to the Board of Directors.

The Executive Board is responsible for preparing Solar's sustainability reporting in line with CSRD and ESRS, proposing sustainability targets, sustainability policies, and managing the materiality of IRO.

Solar's approach to risk management and sustainability governance is structured according to the three lines of defence model. This framework clarifies roles and responsibilities, decision-making processes, and control mechanisms to ensure effective governance. Further details are provided in the section on risk management and internal controls for sustainability reporting on next page.

Skills and Expertise

To fulfil its management responsibilities, the Board of Directors annually assesses the competencies required for the strategic leadership of Solar A/S. This includes expertise in sustainability and the green transition.

Collectively, the Board of Directors and the Executive Board possess deep knowledge of Solar's markets, segments, products, value chain, strategy, and business model, as well as the related IRO.

Several members bring specific sustainability expertise to the Board of Directors. Vice Chair Jesper Dalsgaard, formerly Managing Director of Environment & Health at Rambøll Group, has extensive experience in sustainability. Chair of the Board of Directors Michael Troensegaard Andersen, previously CEO of H+H, and Peter Bang, Chair of the Audit Committee and former CFO at Velux and current CFO of Salling Group, both contribute substantial sustainability insight gained through their executive roles. Additionally, employee-elected board member Denise Goldby, Head of Sustainability at Solar Danmark, completed her Executive MBA in 2024 with a focus on corporate governance and sustainability.

On the Executive Board, CFO Michael H. Jeppesen is a State Authorised Public Accountant and qualified as a

Sustainability Accountant in 2024, further strengthening the company's sustainability competencies at the executive level.

Information provided to and sustainability matters addressed by our administrative, management and supervisory bodies

In 2023–2024, Solar prepared for the CSRD and ESRS requirements. As part of this, we implemented due diligence processes with a focus on the Double Materiality Assessment (DMA) and IRO. The purpose of the due diligence process is to ensure that Solar could effectively identify, assess, and manage material sustainability-related IRO. This process is embedded in our governance framework and supports informed decision-making.

To identify and prioritise sustainability IRO, Solar conducted a materiality assessment. This included stakeholder engagement and consideration of both internal and

external factors. We also carried out a comprehensive risk assessment to evaluate the likelihood and potential impact of identified risks, using both qualitative and quantitative methods.

In 2025, Solar's Executive Board and Head of Sustainability reviewed and updated the DMA. In addition, the "Quick Fix" Delegated Regulation - extending ESRS phase-in reliefs for Wave 1 undertakings - was reviewed and implemented. Further details are provided in the section General basis for preparation on page 51. Following recommendations from the Audit Committee, the reviewed DMA and changes to disclosures due to the "Quick Fix" Regulation was subsequently approved by the Board of Directors.

From previous presentations by Solar's Head of Sustainability and an external partner, the Board of Directors and the Executive Board are aware of the methodology, process, progress and performance for CSRD, ESRS, DMA, IRO and targets. Our DMA and IRO are included on page 45-50 and have all been presented and addressed by the Audit Committee and the Board of Directors.

Meeting attendance in 2025

Board member	Board meetings	Board conference	Audit Committee	Remuneration Committee
Michael Troensegaard Andersen	11	1	5	2
Jesper Dalsgaard	11	1	-	-
Peter Bang	11	1	5	-
Louise Knauer Baroudy	11	1	5	2
Katrine Borum	11	1	-	-
Morten Chrone	10	1	-	2
Denise Goldby	11	1	-	-
Rune Jesper Nielsen	11	1	-	-
Michael Kærsgaard Ravn	11	1	-	-

Sustainability matters and IRO are embedded in Solar's Solve strategy. When making major investments or initiating key projects, Solar assesses sustainability-related impacts, risks, and opportunities as a standard practice in the decision-making process.

From 2025, the annual cycle for the Board of Directors and for the Audit Committee includes addressing material sustainability matters at every ordinary meeting while the due diligence process is evaluated annually to reflect changes in the operating environment, stakeholder expectations, and regulatory requirements. In 2025, eleven board meetings and one board conference were held, driven in part by the acquisition of Sonepar Norge and the decision to increase share capital through the issuance of new B shares. The Audit Committee held five meetings.

In 2026, Solar plans to conduct a review of our DMA as part of the broader process of updating our strategy. In addition, an assessment of our disclosures will be carried out considering the Omnibus amendments to ESRS.

The Sustainability Steering Committee, which monitors the progress of Solar's sustainability targets, meets regularly. See matrix on sustainability due diligence statement on page 93.

Risk management and internal controls over sustainability reporting

Solar's risk management, sustainability processes, procedures and controls are organised according to the three lines of defence model which demonstrates and structures roles, responsibilities for managing IRO, decision-making and control to achieve effective governance.

The first line of defence are those responsible for implementing the sustainability targets, policies, procedures and processes in their area.

The second line of defence is the Sustainability Steering Committee established by the Executive Board. The

Sustainability Steering Committee is chaired by CFO Michael H. Jeppesen and comprises four members of senior management and the Head of Sustainability. It is the Sustainability Steering Committee's duty to advise the Executive Board on overall sustainability ambitions and direction, to oversee relevant regulations, policies and framework, and monitor progress towards Solar's sustainability targets. The Sustainability Steering Committee is obliged to meet 2-4 times a year.

The third line of defence is Solar's Internal Audit team who test, validate and assess the efficiency of our sustainability processes.

We have implemented internal control systems to identify and mitigate risks related to both financial and sustainability reporting. This includes setting targets, policies, manuals, procedures, and internal controls. We continuously monitor and optimise our financial and sustainability reporting processes and controls as needed.

Each year, we conduct a risk assessment to identify potential material misstatements in financial and sustainability reporting, considering factors such as materiality, process complexity, and the likelihood of errors and omissions.

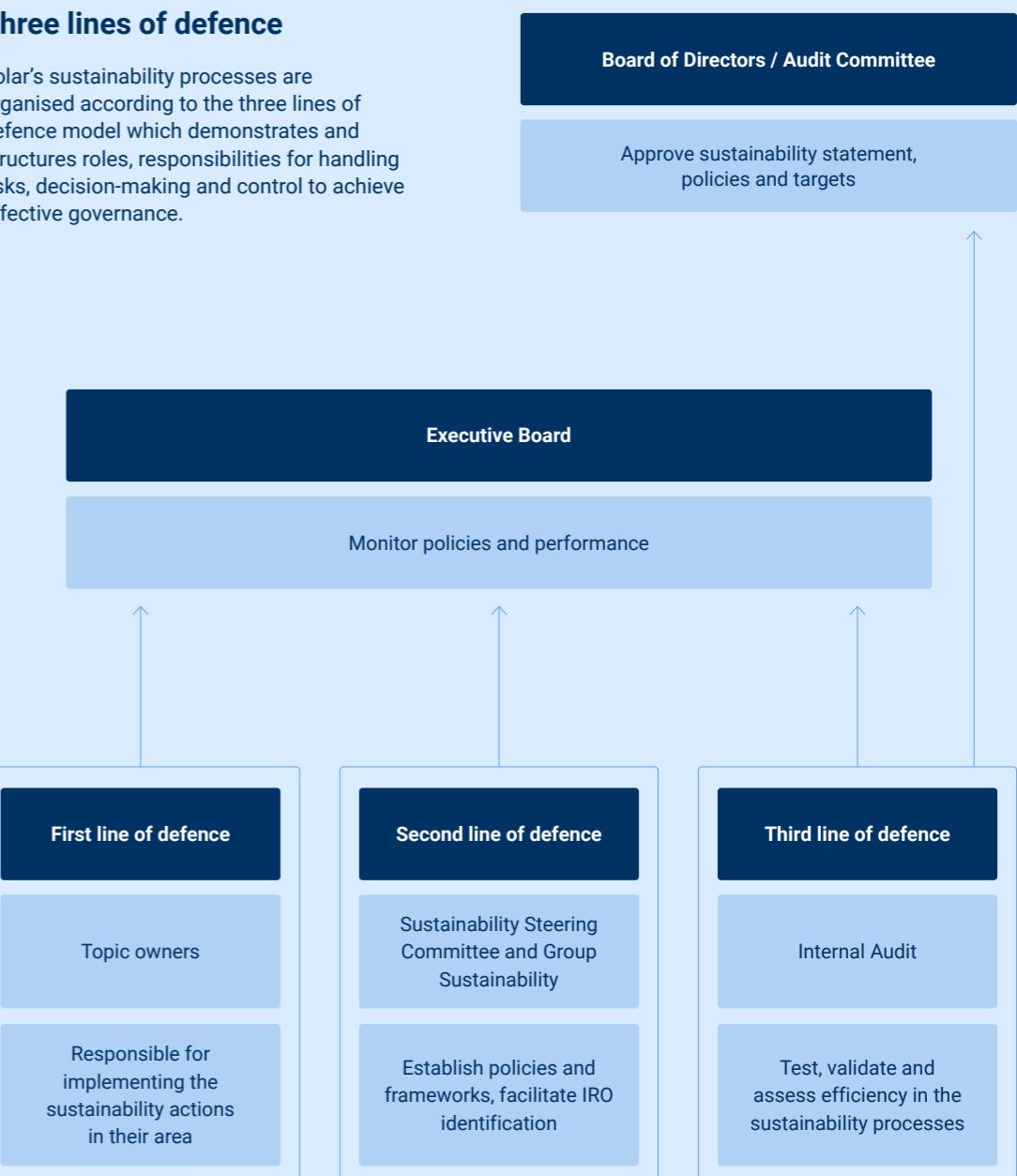
In relation to our sustainability reporting, in 2025 we evaluated processes in all material areas, reassessed existing controls, and identified additional necessary controls. Internal Audit continuously monitor and test these internal controls to ensure the efficiency of our sustainability processes.

We have established consistent governance for both financial and sustainability reporting. The Audit Committee oversees our reporting processes, including reviewing risk assessments, internal controls, and their effectiveness.

Our financial reports are audited by an independent audit firm elected at the annual general meeting, while our sustainability data undergoes limited assurance by the same auditor. Any observations from both Internal Audit

Three lines of defence

Solar's sustainability processes are organised according to the three lines of defence model which demonstrates and structures roles, responsibilities for handling risks, decision-making and control to achieve effective governance.



and the external auditor's reports and management letter are addressed through action plans with assigned responsibilities and deadlines, which we regularly review and follow up on.

In addition, see page 52, double materiality assessment (DMA) for our DMA methodology and processes, including IRO assessment.

Integration of sustainability-related performance in incentive schemes

Members of the Executive Board are entitled to an annual remuneration in accordance with the remuneration policy, which may consist of the following fixed and variable remuneration components:

- a fixed remuneration
- employee benefits
- variable remuneration, including non-share-based incentives to optimise the Executive Board's incentive in the short and/or long term
- share-based incentives to optimise the Executive Board's incentive in the long term, and
- extraordinary incentives that can be both share-based and non-share-based.

Composition and diversity metrics

	Unit	2025	2024
Executive members	Headcount	2	2
Non-executive members	Headcount	9	9
Female members of administrative, management and supervisory bodies	%	27.3	27.3
Board's gender diversity ratio	Times	0.38	0.38
Independent board members	%	44.4	44.4

Integration of sustainability-related performance in incentive schemes metrics

	Unit	2025	2024
Variable remuneration dependent on sustainability-related targets and (or) impacts	%	7-15	7-15

Accounting policies

Executive members

The executive members of the administrative, management and supervisory bodies are the members of The Executive Board in Solar A/S.

Non-executive members

The nine members of the Board of Directors are the non-executive members of the administrative, management and supervisory bodies.

Gender diversity, administrative, management and supervisory bodies

Gender diversity in administrative, management and supervisory bodies is expressed as a percentage and as an average ratio.

The gender diversity in percentage is the total number of female members of the Board of Directors and the Executive Board to the total number of all members of the Board of Directors and the Executive Board.

The gender diversity average ratio is calculated as total number of female members of the Board of Directors and the Executive Board to total number of male members of the Board of Directors and the Executive Board.

Independent board member

Board members that exercise independent judgment free from any external influence or conflicts of interest. Independence generally means the exercise of objective, unfettered judgement. When used as the measure by which to judge the appearance of independence, or to categorise a non-executive member of the administrative, management and supervisory bodies or their committees as independent, it means the absence of an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making.

Percentage of independent board members

As Solar has a two tiers governance system, the percentage of independent board members are the independent board members in the Board of Directors to the total number of members of the Board of Directors.

Proportion of variable remuneration dependent on sustainability-related targets and (or) impacts.

Proportion of variable remuneration dependent on sustainability-related targets and (or) impacts is the annual variable remuneration dependent on sustainability-related targets and (or) impacts for the Executive Board to the total annual variable remuneration for the Executive Board.

scope 1 and 2 targets on 65% reduction by 2026 compared to baseline 2020. The share of total variable expense for the year is 3.5% (1.4%) and share of total expensed for the year is 1.1% (0.5%).

Negotiations regarding changes to the Executive Board's remuneration are conducted by the Remuneration Committee with a mandate from the Board of Directors.

There are no incentive schemes for the members of the Board of Directors.

Corporate governance

As a listed company, Solar must provide a statement on how the Corporate Governance recommendations issued by the Danish Committee on Corporate Governance are addressed. Solar complies with 39 of the 40 recommendations but deviates from recommendation 4.1.3. Recommendation on the variable part of remuneration. As Solar applies a simple model for the allocation of variable remuneration, the Board of Directors does not deem it relevant to assess the value of this under different scenarios.

Evaluation

During H2 2025, an externally facilitated board evaluation process was conducted among others covering the cooperation between the Board of Directors and the Executive Board, the Chair's role, the work of the Board and Board Committees and an assessment of the Board capabilities relative to those that best support Solar's strategy.

All members of the Board of Directors participated in the evaluation and provided input via questionnaires and interviews, which formed the basis of an evaluation report. The 2025 evaluation was shared with the Nomination Committee, which concluded that the Board of Directors matches Solar's current needs for industry, functional and managerial qualifications and experience. To further strengthen the Board's international and industry qualifications, the Nomination Committee will propose a temporary extension of the Board of Directors at the upcoming Annual General Meeting.

See our:



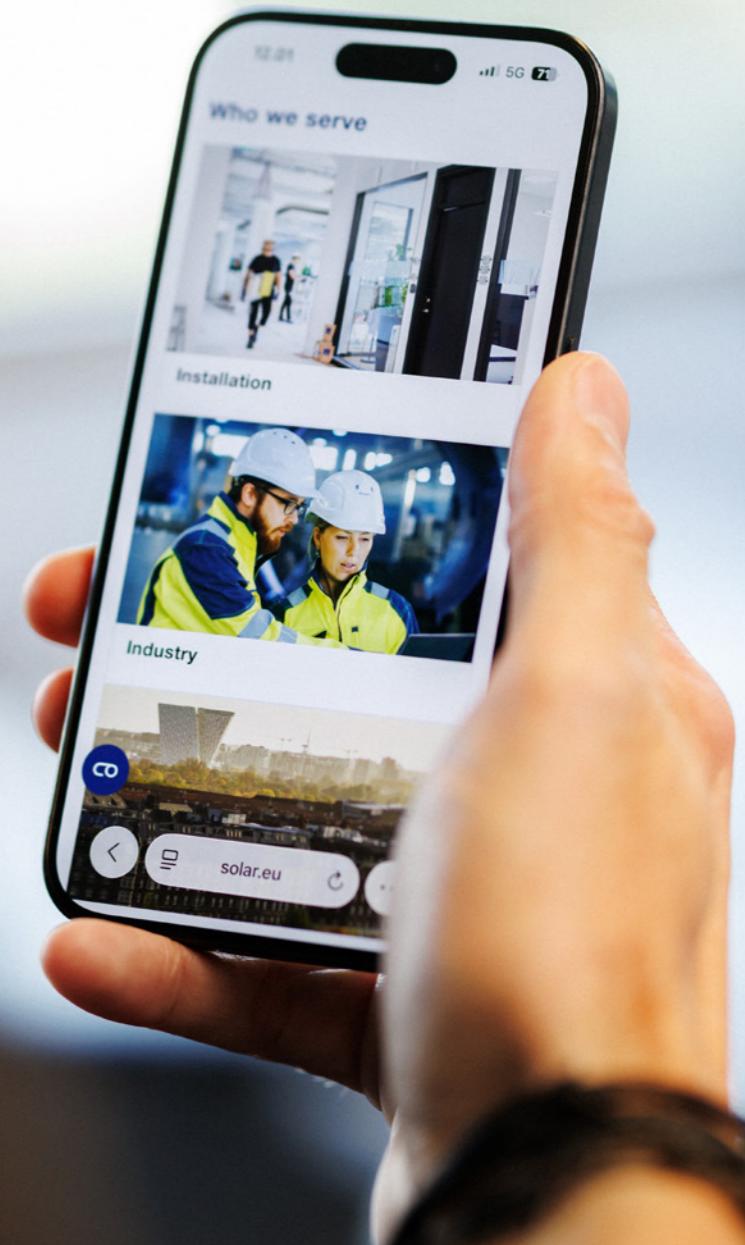
Statutory report

→ www.solar.eu/legal/



Full description of corporate governance

→ www.solar.eu/corporategovernance/



Board of Directors



Michael Troensegaard Andersen

Born 1961 **Joined** 2021
Chair

- Master of Science in Mechanical Engineering from Denmark's Technical University (1987) and a Graduate Diploma in Business Administration (Financial and Management Accounting) from Copenhagen Business School (1988).
- Chair of the Board of Directors of Shark Solutions A/S and member of the board of directors of HusCompagniet A/S.
- Possesses experience as CEO in listed companies and of strategic, structural and organisational transformation, sustainability and green transition, together with in-depth knowledge of the European Building and Building Material Industry.
- Remuneration 2025: DKK 1,005,000.
- Holds 2,174 Solar B shares. Did not trade Solar shares in 2025.



Jesper Dalsgaard Jensen

Born 1968 **Joined** 2017
Vice Chair

- Partner, Executive Capital.
- M.Sc. in Law and Business Administration 1993.
- Member of the board of directors of Fonden af 20. December, Mannaz A/S and Fremsyn Group A/S.
- Possesses executive management experience of companies managed by foundations and companies within the construction and the logistics industries, and has experience within strategy, business development, mergers & acquisitions together with in-depth knowledge and experience within sustainability, circular economy and the green transition.
- Remuneration 2025: DKK 555,000.
- Holds 2,300 Solar B shares of which 750 shares were acquired in 2025.



Peter Bang

Born 1969 **Joined** 2018

- CFO, Salling Group.
- Cand.oeccon. 1994 from Aarhus University, specialising in business economics and financing.
- Board Member Skagenfood A/S.
- Managing Director, Netto Supermarkt GmbH
- Chair of the board of directors of Dansk Netto Deutschland ApS.
- Experience within construction, climate/ energy, sustainability, digitalisation, retail, as well as finance and performance management.
- Remuneration 2025: DKK 540,000.
- Holds 1,200 Solar B shares. Did not trade Solar shares in 2025.



Louise Knauer Baroudy

Born 1983 **Joined** 2017

- CED of Lady Invest ApS.
- BSc in business administration and commercial law, 2006, and MSc in finance and strategic management, 2008.
- Member of the boards of directors of NTG Nordic Transport Group A/S, FERM LIVING ApS, Skako A/S, Rekom Group Holding ApS and two associated companies hereof.
- Possesses experience as CEO and member of executive committees of listed and family-owned companies. Has experience within strategy, M&A, organisational development, and company turnarounds. In addition, expertise within tech, innovation, digitisation, data/AI/ML and cyber security.
- Remuneration 2025: DKK 470,000.
- Holds 381 Solar B shares. Did not trade Solar shares in 2025.



Katrine Borum

Born 1981 **Joined** 2022

- Leading Physician and Head of Education at the Orthopedic Department, Nordsjællands Hospital.
- Cand.med., University of Copenhagen 2010, Orthopedic specialist, 2021.
- Board member and Head of Education in the Danish Orthopedic Society.
- As a leading physician she has staff responsibility, good collaboration skills, ensures diversity among staff, creates competence development for junior doctors and other professional groups.
- Remuneration 2025: DKK 395,000.
- Holds 42,723 Solar B shares. Did not trade Solar shares in 2025.

Board of Directors



Morten Chrone

Born 1966 **Joined** 2019

- CEO, Nordstern ApS.
- MBA 2001 and B.Eng. in Civil and Constructional Engineering 1994.
- CEO of Mads ApS.
- Has held management positions within the construction industry/wholesale business in Denmark and abroad for the past 25 years and has significant knowledge of Solar's core business and the markets we operate in.
- Remuneration 2025: DKK 410,000.
- Holds 712 Solar B shares. Did not trade Solar shares in 2025.



Denise Goldby

Born 1987 **Joined** 2022

Employee-elected member

- Head of Sustainability, Solar Danmark.
- Executive MBA with focus on corporate governance and sustainability, CBS (2024).
- Graduate Diploma in Business Administration (Organisation and Management), CBS (2018).
- Experience in the operations of a sourcing and services company as previously Head of Solar's Copenhagen and Amager customer centres.
- Knowledge and experience in the green transition, stakeholder engagement, and implementing innovative solutions to drive business growth and operational efficiency.
- Remuneration 2025: DKK 380,000.
- Holds 25 Solar B shares. Did not trade Solar shares in 2025.



Rune Jesper Nielsen

Born 1971 **Joined** 2022

Employee-elected member

- Warehouse employee.
- Possesses experience within daily operation of a sourcing and services company and managing teams from being employed at Warehouse Vejen for many years.
- Remuneration 2025: DKK 380,000.
- Holds no Solar shares. Did not trade shares in 2025.



Michael Kærgaard Ravn

Born 1971 **Joined** 2022

Employee-elected member

- Account Manager, Industry OEM.
- Possesses knowledge and experience of the industry segment and the operation of a sourcing and services company from being Account Manager, Industry OEM at Solar Danmark for many years.
- Remuneration 2025: DKK 380,000.
- Holds 123 Solar B shares. Did not trade Solar shares in 2025.

Executive Board



Jens E. Andersen

Born 1968
CEO

- Experience as CEO in International and Danish companies together with experience within strategy, leadership, and transformation of organisations. In-depth knowledge of the European Wholesale industry.
- Chair of the boards of directors of 7 Solar Group subsidiaries.
- Member of the board of directors of VELTEK.
- Holds 10,664 Solar B shares. Did not trade Solar shares in 2025.
- Holds 3,650 restricted share units and 23,149 performance share units. 13,752 performance share units were granted in 2025. 85 restricted share units were granted and 3,089 were settled in 2025.
- Remuneration 2025: DKK 10.3m.



Michael H. Jeppesen

Born 1966
CFO

- Master of science in Business Economics and Auditing (1990), State Authorised Public Accountant, E-MBA, certified sustainability accountant.
- Experience within strategy, financing, digitalization, mergers & acquisitions, and investor relations together with in-depth knowledge on reporting (IFRS/CSRD) for listed companies.
- Member of the boards of directors of all Solar Group subsidiaries.
- Member of the board of directors of Aktieselskabet Sønder Omme Plantage.
- Holds 4,080 Solar B shares. Did not trade Solar shares in 2025.
- Holds 2,037 restricted share units and 13,891 performance share units. 8,252 performance share units were granted in 2025. 47 restricted share units were granted and 1,730 were settled in 2025.
- Remuneration 2025: DKK 6.3m.



Shareholder information

In 2025, we had around 13,000 shareholders. Once again, this year, we reaffirm our commitment to transparency and inclusivity by actively involving private investors in our quarterly calls and investor visits.

Investor relations policy

We strive to maintain an open dialogue with investors and to provide them with accurate and adequate information for making reasoned investment decisions about Solar's shares. We ensure all investors are given fair and equal access to information by publishing relevant information via Nasdaq Copenhagen. We participate in conferences, arrange roadshows and organise meetings with investors and financial analysts following the publication of quarterly and annual reports. Investor meetings and similar events cannot be held during our quiet period, which starts on 1 January, 1 April, 1 July and 1 October and ends with the publication of the quarterly or annual report.

The Solar share price development

On 31 December 2025, the price of Solar's B share was DKK 202.00 down from the 2025 starting price of DKK 299.50.

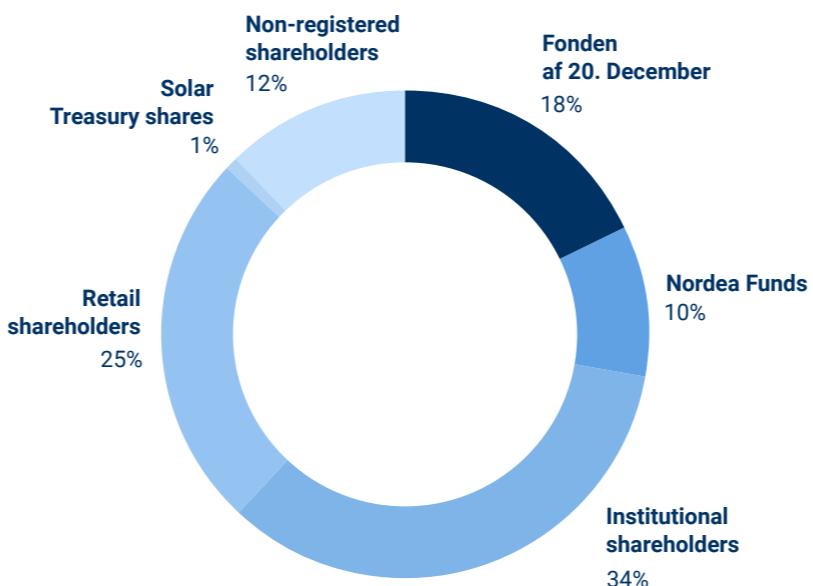
Dividends

In 2025, we paid an ordinary dividend of DKK 15.00 per share, resulting in a total dividend payment of DKK 110m to our shareholders.

Sonepar Norge was acquired for a net consideration of DKK 309m in 2025. The transaction was financed through a combination of one-third equity raised via an accelerated bookbuilding and two-thirds debt financing provided by Danske Bank and Nordea. The total investment in our new logistics centre in Kumla, Sweden, is expected to amount to approx. DKK 600m. As Solar continually invests in business development and long-term growth, the Board proposes no dividend payment for the 2025 financial year.

Shareholder capital structure

As of 31 December 2025 (%)



The graph illustrates the distribution of the Solar A/S shareholders across different shareholder categories, including institutional investors, retail investors, major shareholders and treasury shares. The distribution is based on shareholdings as of 31 December 2025.

Shareholder with more than 5% of share or votes

Shareholders according to section 55 of the Danish Companies Act	Share Capital	Votes
Fonden af 20. December, Vejen, Denmark	17.8%	59.1%
Nordea Funds Ltd., Helsinki, Finland	9.9%	4.9%

The Solar share

	A share	B share
Shares	900,000	7,106,000
Nominal value (DKK)	100	100
Votes per share	10	1
Treasury shares ¹	-	56,813
Stock Exchange	- Nasdaq Copenhagen Stock Exchange	
Ticker symbol	Solar B	
Share price year-end (DKK)	202.00	202.00
Market Cap year-end (DKK)	182	1,435

1) See note 4.2, treasury shares



Annual General Meeting

Solar's Annual General Meeting will be held on Friday 13 March 2026 at 11:00.

Shareholders can register for the Annual General Meeting at the investor portal accessible via:

 www.solar.eu

The Board of Directors will submit the following items for approval by the Annual General Meeting:

- No payment of dividend for 2025.
- Authority to potentially pass a resolution to distribute extraordinary dividends of up to DKK 50.00 per share during 2026.
- Authority to acquire treasury shares valued at up to 10% of share capital.
- Authority to increase the B share capital with nominal DKK 71,060,000 equal to 10% of the B share capital for a period of 2 years.
- Approval of Remuneration Report 2025.
- Approval of the Board of Directors' remuneration of unchanged DKK 200,000 in 2026 and meeting attendance fees of DKK 15,000 for physical meetings and DKK 7,500 for digital meetings in 2026.

A presentation of our Board of Directors can be found on pages 35-36.

Financial calendar 2026

5 Feb

Annual Report 2025

13 Mar

Annual General Meeting

7 Mar

Quarterly Report Q1 2026

13 Aug

Quarterly Report Q2 2026

3 Nov

Quarterly Report Q3 2026

Analysts

The following financial institutions cover the Solar share:

- DNB Carnegie
- Nordea
- SEB

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Jonas Widström
VP Operations

Jonas is responsible for establishing our new integrated Swedish logistic centre. In 2026, Jonas will focus on building the organisation and optimising processes to ensure everything is ready for operations by mid-2026.



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Julia Jönson
Drive In Salesman

Julia has been with Solar for just over a year, working as a Salesman in the Gothenburg Drive-In. Coming in without technical experience, she enjoys the constant learning and variety the job brings.



Sustainability at Solar

At Solar, we are committed to reducing our environmental footprint, fostering a workplace where our people can thrive and grow, and upholding integrity in everything we do.

We believe in a shared responsibility to manage resources and opportunities wisely - ensuring that future generations inherit a world where they can build and prosper.

Sustainability is not just a goal; it is a guiding principle for how we operate, collaborate, and create long-term value.

Sustainability is embedded in our Group strategy and operations. We are working actively to become carbon neutral in our own operations while supporting our customers in decarbonising the broader value chain, an area where we also take responsibility through our products, partnerships, and initiatives. We source energy-efficient products that meet the latest standards, partnering with suppliers who demonstrate respect for human rights, the environment, and society. Internally, we foster a diverse and inclusive workplace culture that supports the development and retention of our employees.

We operate a business model that enables us to scale efficiently in response to market dynamics. While we manage warehousing and distribution in-house, transport is carried out by third-party providers. Our value creation is driven by our skilled employees, deep industry expertise and product sourcing, modern logistics infrastructure, and strong partnerships with our customers and suppliers.

We are committed to addressing the challenges faced by our industry and customers, particularly in driving the green transition.

Our strategic focus areas

Our sustainability strategy is anchored in three core focus areas: climate impact, diversity and inclusion, and sustainable supply chain. Each area is guided by policies, actions, and targets that reflect the material sustainability impacts, risks, and opportunities relevant to our business.

We evaluate our sustainability strategy alongside the overall Group strategy and going forward, it will also be further informed by our double materiality assessment (DMA). This approach ensures that we continuously monitor and assess whether additional policies, actions, or targets are needed to effectively manage our material impacts, risks, and opportunities (IROs).

Through these efforts, we aim not only to reduce our negative impact on climate and nature but also to drive change by enabling decarbonisation and by building a resilient value chain that respects both people and the planet.

Strategic sustainability focus areas

Climate impact	Diversity and inclusion	Sustainable supply chain
Environment <p>We work to become carbon neutral in our own operations and to enable our customers to decarbonise the broader value chain. We are committed to reducing our environmental impact in our operations and across the value chain.</p>	Social <p>We foster a workplace and culture that promotes diversity and inclusion to attract, develop, and retain employees. We respect human and labour rights and are committed to ensuring a healthy and safe work environment.</p>	Social/Governance <p>We are led by a strong set of ethical standards and across the value chain. We source products from suppliers characterised by respect for human rights, the environment, and society, and implement measures promoting transparency and accountability.</p>
Material topics <ul style="list-style-type: none"> • Climate change • Pollution • Resource use and circular economy 	Material topics <ul style="list-style-type: none"> • Own workforce 	Material topics <ul style="list-style-type: none"> • Workers in the supply chain • Business Conduct
Targets <p>2026</p> <ul style="list-style-type: none"> • 65% reduction in scope 1 and 2 • 100% renewable electricity in buildings owned by Solar <p>2030</p> <ul style="list-style-type: none"> • Net-zero in scope 1 and 2 • -25% reduction in scope 3 • 100% EV fleet 	Targets <p>2026</p> <ul style="list-style-type: none"> • 25% women in senior management • 40% share of women in entry level positions 	Targets <p>2026</p> <ul style="list-style-type: none"> • 82% of our spend to have undergone risk assessment • 95% of our spend to be covered by a signed supplier code of conduct
Policies <ul style="list-style-type: none"> • Environmental Policy 	Policies <ul style="list-style-type: none"> • Human Rights Policy • Inclusion and Diversity Policy • Health, Safety and Work Environment Policy • Sustainable Procurement Policy • Integrity and Anti-corruption Policy 	Policies <ul style="list-style-type: none"> • Human Rights Policy • Integrity and Anti-corruption Policy • Sustainable Procurement Policy



Sustainability policies

Sustainability at Solar is supported by a range of policies that provides the overall framework for managing material impacts and risks within our own operations and across the value chain. These are complemented by handbooks, manuals and guidelines covering specific areas such as supplier and employee codes of conduct, labour rights, remuneration, and more.

Material policies

- Environmental Policy
- Inclusion and Diversity Policy
- Human Rights Policy
- Health, Safety and Work Environment Policy
- Sustainable Procurement Policy
- Integrity and Anti-corruption Policy





Engaging with stakeholders

As a European sourcing and services company, we engage with a broad range of stakeholders who are essential to achieving our long-term goals. Understanding their views and expectations is key to delivering on our strategy and creating long-term value.

Engaging with affected stakeholders helps us understand the issues that matter most to them, and our stakeholders also provide valuable insight into trends and changes. Regular dialogue with our key stakeholders, whether individually or as a team, helps us maintain open and credible communication. The frequency varies from daily to monthly depending on the stakeholder.

We strive to ensure that views and interest of affected stakeholders regarding sustainability related matters are communicated to the Sustainability Steering Committee. The stakeholder landscape is presented to the Executive Board and Board of Directors as part of the annual report process.

The insights gained from these ongoing engagements have confirmed that, at this point in time, no changes are needed to our strategy or business model. We review our stakeholder landscape annually as part of the DMA process to ensure ongoing alignment.

Key stakeholders	How we engage	Purpose of engagement	Outcome examples
Customers	<ul style="list-style-type: none"> Customer support and guidance Skills training at Solar School Partnership programmes Events and seminars 	<ul style="list-style-type: none"> Customer loyalty Delivery on our promise To enable our customers to be productive and successful To provide sustainable products and solutions To enable our customers to run responsible businesses with a reduced carbon footprint 	<ul style="list-style-type: none"> Supply and demand alignment Development of new logistics services Adaptation to market expectations Contribution to Solar's strategic direction
Employees	<ul style="list-style-type: none"> Surveys and workplace assessments Personal development dialogues Dialogue and contact meetings with management Social events Employee-elected board members 	<ul style="list-style-type: none"> Contribution to an inclusive work culture Open and honest dialogue across organisational levels Compliance with our employee Code of Conduct Inclusion of employee views and experience Employee attraction and retention 	<ul style="list-style-type: none"> Employee handbook and guidelines Communication from management Employee and management development programmes Fair treatment and pay
Suppliers	<ul style="list-style-type: none"> Dialogue and guidance Contract negotiations Supplier due diligence Business development meetings 	<ul style="list-style-type: none"> Compliance with our supplier Code of Conduct Risk assessment due diligence Engagement with our supplier engagement programme Protection of labour and human rights To decarbonise our supplier chain 	<ul style="list-style-type: none"> Streamlining of supplier expectations Supplier improvement plans Greater focus on compliance and documentation Supplier days and events
Investors	<ul style="list-style-type: none"> Investor calls and dialogue Periodic investor updates Capital market days Annual General Meeting 	<ul style="list-style-type: none"> Understanding the sustainability requirements Retain and attract investors Enhanced transparency Financial and ESG ratings 	<ul style="list-style-type: none"> ESG ratings and improvements Financial and ESG disclosure and reports Adaptive response to investors
Authorities	<ul style="list-style-type: none"> Dialogue with national and international authorities Participation and support in local initiatives 	<ul style="list-style-type: none"> Conducting our business according to relevant regulations To remain updated on regulatory requirements 	<ul style="list-style-type: none"> Implementation of new EU regulation Informing our customers about new building regulation Hosting events at our premises

Double materiality assessment

The purpose of the double materiality assessment (DMA) is to assess materiality of sustainability-related matters which may pose potential significant risk or opportunity for Solar.

We have conducted our DMA according to the double materiality criteria defined in ESRS 1 and implementation guidance from EFRAG.

We have identified our impacts on the environment and society (impact materiality) as well as the sustainability related risks that we are exposed to (financial materiality) and their interaction with our strategy and business model.

Six out of the ten ESRS topical standards are material to Solar, and 18 impacts, risks, and opportunities (IROs) have been assessed as material.

- Climate change (E1)
- Water and soil pollution (E2)
- Resource use and circular economy (E5)
- Own workers (S1)
- Workers in the value chain (S2)
- Business conduct (G1)

The topics Climate change (E1), Own workers (S1) and Workers in the value chain (S2) are our most material sustainability matters, and the IROs within these topics are closely linked to our strategic focus areas.

A high-level summary of our DMA is presented on page 46.

The material sustainability topics identified through our DMA have had little or no significant impact on Solar's current financial position, performance, or cash flow. Costs related to sustainability initiatives, such as compliance activities and energy efficiency measures, are integrated into our normal operations and budgeting processes. Therefore, these costs are not considered material in isolation. We will continue to monitor and disclose any significant financial effects in future reporting periods.

One entity specific topic under Climate change (E1) has been identified - Sales of products and solutions enhancing the shift to renewable energy. This is in line with our business strategy and the focus area 'Climate and energy'.

In accordance with the CSRD Quick Fix regulation, we have chosen to omit Biodiversity and Ecosystems (E4) in our disclosures, as the topic is considered non-material in relation to our strategy and business model. The topic remains visible in the DMA and IRO matrices.

The topical standards Water and Marine Resources (E3), Affected Communities (S3), and Consumers and End-users (S4) were not considered material in our double materiality assessment. This decision is based on the nature of our business as a local sourcing and services company operating in a business-to-business (B2B) context. Given our limited direct interaction with end-users, communities, or marine ecosystems, these

topics were not assessed as material in relation to our strategy, business model, and value chain.

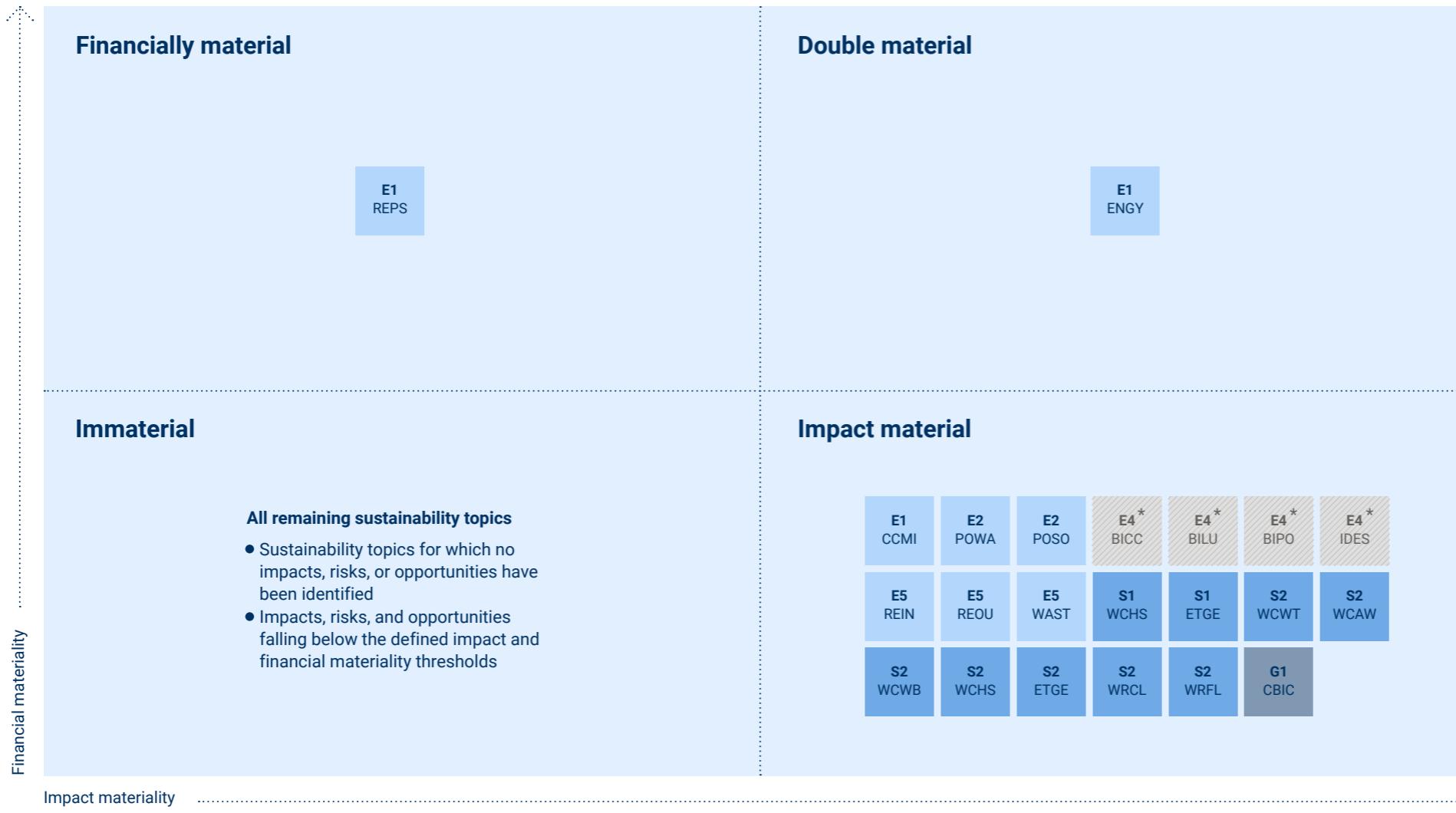
All data has been captured in our DMA and gap assessment tools where the effects have been quantified and supplemented with qualitative assessments.

We are confident that the outcome presented is a fair reflection of our impacts, risks and opportunities. However, we acknowledge that this picture will likely evolve as we move forwards. Consequently, we conduct an annual review of the DMA and the gap analysis, and a re-assessment is carried out at the end of each strategic period.





Material impacts, risks, and opportunities (IRO)



Six out of the ten ESRS topical standards are material to Solar. 18 sustainability sub-topics have been identified and found material and are displayed in the DMA matrix.

The classification and numbering of the sub-topics are listed in chronological order.

In accordance with the CSRD Quick Fix regulation, we have omitted E4 Biodiversity and Ecosystems.

Environment

E1: REPS	Sales of renewable energy products and solutions (entity specific)
E1: CCMCI	Climate change mitigation
E1: ENGY	Energy
E2: POWA	Pollution of water
E2: POSO	Pollution of soil
E4: BICC	Direct impact drivers of biodiversity loss, climate change*
E4: BILU	Direct impact drivers of biodiversity loss, land-use*
E4: BIPO	Direct impact drivers of biodiversity loss, pollution*
E4: IDES	Impacts and dependencies on ecosystem services*
E5: REIN	Resource inflows/use
E5: REOU	Resource outflows (products and services)
E5: WAST	Waste

Social

S1: WCHS	Working conditions, health and safety
S1: ETGE	Equal treatment and opportunities, gender equality
S2: WCWT	Working conditions, working time
S2: WCAW	Working conditions, adequate wages
S2: WCWB	Working conditions, work-life balance
S2: WCHS	Working conditions, health and safety
S2: ETGE	Equal treatment and opportunities, gender, equality
S2: WRCL	Other work-related rights, child labour
S2: WRFL	Other work-related rights, forced labour

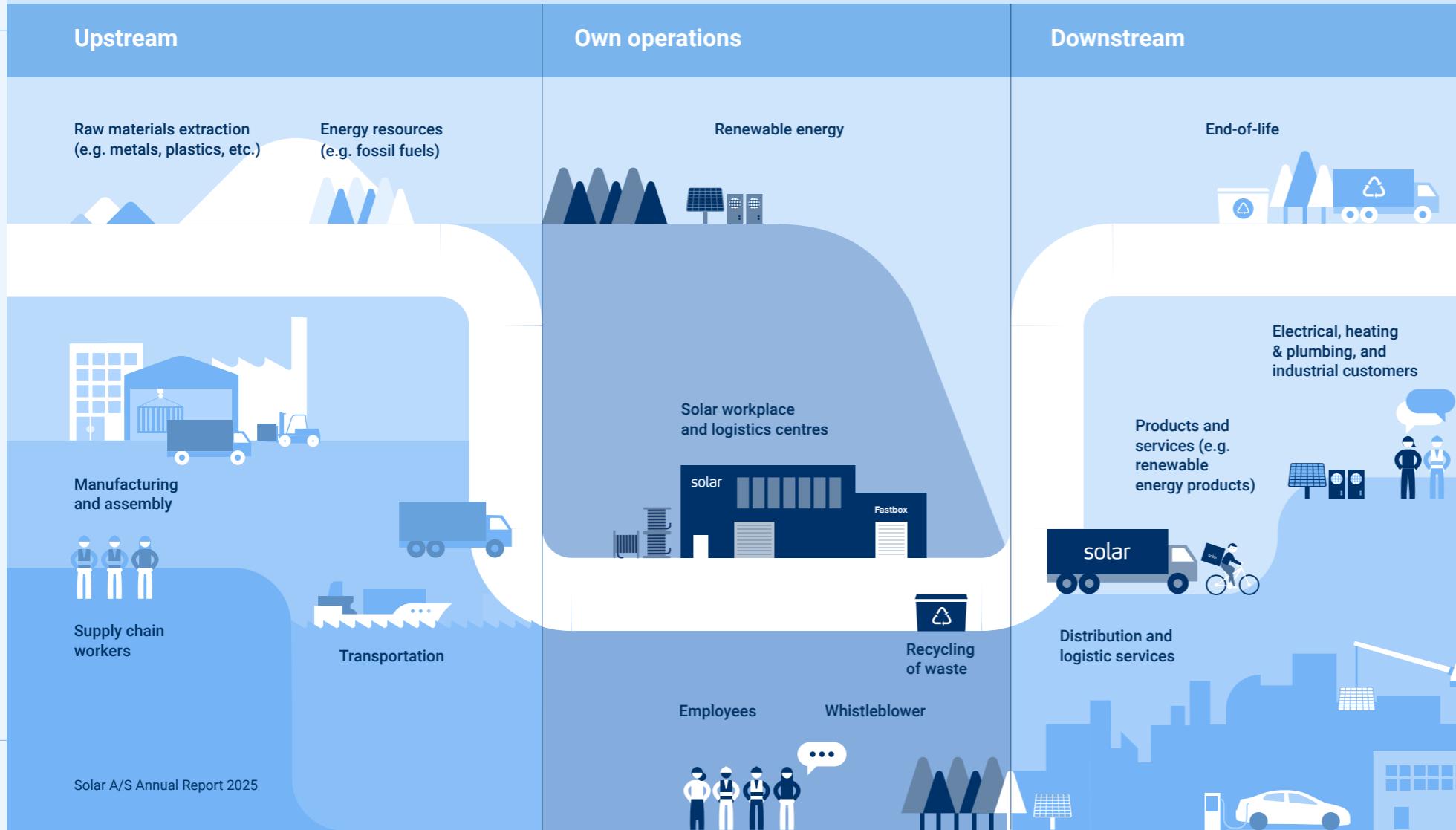
Governance

G1: CBIC	Corruption and bribery, incidents
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*Omitted due to CSRD Quick Fix.



Value chain



Impacts and risks

Upstream

We source our products from tier one suppliers who distribute the products to our logistics centres. Identified material negative impacts on the environment and people are primarily driven by our upstream activities and are related to raw-material extraction and manufacturing. Geographically, impacts are largely concentrated outside Europe, while tier one is largely concentrated inside Europe.

Own operations

We source from tier-one suppliers, stock, pack, and distribute products, supporting our customers' day-to-day business by ensuring product availability. Identified material negative impacts on the environment and people are primarily driven by our energy consumption and matters related to our own workforce. Geographically, the negative impacts are concentrated on the markets in which we operate.

Downstream

Providing products and solutions that enhance the green transition gives us an opportunity to support our customers in their efforts to decarbonise. This is identified as a positive impact. Resource use and circularity are emerging priorities in our industry. The positive and negative impacts are largely concentrated in the markets where we operate.

For an overview of our strategy and business model, see page 9, 14-15 in the Management review. An overview of our cost structure can be found in the Financial Statement.



Material-related impacts, risks and opportunities

As a result of our double materiality assessment, several impacts, risks and opportunities have been identified and assessed as material.

As stated in the DMA matrix, six out of the ten ESRS topical standards are material to Solar and 18 sub-topics. Several sub-topics have been identified for each material topic.

In the following tables, we list our IROs and show whether the impacts are positive or negative as well as whether they are related to our own operations or the value chain. Impacts are actual impacts unless stated to be potential. Brief descriptions of the material risks or opportunity are included in the table.

Detailed information on how we respond to the effects of our impacts, risks and opportunities is included in the topical sections.

Governance of sustainability risks

Our DMA is grounded in the identification of inherent risks and impacts. However, it also considers the mitigating actions that have already been fully embedded into our governance structures, management systems, and day-to-day operations, which help reduce or offset these effects.





E1 Climate change

Topic	Description	Value chain impact			Time horizon		
		Upstream	Operations	Downstream	Short	Medium	Long
Sales of renewable energy products and solutions (entity specific topic)	Products and solutions advancing the green transition.		●	●	●	●	●
	Supporting the green transition.		○	○	●	●	
Climate change mitigation	GHG emissions from the energy supply chain and downstream GHG emissions deriving from products consuming energy in their use phase.	●	●	●	●	●	●
Energy	Energy consumption deriving primarily from the value chain but also from our own operations.	●	●	●	●	●	●
	Risks related to potential lack of regulatory compliance.	○	○	○	●	●	●

E2 Pollution

Topic	Description	Value chain impact			Time horizon		
		Upstream	Operations	Downstream	Short	Medium	Long
Pollution of water	Impacts resulting from pollution of water through indirect or direct contamination and leakage.	●			●	●	●
Pollution of soil	Impacts resulting from soil pollution at the site of or surrounding areas and operations.	●			●	●	●

E4 Biodiversity and ecosystems

(Topic omitted due to CSRD Quick Fix)

Topic	Description	Value chain impact			Time horizon		
		Upstream	Operations	Downstream	Short	Medium	Long
Drivers of biodiversity loss: Climate change	Material impacts related to biodiversity and ecosystems change arising from climate change.	●	●		●	●	●
Drivers of biodiversity loss: Land-use change, freshwater use, and sea-use change	Disruption of ecosystems and habitat loss caused by extraction of metal and minerals.	●		○	●	●	●
Drivers of biodiversity loss: Pollution	Biodiversity loss as a result of pollution in areas where the value chain operates.	●		●	●	●	●
Impacts and dependencies on ecosystem services	Biodiversity-sensitive areas with activities negatively affecting the provision of ecosystem services.	●		●	●	●	●

E5 Resource use and circular economy

Topic	Description	Value chain impact			Time horizon		
		Upstream	Operations	Downstream	Short	Medium	Long
Ressource inflows/use	Use of virgin resources.	●		●	●	●	●
Ressource outflows (products and services)	Waste generation and end-of-life handling.	●		●	●	●	●
Waste	Risks resulting from harmful or inadequate disposal of waste, in accordance with laws in operational regions.	●	●	●	●	●	●



S1 Own workforce

Topic	Description	Value chain impact			Time horizon		
		Upstream	Operations	Downstream	Short	Medium	Long
Working conditions							
Health and safety	Providing an attractive and safe workplace		●		●	●	●
Equal treatment and opportunities for all	Secure equal treatment and opportunities		●		●	●	●

G1 Business Conduct

Topic	Description	Value chain impact			Time horizon		
		Upstream	Operations	Downstream	Short	Medium	Long
Corruption and bribery							
Incidents	Whistleblower protection through procedures and policies	●	●	●	●	●	●

S2 Workers in the value chain

Topic	Description	Value chain impact			Time horizon		
		Upstream	Operations	Downstream	Short	Medium	Long
Working conditions							
Working time	Excessive working hours.	●			●	●	●
Adequate wages	Wage according according to national economic and social conditions.	●			●	●	●
Work-life balance	Balance between work and private life.	●			●	●	●
Health and safety	Suppliers commitment to secure health and safety.	●			●	●	●
Equal treatment and opportunities for all	Secure equal treatment and opportunities	●			●	●	●



General basis for preparation

Frameworks and data selection

The sustainability statement is prepared with reference to the Corporate Sustainability Reporting Directive (hereafter CSRD) and the underlying European Sustainability Reporting Standards (hereafter ESRS) requirements.

All the data points included in the E, S, and G sections have been assessed as material according to our DMA.

Consolidation

Our annual report is a consolidated report. The data in the sustainability statement cover the Solar Group and all subsidiaries over which we have operational control and have been prepared on the same consolidated basis as the Solar Group's 2025 financial statements.

Value chain

Our sustainability disclosures encompass both upstream and downstream elements of our value chain, as the associated impacts, risks, and opportunities have been identified and evaluated through our DMA. Where relevant, selected policies, initiatives, and targets are extended to include value chain partners. We disclose scope 3 greenhouse gas emissions covering both upstream and downstream activities in our value chain to the extent where it is relevant.

Omitting information

No options for omitting information regarding intellectual property, know-how, results of innovation, disclosure of impending developments, or matters in the course of negotiation have been used. However, anticipated financial effects for FY2025 and phase-in requirements have been omitted in accordance with the CSRD "Quick Fix" provisions.

Specific circumstances

Accounting estimates and judgements

The preparation of ESG performance data involves the use of estimates including scope 1, 2 and 3 and EU Taxonomy, which may influence the reported figures. These estimates are based on input from internal specialists, external data sources, and independent advice, and are made using the best available information under the given circumstances. Going forward, we aim to enhance the accuracy of estimates used in reporting by increasing the use of actual data. We describe the basis for the preparation of these estimates in our accounting policies.

To mitigate the risk of reporting errors, including those arising from areas of uncertainty, we have implemented internal controls and validation procedures to ensure the accuracy and reliability of the disclosed information. Changes in estimates are recognised in the period in which the estimate in question is revised.

Solar acquired Sonepar Norge in December 2025. The acquisition is a bolt-on transaction. As the transaction does not significantly affect sustainability metrics during the reporting period, its impact is assessed as not material for this report. However FTE/head count and contract type are adjusted to include Sonepar figures. See the Management Review for more information.

Threshold for restatements

For adjustments to financial numbers, we follow the financial statements. For adjustments to ESG data, we make a judgement as to whether we should restate numbers. We clearly indicate where we have restated data.

External review

All ESRS data points in the Sustainability Statement are subject to limited assurance.

Changes in the preparation

For the 2025 reporting period, we have made the following changes.

The changes include:

- Subject to the CSRD Quick Fix regulation, we have chosen to apply and omit the following:
 - Anticipated financial effects for FY2025.
 - ESRS E4 Biodiversity and Ecosystems.
 - Phase-in's requirements.
- Under Climate Change we are reporting for the first time on E1-7 GHG removals associated with Solar's afforestation projects. The 2025 reporting year is the first year where we monitor initiatives and collect data on our afforestation activities.
- The Gender Balance Act has been taken into consideration in the section Composition and diversity, GOV-1 and in the section Own workforce, S1.



DMA methodology and process

The DMA methodology and process conducted in 2023 are aligned with the requirements of the European Sustainability Reporting Standards.

To operationalise the defined parameters and criteria, a set of scoring tools has been applied. These tools support the documentation of each process step, including the rationale behind the assessments and the supporting evidence used in the scoring.

Methodology

Scope

We have considered all the sub-sub-topics listed in ESRS 1 when identifying our impacts, risks, and opportunities (IROs). The topics were analysed and relevant documentation prepared in line with our strategy and business model.

For impacts on people and the environment, we evaluated both positive and negative effects related to sustainability matters, taking into account both actual and potential outcomes. In our financial analysis, we examined potential sustainability-related risks that could negatively affect our business, as well as opportunities that could have a positive financial impact.

We paid particular attention to the upstream value chain, with focus on product sourcing and the increased risk of adverse human and labour rights violations that may result.

Our assessment covered activities within our own operations and extended to our business relationships across the value chain. The evaluation of impacts and risks in our value chain primarily focused on upstream tier-one suppliers and downstream activities in the markets where we operate. We considered both positive and negative impacts as well as actual and potential impacts in relation to sustainability matters and potential financial risks and opportunities.

All activities and ESRS topics and entity specific topics have been screened as part of the DMA. The topical standards E3 Water and Marine Resources, S3 Affected Communities and S4 Consumers and end-users have been omitted due to the nature of our business as a local sourcing and services company servicing the business-to-business market.

Stakeholder engagement

As required, a stakeholder engagement analysis was conducted with the purpose of analysing material impacts across the value chain. We engaged with the stakeholders of Solar's sustainability reporting and other affected stakeholders.

In 2023, we identified four stakeholder groups - customers, investors, suppliers and employees - and conducted interviews with 18 external stakeholders as well as workshops involving more than 25 employees from several departments and roles across the organisation. Their feedback informed the prioritisation of material impacts, and insights from external stakeholders led to refinements in our scoring criteria. Given the nature of Solar's business and the fact that we operate in low-risk zones, only B2B

customers and tier one suppliers were engaged. For future stakeholder engagement, we will consider engaging other tier suppliers and 'silent' stakeholders, such as selected NGOs, industry associations, authorities, etc.

No new stakeholders were included.

Scoring

In accordance with the ESRS guidelines, we follow the predefined scoring parameters.

Impacts

Impact materiality is identified according to the following two scenarios:

- Actual: For each sustainability topic, actual impacts are identified based on primary data.
- Potential: For each sustainability topic, potential impacts are identified based on secondary data when no primary data is available.

The impact materiality is scored based on four parameters.

- Scale
- Scope
- Irremediable character
- Likelihood (only applies to potential impact)

To score and assess impact materiality, the score is from 0-3 and the materiality threshold is set at 3, which equates to approx. one-third of the maximum score (maximum possible score: 3 for irremediable character x 3 for likelihood = 9).

Negative impacts with the highest combined score for action and reporting are prioritised. Severity reflects scale, scope, and whether the impact can be remedied; likelihood reflects the probability of occurrence.

Financial risks and opportunities

Financial materiality is identified according to whether:

- An impact is identified that could trigger a risk/ opportunity, or
- A dependency on natural, social, and human resources exists

For financial materiality, Solar's Enterprise Risk Management Board approved the methodology used to assess the magnitude of potential financial risks or opportunities. The score ranged between 0 and 5. Scoring of the IRO is assessed based on a three-step output:

- Value chain mapping
- Value chain process
- Gathering of primary and secondary data

Sustainability-related risks were prioritised using a structured risk matrix embedded in our DMA tool. Each risk was scored across four dimensions—likelihood, scale, scope, and irremediability—on a scale from 0 to 5. The matrix enabled us to visualise risk clusters and identify high-priority areas.

Our Executive Board, in collaboration with our DMA core team, has set the materiality threshold at 3. This means that impacts and risks scored at 3 or above are deemed material.

If a sustainability matter is above the threshold, either as an impact or financial risk or opportunity for our own operation, supply chain or both (cross-cutting occurrence), it is included as a material topic in the DMA.

The reporting requirement in accordance with the ESRS will be different whatever sustainability topic is deemed material in either Solar's own operation or value chain.

Governance

The final list of material topics and impacts was discussed with the Executive Board and subsequently approved by the Board of Directors. Going forward, the Sustainability Steering Committee will be part of the process.

Process

We have defined four core process steps for conducting the DMA for both impact and financial materiality.

Our starting point was the impact assessment (inside-out) of Solar's impact on the environment and society. Secondly, we conducted a financial assessment (outside-in) of the sustainability-related risks to which we as a business are exposed.

All data has been captured in our DMA tool where the effects have been quantified and supplemented with qualitative assessments.

To prepare and conduct the DMA, a 'Solar DMA core team' was established, consisting of the Sustainability Director and three subject-matter experts.

The assessment, scoring process, keys, structure, and the logic behind the assessment are aligned with the ESRS 2 requirements.

The following steps have been conducted:

1. Scoping of impacts
2. Stakeholder engagement
3. Materiality scoring and findings
4. Management review and conclusion

The DMA is reviewed annually. Any changes to our material impacts, risks, and opportunities (IROs) will be presented to above-mentioned stakeholders and to the Executive Board for approval. There have been no changes in scoring criteria since our DMA was first conducted. Adjustments to thresholds and scoring criteria, where deemed necessary, will be incorporated as part of the next scheduled DMA cycle.

Impact materiality

The mapping of our sustainability-related impacts builds on the approach from 2023 as well as recent documentation and knowledge.

The following steps were conducted:

1. Scoping of impacts

As preparation for the workshops and as part of the value chain process, thorough desk research was conducted to guide us in pre-defining relevant sub and sub sub-topics.

2. Stakeholder engagement

The internal stakeholders engaged were subject-matter experts from the business lines, group functions, and management - all with a broad insight into our strategy, business model and value chain. All stakeholders were invited to a collective workshop, where they were engaged via a digital dialogue tool.

3. Materiality scoring and findings

Impact and scoring rationales from the workshops were documented and all input transferred to our DMA tool to calculate the degree of materiality. Results were discussed and evaluated between the Executive Board and the core team and selected workshop participants were consulted for validation.

4. Management review and conclusion

A formal decision-making protocol is in place, requiring consensus across sustainability and finance leads for any materiality threshold adjustments. Internal control procedures include peer review of scoring inputs, automated consistency checks within the DMA tool, and audits by Internal Audit. Roles and responsibilities are clearly defined: the DMA-core team leads implementation, and oversees alignment with ESRS standards, and Internal Audit ensures procedural integrity and compliance with the ESRS standards.

The consolidated overview was presented and discussed between the Executive Board and the DMA core team. The scoring and the respective materiality threshold generated a final list of material impacts.

3. Materiality scoring and findings

Impact and scoring rationales from the interviews were documented and all input transferred to our DMA tool to calculate and assess the degree of materiality in relation to risks and opportunities. Results were discussed and evaluated between the management and the core team.

4. Management review and conclusion

The consolidated overview was presented and discussed between the Executive Board and the DMA core team. The scoring and the respective materiality threshold generated a final list of financial material risks and entity specific opportunities.

Financial materiality

As part of the preparation for the financial materiality assessment, we also consulted the enterprise risk management section as well as recent documentation and the processes related to the subject.

1. Scoping of risks

Results from the impact materiality assessment formed the basis for scoping the sustainability risks related to financial risks and opportunities.

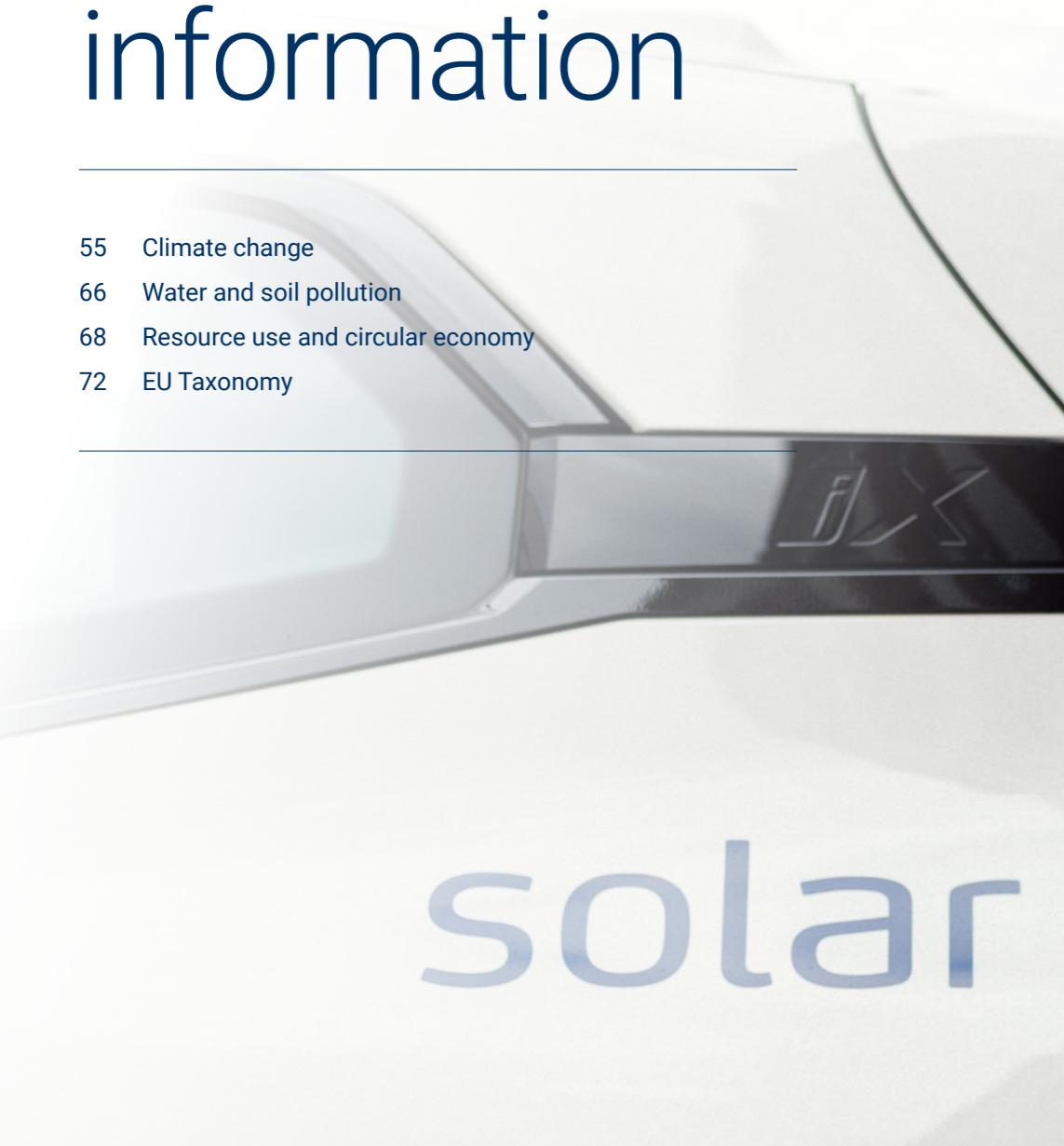
2. Stakeholder engagement

In line with ESRS, external stakeholder groups were selected from among users of Solar's sustainability report and affected stakeholders. Customers and tier one suppliers were selected based on spend/revenue while investors were selected randomly. Prior to a one-to-one interview, all stakeholders received a pre-read to provide an understanding of the purpose of the interview.



Environmental information

- 55 Climate change
- 66 Water and soil pollution
- 68 Resource use and circular economy
- 72 EU Taxonomy



solar



Linnea Olsson
Car Fleet Manager & Human
Resources, SE

Linnea has led the transition to an all-electric company car fleet, and in 2025 she successfully completed the shift, making every company car in Solar Sverige 100% electric.



E1 Climate change

Our material impacts, risks, and opportunities (IROs) related to climate change across the value chain and how we respond.

Our material IROs are closely tied to our strategic shift from fossil-based operations to renewables. As a sourcing and services company, we drive the green transition by supporting our customers and setting high expectations for our suppliers to reduce their climate footprint.

While renewable energy is essential to a sustainable future, we recognise the emissions associated with materials, manufacturing, and operations across our value chain. We have made significant progress in reducing our own emissions and are working toward decarbonisation throughout the value chain. Our resilience depends on supportive policies and partner collaboration to manage risks and harness climate-related opportunities.

Sales of renewable energy products and solutions (entity specific topic)	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	Heat pumps and solar panels are some of the key technologies needed in the transition to renewable energy.	Through our strategic focus area, Climate and energy, we sell products and solutions necessary for the widespread adoption of renewable energy as a key solution to mitigate climate change.		●	●
	Solar sells products necessary for the widespread adoption of renewable energy as a key solution to mitigate climate change.	Via our product portfolio, we contribute to customers adopting products and solutions necessary to facilitate the renewable energy transition, hence creating a positive impact. Climate and energy is a strategic focus area with growth potential.		○	○
Climate change mitigation	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	Supply chain emissions from extracting raw materials, manufacturing, and transportation from the products we bring to market consuming energy in its use phase.	We respond to this impact through our Supplier Engagement Programme, our own climate reduction targets for scope 1, 2, and 3, and our own controlled removal projects. We actively work with our suppliers towards managing our value chain impacts.	●	●	●
Energy	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	Energy used in our own operations and energy including energy deriving from fossil fuels leading to GHG emissions.	We respond to this impact by having a climate mitigation plan and a target to be net-zero by 2030. Through our Supplier Engagement Programme, we ask our suppliers to start decarbonising their operations, implementing renewable energy and documenting progress that benefits the value chain.	●	●	●
	Risks of energy failure can decrease by continuously increasing the share of self-generated energy, making up approx. 10% of our total electricity consumption in 2025. Customers continue to pay more attention to sustainability due to regulation and market demands. Together with volatile energy prices and/or heavy reliance on fossil fuels in our upstream value chain, Solar's financial performance and reputation might be impacted by not focusing on renewable energy.	Through our Supplier Engagement Programme, we ask our suppliers to start decarbonising their operations, implementing renewable energy and documenting progress.	○	○	○

● Positive impact ○ Opportunity ● Negative impact ○ Risk

Climate change

As a sourcing and services company, we play a key role in enabling the green transition by helping customers and suppliers reduce their climate footprint. The shift to a low-carbon economy offers growth opportunities within Solar's climate and energy segment but also challenges, especially in decarbonising complex supply chains.

We have made strong progress in cutting emissions from our own operations and are working to improve climate performance across our value chain.

Transition plan

We acknowledge the importance of reducing our climate footprint across the value chain. We follow a science-based approach in line with the Paris Agreement, which aims to limit global warming to 1.5°C.

Our approach for our own operations includes a climate mitigation plan and a mid-term reduction target. We are proud to report a 57% reduction in CO₂e emissions for scope 1 and scope 2 compared to our 2020 baseline.

To address potential negative impacts in our value chain, we encourage our suppliers to source raw materials with a lower negative impact on the environment. We assist our

customers in decarbonising their own operations and offer renewable energy products and solutions, further advancing the green transition.

Afforestation projects in Denmark and Latvia form part of Solar's broader climate strategy but are currently not included as primary measures within our mitigation initiatives. These projects are intended as a supplementary option to address any residual emissions that remain after all feasible direct emission reduction initiatives have been implemented across scope 1 and 2.

Decarbonisation levers

Although less than 1% of our CO₂e emissions derives from our own operations (scope 1 and 2), we continue to invest in renewable energy assets, such as high-capacity heat pumps and solar panels at our own premises. We aim to phase out gas as a heating source and to increase the share of self-generated energy. No further climate scenarios have been considered as we regard our current scenario and transition plan to be on track with the Paris Agreement.

Our ambition is to stay on 100% renewable energy (electricity) in 2026 in the buildings we own, either procured or self-generated.

In addition to tracking reductions in our own operations, we also use climate targets to shape other initiatives and investments. A key method for achieving our climate mitigation targets, for example, is our switch to renewable energy, including replacing gas boilers with heat pumps and shifting to a 100% EV fleet.

Due to the nature of our business, over 99% of Solar's total emissions derive from the value chain. Most of our emissions derive from the products we source, and the

energy consumed in the use-phase of the products we sell. The category "Use of sold products" alone accounts for more than 88%.

We are in the process of preparing an overview of the decarbonisation levers and a scope 3 transition plan.

Financial resources

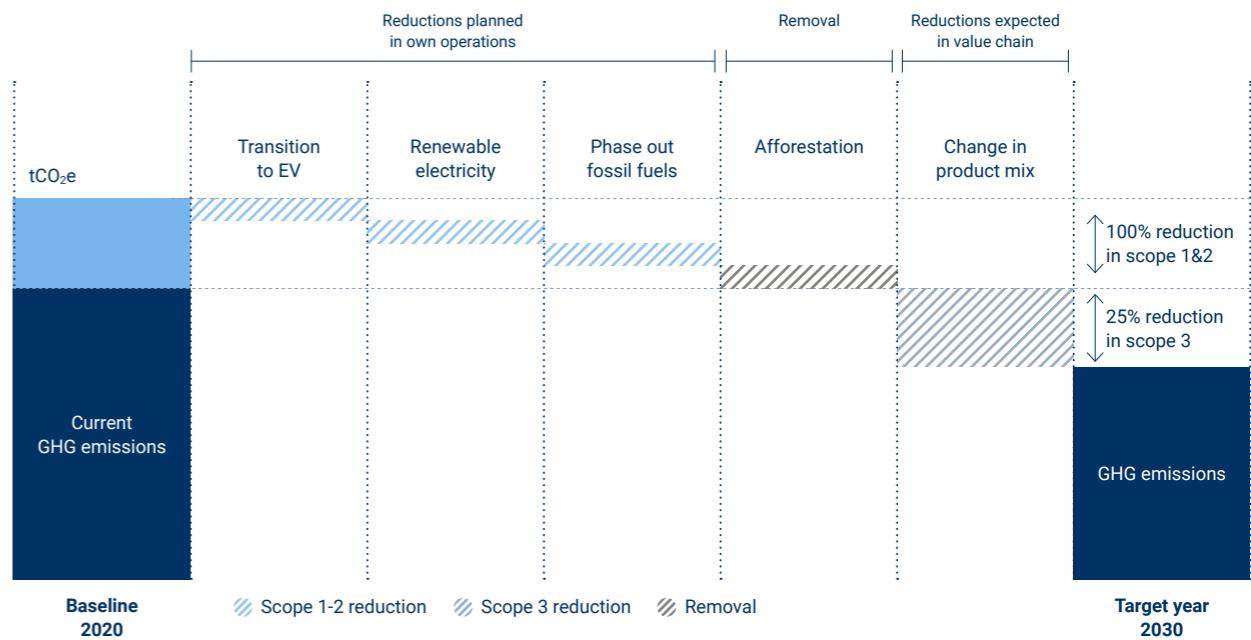
The operational and capital funding required to implement our transition plans has been integrated into our annual budgeting process. At present, we do not anticipate any

need for extraordinary expenditures beyond our regular financial planning and investment cycles.

Governance and oversight of the transition plan

Matters related to Solar's climate transition plan are addressed within our sustainability governance framework and are fully disclosed in our annual report. The transition plan is an integral part of our overall strategy and business model, and it is closely aligned with our sustainability focus areas and targets.

Mitigation initiatives towards 2030 for scope 1,2 and 3 GHG emissions





Governance of the transition plan is anchored at the highest level. The Executive Board and the Board of Directors have formally approved the plan, ensuring strategic commitment and oversight. Our CFO chairs the Sustainability Steering Committee and is responsible for overseeing the implementation of our sustainability strategy, including the transition plan.

Our vision, supported by our strategic ambition towards 2030, remains clear: to become net-zero in our own operations, phase out the use of fossil fuels, convert to 100% renewable electricity, and reduce emissions in our value chain by 25%.

Science-based emissions targets

We have committed ourselves to the Science Based Target initiative (SBTi). Through this, we have committed to a 42% reduction by 2030 in scope 1 and 2 and 25% reduction in scope 3. However, our target for scope 1 and 2 is net-zero by 2030. This target is supported by a mid-term target in 2026 of 65% reduction in scope 1 and 2, and the overall target of decarbonising our value chain in the long term.

EU Paris-aligned benchmark exclusion

Solar is not excluded from the EU Paris-aligned Benchmarks. Our transition plan is aligned with the Paris Agreement and supported by science-based targets validated by the Science Based Targets initiative (SBTi).

Resilience analysis in relation to climate change

Our resilience analysis covers its entire business model, including all operational sites, supply chain partners, and key product categories. The analysis takes into account both short and medium-term time horizons, focusing on the potential impacts of climate-related risks and opportunities on Solar's core activities, financial performance, and value chain.

The resilience analysis was conducted in 2024 as part of Solar's DMA. This process included a structured review of climate-related risks and opportunities, informed by stakeholder engagement and internal risk management procedures. Transition risks, including macroeconomic,

business, and geopolitical risks, are managed through our Enterprise Risk Management (ERM) framework. This ensures that emerging risks are systematically identified, assessed, and integrated into Solar's strategic planning.

Results of the resilience analysis

The results of the resilience analysis indicate that Solar's business model is in alignment with the Paris Agreement. No material physical climate risks were identified. Transition risks, such as regulatory changes and market shifts, are actively managed and are not expected to materially impact business continuity or financial performance in the short to medium term.

Opportunities related to the sale of renewable energy products and solutions are expected to strengthen Solar's market position and support its transition plan and SBTi targets. The scenario analysis confirmed that Solar's strategic direction and climate-related policies are aligned with a low-carbon future, with no significant threats to business resilience identified.

While neither physical nor transition climate risks are currently considered material for Solar, we remain committed to monitoring and managing these risks as part of our broader approach to environmental and climate-related risk management.

Policy related to climate change

Environmental Policy

To manage our impacts, risks, and opportunities related to climate change, we are guided by our ambition to reduce the carbon footprint across our value chain. As such, climate change mitigation efforts have been at the core of our operations for many years, supported by our Environmental Policy.

We are actively phasing out fossil fuel-based energy sources and investing in afforestation projects to support long-term carbon sequestration. Our Policy does not outline the explicit steps required to address our IROs but

provides direction for our transition. To ensure continued alignment with our strategy, climate-related KPIs have been integrated into the remuneration framework of the Executive Board.

The Policy also contributes to climate adaptation. This includes energy efficiency, renewable energy, pollution prevention, biodiversity protection, and responsible resource management. These initiatives help mitigate physical climate risks and support long-term environmental sustainability and are also reflected in our Supplier Code of Conduct.

Accountability lies with the Executive Board. The policy is reviewed annually.

Actions related to climate change

Our actions, as outlined in our transition plan, are structured around key decarbonisation levers that address our climate-related impacts, risks, and opportunities. We aim to achieve full alignment with our climate targets and regulatory reporting obligations. All material sources of GHG emissions across scopes 1, 2, and 3 have been mapped and linked to the decarbonisation levers. Implementation plans are in place for each, and progress is tracked through KPIs and internal governance processes.

Own operation (scope 1 and 2):

Scope 1 – Direct emissions

We continue to take steps to reduce our CO₂e emissions in scope 1 in line with our reduction targets by:

- Phasing out fossil fuel-based energy sources, such as gas, and replacing them with renewable alternatives such as heat pumps. This transition is progressing across our locations as part of our decarbonisation roadmap.
- Transitioning our fleet towards a 100% electric vehicle (EV) fleet by 2030. The shift is underway, supported by infrastructure planning and procurement strategies.

Scope 2 – Indirect emissions and energy

We continue to take steps to reduce our CO₂e emissions in scope 2 by:

- Switching to renewable electricity, either purchased or generated, by installing solar panels at our locations. We are working towards our target of 100% renewable electricity in buildings owned by Solar by 2026.
- Upgrading to energy-efficient lighting, such as LED, and installing sensors and building management systems. These upgrades are being implemented across our sites to improve energy performance.

A location-level overview of fossil fuel phase-out, renewable electricity adoption, and fleet electrification is included in our quarterly ESG reporting to ensure transparency and progress tracking.

New Infrastructure

- The construction of our new logistics centre in Sweden is aligned with BREEAM Excellent standards. These facilities will replace two existing logistics centres and are expected to be operational in 2026. This is expected to positively impact both scope 1 and 2 emissions.

Governance and planning

- Emission reduction scenarios and quarterly ESG reports have been integrated into daily business at company level to ensure we reach our mid-term reduction target.

Sales of renewable energy products and solutions

- We continue to promote and sell products and solutions to impact the transition to a low-carbon society in general.



Supply chain (scope 3)

Decarbonising the supply chain is a joint effort. To support our scope 3 reductions, we have initiated the following actions:

- Solar Industrial Solutions has been established to offer turnkey climate and energy solutions. By installing heat pumps, solar panel solutions, and other energy-efficient products, our customers can decarbonise their own operations. Scaling is in progress.
- Through our Supplier Code of Conduct, we require suppliers to commit to renewable energy. We have met our 2026 target for 92% of our spend to be covered by the Code of Conduct.
- We monitor suppliers' renewable energy commitments via risk assessment due diligence. In 2025, we reached our 2026 target of 82%. We will continue our focus on risk assessment and start to work with the sub-targets.
- We have begun on-site audits in collaboration with accredited third parties. A risk-based approach is applied, reviewing risk in accordance with a number of parameters.
- We will strive to provide relevant environmental documentation, including scope 1 and 2 data, to our stakeholders.
- We are transitioning from spend-based CO₂e emissions data in scope 3 to actual data and have implemented Global Warming Potential data at product level. We will continue to work on this in 2026 to provide our products with relevant climate and environmental documentation.
- We will continue to seek partnerships with key suppliers to incentivise low-carbon products.



Targets related to climate change

Our targets are consistent with our GHG inventory boundaries, which follow the GHG Protocol Corporate Standard and aligned with limiting global warming to 1.5°C, following the methodology of the Science Based Targets initiative (SBTi).

In setting our targets, we have considered future developments such as:

- Changes in sales volumes and product mix
- Shifts in customer preferences towards low-carbon solutions
- Regulatory developments
- Technological advancements in heating systems and energy efficiency

These factors are expected to influence both our emissions and our ability to reduce them over time.

Scope 1 and 2

As of today, we have exceeded the official commitment of a 42% reduction in Scope 1 and 2 emissions and are on track to meet our mid-term target of a 65% reduction by 2026 compared to our baseline year 2020. Our own target is net-zero by 2030.

The targets are expressed in absolute terms. We are currently looking into developing intensity-based metrics to supplement our reporting and to better reflect operational efficiency.

The main levers to reduce emissions in Scope 1 and 2 are phasing out gas as a heating source, phasing out fossil fuel vehicles, and shifting to renewable electricity.

Scope 3

Our target of a total 25% emissions reduction by 2030, based on the 2020 baseline, remains unchanged. This target is measured in absolute figures across Category 1: Purchased goods and services and Category 11: Use of sold products. Category 11, which includes gas boilers as the main product group emitting carbon during their use phase, continues to be the dominant lever for reducing Scope 3 emissions. There is currently no date set for when an update to our deadline will be in scope.

GHG removals and afforestation projects

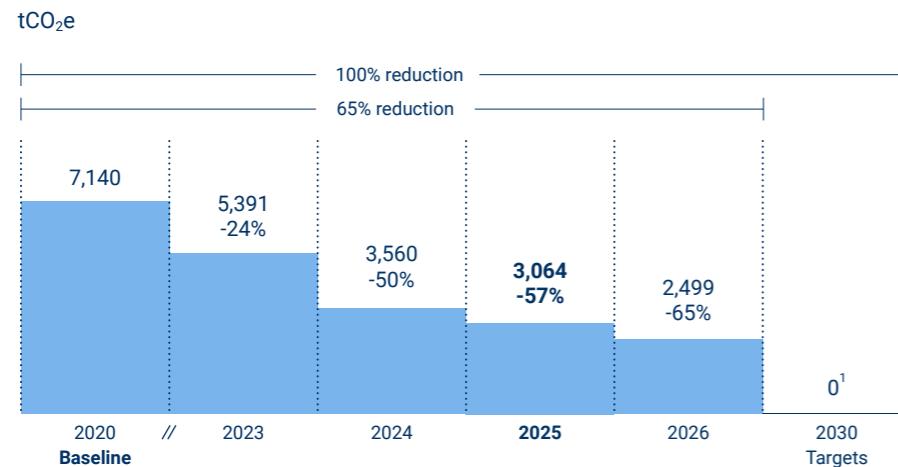
As part of Solar's long-term carbon removal strategy, afforestation projects have been initiated in Denmark and Latvia. These projects contribute to GHG removal by establishing new forested areas on previously non-forested land, enhancing carbon sequestration capacity and supporting biodiversity. These projects are intended as a supplementary option to address any residual emissions that remain after all feasible direct emission reduction initiatives have been implemented across scope 1 and 2.

Renewable electricity

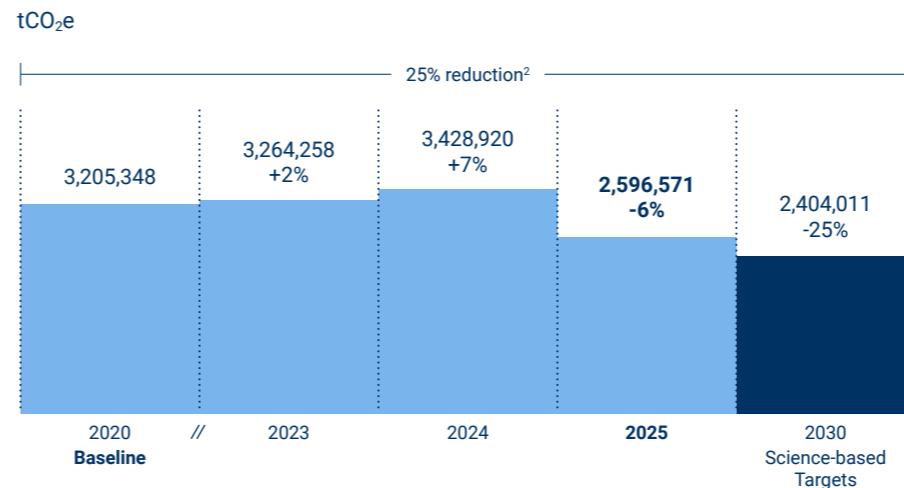
We are committed to our target of 100% renewable electricity in buildings owned by Solar. However, our overall ambition is to reach 100% renewable energy at all our sites – owned and leased. This year, we increased the overall share of renewable energy to 89%. As most of our sites are leased, converting all sites to renewable energy presents a challenge, but we will continue to make efforts in this regard.

Over time, we aim to transition to a larger share of self-generated renewable energy by installing solar panels at our sites.

Scope 1 and 2 GHG emissions

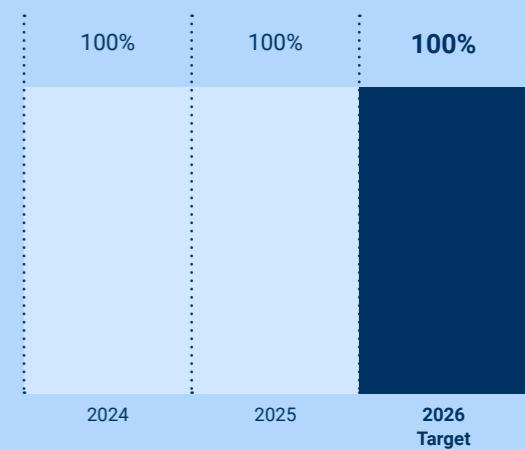


Scope 3 GHG emissions, Category 1 and 11



Share of renewable electricity

Buildings owned by Solar





Afforestation in Denmark

In May 2023, we acquired 38 hectares of agricultural land in Vejen, Denmark, for afforestation. The project involves planting approximately 115,000 trees, representing 19 different species. The species selection supports both carbon sequestration and biodiversity enhancement. The initiative supports Denmark's national afforestation goals.

Afforestation in Latvia

In December 2023, we acquired 670 hectares of land in Latvia for afforestation. Of this, approximately 400 hectares are planned for afforestation, while 270 hectares consist of existing mature forest and other land. Over the three-year period from 2024 to 2026, we aim to plant approximately 700,000 trees. In 2025, we planted around 295,000 trees across the afforestation areas, using a mix of eight different species. The planting design has been tailored to complement the local landscape and natural ecosystems. The forest is certified under the WSP system, ensuring sustainable forest management practices.

Permanence and leakage risk management

To ensure the permanence of carbon removal, both afforestation projects are designed as long-term nature investments, with business cases extending over 60+ years. The use of third-party certification provides safeguards for sustainable forest management, including replanting obligations, biodiversity protection, and long-term ecosystem stewardship.

Leakage risks are considered low due to the careful selection of land, with no competing land-use pressures and the integration of native and climate-resilient species.



Entity-specific opportunity

Sales of renewable energy products and solutions

Solar aims to accelerate the green transition by offering products such as heat pumps, solar panel solutions, EV chargers, and ventilation systems that help to decarbonise the market by replacing gas and oil boilers with renewable energy solutions.

Through our Group strategy focus area, Climate and Energy, we aim to maximise growth in sustainable technologies and, through our Solar Industrial Solutions division, deliver integrated solutions to both new and existing customers.

These efforts support decarbonisation by enabling downstream value chain transformation and contribute to the avoidance of emissions through the implementation of renewable energy solutions.

The sale of products and solutions that enhance the transition to renewable energy sources has been identified as an entity-specific opportunity under the topic E1: Climate Change. This aligns with our Group strategy focus area on Climate and Energy (see see strategy execution page 12).

This entity-specific opportunity was identified through Solar's DMA process. The opportunity is addressed in accordance with the ESRS topical standard, E1 Climate Change, and has been integrated into our disclosures in the General Information section.

Policies related to sales of renewable energy products and solutions

At present, Solar has not implemented explicit policies specifically addressing this entity-specific opportunity related to the sale of products that support the transition to renewable energy. This is because the activities in question - promoting heat pumps, solar panels solutions, EV chargers, and ventilation - are already embedded within our broader strategic actions.

Actions and targets related to sales of renewable energy products and solutions

In accordance with ESRS, we disclose that while no explicit policy exists for this entity-specific opportunity, we track the effectiveness of our actions in relation to the material sustainability-related impact, risk, and opportunity. This is carried out via the Group strategy framework.

The effectiveness of our contribution to the green transition is pursued through our Group strategy and is aligned with our commercial priorities for 2024–2026 and measured through a target linked to the share of revenue (%) generated from products and solutions that support renewable energy adoption (see page 12 in the Management Review).

This approach ensures that progress is monitored in a transparent and quantifiable manner.

The expected outcomes of this entity-specific opportunity include improved financial gains and an enhanced reputation for Solar as a company that supports the green transition while also contributing to a better world.





Energy consumption and mix

	Unit	2025	2024
Fuel consumption from coal and coal products	MWh	0	0
Fuel consumption from crude oil and petroleum products	MWh	0	0
Fuel consumption from natural gas	MWh	2,433	2,898
Fuel consumption from other fossil sources	MWh	8,449	10,279
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	MWh	1,353	1,682
Total fossil energy consumption (calculated as the sum of line 1 to 5)	MWh	12,235	14,859
Share of fossil sources in total energy consumption	%	46	51
Consumption from nuclear sources	MWh	0	0
Share of consumption from nuclear sources in total energy consumption	%	0	0
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	MWh	12,165	12,858
The consumption of self-generated non-fuel renewable energy	MWh	2,060	1,533
Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	14,225	14,391
Share of renewable sources in total energy consumption	%	54	49
Total energy consumption (calculated as sum of line 6 and 11)	MWh	26,460	29,250



Accounting policies

Energy consumption and mix

Renewable electricity

The total amount of renewable and non-renewable electricity purchased and generated at locations owned or leased by Solar as a percentage of total electricity consumption in MWh in the reporting year. Procured renewable energy (electricity) is documented through guarantees of origin (GO).

Other fuels

The total amount of fuel oil consumed in MWh. Emissions are calculated based on the actual used fuel oil in the reporting period. Yearly used fuel oil is multiplied by the emission factor communicated by DEFRA.

Natural gas

The total amount of natural gas consumed in MWh. Emissions are calculated based on the actual used gas in the reporting period. Yearly used gas is multiplied by the emission factor communicated by DEFRA.



Gross scopes 1, 2, 3 and total GHG emissions

	Unit	2025	2024	Δ
Net revenue	DKM	12,171	12,223	-52
Net revenue used to calculate GHG emissions intensity	DKM	12,171	12,223	-52
GHG emissions intensity, location-based (total GHG emissions per net revenue)	tCO ₂ e	213,749	286,761	-73,012
GHG emissions intensity, market-based (total GHG emissions per net revenue)	tCO ₂ e	213,593	286,605	-73,012

Overview by country

	Unit	DK	SE	NO	NL	PL	MAG45	Others ¹	Total
Fleet	tCO ₂ e	444	3	4	112	298	17	42	920
Natural gas	tCO ₂ e	97	0	0	219	27	89	13	445
Fuel oil	tCO ₂ e	24	0	0	0	10	0	0	34
Total gross GHG emissions, scope 1	tCO₂e	565	3	4	331	335	106	55	1,399
Fleet	tCO ₂ e	156	86	8	163	0	1	3	417
Electricity, market-based	tCO ₂ e	150	0	226	0	82	98	137	693
District heating, market-based	tCO ₂ e	68	321	102	31	33	0	0	555
Total gross GHG emissions scope 2, market-based	tCO₂e	374	407	336	194	115	99	140	1,665
Electricity, location-based	tCO ₂ e	384	39	21	440	368	127	169	1,548
District heating, location-based	tCO ₂ e	253	730	405	179	33	0	0	1,600
Total gross GHG emissions scope 2, location-based	tCO₂e	793	855	434	782	401	128	172	3,565
Total GHG emissions scope 1 and 2	tCO₂e	939	410	340	525	450	205	195	3,064
Total gross GHG emissions scope 3	tCO₂e	153,376	62,604	51,792	2,300,782	11,986	9,166	6,865	2,596,571
Total GHG emissions scope 1, 2 and 3 market-based	tCO₂e	154,315	63,014	52,132	2,301,307	12,436	9,371	7,060	2,599,635
Total GHG emissions scope 1, 2 and 3, location-based	tCO₂e	154,734	63,462	52,230	2,301,895	12,722	9,400	7,092	2,601,535
GHG emissions scope 3 calculated using primary data, share	%								0.17%

1) Solar Polaris, Højager Belysning, Thermonova.



Accounting policies

Gross Scopes 1, 2, 3 and total GHG emissions

GHG intensity (scope 1 and 2)

Calculated as total scope 1 and scope 2 (location- and market-based) emissions divided by total revenue.

GHG intensity (scope 3)

Calculated as total scope 3 divided by total revenue.

Fleet

GHG emissions from fleet cover GHG emissions from cars owned and leased by Solar. Emissions are calculated based on the actual used fuel in the reporting period for both diesel and petroleum cars. For December where Solar do not have the actual used fuel, the data is estimated based on data on total used fuel for a comparable month or as an average for the previous months of the years. Yearly used fuel is multiplied by the vehicle's emission factor per liters as communicated by DEFRA.

Electricity

The total amount of electricity consumed in MWh. Emissions are calculated based on the actual used electricity in the reporting period. Yearly used electricity is multiplied by the emission factor communicated by DEFRA. Electricity is calculated for both a marked-based and location based.

District heating

The total amount of district heating consumed MWh. Emissions are calculated based on the actual used district heating in the reporting period. Yearly used district heating is multiplied by the emission factor communicated by DEFRA or where the actual emissions factors are available, this is used. District heating is calculated for both a marked-based and location based.



Total GHG emissions disaggregated by scopes 1 and 2 and significant scope 3¹

	Unit	2020 (baseline)	Retrospective				Milestones and target years	
			2022	2023	2024	2025	Δ 2024 vs 2025	Target 2026
Scope 1 GHG emissions								
Scope 1 GHG emissions	tCO ₂ e	2,814	3,033	2,150	1,745	1,399	-20%	65% reduction Net-zero
Scope 1 GHG emissions reduction	%		108%	76%	62%	50%		
Scope 2 GHG emissions								
Location-based GHG emissions	tCO ₂ e	4,326	3,491	3,876	3,722	3,565	-4%	
Location-based GHG emissions reduction	%		81%	90%	86%	82%		
Market-based GHG emissions	tCO ₂ e	4,326	2,887	3,241	1,815	1,665	65% reduction Net-zero	
Market-based GHG emissions reduction	%		67%	75%	42%	38%		
Significant scope 3 GHG emissions								
Total gross indirect (scope 3) GHG emissions	tCO ₂ e	3,275,651		3,309,423	3,499,615	2,596,571	-26%	
C1: Purchased products and services	tCO ₂ e	354,454	-	325,148	312,588	269,473	-14%	25% reduction ³
C2: Capital goods ²	tCO ₂ e	0	-	0	0	0		
C3: Fuel and energy-related activities	tCO ₂ e	2,212		1,889	794	669	-16%	
C4: Upstream transportation and distribution ²	tCO ₂ e	0	-	0	0	0		
C5: Waste generated in operations ²	tCO ₂ e	0	-	0	0	0		
C6: Business traveling	tCO ₂ e	1,658	-	1,577	1,415	1,376	-3%	
C7: Employee commuting	tCO ₂ e	3,381	-	3,498	3,659	3,449	-6%	
C8: Upstream leased assets ²	tCO ₂ e	0	-	0	0	0		
C9: Downstream transportation	tCO ₂ e	59,148	-	34,423	60,730	35,491	-42%	
C10: Processing of sold products ²	tCO ₂ e	0	-	0	0	0		
C11: Use of sold products	tCO ₂ e	2,850,894	-	2,939,110	3,116,332	2,281,648	-27%	25% reduction ³
C12: End-life-treatment of sold products	tCO ₂ e	3,904	-	3,778	4,097	4,465	9%	
C13: Downstream leased assets ²	tCO ₂ e	0	-	0	0	0		
C14: Franchises ²	tCO ₂ e	0	-	0	0	0		
C15: Investments ²	tCO ₂ e	0	-	0	0	0		
Total GHG emissions								
Total GHG emissions, location-based	tCO ₂ e	3,282,791	-	3,315,449	3,505,082	2,601,535	-26%	
Total GHG emissions, market-based	tCO ₂ e	3,282,791	-	3,314,814	3,503,175	2,599,635	-26%	



Accounting policies

Total GHG emissions disaggregated by scopes 1 and 2 and significant scope 3

Scope 1

Scope 1 emissions are reported in tonnes and the sum of all CO₂e equivalents in accordance with ESRS E1 requirements and the GHG protocol. The emissions are calculated based on the direct energy consumption for operations (natural gas, oil, diesel, petrol) and fuel from people transport (company owned/ leased cars).

For all scope 1 data, December's figures are estimated based on the total usage for a comparable month or as an average of the previous months of the year.

Scope 2

Scope 2 GHG emissions are reported in tonnes of CO₂e equivalents in accordance with ESRS E1 requirements and the GHG protocol. Scope 2 emissions are reported as location and market-based in accordance with the GHG protocol. For all scope 2 data, December is estimated based on data on total used for a comparable month or as an average for the previous months of the years.

Scope 3

Scope 3 emissions are reported in tonnes of CO₂e equivalents in accordance with ESRS E1 requirements and the GHG protocol. Scope 3 emissions are a combination of activity and spend based calculations and are calculated annually. Data are pulled from Solar's ERP system and calculated annually. Where actual data is not available, data are calculated based on economic spend allocation and weight-based calculations method. This accounts for C1: Purchased products and services and C11: Use of sold products, as well as for the categories under 'Other'; C3: Fuel- and energy-related activities, C4: Upstream transport is embedded in C1, C9: Downstream transport and distribution and C12:

End-of-life treatment of sold products. The categories C5: Waste, C6: Business travel and C7: Employee commuting are 100% activity based.

The scope 3 reporting period follows the same approach as in previous years, covering a twelve-month period from 1 October 2024 to 30 September 2025. This is based on Solar's operational activity cycles remaining consistent from year to year.

As part of the year-end control procedures, Solar compares the sales volume for Q4 of the previous year with the current year's Q4 sales. If the change in sales volume results in a variation of more than 5% the calculated emissions are adjusted to reflect a full calendar year.

Continues on page 65.



Total GHG emissions disaggregated by scopes 1 and 2 and significant scope 3¹ – continued

	Unit	2020 (baseline)	Retrospective				Δ 2024 vs 2025
			2022	2023	2024	2025	
GHG intensity							
GHG intensity value, scope 1	tCO ₂ e	0.25	0.22	0.16	0.14	0.11	-0.03
GHG intensity value, scope 2 location-based	tCO ₂ e	0.38	0.25	0.30	0.30	0.29	-0.01
GHG intensity value, scope 2 market-based	tCO ₂ e	0.38	0.21	0.25	0.15	0.14	-0.01
GHG intensity value, scope 3	tCO ₂ e	285.71	-	253.97	286.31	213.34	-72.97
Total GHG intensity value, scope 1, 2 and 3	tCO ₂ e	286.33	-	254.43	286.76	213.59	-73.17
Total GHG emissions, scope 1, 2 and 3 reductions	tCO ₂ e		-	57,161	219,992	-683,156	
Total GHG emissions, scope 1, 2 and 3 reductions	%		-	2%	7%	-21%	

GHG removals

	Unit	2025
GHG removal afforestation, Denmark	tCO ₂ e	108
GHG removal afforestation, Latvia	tCO ₂ e	1,524
Total GHG removals from own operation	tCO ₂ e	1,632
Reversals (tCO₂eq)	tCO ₂ e	1,632



Accounting policies

For 2025, the change in sales of gas boilers resulted in a reduction in scope 3 Category 11 (C11) emissions exceeding 5%. Consequently, the figure has been updated to cover the period from 1 January 2025 to 31 December 2025. All other categories remain unchanged and continue to cover the period from 1 October 2024 to 30 September 2025.

We review our baseline (2020) emissions at least every five years, and if significant changes occur, an earlier update is required. The threshold for significant changes is set at 5% variations in the KPIs. Each year, we assess whether any changes necessitate an adjustment to previously reported data and whether these changes exceed our defined materiality thresholds. Whenever restatements are made, the reasons will be clearly explained, including the factors that led to them. Significant changes can occur from:

- Updates or modifications to calculation methodologies
- Changes in energy consumption, procurement data, or other activities affecting emission levels
- Significant acquisitions or disinvestments

Acquisitions are included in the emissions inventory as soon as reliable data can be obtained, and no later than 12 months after the transaction. If disinvestments are made, they are excluded from the inventory from the effective date of the transaction.

GHG removals

Reporting of gross biogenic land CO₂e removals is accounted for separately in accordance with the guidelines under the Land Sector and Removal Guidance. The calculation of removals is based on model estimates of biomass growth in company-owned forests, including branches, stems, and roots, using species-specific biomass equations. These models convert biomass growth into CO₂e removals using GHG emission factors and conversion factors.

The key assumptions underpinning the removals calculation include that the permanence of removals is estimated at 15 years, taking into account risks such as fire or tree disease, and that the time horizon applied is the current year.

In addition to gross removals, voluntary reporting of substitution effects and avoided emissions is conducted following the same guidelines, providing a comprehensive view of the climate impact beyond direct removals. Indirect climate impacts from gross increment are included, representing the gross growth in Solar-owned forests. This is quantified using modelled biomass growth and converted to CO₂e.

1) In 2025 we have seen a decrease in both scope 1, 2 & 3 compared to 2024. The decrease in scope 1 is mainly due to the transition of company cars from fossil cars to EVs and phase out of fossil fuels for heating. The reduction in scope 3 emissions is primarily due to a decline in sales of gas boilers. This product category represents the most significant contributor to emissions within scope 3 Category 11, accounting for more than 88% of the total emissions reported for this category.

2) The following categories have been excluded from the calculation: C2: Capital goods, C10: Processing of sold products, C8/13: Leased assets, C14: Franchises, C15: Investments

3) Scope 3 target is 25% reduction in total in category 1: Purchased products and services and category 11: Use of sold products



E2 Water and soil pollution

Our material impacts, risks, and opportunities (IROs) related to pollution upstream in the value chain and how we respond.

We are committed to reducing our environmental impact and preventing pollution, in support of our broader sustainability ambitions. We identify potential risks and ensure compliance with national and internal requirements.

We respond to this topic through our supplier engagement program, working closely with upstream partners to drive progress. We have identified two material impact areas: soil pollution and water pollution both of them critical to protecting natural resources and enabling long-term environmental resilience.

			Value chain		
			Upstream	Operations	Downstream
Pollution of water	IRO description	How we respond			
	Excavating materials and minerals as well as in the production phase can cause significant harm to ecosystems, particularly e.g. if hazardous wastewater is not treated properly and leaks into the natural environment.	We respond to this impact through our Supplier Engagement Programme and our Code of Conduct by encouraging our suppliers to implement a water management programme and report on wastewater. We actively work with our suppliers towards managing our value chain impacts.	●		
Pollution of soil	IRO description	How we respond	Value chain	Value chain	Value chain
	Many products in our supply chain contain metals and minerals excavated from mines leading to potential soil pollution at various stages of the mining.	Through our Supplier Engagement Programme, we demand our suppliers to sign our Code of Conduct and encourage them to minimise and/or eliminate any sources of pollutants and document progress. We actively work with our suppliers towards managing our value chain impacts.	●		

Water and soil pollution

We are committed to reducing our environmental impact and preventing pollution.

Through our ISO 14001 Environmental Management System, we screen for potential risks and ensure compliance with national and internal regulations. By engaging both our own operations and upstream suppliers, we aim to drive change and support the green transition.

IRO process

We have identified water and soil pollution as negative impacts in our upstream value chain and own operations. The full process and methodology applied to identifying pollution-related material impact can be found in the General Information section.

We comply with national and internal regulations, and through our ISO 14001 process monitor, we screen for potential negative impacts. Should a severe incident occur, we will engage with local authorities and affected communities.

Policy related to pollution

Environmental Policy

The policy sets out our commitment to environmental performance. We comply with all applicable laws and aim to improve processes to prevent pollution. However, the policy does not specify mitigation actions for water or soil incidents, nor does it address the substitution or reduction of substances of concern or very high concern. It also lacks reference to specific pollutants. The policy applies to all employees and is available on Solar's intranet and website.

No environmental issues or incidents were reported in 2025 or in prior years. Future action plans for our operations will be based on our Environmental Management System (EMS), while upstream monitoring is conducted through our risk-based due diligence.

Preventive measures include spill containment protocols and proper waste handling, reflecting our commitment to pollution prevention, even in low-risk contexts. Despite our non-industrial operations, we maintain emergency response protocols for rapid containment and communication in case of unforeseen events, including spill handling, fire safety, and coordination with local emergency services. Our goal is to protect people and the environment by minimising incident impact.

Accountability lies with the Executive Board. The policy is reviewed annually.

Actions related to pollution

Pollution can take place through indirect or direct water contamination and leakage, soil pollution in surrounding areas, operations in our upstream value chain, and in our own operations.

We strive to enhance our environmental performance by implementing effective pollution mitigation and adaptation strategies to reduce potential negative impact where possible. The actions apply to all operations within Solar and its upstream value chain. As we have not previously identified any incidents, water and soil pollution are considered low risk.

As regards our own operations, pollution-related matters come under our Environmental Management System (EMS), which is frequently audited by third party consultants. Incidents must be reported to a management team member and reported to the EMS team.

For the upstream value chain, pollution is addressed in our Supplier Code of Conduct and our Sustainable Procurement Policy.

Current and future actions:

- Through our daily operations, we track potential pollution incidents related to water and soil in our own operations.
- We will continue to address water and soil pollution under the environmental topic with our suppliers as part of our Supplier Engagement Programme, where we monitor and track several parameters, including those related to the environment.
- We will continually ensure that relevant staff are fully trained to tackle any situation

- We continually review our processes and procedures to ensure they remain effective in reducing our environmental footprint and are aligned with current legislation.

Targets related to pollution

Due to the nature of our business and our history, no targets have been set. We consider conducting an assessment to improve our understanding of the full scope of our pollution-related impacts, risks, and opportunities to identify potential future targets and the resources required.

For this reporting year, we did not identify any incidents in our own operations.

Pollution

We do not currently have data on emissions and pollutants related to the two negative impacts identified through our IRO analysis: water and soil.



E5 Resource use and circular economy

Our material impacts, risks, and opportunities (IROs) related to resource use and waste across the value chain and how we respond.

The impact is directly linked to our business model, as we rely on efficient operations and supply chain processes that interact with material use and waste generation. While our core business does not involve significant resource inflows, outflows, or waste, we recognize the importance of responsible resource use and circularity. These impacts arise through our own activities and through business relationships.

We respond through targeted initiatives that reflect our commitment to environmental stewardship and continuous improvement, aiming to reduce waste, enhance material efficiency, and support the transition to a more circular economy.

Ressource inflows/use	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	Although relatively small, we have a dependency on virgin resources in our packaging and distribution materials. Moreover, products in our supply chain are likely to be produced using virgin materials that are extracted from mines or natural areas. Extraction of these materials can pose significant environmental threats.	We encourage our business partners to reuse and recycle through appropriate circularity levers.			
Ressource outflows (products and services)	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	Electronic waste is one of the fastest growing global waste streams. The products we sell have various expected lifetimes, with many products still not designed with circularity (durability, repair, reuse, disassembly, recycling) in mind, generating general waste and electronic waste that potentially cause indirect or direct harm to nature.	We encourage our business partners to sort their waste. We are committed to collective end-of-life programmes complying with EU directives, including the WEEE standard (waste electrical and electronic equipment).			
Waste	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	Waste in our operations and downstream mainly consists of packaging waste from inbound product supply. There is a slight risk of inadequate waste management resulting from behavioral patterns at Solar's premises or downstream, or from leakage and/or inadequate waste management in Solar's upstream value chain, in relation to product manufacturing.	We sort our own waste and encourage our business partners to do the same. We are committed to collective end-of-life programmes complying with EU directives, including the WEEE standard (waste electrical and electronic equipment).			



Resource use and circular economy

While Solar's core business does not involve significant resource inflows and outflows, our operations, in particular warehousing and logistics, generate waste primarily related to packaging.

Our efforts reflect our broader commitment to environmental stewardship and continuous improvement.

IRO process

As a sourcing and services company, we are reliant on a significant number of products manufactured from both critical raw materials and virgin materials, leaving a waste track behind. Our DMA identified three negative impacts: resource inflows/use, resource inflows/use (products and services) and waste.

We believe that circular economy practices will become increasingly important not just within our own operation, but across our industry as well. However, several challenges regarding reuse and waste sorting in our industry must be resolved to obtain a fully implemented circular economy culture.

Most of our scope 3 emissions come from the products we sell. We are reliant on significant amounts of critical raw materials used to manufacture the products we sell. By beginning to incorporating circularity practices across our value chain, we can reduce our carbon emissions while applying responsible waste management.

Waste from our operations and value chain mainly consists of packaging waste from inbound product supply and outbound distribution.

Our various divisions are in continuous dialogue with local waste management authorities and third-party waste managers to ensure appropriate waste management.

We comply with national and internal regulations and continuously evaluate our methods to improve waste sorting for optimised recycling, and we collect data on all relevant waste fractions. Our waste management reflects the EU waste hierarchy, prioritising prevention, reuse, and recycling. We focus on reducing packaging waste and improving sorting to maximise recovery and minimise disposal. This is undertaken by Solar, in partnership with our waste management providers and through external audits.

Policy related to resource use and circular economy

Environmental Policy

Our Environmental Policy covers areas such as waste management and environmentally friendly packaging. As we are ISO 14001 certified, we are committed to ensuring that guidelines for the management of waste as well as hazardous waste and materials are strictly followed. The Policy is applicable to waste management in our operations.

As outlined in our Supplier Code of Conduct, we also engage with our suppliers to ensure that "the use of natural resources, including water, fossil fuels, minerals, and virgin

forest products are conserved by practices, such as modifying production, maintenance and facility processes, materials substitution, reuse, conservation, recycling, or other means."

Accountability lies with the Executive Board. The policy is reviewed annually.

Actions related to resource use and circular economy

In our own operations, waste is anchored in our operations department, which monitors our waste and recycling processes at all our locations.

In the past, and during the year under review, we focused on the following activities:

- We report monthly on all waste fractions relevant to Solar's business model.
- We are currently running several pilot projects with the objective of recycling products used across our value chain.
- We strive to source 100% certified recycled cardboard packaging materials for customer use.
- We are constantly on the outlook for new processes and projects to create a positive impact on the resource and circular economy within our value chain.
- We are currently in the process of implementing the Packaging and Packaging Waste Regulation (PPWR).

Targets related to resource use and circular economy

In relation to resource inflows, specifically in relation to cardboard packaging, we have a target of 100% recycled cardboard but with no timeline.

We do not have waste management targets. However, we manage waste according to national standards and requirements and monitor any updates in this regard. We endeavour to manage waste in a manner so as not to harm the environment by continuously improving our waste management programmes in collaboration with our waste managers. We will work towards setting targets in coming years.

Resource inflows

Companies that manufacture electrical equipment rely heavily on resources such as metals, which require mining. These pose significant environmental threats as they must be sourced from different parts of the world.

Almost all resources used in our supply chain derive from the extraction of raw materials, including the energy resources and transport involved.

Moreover, it is likely that the products in our supply chain have been produced from virgin materials extracted from mines or natural areas. Extraction of these materials can have a significant negative impact on people and the environment. Our Supplier Engagement Programme encourage reuse and recycling within a circular framework.

While relatively small, we depend on virgin resources in our packaging and distribution materials, such as paper, pulp, and natural gas/crude oil used in plastics. Dependence on virgin resources can be reduced, for example, by switching to recycled or reusable packaging materials and optimising packing methods. However, it is not possible to reduce dependency completely at this stage. However, we continually engage with our suppliers on means to reduce packaging and improve the recyclability of sourced packaging.

We engage with our business partners in the value chain on recycling and circularity.

Resource outflows

Due to the nature of our business, waste streams in Solar mainly consist of packaging waste (paper, cardboard, plastics, wood etc.) and electronic waste (minerals from batteries and other electronic devices as well as metal and plastics from cables etc.) that derive from damaged or returned products.

We comply with the Waste Electrical and Electronic directive.

Electronic waste is a significant waste stream in our industry. The products we sell have various expected lifetimes, with many products still not designed with circularity in mind (durability, repair, reuse, disassembly, and recycling). This generates general waste and e-waste that potentially causes indirect or direct harm to nature. For the electrical, plumbing, heating and ventilation segments, waste may - in limited amounts - consist of damaged products or originate from Solar's facilities. The remainder consists of office waste, and kitchen and food waste from the canteens at Solar's premises.

Waste data is actual data collected and reported on a monthly basis by those responsible for collecting data. The waste data is provided by our third-party waste partners. Accountability lies with Operations.





Resource use and circular economy

	Unit	2025	2024
Total waste generated	kg	3,307,625	3,961,694
Total hazardous waste diverted from disposal	kg	30,640	26,226
Hazardous waste diverted from disposal due to preparation for reuse	kg	0	0
Hazardous waste diverted from disposal due to recycling	kg	30,640	26,226
Hazardous waste diverted from disposal due to other recovery operations	kg	0	0
Total non-hazardous waste diverted from disposal	kg	2,736,305	3,020,955
Non-hazardous waste diverted from disposal due to preparation for reuse	kg	0	0
Non-hazardous waste diverted from disposal due to recycling	kg	2,469,353	2,911,297
Non-hazardous waste diverted from disposal due to other recovery operations	kg	266,952	109,658
Total hazardous waste directed to disposal	kg	1,911	6,505
Hazardous waste directed to disposal by incineration	kg	769	6,505
Hazardous waste directed to disposal by landfilling	kg	167	0
Hazardous waste directed to disposal by other disposal operations	kg	975	0
Total non-hazardous waste directed to disposal	kg	538,769	908,008
Non-hazardous waste directed to disposal by incineration	kg	532,327	881,067
Non-hazardous waste directed to disposal by landfilling	kg	6,309	26,941
Non-hazardous waste directed to disposal by other disposal operations	kg	133	0
Total weight of non-recycled waste	kg	540,680	914,513
Total percentage of non-recycled waste	%	16	23



Accounting policies

Resource outflows - waste

Waste

Waste treatment volumes per final treatment are reported in absolute tonnage (in kg) of waste collected from Solar's locations.

All data is third-party data for all major entities. The first three quarters of 2025 consist of actual data, whereas for Q4, data is estimated based on the average actual data from the previous three quarters.



EU Taxonomy

The EU taxonomy framework (EU Taxonomy Regulation 2020/852) is part of the EU Green Deal and serves as a core enabler to deliver on the EU's ambitious climate goals about carbon neutrality in 2050. The goal is to redirect investments towards sustainable projects. Our assessment below is in compliance with Regulation EU 2020/852 and the associated amendments to the annexes of the Disclosure Delegated Act as issued on 27 June 2023.

Eligibility screening

Solar performed a screening of the technical annexes of the Climate Delegated Act to identify any potentially eligible economic activities for the Revenue KPI and for the CapEx and OpEx KPIs. Identified areas, where there were any eligible economic activities in the reporting period, were subject to further assessment for alignment. Solar does not claim alignment for 2025, because there is not sufficient documentation within the relevant areas.

For the calculation of the denominator of the Revenue, CapEx, and OpEx KPIs, we have extracted the figures directly from the ERP system and therefore ensure that the figures are only counted once in each KPI. For the allocation of the numerator for CapEx, we first identified the relevant figures and then we have allocated the primary

related economic activity in the Climate Delegated Act. In this way, we ensure that no CapEx is considered more than once.

See EU taxonomy table for the full overview on page 74-76.

Solar activities

Solar has reviewed all six taxonomy-eligible economic activities listed in the Climate Delegated Act. Based on the current interpretation of the eligible economic activities, we have concluded that sourcing of electrical and heating and plumbing equipment is not included in the list of eligible sectors. Consequently, our economic activities are not yet in scope for assessment.

However, it is our understanding that sourcing of electrical and heating and plumbing equipment plays a pivotal role in climate change mitigations. By providing our customers with product documentation containing environmental data, it enables them to reduce their environmental strain and carbon footprint. We closely monitor the development.

Thermonova, a 51% owned subsidiary, has eligible economic activities listed in the Climate Delegated Act with activities within manufacture of energy efficiency equipment for buildings (NACE 43.22) (activity code 3.5).

Solar Polaris, a fully owned subsidiary, has eligible economic activities listed in the Climate Delegated Act with activities within installation, maintenance, and repair of renewable energy technologies (NACE 43.21) (activity code 7.6).

Confirmation of unchanged EU Taxonomy KPIs

Solar confirms that there have been no material changes in the Group's business activities related to EU Taxonomy eligible economic activities during the reporting period compared with the prior year. The Group's core activities remain outside the scope of EU Taxonomy eligibility, and taxonomy eligible activities within subsidiaries continue to be limited and immaterial.

As a result, there have been no significant changes in the EU Taxonomy KPIs for turnover, CapEx, or OpEx, and the reported KPIs for the financial year are fully comparable with those disclosed in the previous year.

Eligible OpEx activities

Eligible OpEx includes any of the following types of spend:

Related to assets or processes that are associated with Taxonomy-eligible economic activities

- 7.3 Installation, maintenance, and repair of energy efficiency equipment
- 7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

Eligible CapEx activities

Eligible CapEx are investments related to the following EU taxonomy activities:

- Afforestation, establishment of forest through planting, deliberate seeding or natural regeneration on and that, until then, was under a different land use or not used
- 7.3 Installation, maintenance, and repair of energy efficiency equipment
- 7.6 Installation, maintenance, and repair of renewable energy technologies

Turnover

The activity of Solar as a sourcing and services company within electrical and heating and plumbing equipment is not included in the list of eligible sectors. However, Solar owns two companies that are on the list of eligible sectors.

- Thermonova: Manufacture heat pumps and the products disclosed in activity 3.5 k1
- Solar Polaris: Design solar photovoltaic solutions disclosed in activity 7.6

The share of taxonomy-eligible economic activities in the two companies is not significant. For 2025, it amounts to DKK 338m. and represents 2.8% of Solar Group's total turnover.

Operating costs (OpEx)

OpEx consists of direct non-capitalized costs that relate to research and development, building renovation, short-term lease, maintenance and repair and any other direct expenditures relating to the day-to-day servicing of property, plant, and equipment (PPE), right-of-use assets as well as intangible assets. The OpEx KPI is defined as



Taxonomy eligible OpEx (numerator) divided by total OpEx (denominator).

The denominator of the OpEx KPI is a subset of DIRECT non-capitalised costs relating to:

- Individual measures enabling Solar's activities to become low-carbon or lead to greenhouse gas reductions as well as building renovation measures
- Maintenance and repair and other day-to-day costs relating to servicing property, plant, and equipment

Solar has assessed that the numerator and denominator of the KPI related to the OpEx as disclosed in section 1.1.3.2 of annex 1 to the Disclosures Delegated Act cover the amount of non-capitalised costs related to:

- Activities or processes associated with taxonomy eligible economic activities is nil
- Research and development are nil
- Individual measures enabling Solar's activities to become low-carbon or lead to greenhouse gas reductions, which is DKK 0m (2024: 0m), as well as building renovation measures (7.3, 7.4)
- Maintenance and repair and other day-to-day costs relating to servicing property, plant, and equipment amounting to DKK 0m (2024: 34m)

The above DKK 0m is included in the denominator, but no spend related to the eligible activities has occurred for 2024 and consequently, the KPI related to OpEx is 0% (2024: 0%).

Capital expenditure (CapEx)

We included the numerator of the eligible CapEx investments in non-revenue generating activities described above. The denominator of the CapEx KPI includes total additions to intangibles and tangibles (notes 3.1, 3.2, 3.3 in

the consolidated notes of the Annual Report 2025). See page 124-131.

CapEx consists of additions to tangible assets covering property, plant, and equipment (PPE) and intangible assets during the financial year. It includes additions to PPE (IAS16), intangible assets (IAS 38) and right-of-use assets (IFRS 16). The CapEx KPI is defined as taxonomy-eligible CapEx (numerator) divided by total CapEx (denominator).

When assessing the numerator of the KPI related to the CapEx as disclosed in section 1.1.2.2 of annex 1 to the Disclosures Delegated Act, we have assessed:

- The amount of CapEx that is referred to taxonomy aligned activities is nil
- The amount of CapEx related to become low-carbon or to lead to greenhouse gas reduction is DKK 11m (2024: 10m) (1.1, 7.3, 7.6)

When assessing the denominator of the KPI related to the CapEx as disclosed in section 1.1.2.1 of annex 1 to the Disclosures Delegated Act, we have assessed that it covers:

- Additions during the year; intangible assets excluding goodwill as reported in note 3.1, page 124-126 in Annual Report 2025
- Additions during the year; property, plant, and equipment in note 3.2, page 127-128 in Annual Report 2025

As regards leased assets, the new contracts, renewals, remeasurements and extensions are included as reported in note 3.3, page 129-131 in Annual Report 2025.

In total, the above amounts to DKK 697m (2024: 438m). Consequently, the KPI related to CapEx can be calculated to 1% (2024: 2%).

Nuclear and fossil gas related activities

Nuclear energy related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
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2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
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3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
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Fossil gas related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
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5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
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6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No
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**Turnover****Economic activites (1)****A. Taxonomy eligible activities****A.1 Environmentally sustainable activities (taxonomy – aligned)**

Turnover of environmentally sustainable activities (taxonomy aligned) (A.1)

Code(s) (2)	Absolute turnover (3)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum safeguards (17)		
		Currency (DKKm)	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.1 Environmentally sustainable activities (taxonomy – aligned)																
Turnover of environmentally sustainable activities (taxonomy aligned) (A.1)	0	0	0	0	0	0	0	0	N	N	N	N	N	0		
Of which enabling	0	0	0	0	0	0	0	0	N	N	N	N	N	0	E	
Of which transitional	0	0	0						N	N	N	N	N	0		T
A.2 Taxonomy – eligible but not environmentally sustainable activities (not taxonomy-aligned activities)	0	0	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL						0		
Total (A.1+A.2)	0	0	0	0	0	0	0	0						0		
B. Taxonomy – non-eligible activities																
Turnover of taxonomy – non-eligible activities (B)		12,171	100													
Total (A+B)		12,171	100													

Note: Turnover is from Statement of comprehensive income page 104.

**OpEx****Economic activities (1)****A. Taxonomy eligible activities****A.1 Environmentally sustainable activities (taxonomy – aligned)**

OpEx of environmentally sustainable activities (taxonomy aligned) (A.1)

	Code(s) (2)	Currency (DKKm)	Absolute OpEx (3)	Proportion of OpEx (4)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')						Taxonomy aligned proportion (A.1) or eligible (A.2) turnover, 2024 (18)	Category (enabling activity or) (20)	Category (transitional activity) (21)
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)			
					%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
OpEx of environmentally sustainable activities (taxonomy aligned) (A.1)		0	0	0	0	0	0	0	0	N	N	N	N	N	N	N	0		
Of which enabling		0	0	0	0	0	0	0	0	N	N	N	N	N	N	N	0	E	
Of which transitional		0	0	0						N	N	N	N	N	N	N	0		T
A.2 Taxonomy – eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
7.3 Installation, maintenance, and repair of energy efficiency equipment	CCA 73	0	0	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0		
OpEx of taxonomy-eligible not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		0	0	0	0	0	0	0	0								0		
OpEx of taxonomy eligible activities (A.1+A.2)		0	0	0	0	0	0	0	0								0		
B. Taxonomy-non-eligible activities																			
OpEx of taxonomy-non-eligible activities (B)		32	100																
Total		32	100																

**CapEx****Economic activites (1)****A. Taxonomy eligible activities****A.1 Environmentally sustainable activities (taxonomy – aligned)**

Capex of environmentally sustainable activities (taxonomy aligned) (A.1)

	Code(s) (2)	Absolute CapEx (3)	Currency (DKKm)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum safeguards (17)	Taxonomy aligned proportion (A.1) or eligible (A.2) turnover, 2024 (18)	Category (enabling activity or) (20)	Category (transitional activity) (21)
				%	%	%	%	%	%	%	%	%	%	%	%				
A.1 Environmentally sustainable activities (taxonomy – aligned)																	0		
Capex of environmentally sustainable activities (taxonomy aligned) (A.1)		0	0	0	0	0	0	0	0	N	N	N	N	N	N				
Of which enabling		0	0	0	0	0	0	0	0	N	N	N	N	N	N		0	E	
Of which transitional		0	0	0						N	N	N	N	N	N		0		T
A.2 Taxonomy – eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
1.1 Afforestation	CCA 1.1	2	0	N/EL	EL	N/EL	N/EL	N/EL	N/EL								3		
7.3 Installation, maintenance, and repair of energy efficiency equipment	CCA 73	0	0	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1		
7.6 Installation, maintenance, and repair of renewable energy technologies	CCA 76	8	1	N/EL	EL	N/EL	N/EL	N/EL	N/EL								6		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		10	1	0	100	0	0	0	0								10		
CapEx of taxonomy-eligible activities (A.1+A.2)		10	1	0	100	0	0	0	0								10		
B. Taxonomy – non-eligible activities																			
CapEx of taxonomy-non-eligible activities (B)			687	99															
Total (A+B)			697	100															

Note: Total CapEx is the sum of "additions during the year" from note 3.1 Intangible assets page 124, note 3.2 Property, plant and equipment page 127 and note 3.3. Leases page 129.



Social information

78 Own workforce

85 Workers in the value chain

Emma Rosvall
Director Warehouse
Operations Örebro

Emma joined Solar in August 2025 as Warehouse Operations Director at our new logistics centre in Kumla, which will bring together two existing warehouses into a single, logistics centre for Sweden.





S1 Own workforce

Our material impacts, risks, and opportunities (IROs) related to our own workforce and how we respond to them.

The impacts are connected to our ambition to support our overall strategy and business, where human capital is a key resource. To succeed, our employees must be able to feel supported, contribute meaningfully, and develop professionally. We are committed to building a diverse and engaged workforce and focus on creating safe, inclusive workplaces with fair conditions that promote well-being and growth.

Employee input gathered through various channels helps shape our workplace improvements and supports continuous development.

Working conditions	IRO description	How we respond	Upstream	Value chain Operations	Downstream
Health and safety	We have initiated several measures to increase safety at Solar. A set of cardinal rules, laying out core safety rules, a safety standard for visitors and a Health, Safety and Work Environment Policy are all measures taken to prevent work incidents.	Through a continuous dialogue with our internal stakeholders we monitor and track work-related accidents. Our Health, Safety and Work Environment Policy is our guidance to help secure a safe work environment.			
Equal treatment and opportunities for all	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	We commit to provide equal opportunities. We have an open and inclusive culture where all employees have regular development appraisals.	Our Employee Handbook, Code of Conduct, Inclusion and Diversity Policy, and non-bias in recruitment are our foundation to secure a just and inclusive work environment.			

Own workforce

We strive to create safe and inclusive workplaces with fair and attractive employment conditions that support the well-being and development of all employees.

Our goal is to attract, motivate, and retain a diverse talent pipeline. This commitment reflects our values and supports a responsible, people-focused approach to employment.

We listen to and incorporate our employees' opinions and concerns through daily interactions, engagement surveys, works council meetings, and formal communication channels.

These insights are essential to understanding the interests and views of our workforce and are integrated into our strategy and business model. For example, feedback from engagement surveys informs leadership development and workplace improvements.

We also engage with employee representatives and employee-elected members sit on our Board of Directors. Our commitment to human rights forms the foundation of our operations and safeguards dignity, freedom, and respect.

No special impacts or dependencies have been identified. For more information, see Stakeholder Engagement page 44.

Material impacts and risks related to own workforce

Health, safety, and work environment

Solar's Health, Safety, and Work Environment Policy, together with our Cardinal Rules, forms the foundation of a safe and responsible working culture. All employees are expected to be familiar with these principles, which guide our efforts to prevent workplace injuries and occupational illness. We aim for zero harm across our workforce, including visitors and contractors, and continuously foster a positive and supportive environment.

We regularly assess and improve our work environments, with mandatory incident reporting to ensure transparency and continuous learning. Particular attention is given to warehousing roles, where the risk of work-related injuries is higher. These risks are actively mitigated through preventive measures, targeted training, and ongoing monitoring.

The nature of these impacts includes physical injuries, mental strain, and long-term health risks, particularly in operational roles. These impacts occur primarily within our own operations and are directly linked to our business model, which relies on efficient logistics and warehousing.

Equal treatment and opportunities

Solar is committed to equal treatment and opportunity for all employees, regardless of gender or background. Inclusion and career development are key areas of impact within our workforce, especially in technical, managerial, and specialist roles.

We support growth through internal training, onboarding for new managers, and webinars that equip employees with tools for development. Performance appraisals focus on aligning individual development with company values and strengthening workforce resilience.

We aim for our recruitment processes to be fair and transparent. All candidates are assessed based on objective criteria and we provide equal opportunities to all, irrespective of their background. We ensure transparency by clearly communicating job requirements and selection criteria. Bias training for hiring managers supports consistent and inclusive decision-making throughout the recruitment process.

These impacts relate to social equity which is central to reach our strategic goals. They occur within our own workforce and influence our ability to attract, retain, and develop skilled employees and as a driver of innovation and competitiveness in our business model.

HR and hiring managers are trained to recognise unconscious bias and recruit inclusively. Job postings reflect our commitment to diversity, and shortlists for managerial roles must include at least one candidate from an underrepresented gender. We aim to reach 40% representation at entry level by 2026.

Strategic integration

The potential negative impacts identified through our DMA, such as health and safety and equal treatment, are not only acknowledged but actively embedded in Solar's strategy and business model.

Our business model depends on a competent, safe, and inclusive workforce to deliver value in our daily operations.

By managing these impacts, we reduce risk while also strengthening employee engagement, which is essential to achieving our strategic objectives and ensuring long-term value creation.

Policies related to own workforce

Our commitments to our own workforce, along with employee responsibilities, are defined through employee policies, guidelines, and employee handbooks. All policies cover all employees in Solar.

Human Rights

Our Human Rights Policy covers the right to freedom of association, works councils, fair working conditions, trafficking, forced or compulsory labour, child labour and the elimination of discrimination in employment and occupation.

We are in constant dialogue with our works councils and employee representatives to ensure that the impact of labour and human rights on our own operations is in accordance with our policies and regulations.

Should we identify adverse impacts that are directly linked to our operations, products, or services through our suppliers or other business partners, we call on the entity causing the adverse impact to cease, prevent or mitigate the impact. We maintain accessible grievance mechanisms for employees and expect our suppliers to establish similar channels.

Given the nature of our business and our geographical presence, we do not face any significant risk of incidents involving forced labour or child labour.

The policy is in line with the UN Guiding Principles on Business and Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. It constitutes the framework for how we work and look after employees. Our ethical requirements for our employees are set out in Solar's Employee Code of Conduct.

Accountability for Human Rights Policy lies with the CEO. The policy is reviewed annually.

Health, Safety and Work Environment

Physical and mental safety and well-being at the workplace are our top priorities, and we believe that they are fundamental drivers of a work-life balance. We foster a culture that promotes our employees' health and safety and strives to prevent any accidents.

We are also dedicated to safeguarding the labour conditions of our employees, such as sickness, work-related injuries, parental leave, and retirement. Health and safety training is conducted regularly, and reporting incidents is mandatory.

Our Health, Safety, and Work Environment Policy set the standards for how we protect and ensure the well-being of our employees. All employees must be familiar with this policy and Solar's Cardinal Rules, which focus on three key areas: maintaining a strong safety culture, ensuring clear navigation in operational areas, and using safe equipment.

We adhere to ISO 9001 for quality management and ISO 14001 for environmental management. These certifications support a consistent framework for operational excellence and continuous improvement.

Accountability for health and safety lies with our VP Operations in Sweden. The policy is reviewed annually.

Additionally, we have a range of support systems, and offer our employees' health insurance, including access to psychologists and other mental health professionals, and

to crisis management. Accountability for well-being and the mitigation of negative impacts lies with Group HR.

Inclusion and Diversity

Our ambition is to foster a diverse, equal, and inclusive culture and workplace. We are committed to creating an environment where all employees feel respected and valued, regardless of background or identity. We uphold human rights and maintain a zero-tolerance stance on any form of discrimination or harassment.

Our Inclusion and Diversity Policy promote fairness, inclusion, and non-discrimination across all stages of employment from recruitment and onboarding to development and advancement. We implement structured procedures to identify and address bias or unequal treatment, and we monitor and improve our practices.

Together with works councils and employee representatives, we focus on creating a diverse workforce and support for our managers. This also covers a commitment to providing equal pay for equal positions and comparable competences when hiring or promoting employees.

We are committed to diversity at senior management level and it is our ambition to raise the entry level of women among all employees.

Our recruitment process is fair and transparent, with bias training for hiring managers. Job advertisements use inclusive language, and managerial shortlists must include at least one candidate from an underrepresented gender.

Progress is monitored through KPIs and employee engagement surveys, which include questions on diversity, inclusion, and equality.

All employee-related policies, code of conduct and handbooks are accessible via Solar's intranet and promote transparency and foster awareness throughout the organisation. These documents are introduced during onboarding and reinforced through internal communications.

The policy is aligned with national legislation and international standards, including the Gender Balance Act and the ILO Declaration on Fundamental Principles and Rights at Work.

Accountability for inclusion and diversity lies with Group HR, and the policy is reviewed annually.

Processes for engaging with our workforce

We conduct engagement surveys to provide insight into our employees' well-being, commitment, perception of influence, opportunities for development, work-life balance, collaboration with colleagues, and how Solar's leaders are perceived. The survey is conducted every 18 months, and accountability lies with HR. In 2025, the survey also included questions on diversity, inclusion, and equality. These questions were designed to help us identify potential discrimination and to assess whether our workplace promotes equal opportunities in line with our Inclusion and Diversity Policy.

The results from our employee engagement survey are presented to all managers with employee responsibility in order for them to engage with their employees and take appropriate action. The results are published on Solar's intranet. Group HR monitors and tracks the effectiveness through our HR system.

Feedback from the surveys and the open comments serve as a valuable basis for initiating dialogue and identifying actions to further improve our workplace. Our employees can also voice their opinions via the whistleblower portal, works councils, employee representatives, and employee performance appraisals.

We engage with our employees on a daily basis and with employee representatives and works councils according to a set meeting frequency to ensure that we operate in accordance with our policies and relevant regulations. Through a structured approach, elected employee

representatives host various meetings, including the safety committee, and report back to management. Moreover, we have three employee-elected members on our Board of Directors.

Accountability for engagement lies with the Executive Board.

Remedy of negative impacts and channels to raise concerns

Our employees are encouraged to speak up if they experience any irregularities or illegalities on Solar's part. Access to remediation, by which our employees can make their concerns and needs known, helps to ensure a just and fair workplace and protects our employees.

Employees with a grievance or complaint can report the incident via our whistleblower portal, which is accessible on Solar's intranet and our websites. They can also seek support from their line manager or HR.

Should these channels be unsuitable, all employees can raise a complaint directly by mail or text message to the Head of Internal Audit.

Complaints are reviewed confidentially and investigated by the relevant internal function, depending on the nature of the issue. Findings are documented, and appropriate remedial actions are taken. The complainant is informed of the outcome, and follow-up is conducted to ensure resolution.

Our Internal Audit team tracks and monitors all issues raised and informs the Board of Directors when the cases are resolved.



We take proactive steps to ensure awareness of acceptable standards of behaviour by:

- Regularly promoting awareness of our grievance channel through internal information
- Having all our employees sign our Code of Conduct and making it available on Solar's intranet.
- Ensuring that our Employee Handbook is available on Solar's intranet.

For more information see our Whistleblower Policy.

Actions related to own workforce

We are particularly focused on the two negative impacts identified through our DMA.

By following our policies and through regular engagement with our employees, we believe that our actions can help reduce the negative impact. Currently, we have no additional actions planned beyond those mentioned below.

- Diversity targets, such as increasing the proportion of women in senior management and entry-level roles, are monitored annually and reported internally.
- The effectiveness of our actions and initiatives is tracked through our employee engagement surveys, KPIs related to retention, employee turnover, sick leave, and number of accidents.
- We have a remedy process that includes a confidential grievance mechanism, enabling employees to report concerns.

Health, safety, and work environment

- Health and safety remain a key focus area. In 2025, we implemented a digital HSE tool to register and track incidents and accidents, strengthening our ability to monitor, analyse root causes, and implement corrective actions. This approach helps us share learnings across the organisation and prevents recurrence.

- Prevention and mitigation campaigns are organised 1-2 times per year, such as a campaign for health and safety week, including emergency drills and safety training sessions.
- Seminars on topics such as dynamic psychological safety and work satisfaction are available upon request. These sessions aim to equip employees with techniques that foster an inclusive and safe workplace culture.

To support a healthy work-life balance, flexible working conditions continue to be available, including opportunities for remote work and part-time arrangements where feasible.

Employee performance appraisals are conducted annually to identify both positive and negative impacts on well-being, such as new tasks, workload, promotion etc.

To protect data privacy and manage potential risks, we strictly adhere to the General Data Protection Regulation (GDPR). We take full responsibility for the data we process and actively work to prevent cyber threats by raising employee awareness of common pitfalls. As part of our commitment to robust information security, we have implemented ISO 27001.

Inclusion and diversity

We are committed to increasing the proportion of women in senior management and to expanding female representation in entry-level positions and continue to promote equal opportunities for all employees, regardless of their background or identity.

- To support this commitment, we have established several employee communities focused on diversity. These groups offer valuable guidance and feedback to management, helping to shape inclusive and equitable practices.

Resources allocated to these initiatives are monitored through internal budgeting systems, and no significant expenditures are required.

Targets related to manage negative impacts

Diversity targets are set and tracked by the Executive Board in collaboration with HR and the Danish Management Team who also engage with employees and workforce representatives on this matter. The targets are communicated in our Annual Report.

We acknowledge that reaching our targets may be challenging for several reasons. Our legacy and the historical underrepresentation of women in our industry mean that many of our employees and managers are currently male. In addition, our long-standing tradition of retaining employees for 25 to 40 years creates a dilemma: whilst we deeply value their skills and dedication, we also recognise that a more diverse workforce would bring fresh perspectives and new ways of working.

In line with our Inclusion and Diversity Policy, Solar is committed to ensuring balanced gender representation at senior management level. Our target is that women hold 25% of senior management positions. In 2025, we exceeded this target due to minor organisational changes, including the departure of a male leader and the promotion of a woman into senior management.

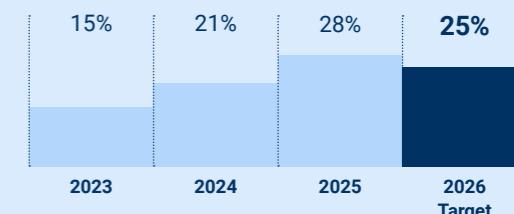
We also aim to achieve a 40% share of women at entry level across all employees by 2026. Progress is measured against our 2023 baseline. The decline observed in 2025 is primarily due to a tight job market in the Netherlands and the relocation of our logistic centre in Sweden, where the majority of applicants have been men.

To support our objectives, we continue to provide training in unbiased recruitment and have updated our recruitment processes and job advertisements to ensure a more inclusive approach.

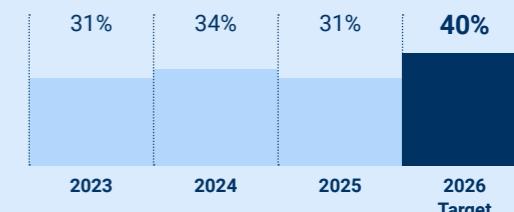
Due to the requirements of the Gender Balance Act, we will revisit this target six months earlier than originally planned to ensure compliance and accelerate progress. Solar does not currently have a long-term target in place, but our ambition is to achieve a minimum of 40% gender balance within senior management.

Targets by 2026

Women in senior management



Entry level, all employees, women



Accounting policies

Women in senior management

Calculated according to the Gender Balance Act.

Entry level, all employees, women

Calculated as the number of newly hired women divided by the total number of all new employees hired during the year.



Characteristics of Solar employees

Employees	Unit	2025	2024	2025	2024		
				Average	Average		
Denmark	Headcount	922	926	945	930		
Sweden	Headcount	597	583	597	583		
Norway ¹	Headcount	510	387	400	387		
The Netherlands	Headcount	658	637	653	672		
Poland	Headcount	375	369	377	377		
Others	Headcount	101	107	101	110		
Total	Headcount	3,163	3,009	3,073	3,059		
Total	FTE	2,995	2,895	2,932	2,899		
Gender diversity	Unit	2025	2024				
Men	Headcount	2,229	2,107				
Women	Headcount	934	902				
Others	Headcount	0	0				
Not reported	Headcount	0	0				
Total employees	Headcount	3,163	3,009				
Characteristic of employees: contract type by gender	Unit	Men	Women	Others	Not disclosed	Total	
Total employees	Headcount	2,229	934	0	0	3,163	
Permanent employees	Headcount	2,035	852	0	0	2,887	
Temporary employees	Headcount	129	53	0	0	182	
Non-guaranteed hours employees	Headcount	65	29	0	0	94	
Characteristic of employees: contract type by region	Unit	DK	SE	NO	NL	PL	Others
Total employees	Headcount	922	597	510	658	375	101
Permanent employees	Headcount	875	525	494	565	338	90
Temporary employees	Headcount	21	11	9	93	37	11
Non-guaranteed hours employees	Headcount	26	61	7	0	0	0
Employee turnover	Unit	2025	2024				
Employee turnover	Headcount	466	513				
Employee turnover rate	%	16.0	17.8				

Accounting policies

Characteristics of the undertaking's employees

Applied data on own workforce

The applied data on own work force is based on extracts from our local payroll systems.

Number of employees, headcount

Number of employees, headcount, is the number of employees at the end of the reporting period measured as headcount.

Average number of employees, headcount

Average number of employees, headcount, is the number of employees across the reporting period measured as headcount.

Gender categories

Gender is categorized as male, female, or other. Other includes legally registered gender not recognized as male or female.

Breakdown by country / geographical area

Breakdown by country includes countries in which Solar has 50 or more employees representing at least 10% of our total number of employees.

Full time equivalent

FTEs are calculated based on the total number of compensable hours (days) in a work year to the number of hours (days) in a "norm" work year.

Average number of employees, FTE

Average number of employees is the number of employees across the reporting period measured as full time equivalent (FTE).

Number of employees, FTE

Number of employees is the number of employees at the end of the reporting period measured as full time equivalent (FTE).

Employees and contract types

Employees include permanent, temporary, and non-guaranteed hours employees.

Non-guaranteed hours employees are employed by Solar without a guarantee of a minimum or fixed number of working hours.

Solar has employees in more countries and use the definitions of contract type as per the national laws of the countries where the employees are based to calculate country-level data.

The country-level data are then added up to calculate total numbers, disregarding differences in national legal definitions.

Employee turnover

The rate of employee turnover is calculated as the aggregate of the number of employees who left voluntarily or due to dismissal, retirement, or death in service during the reporting period to the average FTEs for the reporting period.



Diversity metrics

Gender distribution, senior management	Unit	2025	2024
Number of employees in senior management (men/women)	Headcount	10/4	11/3
Gender distribution in senior management (men/women)	Headcount	10/4	11/3
Gender distribution in senior management (men/women)	%	72/28	79/21

Health and safety metrics

Health and safety	Unit	2025	2024
Employees covered by health and safety management system by legal requirements	%	0	0
Fatalities in own workforce as result of work-related injuries and work-related ill health	Number	0	0
Fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	Number	0	0
Recordable work-related accidents	Number	44	33
Recordable work-related accidents	Rate	7.68	5.75
Cases of recordable work-related ill health of employees	Number	0	0
Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	Number	258	417



Accounting policies

Diversity metrics

Top management

Top management includes management level 1 and 2 of the organization. Level 1 is the executive board and managers at the same organizational level as the executive board. Level 2 includes managers with staff responsibility and reporting directly to level 1 management for the Solar Group and the parent company Solar A/S (ÅRL §99b) respectively.

Gender distribution, top management

The aggregate number of respectively female, male, and other employees in top management to the aggregate number of all employees in top management for the Solar Group and the parent company Solar A/S (ÅRL §99b) respectively.

Health and safety metrics

Employees covered by health and safety management system

The percentage/number of employees in Solar's own workforce who are covered by a health and safety management system based on legal requirements and (or) recognized standards or guidelines to total number of employees at the end of the reporting period.

Fatalities as result of work-related injuries and work-related injuries and work-related ill health

The reported number of fatality cases involving Solar employees working on a Solar site.

Work-related accidents for own workforce

The number of reported cases resulting in a recordable injury. The rate measures the number of recordable injuries in relation to total hours worked (TRIFR = Number of recordable injuries in a defined period x 1,000,000 / total worked hours in the same defined period).

Recordable work-related ill health

The number of reported cases resulting in a recordable work-related ill health.

Days lost to work-related injuries and fatalities

The reported number of work-related lost days based on normal hours of work, taking into account entitlements to periods of paid leave of absence from work i.e. paid vacations, paid sick leave, or public holidays.

Remuneration metrics

Pay	Unit	2025	2024
Gender pay gap	%	23.1	23.9
Annual total remuneration ratio	Times	20.6	22.8



Accounting policies

Remuneration metrics

Pay

The ordinary basic or minimum wage or salary and any other remuneration, whether in cash or in kind, which the worker receives directly or indirectly ('complementary or variable components'), in respect of his/her employment from his/her employer. 'Pay level' means gross annual pay and the corresponding gross hourly pay. 'Median pay level' means the pay of the employee that would have half of the employees earn more and half less than they do.

Gender pay gap

Based on data for all employees, the gender pay gap is the difference of average gross hourly pay levels between male and female employees, expressed as percentage of the average gross hourly pay level of male employees.

Annual total remuneration ratio

The annual total remuneration ratio is the annual total remuneration of highest paid individual (CEO) to the median annual total remuneration for all employees excluding the highest-paid individual (CEO).

Annual total remuneration to own workforce

Annual total remuneration to own workforce includes salary, bonus, stock awards, option awards, non-equity incentive plan compensation, change in pension value, and non-qualified deferred compensation earnings provided over the course of a year.

Executive members

The executive members of the administrative, management and supervisory bodies are the members of The Executive Board in Solar A/S.

Non-executive members

The nine members of the Board of Directors are the non-executive members of the administrative, management and supervisory bodies.

Gender diversity, administrative, management and supervisory bodies

Gender diversity in administrative, management and supervisory bodies is expressed as a percentage and as an average ratio.

The gender diversity in percentage is the total number of female members of the Board of Directors and the Executive Board to the total number of all members of the Board of Directors and the Executive Board.

The gender diversity average ratio is calculated as total number of female members of the Board of Directors and the Executive Board to total number of male members of the Board of Directors and the Executive Board.

Independent board member

Board members that exercise independent judgment free from any external influence or conflicts of interest. Independence generally means the exercise of objective, unfettered judgement. When used as the measure by which to judge the appearance of independence, or to categorize a non-executive member of the administrative, management and supervisory bodies or their committees as independent, it means the absence of an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making.

Percentage of independent board members

As Solar has a two tiers governance system, the percentage of independent board members are the independent board members in the Board of Directors to the total number of members of the Board of Directors.

Proportion of variable remuneration dependent on sustainability-related targets and (or) impacts.

Proportion of variable remuneration dependent on sustainability-related targets and (or) impacts is the annual variable remuneration dependent on sustainability-related targets and (or) impacts for the Executive Board to the total annual variable remuneration for the Executive Board.



S2 Workers in the value chain

Our material impacts, risks, and opportunities (IROs) related to workers in the upstream value chain and how we respond to them.

This impact is a direct consequence of how our business operates, as Solar relies on strong partnerships across the value chain to deliver products, services, and transport. While we do not directly control working conditions in our suppliers' operations, we expect our business partners to support a green and just transition and uphold the same ethical standards we set for our own employees, as outlined in our Supplier Code of Conduct.

Working conditions	IRO description	How we respond	Upstream	Value chain Operations	Downstream
Working time	Excessive working hours for workers in the supply chain may cause physical and mental health issues and affect their safety and work-life balance.	Through our Supplier Code of Conduct, we ask our suppliers to take measures to secure a healthy work environment.			
Adequate wages	A wage that provides for the satisfaction of the needs of the worker and their family, in light of national economic and social conditions.	Through our Supplier Code of Conduct, we ask our suppliers to respect national and international working condition regulations.			
Work-life balance	A satisfactory state of equilibrium between an individual's work and private life, ensuring time allocation beyond family responsibilities.	Through our Supplier Code of Conduct, we ask our suppliers to take measures to secure a safe work environment.			
Health and safety	Healthy and safe work conditions involve both prevention of physical and mental harm, as well as promotion of workers' health by the undertaking.	Through our Supplier Code of Conduct, we ask our suppliers to take measures to secure a safe work environment.			
Equal treatment and opportunities for all	IRO description	How we respond	Upstream	Value chain Operations	Downstream
	Workers' access to equal opportunities, pay, and treatment, including freedom from discrimination.	Through our Supplier Engagement Programme, we monitor and set a minimum threshold score on labour and human rights.			
Other work-related rights	IRO description	How we respond	Upstream	Value chain Operations	Downstream
Child labour	Work that deprives children of their childhood, their potential, and their dignity, and that is harmful to physical and mental development.	Through our Supplier Engagement Programme, we monitor and set a minimum threshold score on labour and human rights.			
Forced labour	All work or service which is extracted from any person under the threat of penalty and for which the person has not offered himself or herself voluntarily.	Through our Supplier Engagement Programme, we monitor and set a minimum threshold score on labour and human rights.			



Workers in the value chain

Solar relies on strong partnerships across our value chain to deliver products, services, and transport.

We expect our business partners to support the green transition and uphold the same ethical standards we set for our own employees, as outlined in our Supplier Code of Conduct.

Interests and views of stakeholders

To support a just and green transition, we expect our suppliers to operate in accordance with national laws and international labour and human rights standards throughout their operations and supply chains.

We promote decent work conditions by setting expectations for fair wages, secure employment, safe working conditions, and a work environment where workers can freely raise concerns and exercise their right to organise.

Our commitment to human and labour rights is embedded in our Sustainable Procurement Policy and Supplier Code of Conduct.

For further information, see the Stakeholder Engagement section page 44.

Material impacts and risks related to workers in the value chain

We have identified working conditions including excessive hours, inadequate wages, poor work-life balance, and health and safety risks as material topics. These issues are particularly relevant for subcontracted and temporary workers in logistics, manufacturing, and installation roles where certain groups such as migrant workers, subcontracted staff, women, young workers, and minority ethnic groups may be especially vulnerable to poor conditions.

Our value chain spans both upstream and downstream operations, including manufacturing, warehousing, transport, and installation. The most significant negative impacts occur upstream, where workers may face physical strain, long hours, and inconsistent labour standards, especially in manufacturing and logistics. Many roles involve manual labour, such as heavy lifting, machine operation, vehicle driving, and unsocial hours. Downstream, installers on building sites and in industrial settings are directly or indirectly impacted by our products and services.

With more than 4,000 direct material suppliers mainly in low-risk markets and with over 99% of tier-one suppliers based in Europe we recognise the importance of managing risks across our value chain. These dependencies shape our sourcing strategy and supplier engagement. To mitigate these risks, we prioritise long-term partnerships and, via our supplier engagement programme, integrate human and labour rights as well as business ethics criteria into our supplier selection, monitoring, and collaboration, promoting safe and fair working conditions aligned with international labour standards.

Policies related to supply chain workers

Human Rights Policy

Our commitment to uphold human and labour rights is outlined in our Human Rights Policy, which sets the foundation for protecting and respecting these rights across Solar's value chain. The policy affirms our dedication to freedom of association, the right to collective bargaining, the elimination of forced, trafficked, or compulsory labour, the effective abolition of child labour, and the elimination of discrimination in employment and occupation.

We also emphasise equal treatment and fair opportunities for all workers, regardless of gender, age, ethnicity, or employment status. The policy is aligned with the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, ensuring our practices reflect internationally recognised standards.

As of the reporting period, no cases of non-compliance with the UN Guiding Principles, ILO standards, or OECD Guidelines have been identified in our upstream or downstream value chain. We continue to monitor and assess risks proactively.

The accountability of the policy lies with the CEO. The policy is reviewed annually.

Sustainable Procurement Policy

The policy aims to ensure ethical and transparent sourcing that protects workers, communities, and the environment. To uphold this, we conduct supplier risk assessments and on-site audits to identify and address labour rights violations, prioritising corrective actions and capacity building for suppliers with low human rights scores to

ensure continuous improvement across the value chain. Compliance is monitored through our Supplier Engagement Programme.

Policy accountability lies with the SVP Commercial Market and Sourcing. The policy is reviewed annually.

Supplier Code of Conduct

In addition, our Supplier Code of Conduct is embedded in all supplier and counterparty agreements and forms part of the evaluation process for strategic partnerships. This ensures alignment with Solar's human rights and sustainability standards. Compliance is monitored through our Supplier Engagement Programme.

We engage with suppliers through regular dialogue (daily, weekly or monthly) and, where relevant, we encourage feedback from workers or their representatives to ensure their perspectives are considered in our due diligence processes.

Our policies recognise the heightened risks faced by vulnerable groups and we expect suppliers to implement safeguards that ensure fair treatment and protection of these groups.

Process for engaging with supply chain workers

At Solar, we believe that strong relationships with our suppliers are key to building a responsible and resilient value chain. We work closely with our suppliers to ensure that supply chain impacts and risks are identified and addressed. This ongoing dialogue is crucial in shaping our risk assessments and supporting continuous improvement.



In our frequent dialogue with our suppliers, and through the people with whom we are in direct contact, we engage indirectly with the workforce across our value chain, thereby gaining insight into general labour conditions.

Accountability for tracking the targets set and maintaining a dialogue with our suppliers lies with our Chief Procurement Officer.

We perform risk assessments of our suppliers to prevent or mitigate negative impacts, and we monitor and follow up on the results. In recent years, we have also conducted on-site audits in collaboration with a third-party provider. These audits are carried out for selected high-risk suppliers.

The objective is to help our suppliers improve their sustainability measures. This may be achieved through corrective actions or through traditional supplier relationship management. Our results are verified by a third-party specialist in supplier assessment and risk management due diligence.

We assess the effectiveness of our engagement through feedback collected during audits, supplier surveys, and third-party evaluations. Key performance indicators include improvements in human rights and labour conditions, resolution of reported issues, and supplier responsiveness to corrective actions.

If a supplier fails to comply with the thresholds defined, a corrective action plan is initiated, followed by a reassessment. In case of a supplier scoring below our human rights and labour thresholds, they will be assigned to a specific training programme. Should a supplier fail to comply with our policies and Supplier Code of Conduct, collaboration will ultimately be terminated.

Remedy of negative impacts and channels to raise concerns

We have not been made aware of any incidents where we have caused or contributed to a material negative impact

on value chain workers. However, should such incidents occur, we have a defined process for addressing them. This includes investigating the root cause, engaging with affected stakeholders, and implementing corrective actions. We assess the effectiveness of any remedy through follow-up engagement and by tracking the number of incidents submitted and resolved.

Workers in our value chain have free and anonymous access to Solar's whistleblower portal and are encouraged to speak up if they experience any concerns, irregularities, or illegalities on Solar's part or within the value chain. Through our Code of Conduct and Supplier Engagement Programme, we encourage our suppliers to establish and maintain their own grievance mechanisms for workers, rights holders, and other stakeholders. All submitted whistleblower cases are registered and investigated by Internal Audit and when resolved reported to the Board of Directors. Our Whistleblower Policy includes protection for individuals who raise concerns in good faith, safeguarding them from retaliation.

At present, we do not systematically assess whether value chain workers are aware of or trust the available grievance channels. However, we recognise the importance of this and will consider implementing measures to raise awareness, build trust, and collect feedback on the effectiveness of these mechanisms.

Actions related to supply chain workers

We address material impacts on value chain workers through our risk assessment, Code of Conduct, and Supplier Engagement Programme. Our approach to managing risks and pursuing opportunities is embedded in operational practices and supplier dialogue.

Our due diligence framework covers working conditions, equal treatment, and child and forced labour. During the reporting period, we have risk assessed 84% of our spend, with 96% covered by our Code of Conduct.

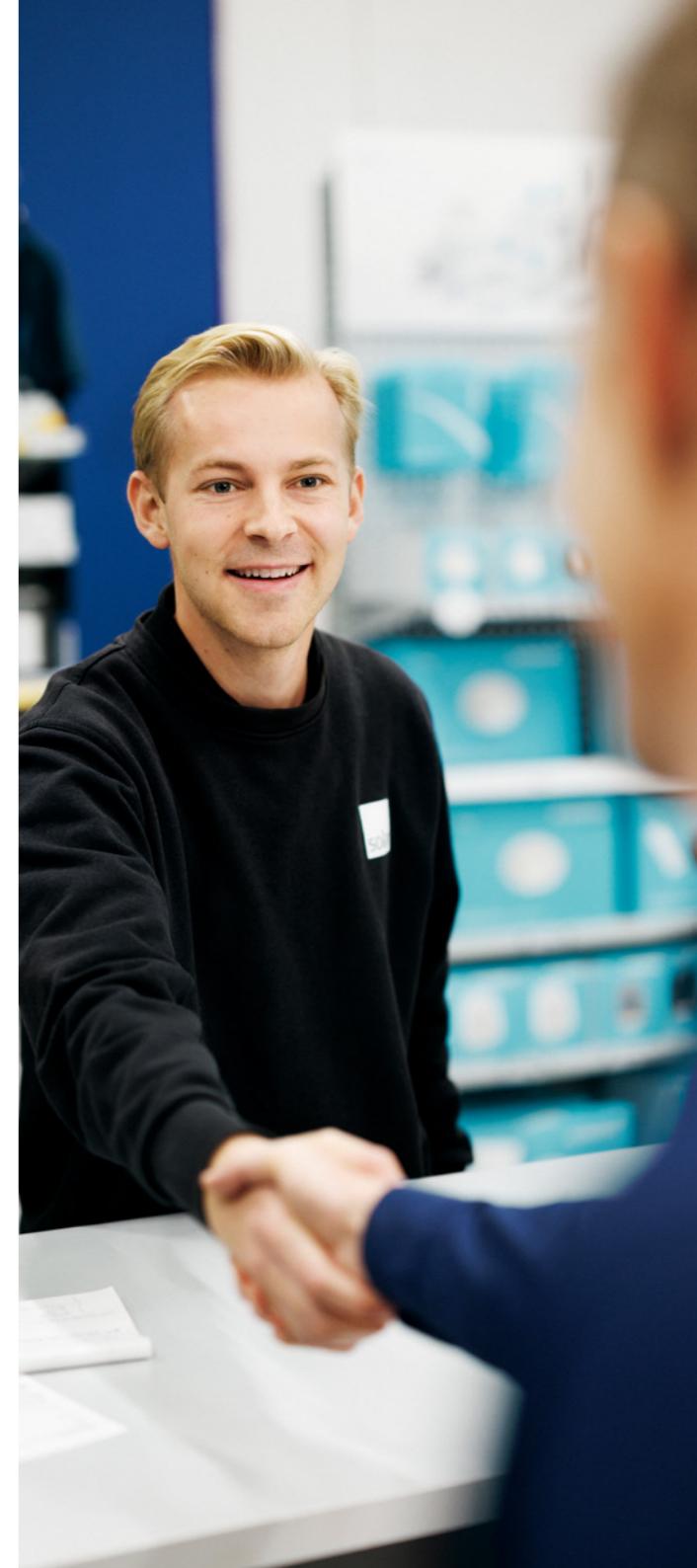
We have an action plan to manage material impacts, risks, and opportunities, including regular assessments and targeted engagement. Resources are allocated through dedicated roles in our sustainability and procurement teams, with oversight from senior management.

We will continue to

- promote awareness of our grievance mechanism
- encourage suppliers to impact on human rights
- track and measure progress
- maintain collaboration with industry and trade organisations.

We take action based on daily dialogue, audits, stakeholder feedback, and risk screening. If we find material negative impacts, we adjust our procurement practices. While no material risks have been recorded, we check effectiveness through supplier feedback, performance indicators, and grievance mechanisms. We also work to strengthen our value chain through open dialogue with suppliers.

We proactively aim to avoid contributing to negative impacts through daily operation. When tensions arise between business pressures and sustainability goals, we engage in dialogue and implement corrective actions to maintain balance. Senior Management is assigned the necessary resources to manage and operationalise material impacts.





Targets related to supply chain workers

Two entity-specific targets have been set based on the outcome of the DMA. These targets aim to reduce negative impacts on value chain workers, while also helping us manage material risks related to human rights and labour conditions.

The 2026 targets were set in 2024 and support our Sustainable Procurement Policy.

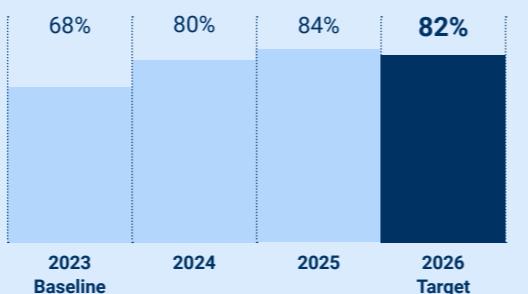
The targets were defined using internal procurement data, contract management systems, and risk assessment platforms, with the process led by Commercial Market and Sourcing Management. Stakeholder engagement involved the sustainable procurement team, providing direct insight into supplier practices, while direct engagement with value chain workers was limited. Assumptions include ongoing supplier engagement and compliance with Solar's Supplier Code of Conduct. The methodology aligns with EU sustainability goals and considers local labour conditions in key sourcing regions.

Performance is monitored quarterly using data drawn from our contract management system and supplier risk assessment platform, with progress reviewed by the Executive Board. The targets are absolute and measured as the percentage of total Solar Group spend covered by suppliers that have signed the Code of Conduct, as well as the percentage of strategic and preferred supplier spend that has undergone a full risk assessment within the 12 month reporting period. Trend analysis is used to identify gaps, strengthen due diligence efforts, and refine supplier engagement strategies.

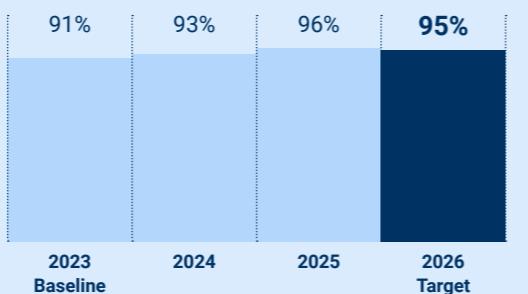
Lessons learned from tracking include the need for earlier supplier onboarding and communication of Code of Conduct expectations. These insights have led to a more focused dialogue with our suppliers.

Targets by 2026

Spend undergoing risk assessment



Spend covered by Supplier Code of Conduct



Accounting policies

Spend undergoing risk assessment

The proportion of suppliers screened through Solar's risk management system is measured as the spend with screened suppliers divided by the total spend across all suppliers.

Spend covered by supplier Code of Conduct

Calculated as the proportion of suppliers who have signed Solar's Supplier Code of Conduct is measured as the spend with those suppliers divided by the total spend across all suppliers.





Governance information

90 Business conduct

Daniel Kilander
VVS Indoor Sales

Daniel brings experience as an HVAC installer and, in his role at Solar, he values working closely with both small and large customers, using his expertise to help meet their needs.





G1 Business Conduct

Our material impacts, risks, and opportunities (IROs) related to business conduct and how we respond to them.

The impact is linked to our strategic commitment to conduct business with integrity, which is a cornerstone of Solar's corporate culture. It occurs through our efforts to ensure fair, transparent, and compliant practices across our operations and value chain. We expect employees and business partners to act in accordance with our Code of Conduct and to support ethical behaviour, legal compliance, and trust.

Corruption and bribery	IRO description	How we respond	Value chain
Incidents	Corruption and bribery incidents may have significant risks for our business and cause reputational damage. Our protection of whistleblowers encourages and enables all stakeholders to speak up if they experience any irregularities or illegalities on the part of Solar.	Through our whistleblower portal, we take a proactive approach to mitigating risks and negative impacts throughout the value chain.	Upstream Operations Downstream



Business Conduct

Conducting business with integrity is a cornerstone of Solar's corporate culture. By acting in accordance with our Code of Conduct, we ensure fair, transparent, and compliant business practices across our operations and value chain.

We are committed to ethical conduct, legal compliance as well as fostering trust and respect among employees, business partners, and stakeholders.

Corporate culture

Solar has implemented policies on business conduct, including an Integrity and Anti-Corruption Policy, an Employee Code of Conduct and a Supplier Code of Conduct, which promote ethical conduct, integrity, and transparency across the organisation and its value chain. These policies are embedded in Solar's corporate culture through regular training, leadership commitment, and in procurement practices.

Whistleblower protection

Given that incidents of corruption and bribery are assessed as material in Solar's IRO analysis, Solar maintains a secure and confidential whistleblower portal that enables employees and stakeholders to report unethical breaches

and practices without fear of retaliation. Our commitment to protecting whistleblowers is outlined in the Whistleblower Policy, which ensures compliance with applicable laws and regulations, including those related to personal data protection.

Anti-corruption

We have a zero-tolerance policy for all forms of bribery and corruption. Although the greatest exposure lies upstream, it remains limited because the majority of our business across the value chain takes place in Europe, and in highly regulated markets with a low risk of corruption. This reduces overall exposure, even though some suppliers operate in regions with higher inherent risk profiles.

Integrity and Anti-corruption Policy

Solar is committed to the highest standards of integrity and transparency across all operations. The policy ensures compliance with applicable laws and promotes ethical conduct among employees, management, suppliers, contractors, and other third parties. To uphold compliance awareness, employees are required to acknowledge the Code of Conduct.

This applies broadly to any irregularities, including external attempts to access Solar's assets or information. With a zero-tolerance approach to unethical conduct, including bribery and corruption as defined in the policy, the Executive Board and local management are responsible for prevention and detection, while the CFO oversees the policy. Internal Audit monitors its implementation and follow-up.

The policy is available on Solar's website to ensure transparency and accessibility for all stakeholders. It is reviewed annually.

Actions related to business conduct

Policy review

To ensure best practice and continuous improvement, Solar conducts an annual review of its key policies and procedures that support our zero-tolerance approach to unethical conduct. As part of this process, we updated our Fraud Policy in 2025, transforming it into a broader Integrity and Anti-corruption Policy.

Training and awareness

We place a strong emphasis on ensuring that all employees understand what is expected of them. To ensure ethical conduct in daily operations, all employees are required to complete mandatory e-learning on the Employee Code of Conduct. The training is assigned through our HR portal and is completed regularly. Those in direct contact with suppliers also complete annual training on our Supplier Code of Conduct. These e-learnings will continue in 2026 to maintain a high level of awareness and compliance across the organisation.

Whistleblower awareness and reporting

To proactively prevent corruption and fraud, we provide internal guidance on how to report concerns through our whistleblower portal. This information is shared annually on Solar's Intranet to ensure all employees are aware of the reporting process and feel confident when using it.

Confirmed incidents of bribery of corruption

	Unit	2025	2024
Number of convictions for violation of anti-corruption and anti-bribery laws	Number	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	Amount	0	0



Other sustainability information

- 93 Statement on sustainability due diligence
- 94 Disclosure requirements and incorporation by reference
- 97 Datapoints deriving from other EU legislation

Simon Fridell
Technical Salesman

Simon joined Solar in 2025, dedicated to supporting electrical contractors. He brings extensive expertise in solar panels and battery storage. A strategic business area that is increasingly important to Solar.





Statement on sustainability due diligence

Core elements of due diligence	Sections in the sustainability statement	Page
a) Embedding due diligence in governance, strategy and business model	Governance information	90-91
b) Engaging with affected stakeholders in all key steps of the due diligence	General information Social information	44 80, 86-87
c) Identifying and assessing adverse impacts	Social information Governance information	79-81 90-91
d) Taking actions to address those adverse impacts	Social information Governance information	81, 87 91
e) Tracking the effectiveness of these efforts and communicating	Social information Governance information	81, 87 91

The table above outlines where in our Sustainability statement you can find information about our due diligence process, detailing how we implement the main aspects and steps of this process.



Disclosure requirements and incorporation by reference

Disclosure requirements

The following tables list the ESRS 2 disclosure requirements and the seven topical standards that are material to Solar. They also provide an overview of relevant data points below the DMA threshold or additional data points otherwise considered relevant. We have assessed the topical standards E3, S3 and S4 as not material to our business, and therefore the related disclosure requirements have not been included. Moreover, E4 has been omitted to CSDR Quick Fix. The tables can be used to navigate to information relating to a specific disclosure requirement in the sustainability statements such as:

- data disclosure requirements that are incorporated by reference to either the management review or financial statements in this annual report.
- the Remuneration Policy and Statutory Report on Corporate Governance are published as separate documents.

Where we do not yet have any information related to a specific disclosure requirement, no reference is made.

Cross-cutting standards

General disclosures

Disclosure requirements	Section	Page
BP-1 General basis for preparation of the sustainability statement	Sustainability statements	51
BP-2 Disclosures in relation to specific circumstances	Sustainability statements	51
Data points that derive from other EU legislation	Sustainability statements	97-99
GOV-1 The role of the administrative, management and supervisory bodies	Management review	30-37
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Management review	31-32
GOV-3 Integration of sustainability-related performance in incentive schemes	Management review	33
GOV-4 Statement on sustainability due diligence	Sustainability statements	93
GOV-5 Risk management and internal controls over sustainability reporting	Management review	32-33
SBM-1 Strategy, business model and value chain (products, markets, customers)	Management review Sustainability statements	9-15 42, 47
SBM-1 Strategy, business model and value chain (headcount by country)	Financial statement	82
SBM-1 Strategy, business model and value chain (breakdown of revenue)	Sustainability statements	
SBM-2 Interests and views of stakeholders	Sustainability statements	44
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability statements	48-50
IRO-1 Description of the process to identify and assess material impacts, risks and opportunities	Sustainability statements	52-53
IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Sustainability statements	94-96



Environmental standards

E1 Climate change

Disclosure requirements		Section	Page
ESRS2, GOV-3	Integration of sustainability-related performance in incentive schemes	Management review	33-34
E1-1	Transition plan for climate change	Sustainability statements	54-65
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability statements	49, 55
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Sustainability statements	52-53
E1-2	Policies related to climate change mitigation and adaptation	Sustainability statements	57
E1-3	Actions and resources in relation to climate change policies	Sustainability statements	57-58
E1-4	Targets related to climate change mitigation and adaptation	Sustainability statements	59
E1-5	Energy consumption and mix	Sustainability statements	62
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	Sustainability statements	63-65
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	-	65
E1-8	Internal carbon pricing	-	
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	-	

E2 Pollution

Disclosure requirements		Section	Page
ESRS 2, IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Sustainability statements	52-53, 66
E2-1	Policies related to pollution	Sustainability statements	67
E2-2	Actions and resources related to pollution	Sustainability statements	67
E2-3	Targets related to pollution	Sustainability statements	67
E2-4	Pollution of air, water and soil	Sustainability statements	67
E2-5	Substances of concern and substances of very high concern	-	
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	-	

E4 Biodiversity and ecosystems (Omitted due to CSRD Quick Fix)

Disclosure requirements		Section	Page
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Sustainability statements	-
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability statements	-
ESRS 2, IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	Sustainability statements	-
E4-2	Policies related to biodiversity and ecosystems	Sustainability statements	-
E4-3	Actions and resources related to biodiversity and ecosystems	Sustainability statements	-
E4-4	Targets related to biodiversity and ecosystems	Sustainability statements	-
E4-5	Impact metrics related to biodiversity and ecosystems change	-	-
E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	-	-

E5 Resource use and circular economy

Disclosure requirements		Section	Page
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Sustainability statements	52-53, 68
E5-1	Policies related to resource use and circular economy	Sustainability statements	69
E5-2	Actions and resources related to resource use and circular economy	Sustainability statements	69
E5-3	Targets related to resource use and circular economy	Sustainability statements	69
E5-4	Resource inflows	Sustainability statements	69-70
E5-5	Resource outflows	Sustainability statements	70
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	-	



Sustainability standards

S1 Own workforce

Disclosure requirements		Section	Page
ESRS 2, SBM-2	Interests and views of stakeholders	Sustainability statements	44, 80
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability statements	50, 78
S1-1	Policies related to own workforce	Sustainability statements	79-80
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Sustainability statements	80
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Sustainability statements	80
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Sustainability statements	81
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Sustainability statements	81
S1-6	Characteristics of the undertaking's employees	Sustainability statements	82
S1-7	Characteristics of non-employee workers in the undertaking's own	-	
S1-8	Collective bargaining coverage and social dialogue	-	
S1-9	Diversity metrics	Sustainability statements	83
S1-10	Adequate wages	-	
S1-11	Social protection	-	
S1-12	Persons with disabilities	-	
S1-13	Training and skills development metrics	-	
S1-14	Health and safety metrics	-	83
S1-15	Work-life balance metrics	-	
S1-16	Compensation metrics (pay gap and total compensation)	Sustainability statements	84
S1-17	Incidents, complaints and severe human rights impacts	-	

S2 Workers in the value chain

Disclosure requirements		Section	Page
ESRS 2, SBM-2	Interests and views of stakeholders	Sustainability statements	44, 86
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability statements	50, 85
S2-1	Policies related to value chain workers	Sustainability statements	86
S2-2	Processes for engaging with value chain workers about impacts	Sustainability statements	86-87
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Sustainability statements	
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Sustainability statements	87
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Sustainability statements	88

G1 Business conduct

Disclosure requirements		Section	Page
ESRS 2, GOV-1	The role of the administrative, supervisory and management bodies	Management review	30-37
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability statements	50, 90
G1-1	Corporate culture and business conduct policies and corporate culture	-	
G1-2	Management of relationships with suppliers	-	
G1-3	Prevention and detection of corruption and bribery	-	
G1-4	Confirmed incidents of corruption or bribery	Sustainability statements	91
G1-5	Political influence and lobbying activities	-	
G1-6	Payment practices	-	



Datapoints deriving from other EU legislation

Disclosure requirements	Data point	SFDR	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Section	Page
ESRS2 GOV-1	21 (d) Board gender diversity	●		●		Management review	33
ESRS2 GOV-1	21 (e) Percentage of board members who are independent			●		Management review	33
ESRS2 GOV-4	30 Statement on due diligence	●				Sustainability statements	93
ESRS2 SBM-1	40 (d) i Involvement of activities related to fossil fuels activities	●	●	●		Not material	
ESRS2 SBM-1	40 (d) ii Involvement in activities related to chemical production	●		●		Not material	
ESRS2 SBM-1	40 (d) iii Involvement in activities related to controversial weapons paragraph	●		●		Not material	
ESRS2 SBM-1	40 (d) iv Involvement in activities related to cultivation and production of tobacco			●		Not material	
ESRS E1-1	14 Transition plan to reach climate neutrality by 2050			●		Not material	
ESRS E1-1	16 (g) Undertakings excluded from Paris-aligned benchmarks		●	●		Not material	
ESRS E1-4	34 GHG emission reduction targets	●	●	●		Sustainability statements	59
ESRS E1-5	38 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●				Not material	
ESRS E1-5	37 Energy consumption and mix	●				Sustainability statements	62
ESRS E1-5	40-43 Energy intensity associated with activities in high climate impact sectors paragraphs	●				Not material	
ESRS E1-6	44 Gross Scope 1, 2, 3 and total GHG emissions paragraph	●	●	●		Sustainability statements	63
ESRS E1-6	53-55 Gross GHG emissions intensity	●	●	●		Sustainability statements	63
ESRS E1-7	56 GHG removals and carbon credits			●		Sustainability statements	65
ESRS E1-9	66 Exposure of the benchmark portfolio to climate-related physical risks			●		Not material	
ESRS E1-9	66 a Disaggregation of monetary amounts by acute and chronic physical risk					Not material	
ESRS E1-9	66 c Location of significant assets at material physical risk	●				Not material	
ESRS E1-9	67 c Breakdown of the carrying value of its real estate assets by energy-efficiency classes	●				Not material	
ESRS E1-9	69 Degree of exposure of the portfolio to climate-related opportunities			●		Not material	
ESRS E2-4	28 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●				Not material	



Disclosure requirements	Data point	SFDR	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Section	Page
ESRS E3-1	9 Water and marine resources	●				Not material	
ESRS E3-1	13 Dedicated policy	●				Not material	
ESRS E3-1	14 Sustainable oceans and seas	●				Not material	
ESRS E3-4	28 (c) Total water recycled and reused	●				Not material	
ESRS E3-4	29 Total water consumption in m3 per net revenue on own operations	●				Not material	
ESRS 2- IRO 1 - E4	16 (a) i -	●				Not material	
ESRS 2- IRO 1 - E4	16 (b) -	●				Not material	
ESRS 2- IRO 1 - E4	16 (c) -	●				Not material	
ESRS E4-2	24 (b) Sustainable land/agriculture practices or policies	●				Not material	
ESRS E4-2	24 (c) Sustainable oceans/seas practices or policies	●				Not material	
ESRS E4-2	24 (d) Policies to address deforestation	●				Not material	
ESRS E5-5	37 (d) Non-recycled waste	●				Sustainability statements	71
ESRS E5-5	39 Hazardous waste and radioactive waste	●				Sustainability statements	71
ESRS 2- SBM3 - S1	14 (f) Risk of incidents of forced labour	●				Not material	
ESRS 2- SBM3 - S1	14 (g) Risk of incidents of child labour	●				Not material	
ESRS S1-1	20 Human rights policy commitments	●				Sustainability statements	79-80
ESRS S1-1	21 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8		●			Sustainability statements	79-80
ESRS S1-1	22 Processes and measures for preventing trafficking in human beings	●				Sustainability statements	79-80
ESRS S1-1	23 Workplace accident prevention policy or management system	●				Sustainability statements	80
ESRS S1-3	32 (c) Grievance/complaints handling mechanisms	●				Sustainability statements	80
ESRS S1-14	88 (b) Number of fatalities	●	●			Sustainability statements	83
ESRS S1-14	88 (c) Number and rate of work-related accidents	●	●			Sustainability statements	83
ESRS S1-14	88 (e) Number of days lost to injuries, accidents, fatalities or illness	●				Sustainability statements	83
ESRS S1-16	97 (a) Unadjusted gender pay gap	●	●			Sustainability statements	84
ESRS S1-16	97 (b) Excessive CEO pay ratio	●				Sustainability statements	84
ESRS S1-17	103 (a) Incidents of discrimination	●				Not material	



Disclosure requirements	Data point	SFDR	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Section	Page
ESRS S1-17	104 (a) Non-respect of UNGPs on Business and Human Rights and OECD	●		●		Not material	
ESRS 2- SBM3 – S2	11 (b) Significant risk of child labour or forced labour in the value chain	●				Sustainability statements	86
ESRS S2-1	17 Human rights policy commitments	●				Sustainability statements	86
ESRS S2-1	18 Policies related to value chain workers	●				Sustainability statements	86
ESRS S2-1	19 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	●		●		Sustainability statements	86
ESRS S2-1	19 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			●		Sustainability statements	86
ESRS S2-4	36 Human rights issues and incidents connected to its upstream and downstream value chain	●				Sustainability statements	86
ESRS S3-1	16 Human rights policy commitments	●				Not material	
ESRS S3-1	17 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	●		●		Not material	
ESRS S3-4	36 Human rights issues and incidents	●				Not material	
ESRS S3-4	16 Policies related to consumers and end-users	●				Not material	
ESRS S4-1	17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●		●		Not material	
ESRS S4-4	35 Human rights issues and incidents	●				Not material	
ESRS G1-1	10 (b) United Nations Convention against Corruption	●				Not material	
ESRS G1-1	10 (d) Protection of whistle-blowers	●				Not material	
ESRS G1-4	24 (a) Fines for violation of anti-corruption and anti-bribery	●		●		Sustainability statements	91
ESRS G1-4	24 (b) Standards of anti-corruption and anti-bribery	●				Sustainability statements	91

Financial statements

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- 155 Separate financial statements
- 191 Group companies' overview
- 193 Statements and reports
- 200 Statements, not audited, part of Management review

Albin Hillskär
Drive In Salesman Site
Responsible

Albin joined Solar three years ago and is Drive-In Salesman Site Responsible at Gothenburg City Drive-In. After relocating to a new site in May 2025, it has become the largest Drive-In by revenue outside Stockholm.

The Solar logo, featuring the word "solar" in a lowercase, sans-serif font inside a white rectangular box.



Consolidated financial statements

Summary for the Solar Group

2021-2025

Financial statements

Consolidated financial statements

- Summary for the Solar Group
- Statement of comprehensive income
- Balance sheet
- Cash flow statement
- Statement of changes in equity
- Notes

Separate financial statements

Group companies overview

Statements and reports

Statements, not audited, part of Management review

Income statement (DKK million)	2025	2024	2023	2022	2021	Financial ratios (% unless otherwise stated)	2025	2024	2023	2022	2021
Revenue	12,171	12,223	13,031	13,863	12,354	Revenue growth	-0.4	-6.2	-6.0	12.2	7.8
Earnings before interest, tax, depreciation and amortisation (EBITDA)	501	646	871	1,175	911	Organic growth	-1.4	-6.3	-3.3	12.9	6.4
Earnings before interest, tax and amortisation (EBITA)	241	400	648	978	727	Organic growth adjusted for number of working days	-0.9	-6.4	-2.6	12.9	5.9
Earnings before interest and tax (EBIT)	155	278	558	909	672	Gross profit margin	20.4	20.6	22.5	23.4	22.4
Financials, net	-71	-85	-90	-50	-48	EBITDA margin	4.1	5.3	6.7	8.5	7.4
Earnings before tax (EBT)	84	192	468	858	622	EBITA margin	2.0	3.3	5.0	7.1	5.9
Net profit for the year	74	148	348	660	531	EBIT margin	1.3	2.3	4.3	6.6	5.4
						Effective tax rate	12.6	22.7	25.6	23.1	14.6
						Net working capital (year-end NWC)/revenue (LTM)	13.5	13.9	14.6	15.9	10.2
						Net working capital (average NWC)/revenue (LTM)	14.9	15.0	16.8	14.5	11.0
						Gearing (net interest-bearing liabilities/EBITDA), no. of times	3.2	1.9	1.3	0.9	0.0
						Return on equity (ROE)	3.9	8.0	18.0	34.0	29.1
						Return on invested capital (ROIC)	3.0	8.3	13.2	25.5	24.6
						Enterprise value/earnings before interest, tax and amortisation (EV/EBITA)	13.1	8.4	7.0	5.7	7.8
						Equity ratio	31.0	29.9	31.6	32.7	36.8
Cash flow (DKK million)	2025	2024	2023	2022	2021						
Cash flow from operating activities	410	538	855	16	783						
Cash flow from investing activities	-651	-265	-405	-259	-191						
Cash flow from financing activities	-85	-255	-175	-82	-515						
Net investments in intangible assets	-126	-154	-102	-59	-58						
Net investments in property, plant and equipment	-214	-101	-169	-167	-125						
Acquisition and divestment of subsidiaries and operations, net	-311	-10	-133	-34	0						



Summary for the Solar Group

2021-2025 – continued

Share ratios (DKK unless otherwise stated)

	2025	2024	2023	2022	2021	Definitions
Earnings per share outstanding (EPS)	10.02	20.68	47.51	90.37	72.72	Organic growth
Intrinsic value per share outstanding	245.31	250.30	264.54	264.41	267.28	Revenue growth adjusted for businesses acquired and sold off and any exchange rate changes. No adjustments have been made for number of working days.
Cash flow from operating activities per share outstanding	55.49	73.67	117.07	2.19	107.23	Organic growth adjusted for number of working days
Share price	200.07	299.27	465.71	622.62	795.05	Revenue growth adjusted for businesses acquired and sold off and any exchange rate changes and number of working days.
Share price/intrinsic value	0.82	1.20	1.76	2.35	2.97	Net working capital
Ordinary dividend per share	-	15.00	30.00	45.00	45.00	Inventories and trade receivables less trade payables.
Extraordinary dividend per share	-	-	-	-	45.00	Return on invested capital (ROIC)
Total dividend in % of net profit for the year (payout ratio)	-	72.1	63.1	49.8	123.8	Return on invested capital calculated on the basis of EBIT exclusive impairment on goodwill less tax calculated using the effective tax rate adjusted for one-off effects, if any.
Price Earnings (P/E)	20.0	14.5	9.8	6.9	10.9	

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Employees	2025	2024	2023	2022	2021
Average number of employees (FTE's)	2,932	2,899	3,036	3,019	2,908

In all material aspects financial ratios are calculated in accordance with the Danish Finance Society's "Recommendations & Financial Ratios".

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Income statement

Notes	DKK million	2025	2024
2.1, 2.2	Revenue	12,171	12,223
	Cost of sales	-9,692	-9,702
	Gross profit	2,479	2,521
	Other operating income	76	88
5.4	External operating costs	-394	-369
2.3	Staff costs	-1,649	-1,580
2.4	Loss on trade receivables	-11	-14
	Earnings before interest, tax, depreciation and amortisation (EBITDA)	501	646
2.5	Depreciation and write-down on property, plant and equipment	-260	-246
	Earnings before interest, tax and amortisation (EBITA)	241	400
2.5	Amortisation and impairment of intangible assets	-86	-122
	Earnings before interest and tax (EBIT)	155	278
3.4	Share of net profit from associates	0	-1
4.5	Financial income	51	63
4.6	Financial expenses	-122	-148
	Earnings before tax (EBT)	84	192
2.6	Income tax	-10	-44
2.7	Net profit for the year	74	148

Attributable to:

Shareholders of Solar A/S	74	151	
Non-controlling interests	0	-3	
Net profit for the year	74	148	
4.3	Earnings in DKK per share outstanding (EPS) for the year	10.02	20.68
4.3	Diluted earnings in DKK per share outstanding (EPS-D) for the year	9.98	20.60

Other comprehensive income

DKK million	2025	2024
Net profit for the year	74	148
Other income and costs recognised:		
Items that can be reclassified to the income statement		
Foreign currency translation adjustments of foreign subsidiaries	33	-36
Fair value adjustments of hedging instruments before tax	5	0
Tax on fair value adjustments of hedging instruments	-1	0
Other income and costs recognised after tax	37	-36
Total comprehensive income for the year	111	112
Attributable to:		
Shareholders of Solar A/S	111	115
Non-controlling interests	0	-3
Total comprehensive income for the year	111	112

Balance sheet

As at 31 December

Notes	DKK million	2025	2024	Notes	DKK million	2025	2024
	Assets				Equity and liabilities		
3.1	Intangible assets	651	381	4.1	Share capital	801	736
3.2	Property, plant and equipment	1,347	1,070		Reserves	-196	-234
3.3	Right-of-use assets	427	408		Retained earnings	1,345	1,216
2.6	Deferred tax assets	36	11		Proposed dividends for the financial year	0	110
3.4	Investments in associates	3	3		Equity attributable to shareholders of Solar A/S	1,950	1,828
	Other non-current assets	22	27		Non-controlling interests	46	46
	Non-current assets	2,486	1,900		Total equity	1,996	1,874
3.5	Inventories	1,871	1,888	4.4	Interest-bearing liabilities	664	425
3.6	Trade receivables	1,714	1,657	3.3, 4.4	Lease liabilities	290	284
	Income tax receivable	11	20	3.8	Provision for pension obligations	0	0
3.7	Contract assets	5	4	2.6	Provision for deferred tax	148	157
	Other receivables	13	107	3.9	Other provisions	11	12
	Prepayments	63	73		Non-current liabilities	1,113	878
	Cash at bank and in hand	133	459	4.4	Interest-bearing liabilities	650	841
	Current assets	3,810	4,208	3.3, 4.4	Lease liabilities	154	141
	Total assets	6,296	6,108		Trade payables	1,937	1,852
					Income tax payable	11	8
				3.7	Contract liabilities	17	35
				3.10	Other payables	387	462
					Prepayments	3	8
				3.9	Other provisions	28	9
					Current liabilities	3,187	3,356
					Liabilities	4,300	4,234
					Total equity and liabilities	6,296	6,108

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Notes	DKK million	2025	2024	Notes	DKK million	2025	2024
	Net profit or loss for the year	74	148		Financing activities		
2.5	Depreciation, write-down, amortisation and impairment	346	368	4.4, 4.6	Repayment of non-current interest-bearing debt	-111	-9
	Changes to provisions and other adjustments	-64	-103	4.4	Raising of non-current interest-bearing liabilities	250	100
	Share of net profit from associates	0	1	4.4	Change in current interest-bearing debt	-78	11
4.5, 4.6	Financials, net	71	85	3.3, 4.4	Instalment on lease liabilities	-156	-137
	Income tax	11	44		Net proceeds from the issuance of shares	120	0
4.5	Financial income, received	33	33		Dividends paid to shareholders of Solar A/S	-110	-219
4.6	Financial expenses, settled	-97	-114		Dividends paid to non-controlling interests	0	-1
	Income tax, settled	-18	-69		Cash flow from financing activities	-85	-255
	Cash flow before working capital changes	356	393		Total cash flow	-326	18
	Working capital changes				Cash at bank and in hand at the beginning of the year	459	441
	Inventory changes	117	113		Cash at bank and in hand at the end of the year	133	459
	Receivables changes	143	-64				
	Non-interest-bearing liabilities changes	-206	96				
	Cash flow from operating activities	410	538				
	Investing activities						
3.1	Purchase of intangible assets	-126	-154				
	Purchase of property, plant and equipment	-420	-162				
	Disposal of property, plant and equipment	206	61				
5.6	Acquisition of businesses	-311	-10				
	Cash flow from investing activities	-651	-265				

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DKK million	Share capital	Reserves for hedging transactions ¹	Reserves for foreign currency translation adjustments ¹	Retained earnings	Proposed dividends	Equity attributable to shareholders of Solar A/S	Non-controlling interests	Total equity
2025								
Equity as at 1 January	736	-13	-221	1,216	110	1,828	46	1,874
Foreign currency translation adjustments of foreign subsidiaries			33			33		33
Fair value adjustments of hedging instruments before tax		5				5		5
Tax on fair value adjustments		-1				-1		-1
Net income recognised in equity via other comprehensive income in the statement of comprehensive income	0	4	33	0	0	37	0	37
Net profit for the year				74	0	74	0	74
Comprehensive income	0	4	33	74	0	111	0	111
Distribution of dividends (DKK 15.00 per share)					-110	-110		-110
Issue of share capital	65			58		123		123
Transaction costs related to issue of share capital				-3		-3		-3
Share based payments		1				1		1
Transactions with the owners	65	0	1	55	-110	11	0	11
Equity as at 31 December	801	-9	-187	1,345	0	1,950	46	1,996

1) Reserves for hedging transactions and reserves for foreign currency translation adjustments are recognised in the balance sheet as a total amount under reserves.

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		DKK million	Share capital	Reserves for hedging transactions ¹	Reserves for foreign currency translation adjustments ¹	Retained earnings	Proposed dividends	Equity attributable to shareholders of Solar A/S	Non-controlling interests	Total equity
2024										
		Equity as at 1 January	736	-13	-185	1,175	219	1,932	50	1,982
		Foreign currency translation adjustments of foreign subsidiaries			-36			-36		-36
		Fair value adjustments of hedging instruments before tax		0				0		0
		Tax on fair value adjustments		0				0		0
		Net income recognised in equity via other comprehensive income in the statement of comprehensive income	0	0	-36	0	0	-36	0	-36
		Net profit for the year				41	110	151	-3	148
		Comprehensive income	0	0	-36	41	110	115	-3	112
		Distribution of dividends (DKK 30.00 per share)					-219	-219		-219
		Distribution of dividends non-controlling interests						0	-1	-1
		Transactions with the owners	0	0	0	0	-219	-219	-1	-220
		Equity as at 31 December	736	-13	-221	1,216	110	1,828	46	1,874

1) Reserves for hedging transactions and reserves for foreign currency translation adjustments are recognised in the balance sheet as a total amount under reserves.



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Section 1 – Basis for preparation

1.1 General accounting policies

The consolidated financial statements of Solar A/S for 2025 are presented in accordance with the International Financial Reporting Standards (IFRSs) as approved by the EU and additional Danish disclosure requirements for annual reports of listed companies and the IFRS executive order issued in accordance with the Danish Financial Statements Act.

The consolidated financial statements have been prepared using the historical cost formula with the exception of derivative financial instruments and investments in equity instruments, which are measured at fair value, as well as non-current assets and groups of assets held for sale, which are measured at the lowest value of the book value before changes in classification or fair value less sales costs.

The accounting policies described below have been applied consistently in the financial year and to the comparative figures.

Implementation of new financial reporting standards

IASB has issued amendments and improvements to existing standards which have become effective in the period. These changes have no impact on Solar's accounting policies.

Presentation currency

The annual report is presented in Danish kroner rounded off to the nearest 1,000,000 Danish kroner. Danish kroner is the parent company's functional currency.

Translation of foreign currency items

A functional currency has been set for each reporting group entity. The functional currencies are the currencies used in the primary economic environments in which each individual reporting entity operates. Transactions in other currencies than the functional currency are considered transactions in foreign currencies.

Transactions in foreign currency are translated at first recognition to the functional currency at the exchange rate prevailing at the date of the transaction. Differences between the exchange rate prevailing on the date of the transaction and the exchange rate on the payment date are recognised in the income statement as items under financial income and expenses.

All monetary items in foreign currencies that have not been settled on the balance sheet date are translated into the functional currencies using the exchange rates on the balance sheet date. Any difference between the exchange rate prevailing on the date of the transaction and the balance sheet date exchange rate are recognised in the income statement as items under financial income and expenses.

When recognising entities with different functional currencies than Danish kroner in the consolidated financial statements, the income statements are translated at the exchange rate prevailing on the date of the transaction and balance sheet items are translated at the balance sheet date exchange rates. The average

rate of exchange for the individual months is used as exchange rate prevailing on the date of the transaction when this does not result in a considerably different presentation. Exchange rate differences, from translation of these entities' equity at the beginning of the year at the balance sheet date exchange rates and in connection with the translation of income statements from the exchange rate prevailing at the date of transaction to the balance sheet date exchange rates, are recognised directly in other comprehensive income as a separate reserve for foreign currency translation adjustments.

When translating investments in associates with a functional currency other than Danish kroner in the consolidated financial statement, the group's share of comprehensive income is translated at the average exchange rates and the share of equity, including goodwill, is translated at the exchange rate on the balance sheet date.

The exchange rate difference resulting from the translation of the share of foreign associates' equity at the beginning of the year at the exchange rate on the balance sheet date and the translation of the share of comprehensive income from the average exchange rates to the exchange rate prevailing on the balance sheet date is recognised in other comprehensive income and presented in a separate reserve for foreign currency translation adjustments under equity. The cumulative currency translation adjustment is recycled to the income statement upon disposal of the investment.

Consolidated financial statements

The consolidated financial statements include the financial statements of the parent company Solar A/S and subsidiaries in which Solar A/S has power over the investee, exposure to variable returns and the ability to use its power over the investee to affect the returns.

The consolidated financial statements have been prepared as an aggregation of the parent company and the individual subsidiaries' financial statements and in accordance with the group's accounting policies. Intercompany revenue, other intercompany operating items, intercompany balances, profit and loss from transactions between the consolidated entities as well as internal equity investments are eliminated.

Solar recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

The accounting items of subsidiaries are included in full in the consolidated financial statements. Non-controlling interests' share in the results and equity of subsidiaries is included in the Group's profit/loss and equity but an allocation is shown separately in the consolidated income statement statement of other comprehensive income, balance sheet and statement of changes in equity respectively.

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Entities over which the group has significant influence but not control over operational and financial decisions are classified as associates. Significant influence typically exists when the group directly or indirectly holds more than 20% of voting rights, but less than 50%. However, for each investment an individual assessment on the classification will be performed. The assessment will be based on our part of the voting rights and our representation on Board of Directors. If such an assessment concludes that we have insignificant influence then the investment is classified as other non-current assets.

The group's share of the associates' earnings after tax and the elimination of the proportional share of internal profit/loss is recognised in the income statement. The group's share of the associates' other comprehensive income is recognised in other comprehensive income.

When obtaining significant influence over an entity in which the group has previously held an interest accounted for as a financial asset, the fair value as of the date when the group obtained significant influence is deemed as cost under the equity method.

Statement of comprehensive income

Solar A/S presents the statement of comprehensive income in two statements. An income statement and a statement of comprehensive income that show the year's results and income that forms part of other comprehensive income. Other comprehensive income includes exchange rate adjustments,

adjustments of investments in associates and hedging transactions.

Cash flow statement

The cash flow statement shows cash flow distributed on operating, investing and financing activities for the year, changes in cash and cash equivalents, and cash at bank and in hand at the beginning and end of the year.

The effect of cash flow on the acquisition and divestment of entities is shown separately under cash flow from investing activities. Cash flow from acquired entities is recognised in the cash flow statement from the date of acquisition and cash flow from divested entities is recognised until the time of divestment.

Cash flow from operating activities is determined using the indirect method as earnings before tax adjusted for non-cash operating items, changes in working capital, interest received and paid, and income tax paid. Cash flow from investing activities includes payments in connection with the acquisition and sale of intangibles, property, plant and equipment and investments, and acquisition and divestment of entities. Cash flow from financing activities includes acquisition and sale of treasury shares, dividends distribution, incurrence or repayment of non-current and current interest-bearing liabilities and instalment on lease liabilities. Cash at bank and in hand includes cash holdings and deposits with banks.

Financial ratios

In general, financial ratios are calculated in accordance with the "Recommendations and Ratios" of the Danish Finance Society.

Earnings per share (EPS) and diluted earnings per share (EPS-D) are determined in accordance with IAS 33.

Reporting under the ESEF regulation

The Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) has introduced a single electronic reporting format for the annual financial reports of issuers with securities listed on the EU-regulated markets.

The combination of XHTML format and iXBRL tags enables the annual financial reports to be read by both humans and machines, thus enhancing accessibility, analysis and comparability of the information included in the annual financial reports.

The Group's iXBRL tags have been prepared in accordance with the ESEF taxonomy, which is included in the ESEF Regulation and has been developed based on the IFRS taxonomy published by the IFRS Foundation.

The line items in the consolidated financial statements are tagged to elements in the ESEF taxonomy. For financial line items that are not directly defined in the ESEF taxonomy, an extension to the taxonomy has been created. Extensions are anchored to elements in the

ESEF taxonomy, except for extensions that are subtotals.

Notes and accounting policies to the consolidated financial statements are block tagged to elements in the ESEF taxonomy included in Annex II of the Regulatory Technical Standards (RTS). If more than one element in the ESEF taxonomy corresponds to a disclosure, then the information has several tags known as multi tagging.

The annual report submitted to the Danish Financial Supervisory Authority (the Officially Appointed Mechanism) consists of the XHTML document together with the technical files, all of which are included in SOLA-2025-12-31-1-en.zip

Key definitions

XHTML (eXtensible HyperText Markup Language) is a text-based language used to structure and mark up content such as text, images and hyperlinks in documents that are displayed in a web browser. iXBRL tags (or Inline XBRL tags) are hidden meta-information embedded in the source code of an XHTML document that enables the conversion of XHTML-formatted information into a machine-readable XBRL data record using appropriate software.

A financial reporting taxonomy is an electronic dictionary of business reporting elements used to report business data. A taxonomy element is an element defined in a taxonomy that is used for the machine-readable labelling of information in an XBRL data record.

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Descriptions of accounting policies in the notes form part of the overall description of accounting policies.

These descriptions are found in the following notes:

- Note 2.1 Revenue
- Note 2.2 Segment information
- Note 2.6 Income tax
- Note 2.7 Net profit for the year
- Note 3.1 Intangible assets
- Note 3.2 Property, plant and equipment
- Note 3.3 Leases
- Note 3.4 Associates
- Note 3.5 Inventories
- Note 3.6 Trade receivables
- Note 3.7 Contract balances
- Note 3.8 Provision for pension obligation
- Note 4.2 Treasury shares
- Note 4.4 Financial instruments
- Note 5.1 Share-based payment
- Note 5.6 Acquisition of businesses

1.2 Significant accounting estimates and assessments

When preparing the annual report in accordance with generally applicable principles, management make estimates and assumptions that affect the reported assets and liabilities. Management base their estimates on historic experience and expectations for future events. Therefore, actual results may differ from these estimates.

The following estimates and accompanying assessments are deemed material for the preparation of the financial statements:

- Identification and measurement of assets, including goodwill and liabilities in relation to the acquisition of Sonepar Norge
- Impairment test of goodwill and software
- Inventory write-down
- Write-down for loss on doubtful receivables
- Deferred tax assets

These estimates and assessments are described in the following notes:

- Note 2.6 Income tax
- Note 3.1 Intangible assets
- Note 3.5 Inventories
- Note 3.6 Trade receivables
- Note 5.6 Acquisitions of businesses

1.3 Financial risks

Results and equity are affected by a range of financial risks. All financial transactions are based on commercial activities, and no speculative transactions are made. Derivative financial instruments are solely used for hedging of financial risks.

The financial risks are described in the following notes:

- Note 3.6 Trade receivables
- Note 4.4 Financial instruments

For description of Solar's other business related risks and our approach to risk management, see the management's review on pages 16-19.



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Section 2 – Income statement

2.1 Revenue

DKK million	2025	2024
Sales of goods and services	11,897	12,076
Revenue from construction contracts	274	147
Total revenue	12,171	12,223

**Accounting policies****Revenue**

Revenue includes goods for resale recognised in the income statement if the transfer of control to the customer according to the agreed delivery terms takes place before the end of the year and if revenue can be determined reliably. Revenue is measured exclusive VAT and duties charged on behalf of a third party. All types of discounts allowed are recognised in revenue.

Revenue from construction contracts are recognised over time based on the stage of completion of the individual contract at the balance sheet date (the percentage of completion method).

If a sufficiently reliable estimation of the outcome of a construction contract cannot be made, revenue corresponding to the contract expenses incurred during the period will be included if these expenses are likely to be recovered.

Cost of sales

Cost of sales includes the year's purchases and change in inventory of goods for resale. This includes shrinkage and any write-down resulting from obsolescence.

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2.2 Segment information

Solar's business segments are Installation, Industry and Trade and are based on the customers' affiliation with the segments. Installation covers installation of electrical, and heating and plumbing products, while Industry covers industry, offshore and marine, and utility and infrastructure. Trade covers special sales and other small areas. The three main segments have been identified without aggregation of operating segments.

Segment income and costs include any items that are directly attributable to the individual segment and any items that can be reliably allocated to the individual segment. Non-allocated costs refer to income and costs related to joint group functions. Assets and liabilities are not included in segment reporting.

Revenue and costs in the amount of DKK 274m and DKK 245m, respectively, from construction contracts recognised over time are fully allocated to the Trade segment.

DKK million	Installation	Industry	Trade	Total
2025				
Revenue	6,748	4,171	1,252	12,171
Cost of sales	-5,505	-3,162	-1,025	-9,692
Gross profit	1,243	1,009	227	2,479
Direct costs	-299	-174	-41	-514
Earnings before indirect costs	944	835	186	1,965
Indirect costs	-467	-219	-51	-737
Segment profit	477	616	135	1,228
Non-allocated costs				-727
Earnings before interest, tax, depreciation and amortisation (EBITDA)				501
Depreciation and amortisation				-346
Earnings before interest and tax (EBIT)				155
Financials, net incl. share of net profit from associates and impairment on associates				-71
Earnings before tax (EBT)				84

**Accounting policies**

The reporting on business segments follows the structure of Solar's internal management reporting to chief operating decision makers, the group Executive Board. The group Executive Board uses business segmentation when allocating resources and following up on results.

Furthermore, Solar presents the geographical distribution of revenue and non-current assets divided on Denmark, Sweden, Norway, the Netherlands, Poland, and Other markets. The geographical distribution is based on the business units operating in these geographical areas.

MAG45 and Thermonova A/S are included in the operating segment Industry, while Højager and Solar Polaris are included in the operating segment Trade.

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2.2 Segment information – continued

Revenue and costs in the amount of DKK 147m and DKK 129m, respectively, from construction contracts recognised over time are fully allocated to the Trade segment.

DKK million	Installation	Industry	Trade	Total
2024				
Revenue	6,722	4,336	1,165	12,223
Cost of sales	-5,466	-3,276	-960	-9,702
Gross profit	1,256	1,060	205	2,521
Direct costs	-272	-159	-38	-469
Earnings before indirect costs	984	901	167	2,052
Indirect costs	-439	-232	-47	-718
Segment profit or loss	545	669	120	1,334
Non-allocated costs				-688
Earnings before interest, tax, depreciation and amortisation (EBITDA)				646
Depreciation and amortisation				-368
Earnings before interest and tax (EBIT)				278
Financials, net incl. share of net profit from associates and impairment on associates				-86
Earnings before tax (EBT)				192

Geographical information

Solar A/S primarily operates on the Danish, Swedish, Norwegian and Dutch markets. In the below table, Other markets covers the remaining markets, which can be seen in the companies overview available on page 192. The below allocation has been made based on the products' place of sale.

Revenue and costs in the amount of DKK 274m and DKK 245m, respectively, from construction contracts recognised over time are fully allocated to the Danish market.

DKK million	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
2025					
Denmark	4,148	2.3 ¹	260	6.3	787
Sweden	2,215	1.8	124	5.6	611
Norway	1,841	-1.8	30	1.6	494
The Netherlands	2,632	-3.2	64	2.4	389
Poland	449	6.2	-1	-0.2	49
Other markets	886	-13.7	24	2.7	156
Solar Group	12,171	-0.9	501	4.1	2,486

1) Includes adjusted organic growth of Solar Danmark -1%, Solar Polaris 87%, Thermonova 38% and Højager -7%.

Revenue and costs in the amount of DKK 147m and DKK 129m, respectively, from construction contracts recognised over time are fully allocated to the Danish market.

DKK million	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
2024					
Denmark	4,071	-1.8	289	7.1	835
Sweden	2,121	-12.0	123	5.8	291
Norway	1,841	-6.4	72	3.9	203
The Netherlands	2,740	-12.9	106	3.9	396
Poland	417	-2.2	2	0.5	50
Other markets	1,033	6.7	54	5.2	125
Solar Group	12,223	-6.4	646	5.3	1,900

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DKK million	2025	2024
Salaries and wages etc.	1,353	1,292
Pensions, defined contribution	123	118
Costs related to social security	171	165
Share-based payment	2	5
Total	1,649	1,580
<hr/>		
Average number of employees (FTEs)	2,932	2,899
<hr/>		
Number of employees at year-end (FTEs)	2,995	2,895
<hr/>		
Remuneration of Board of Directors		
Remuneration of Board of Directors	5	4
<hr/>		
Remuneration of Executive Board		
Salaries and wages etc.	15	17
Share-based payment	2	1
Total	17	18

Terms of notice for members of the Executive Board is 12 months. When stepping down, the members of the Executive Board are entitled to 12 months' remuneration.

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DKK million	2025	2024
Recognised losses	21	22
Received on trade receivables previously written off	-1	-3
	20	19
Change in write-down for bad and doubtful debtors	-9	-5
Total	11	14

Relevant accounting policies are described in note 3.6, trade receivables.

2.5 Depreciation, write-down, amortisation and impairment

DKK million	2025	2024
Buildings	37	38
Plant, operating equipment, tools and equipment	59	56
Leasehold improvements	7	8
Tenancy, lease	118	105
Cars, lease	29	27
IT equipment, lease	9	10
Technical equipment, lease	1	2
Total depreciation and write-down on property, plant and equipment	260	246
Customer-related assets	7	7
Software	79	65
Impairment on intangible assets	0	50
Total amortisation and impairment of intangible assets	86	122

Relevant accounting policies are described in note 3.1, intangible assets,
and note 3.2, Property, plant and equipment, and note 3.3, Leases.

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Current tax	43	31
Deferred tax	-18	10
Tax on profit for the year	25	41
Tax on taxable profit previous year	-15	3
Total	10	44

Statement of effective tax rate:

Danish income tax rate	22.0%	22.0%
Tax base change for non-capitalised loss in subsidiaries	3.5%	-2.4%
Non-taxable/deductible items in parent company	0.9%	0.8%
Non-taxable/deductible items and differing tax rates compared to Danish tax rate in foreign subsidiaries	4.3%	0.7%
Tax for previous years	-18.1%	1.6%
Effective tax rate	12.6%	22.7%

Income tax settled

Denmark	12	24
Sweden	1	-2
Norway	7	21
The Netherlands	-6	21
Poland	0	-2
Other countries	4	7
Total	18	69

**Accounting policies**

Tax for the year is recognised with the share attributable to results for the year in the income statement and with the share attributable to other recognised income and costs in the statement of comprehensive income. Tax consists of current tax and changes to deferred tax.

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the year's taxable income, adjusted for tax on previous year's taxable income and for tax paid on account.

Solar Group has applied the mandatory temporary relief from deferred tax accounting for global minimum taxes introduced by Pillar Two. Due to transitional safe harbour, exposure to Pillar Two was also analysed in all jurisdictions of Solar Group and there is no material top-up tax exposure based on financial year 2025 data.

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	2025	2024
1/1	146	136
Foreign currency translation adjustments	2	-1
Acquired or divested businesses	-19	0
Recognised in other comprehensive income	1	0
Ordinary tax recognised in income statement	-18	10
Other items	0	1
Total 31/12	112	146

Specified as follows:

Deferred tax liabilities	148	157
Deferred tax assets	-36	-11
Total deferred tax, net	112	146

Further specified as follows:

Expected use within 1 year	-4	-4
Expected use after 1 year	116	150
Total, net	112	146

Not recognised in balance sheet:

Deferred tax assets	37	32
---------------------	----	----

Deferred tax assets not recognised in the balance sheet are the part of tax losses where it is not considered sufficiently certain that the tax losses can be realised within a short time frame. Non-recognised tax assets can in all material respects be attributed to tax losses in the Netherlands, where the non-recognised tax assets may be exercised with no maturity date.

In addition, deferred tax assets not recognised in the balance sheet of Solar Deutschland GmbH (activity divested in 2015) amounted to DKK 63m (DKK 77m) at the end of the period. Decrease in 2025 is due to utilisation of tax loss in Claessen ELGB NV, Belgium (activity divested in 2018).

**Accounting policies**

Deferred tax is measured in accordance with the balance sheet liability method of all temporary differentials between accounting and tax-related amounts and provisions. Deferred tax is recognised at the local tax rate that any temporary differentials are expected to be realised at based on the adopted or expected adopted tax legislation on the balance sheet date.

Deferred tax assets, including the tax value of tax loss allowed for carryforward, are measured at the value at which the asset is expected to be realised typically within the next 3-5 years, either by elimination in tax of future earnings or by offsetting against deferred tax liabilities.

Deferred tax assets are assessed annually and only recognised to the extent that it is probable that they will be utilised.

Deferred tax is also recognised for the covering of the taxation of losses in former foreign subsidiaries participating in joint taxation assessed as becoming current.

**Accounting estimates and assessments****Deferred tax assets**

Deferred tax assets are not recognised if it is not deemed sufficiently safe that these can reduce future taxable income. In this connection, management assess expected future taxable income.

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DKK million	2024	Foreign currency translation adjustments	Acquired or divested businesses	Recognised in other comprehensive income	Ordinary tax recognised in income statement	2025
Intangible assets	53	0	-3	0	0	50
Property, plant and equipment	73	0	0	0	-15	58
Inventories	-5	0	-5	0	2	-8
Receivables	-5	0	0	0	1	-4
Other items ¹	30	2	-11	1	-6	16
Total, net	146	2	-19	1	-18	112

DKK million	2023	Foreign currency translation adjustments	Acquired or divested businesses	Recognised in other comprehensive income	Ordinary tax recognised in income statement	2024
Intangible assets	46	0	0	0	7	53
Property, plant and equipment	64	0	0	0	9	73
Inventories	-4	0	0	0	-1	-5
Receivables	-2	0	0	0	-3	-5
Other items ¹	32	0	0	0	-2	30
Total, net	136	0	0	0	10	146

1) Other items particularly cover loss balances utilised in jointly taxed entities and carry forward tax losses.

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DKK million

Proposed distribution of net profit for the year:

Proposed dividends, parent

2025 **2024**

0

110

Retained earnings

74

41

Net profit for the year

74

151

Ordinary dividends in DKK per share of DKK 100¹

-

15.00

1) Calculations are based on proposed dividends.

**Accounting policies****Dividends**

Proposed dividends are recognised as a liability at the time of adoption of the general meeting.



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Section 3 – Invested capital

3.1 Intangible assets

DKK million	Goodwill	Customer-related assets	Software	Total
2025				
Cost 1/1	122	288	660	1,070
Foreign currency translation adjustment	0	10	0	10
Acquired businesses	226	2	1	229
Additions during the year	0	0	125	125
Abandoned assets	0	0	-19	-19
Cost 31/12	348	300	767	1,415
Amortisation and impairment 1/1	47	257	385	689
Foreign currency translation adjustment	0	8	0	8
Amortisation during the year	0	7	79	86
Amortisation of abandoned assets	0	0	-19	-19
Amortisation and impairment 31/12	47	272	445	764
Carrying amount 31/12	301	28	322	651
Remaining amortisation period in number of years	-	1-6	1-8	-

**Accounting policies****Goodwill**

Goodwill is initially recognised in the balance sheet as the positive balance between the acquisition consideration of an enterprise on one side and the fair value of the assets, liabilities and contingent liabilities acquired on the other side. In cases of measurement uncertainty, the goodwill amount can be adjusted until 12 months after the date of the acquisition unless goodwill has not yet been allocated to cash-generating units as at the end of the year and there are not indications of impairment. The determination of cashgenerating units follows the managerial structure and management control.

Customer-related intangible assets

Customer-related intangible assets acquired in connection with business combinations are measured at cost less accumulated amortisation and impairment loss.

Customer-related intangible assets are amortised using the straight-line principle over the expected useful life. Typically, the amortisation period is 5-7 years.

Software

Software is measured at cost less accumulated amortisation and impairment. Cost includes both direct internal and external costs.

Software is amortised using the straight-line principle over 4-8 years. The basis of amortisation is reduced by any impairment.

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3.1 Intangible assets – continued

DKK million	Goodwill	Customer-related assets	Software	Total
2024				
Cost 1/1	122	291	828	1,241
Foreign currency translation adjustment	0	-3	1	-2
Additions during the year	0	0	154	154
Abandoned assets	0	0	-323	-323
Cost 31/12	122	288	660	1,070
Amortisation and impairment 1/1	0	253	640	893
Foreign currency translation adjustment	0	-3	0	-3
Amortisation during the year	0	7	65	72
Impairments during the year	47	0	3	50
Amortisation of abandoned assets	0	0	-323	-323
Amortisation and impairment 31/12	47	257	385	689
Carrying amount 31/12	75	31	275	381
Remaining amortisation period in number of years	-	1-6	1-8	-



Accounting policies

Impairment of intangible assets

The carrying amount of intangible assets other than goodwill is assessed annually to determine whether there is any indication of impairment.

When such an indication is present, the asset's recoverable amount is calculated, which is the highest of the asset's fair value less expected costs of disposal or value in use. Value in use is calculated as the present value of expected cash flow from the smallest cash-generating unit to which the asset belongs.

Impairment loss is recognised when the carrying amount of an asset exceeds the asset's recoverable amount. Impairment loss is recognised in the income statement.

Impairment loss relating to goodwill is not reversed. Impairment on other intangible assets are reversed to the extent that changes have been made to the assumptions and estimates that led to the write-down.



Accounting estimates and assessments

Impairment test for goodwill

In connection with the annual impairment test of goodwill, or when there is an indication of impairment, an estimate is made of how the parts of the business (cash-generating units), that goodwill is linked to, will be able to generate sufficient positive cash flow in future to support the value of goodwill and other net assets in the relevant part of the business.

Due to the nature of the business, estimates must be made of expected cash flow for many years ahead which, naturally, results in a certain level of uncertainty. This uncertainty is reflected in the discount rate determined. The impairment test and the very sensitive related aspects are described in more detail in the comments section.

Software

Software is evaluated annually for indicators of a need for impairment. If a need to perform impairment is identified, an impairment test for the software is performed.

The impairment test is made on the basis of different factors, including the software's future application, the present value of the expected cost saving as well as interest and risks.

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Except for goodwill related to the acquisition of Sonepar Norge AS, management has completed the impairment test of the carrying amount of goodwill. The impairment test was based on our SOLVE strategy, estimates and expectations as well as other assumptions approved by the Executive Board and the Board of Directors with the necessary adjustments under IAS 36.

Overall, impairment tests made are based on the budget for 2026 and strategy for 2024-2026 approved by the Executive Board and Board of Directors. A budget period of 5 (6) years has been applied to ensure that the entire impact from the different initiatives is included. This reduces also the dependency of the terminal value and thereby also part of the volatility. When preparing budgets and expectations for the next 5 (6) years, risks of the material parameters have been assessed and recognised in future expected cash flow.

Management's final assessment of the impairment tests made is based on an assessment of probable changes to the basic assumptions and that these will result in that the carrying amount of cash generating units is exceeding the recoverable amount.

Sonepar Norge AS

The amount of goodwill related to the acquisition of Sonepar Norge AS has initially been measured

at DKK 226m, cf. note 5.6 Acquisition of businesses. As the measurement of goodwill is provisionally and has not been allocated to cash-generating units the assessment of impairment has been performed by reviewing and updating the business case for the acquisition of Sonepar Norge AS. This review did not reveal any indication of impairment of goodwill.

Thermonova A/S

The carrying amount of goodwill of DKK 75m (DKK 75m) result from the acquisition of the Danish enterprise Thermonova A/S, which is considered a cash-generating unit for impairment test of goodwill. The impairment test is based on the expectations to the development in future cash flows for the three areas: Denmark, other countries where Solar operates and other international areas (mainly UK).

The growth rate used in the impairment test is 30% for 2026 and 45% in 2027, since Thermonova A/S only is in the initial phase of establishing in other Solar countries and Thermonova International. The growth rate used in impairment tests for the years succeeding 2027 is decreasing to a range between 11.3% - 31.5%.

In 2024 the growth rate used in the impairment test were up to 87% and decreasing to 3.9% at the end of the budget period.

The estimated gross margin percentage in 2026 is also expected to be in the same range for 2027-2030 after taking the improvement in the gross margin percentage realised in 2025 into consideration.

Terminal value after 5 (6) years is determined while taking general expectations for growth into consideration. Expected growth is by considerations of realistic assumptions determined at 2% (2%). Of the total value approx. 82% (76%) is based on the terminal value.

The discount rate (WACC) used to calculate the recoverable amount is 9.5% (9.5%) to compensate for the risk. The development in Thermonova A/S is positive. However, as the company is immature, there is higher uncertainty related to Thermonova A/S than to Solar A/S in general. This is the reason for our choice of discount rate.

Due to the expected increase in EBITDA the impairment test shows in the most likely scenario no indications of a need for write-down of the goodwill.

If the WACC used is increased with 1 percentage point, this reduces Solar's share of the recovery amount with additional DKK 17m (DKK 14m), whereas a reduction with 1 percentage point in the WACC used will increase Solar's share of the recovery amount with DKK 22m (DKK 18m).

Thermonova A/S is a part of the Industry segment.

(Data shown in brackets relate to the corresponding period in 2024)

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3.2 Property, plant and equipment

DKK million	Land and buildings	Plant, operating equipment, tools and equipment	Leasehold improvements	Assets under construction	Total
2025					
Cost 1/1	1,219	606	71	117	2,013
Foreign currency translation adjustments	7	7	1	6	21
Acquired businesses	0	2	0	0	2
Additions during the year	9	37	6	381	433
Disposals during the year	-117	-87	-4	-13	-221
Cost 31/12	1,118	565	74	491	2,248
Write-down and depreciation 1/1	498	400	45	0	943
Foreign currency translation adjustments	3	6	0	0	9
Write-down and depreciation during the year	37	59	7	0	103
Write-down and depreciation of disposed assets	-64	-86	-4	0	-154
Write-down and depreciation 31/12	474	379	48	0	901
Carrying amount 31/12	644	186	26	491	1,347

**Accounting policies****Property, plant and equipment**

Land and buildings as well as other plant, operating equipment, and tools and equipment are measured at cost less accumulated depreciation and write-down.

Cost includes the purchase price and costs directly attributable to the acquisition until the time when the asset is ready for use. Cost of a combined asset is disaggregated into separate components which are depreciated separately if the useful lives of the individual components differ.

Subsequent expenditure, for example in connection with the replacement of components of property, plant or equipment, is recognised in the carrying amount of the relevant asset when it is probable that the incurrence will result in future economic benefits for the group. The replaced components cease to be recognised in the balance sheet and the carrying amount is transferred to the income statement. All other general repair and maintenance costs are recognised in the income statement when these are incurred.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives which are:

- Buildings 40 years
- Technical installations 20 years
- Plant, operating equipment, and tools and equipment 2-10 years

There are a few differences from the mentioned depreciation periods in which useful life is estimated as shorter. Leasehold improvements are depreciated over the lease term, however, maximum 5 years.

Land is not depreciated.

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3.2 Property, plant and equipment – continued

DKK million	Land and buildings	Plant, operating equipment, tools and equipment	Leasehold improvements	Assets under construction	Total
2024					
Cost 1/1	1,249	562	59	125	1,995
Foreign currency translation adjustments	-10	-7	-1	0	-18
Additions during the year	91	66	13	128	298
Disposals during the year	-111	-15	0	-136	-262
Cost 31/12	1,219	606	71	117	2,013
Write-down and depreciation 1/1	527	365	37	0	929
Foreign currency translation adjustments	-4	-7	0	0	-11
Write-down and depreciation during the year	38	56	8	0	102
Write-down and depreciation of disposed assets	-63	-14	0	0	-77
Write-down and depreciation 31/12	498	400	45	0	943
Carrying amount 31/12	721	206	26	117	1,070

**Accounting policies**

The basis of depreciation is determined in consideration of the asset's residual value and reduced by any impairment. Residual value is determined at the time of acquisition and reassessed annually. If residual value exceeds the asset's carrying amount, depreciation will cease.

By changing the depreciation period or residual value, the effect of future depreciation is recognised as a change to accounting estimates.

Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is assessed annually to determine whether there is any indication of impairment.

When such an indication is present, the asset's recoverable amount is calculated, which is the highest of the asset's fair value less expected costs of disposal or value in use. Value in use is calculated as the present value of expected cash flow from the smallest cash flow-generating unit to which the asset belongs.

Impairment loss is recognised when the carrying amount of an asset exceeds the asset's recoverable amount. Impairment loss is recognised in the income statement. Write-down on property, plant and equipment is reversed to the extent that changes have been made to the assumptions and estimates that led to the write-down.

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3.3 Leases**Right-of-use assets**

DKK million	Tenancy	Cars	IT equipment	Technical equipment	Other equipment	Total
2025						
Cost 1/1	650	124	46	9	0	829
Foreign currency translation adjustments	14	2	0	0	0	16
Acquired businesses	36	2	0	0	0	38
Additions during the year	113	35	2	2	0	152
Disposals during the year	-69	-27	0	0	0	-96
Cost 31/12	744	136	48	11	0	939
Write-down and depreciation 1/1	326	68	21	6	0	421
Foreign currency translation adjustments	7	1	0	0	0	8
Write-down and depreciation during the year	118	29	9	1	0	157
Write-down and depreciation of abandoned assets	-48	-26	0	0	0	-74
Write-down and depreciation 31/12	403	72	30	7	0	512
Carrying amount 31/12	341	64	18	4	0	427

**Accounting policies****Right-of-use assets**

Right-of-use assets are lease assets arising from a lease agreement. Lease assets are initially measured at cost consisting of the amount of the initial measurement of the lease liability with addition of lease payments made to the lessor at or before the commencement date less any lease incentives received. Five different types of leases have been identified:

- Tenancy
- Cars
- IT equipment
- Technical equipment
- Other equipment

The lease assets are depreciated on a straight-line basis over the lease term.

The carrying amount of the right-of-use asset can be adjusted due to modifications to the lease agreement or in special cases reassessment of the lease term.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture of a value below DKK 37,000.

3.3 Leases – continued

DKK million	Tenancy	Cars	IT equipment	Technical equipment	Other equipment	Total
2024						
Cost 1/1	620	120	50	10	0	800
Foreign currency translation adjustments	-14	0	0	0	0	-14
Additions during the year	82	30	10	0	0	122
Disposals during the year	-38	-26	-14	-1	0	-79
Cost 31/12	650	124	46	9	0	829
Write-down and depreciation 1/1	264	66	25	5	0	360
Foreign currency translation adjustments	-5	0	0	0	0	-5
Write-down and depreciation during the year	105	27	10	2	0	144
Write-down and depreciation of abandoned assets	-38	-25	-14	-1	0	-78
Write-down and depreciation 31/12	326	68	21	6	0	421
Carrying amount 31/12	324	56	25	3	0	408

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DKK million	2025	2024
Maturity < 1 year	154	141
Short-term lease liabilities 31/12	154	141

Long-term lease liabilities

DKK million	2025	2024
Maturity > 1 year < 5 years, undiscounted	290	288
Maturity > 5 years, undiscounted	18	17
Long-term lease liabilities 31/12, undiscounted	308	305
Discounting on lease liabilities > 1 year < 5 years	-16	-19
Discounting on lease liabilities > 5 years	-2	-2
Long-term lease liabilities 31/12	290	284

Amounts recognised in the income statement

Depreciation of right-of-use assets	157	144
Interest expense on lease liabilities	17	15
Expense relating to short-term leases	1	2
Expense relating to leases of low-value items	2	2
Expense relating to variable lease payments not included in the measurement of lease liabilities	8	7
Total	185	170

Cash outflows for leases

Instalment on lease liabilities	-156	-137
Interest payments	-17	-15
Total cash outflows for leases	-173	-152

Future cash outflows not recognised as lease liabilities in the balance sheet amount to DKK 14m (DKK 4m) regarding signed but not yet started lease contracts on rent of premises. Extension options regarding lease contracts on rent of premises, which are not recognised in the balance sheet amount to DKK 61m (DKK 49m).

**Accounting policies****Lease liabilities**

Lease liabilities arise from a lease agreement. Lease liabilities are initially measured at the present value of the lease payments during the non-cancellable lease period with addition of periods covered by an option to extend the lease if exercise of the option is considered reasonably certain on inception of the lease.

At initial recognition, each contract is assessed individually to assess the likelihood of exercising a potential extension option in the contract. The option to extend the contract period will be included in measuring the lease liability if it is reasonably certain that Solar will exercise the option. When calculating the net present value, a discount rate corresponding to Solar's incremental borrowing rate has been used.

The lease liability will be remeasured when changes occur due to modifications to the contract (extension, termination etc.), indexation or in special cases reassessment of the lease term.

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	2025	2024
Cost 1/1	9	9
Foreign currency translation adjustment	0	0
Additions during the year	0	0
Transferred to other investments	0	0
Disposals during the year	-1	0
Cost 31/12	8	9
Adjustments 1/1	-6	-5
Foreign currency translation adjustment	0	0
Profit from associates	0	-1
Impairment/reversal of impairment ²	0	0
Transferred to other investments	0	0
Disposals during the year	1	0
Value adjustments 31/12	-5	-6
Carrying amount 31/12	3	3

1) Associates include the following investments:

- Monterra where Solar owns 30.0%
- Zolw where Solar owns 35.0%

**Accounting policies****Investment in associates**

Investments in associates are accounted for by using the equity method of accounting, by which the investments are measured at the proportional share of the entities' equity determined according to the group's accounting policies reduced by the proportional share of unrealised gains on transaction between the group and the associates and increased by goodwill determined as of the date when the investment became an associate.

Investments in associates are tested for impairment when there is an indication of impairment.

Associates with a negative equity are accounted for at DKK 0. If the group has a legal or actual obligation to cover the negative balance of the associate, this obligation is recognised under liabilities.



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3.5 Inventories

DKK million	2025	2024
End products	1,871	1,888
Recognised write-down	-9	-9



Accounting policies

Inventories are measured at cost according to the FIFO method or at net realisable value, if this is lower.

Cost of inventories includes purchase price with addition of delivery costs.

The net realisable value of inventories is determined as selling price less costs incurred to make the sale and is determined in consideration of marketability, obsolescence and development of expected selling price.



Accounting estimates and assessments

Write-down of inventories

Write-down of inventories is made due to the obsolescence of products.

Management specifically assess inventories, including the products' turnover rate, current economic trends and product development when deciding whether the write-down is sufficient.

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	2025	2024
Not due	1,566	1,506
Past due for 1-30 day(s)	144	139
Past due for 31-90 days	20	19
Past due for 91+ days	4	21
	1,734	1,685
Write-down	-20	-28
Total	1,714	1,657

Write-down based on:

Age distribution	9	11
Individual assessment	11	17
Total	20	28

Write-down 1/1	28	33
Foreign currency translation adjustment	1	0
Write-down for the year	6	10
Acquired businesses	1	0
Losses realised during the year	-8	-11
Reversed for the year	-8	-4
Write-down 31/12	20	28

1) A factoring arrangement on non-recourse conditions is established with a few major customers. As a result trade receivables is reduced with approx. DKK 112m (DKK 103m).

Accounting policies

Trade receivables are measured at fair value at acquisition and at amortised cost subsequently. Based on an individual assessment of the loss risk, including a statistical based model, write-down to amortised cost less expected credit losses is made, if this is lower.

Accounting estimates and assessments

Write-down for meeting of loss on doubtful trade receivables
The IFRS 9 simplified approach is applied to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past invoicing.

As the vast majority of our group companies generally takes out insurance to hedge against loss to the extent possible, the write-down based on age distribution amounts to 0.5% (0.7%) of gross trade receivables. Individual assessment of write-down is performed by management specifically analysing trade receivables, including the customers' credit rating and current economic trends to ensure that write-down is sufficient. Write-down based on individual assessment amounts to 0.6% (1.0 %) of gross trade receivables. As the total write-down on trade receivables amounts to less than 1.2% (1.7%) of gross trade receivables, no maturity statement of the write-down is included. However, the majority of the provision relates to receivables overdue by more than 30 days (30 days).

Financial risks**Credit risk**

Solar is subject to credit risks in respect of trade receivables and cash at bank. No credit risk is deemed to exist in respect of cash as the counterparts are banks with good credit ratings.

As a result of customer diversification, trade receivables are distributed so that there is no significant concentration of risk. Credit granting to customers is regarded as a natural and important element in Solar's business operations. Solar conducts efficient credit management at all times.

The vast majority of our group companies generally takes out insurance to hedge against loss to the extent possible. As a result, 65% (64 %) of trade receivables is covered by insurance.

Loss due to credit granting is considered a normal business risk and, therefore, will occur.

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3.7 Contract balances

DKK million

Significant changes in the contract balances	2025		2024	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Contract balances at 1/1	4	35	0	0
Changes due to cash received, excluding amounts recognised as revenue during the period	2	-17	0	0
Increases as a result of changes in the measure of progress and deliveries	0	0	4	35
Decreases as a result of finalisation of construction contracts	-1	-1	0	0
Contract balances at 31/12	5	17	4	35

**Accounting policies**

When the outcome of a construction contract can be reliably estimated, the construction contract is measured at the selling price of the work performed up until the balance sheet date (percentage of completion method) less the on account invoicing and write-down for expected credit losses.

The selling price is measured on the basis of the stage of completion at the balance sheet date and the total expected revenue on the individual construction contract.

The stage of completion of the individual project is usually calculated as the proportion of actually consumed resources compared to the total estimated consumption of resources. For individual projects where the consumption of resources cannot be used as a basis, the proportion of the finalised sub-activities compared to the total project is used.

The individual ongoing construction contract is included in the balance sheet under contract assets or contract liabilities, depending on whether the net value is a receivable or a liability.

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3.8 Provision for pension obligations

Most of the group's employees have pension plans; mainly defined contribution pension plans and, to a smaller degree, defined benefit pension plans.

The Solar Group's defined benefit plans are constituted by the as at 1st December 2025 acquired subsidiary Sonepar Norge AS. The majority of this obligation covers lifelong retirement pensions. The plans of Sonepar Norge AS are closed to new entrants and consists of 32 working persons and 35 retirees.

DKK million	2025		
	Present value of obligation	Fair value of plan assets	Obligation, net
1/1	0	0	0
Acquired enterprises	52	58	-6
Impact of asset ceiling	0	-6	6
Current service costs (1 month)	0	0	0
Calculated interest expense/income (1 month)	0	0	0
Amounts recognised in income statement	0	0	0
Total 31/12	52	52	0

All assets are held by insurance company.

The group's expected payments to defined benefit pension plans in 2026 total DKK 5m (2025: DKK 0m).

**Accounting policies**

Obligations concerning the defined contribution plans are recognised in the income statement in the period that these are earned and any payments due are included under other payables.

Obligations related to defined benefit plans for present and former employees are determined systematically by an actuarial discount to net present value of the pension obligation. The present value is calculated on the basis of presumptions about future developments in, for example, inflation, pay level and life expectancy. The discount rate used is the effective interest rate on corporate bonds with high credit quality and with terms that correspond to that of the pension obligation.

The pension obligations less fair value of assets attached to the plan is recognised in the balance sheet under pension provisions. If the net amount is an asset, this is recognised under pension assets in the balance sheet to the extent that any surplus leads to a reduction in future contributions or repayment to the enterprise.

The costs of a defined benefit plan are recognised in the income statement and include service costs, net interest based on actuarial estimates and financial expectations. Differences between the development in retirement benefit assets and liabilities and realised amounts at year-end are designated as actuarial gains or losses and recognised in other comprehensive income.

The effect of a change in the present value as a consequence of changes to the pension agreements made is recognised in the income statement at the modification date.

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The most significant actuarial assumptions.

DKK million	2025
Average actuarial assumptions:	
Discount rate	4.3%
Salary increase rate	3.25%
Pension increase rate	2.7%

The table below shows the sensitivity of the pension obligations to changes in key assumptions for the statement of the obligation on the balance sheet date. In addition, the Solar Group is also exposed to general development in the market value of the assets.

DKK million	2025
Pension obligation	
Sensitivity to discount rate:	
Discount rate - 0.5 %	4
Discount rate + 0.5 %	-4

DKK million	2025
Pension obligations are expected to be payable as follows:	
0 - 1 year	1
1 - 5 year(s)	6
5-10 years	14
Total 31/12	21

The expected duration of the obligations at year-end 2025 is expected at 16 years and are divided into active employees with an average age of 58 years and retired/inactive employees with an average age of 75 years.

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DKK million	2025	2024
Non-current		
Other provisions	11	12
Total 31/12	11	12

Specification, non-current

1/1	12	11
Reversed during the year	-4	-2
Provisions of the year	3	3
Total 31/12	11	12

Current

Other provisions	28	9
Total 31/12	28	9

Specification, current

1/1	9	21
Reversed during the year	-9	-21
Acquired businesses	2	0
Provisions of the year	26	9
Total 31/12	28	9

3.10 Other payables

DKK million	2025	2024
Staff costs	195	205
Taxes and charges	100	144
Interest rate swaps	12	17
Other payables	80	96
Total	387	462

Relevant accounting policies for derivative financial instruments are described in note 4.4 Financial instruments.



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Section 4 – Capital structure and financing costs

4.1 Share capital

DKK million	2025	2024
Share capital 1/1	736	736
Change in share capital	65	0
Share capital 31/12	801	736
Share capital is fully paid in and divided into the following classes:		
A shares, 900,000 at DKK 100, 10 votes per share	90	90
B shares, 7,106,000 at DKK 100, 1 vote per share	711	646
Total	801	736

	Number of shares	Nominal value (DKK million)	
		2025	2024
A shares outstanding 31/12	900,000	900,000	90
B shares outstanding			
Outstanding 1/1	6,403,187	6,403,187	640
Issue of share capital	646,000	0	65
B shares outstanding 31/12	7,049,187	6,403,187	705
Total shares outstanding 31/12	7,949,187	7,303,187	795
			730

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Treasury shares (B shares)	Number of shares		Nominal value (DKK million)		Cost (DKK million)		Percentage of share capital	
	2025	2024	2025	2024	2025	2024	2025	2024
Holding 1/1	56,813	56,813	6	6	22	22	0.7%	0.7%
Divestment	0	0	0	0	0	0	0.0%	0.0%
Holding 31/12	56,813	56,813	6	6	22	22	0.7%	0.7%

All treasury shares are held by the parent company in order to cover the Executive Board's incentive schemes.

4.3 Earnings per share in DKK per share outstanding for the year

	2025	2024
Net profit for the year in DKK million	74	148
Average number of shares	7,444,953	7,360,000
Average number of treasury shares	-56,813	-56,813
Average number of shares outstanding	7,388,140	7,303,187
Dilution effect of share options and restricted share units	29,173	27,349
Diluted number of shares outstanding	7,417,313	7,330,536
Earnings per share in DKK per share outstanding for the year	10.02	20.68
Diluted earnings per share in DKK per share outstanding for the year	9.98	20.60

**Accounting policies****Treasury shares**

Acquisition and disposal sums related to treasury shares are recognised directly in transactions with the owners.

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DKK million	Interest rate	2025	2024
Debt to mortgage credit institutions	Fixed ¹	176	187
Bank loans and overdrafts	Fixed ¹	499	249
Lease liabilities	Calculated	444	425
Bank loans and overdrafts	Floating	638	830
Interest-bearing liabilities		1,757	1,691
Trade payables ²		1,937	1,852
Other payables etc.		387	462
Financial liabilities		4,081	4,005
Cash at bank and in hand		133	459
Trade receivables		1,714	1,657
Other receivables		92	204
Financial assets		1,939	2,320
Total, financial balance sheet items, net		2,142	1,685

1) Interest swaps have been used to hedge floating-rate loans, converting these loans to fixed-rate loans.

2) Solar participates in supplier financing arrangement with one bank covering one supplier in the amount of DKK 61m (DKK 141m) that is fully paid to the suppliers. Although, Solar has obtained extended credit term of up to 90 days which is beyond the average credit terms from other supplies of 30 – 60 days the credit term is considered usual within the industry, thus, the liability towards the bank is presented as trade payables.

Fair value of Solar's respective interest-bearing liabilities is seen as fair value measurement at level 2. Mortgage loans are valued based on underlying securities, while bank debt is calculated based on models for discounting to net present value. Non-observable market data is primarily made up of credit risks, which are seen as insignificant in Solar's case.

The fair value of Solar's interest rate instrument is measured as fair value measurement at level 2, since fair value can be determined directly based on the actual forward rates and instalments on the balance sheet date. Outstanding interest rate swaps for hedging of floating-rate loans expire over the period until 2037 (2037).

**Accounting policies****Financial liabilities**

Debt to bank and credit institutions is recognised initially at fair value that corresponds to the proceeds received net of transaction costs incurred.

In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method, meaning that the difference between the proceeds and the nominal value is recognised in the income statement under financials for the term of the loan. For information on lease liabilities, see note 3.3.

Fair value measurement

The group uses the fair value concept for recognition of certain financial instruments and in connection with some disclosure requirements. Fair value is defined as the price that can be secured when selling an asset or that must be paid to transfer a liability in a standard transaction between market participants (exit price).

Fair value is a market-based and not enterprise-specific valuation. The enterprise uses the assumptions that market participants would use when pricing an asset or liability based on existing market conditions, including assumptions relating to risks.

As far as possible, fair value measurement is based on market value in active markets (level 1) or alternatively on values derived from observable market information (level 2). If such observable information is not available or cannot be used without significant modifications, recognised valuation methods and fair estimates are used as the basis of fair values (level 3).

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DKK million	2025	2024
Interest bearing liabilities 1/1	1,691	1,597
Repayment of non-current interest-bearing debt	-111	-9
Raising of non-current interest-bearing liabilities	250	100
Change in current interest-bearing debt	-78	11
Installment on lease liabilities	-156	-137
Lease liability raised during the year, non-cash	152	122
Lease liability related to acquired businesses	38	0
Disposal of lease liabilities	-22	0
Foreign currency translation adjustment	-7	7
Interest bearing liabilities 31/12	1,757	1,691

Financial liabilities, maturity statement

DKK million	2025	2024
Maturity < 1 year		
Debt to mortgage credit institutions	11	11
Lease liabilities	154	141
Bank loans and overdrafts	639	830
Current interest-bearing liabilities	804	982
Other financial liabilities	2,324	2,314
Current financial liabilities	3,128	3,296
 Current financial assets	 1,939	 2,320
 Net current financial liabilities	 1,189	 976

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DKK million	2025	2024
Maturity 1-5 year(s)		
Debt to mortgage credit institutions	43	47
Bank loans and overdrafts	499	249
Lease liabilities	273	268
Total	815	564
Maturity > 5 years		
Debt to mortgage credit institutions	122	129
Lease liabilities	17	16
Total	139	145
Total non-current liabilities	954	709
Maturity, until year	2042	2042

The carrying amount of financial liabilities corresponds to fair value, see page 142. Of long-term bank loans and overdrafts DKK 400m (DKK 150m) is subject to covenants measured on gearing and solvency ratio on a quarterly basis. There is no indication that covenants cannot be met for the next 12 months.

DKK million	2025	2024
Interest-bearing liabilities and maturity statement for expected interest expense for the period		
< 1 year	38	32
1-5 year(s)	54	56
> 5 years	29	35
Total	121	123

**Accounting policies****Liquidity risks**

Solar has an objective of substantial self-financing to minimise dependence on lenders and thus gain greater freedom of action. Financing is primarily controlled centrally based on the individual subsidiary's operating and investment cash requirements. Solar ensures that there are always sufficient and flexible cash reserves and diversification of maturities of both non-current and current credit facilities.

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DKK million	2025	2024
Effect of a 1% interest rate increase at the end of the year	5	3
Effect on equity	-4	-3
Of this, earnings impact is		
Undrawn credit facilities 31/12	1,134	1,028

Financial liabilities, foreign currency risk exposure

DKK million	Current liabilities		Non-current liabilities	
	2025	2024	2025	2024
EUR	41	124	93	101
DKK	548	705	571	324
NOK	5	0	0	0
PLN	30	12	0	0
SEK	26	0	0	0
Total	650	841	664	425
Interest rate in %	2.9-7.0	3.7-7.0	3.3-5.6	3.9-5.6

The group's businesses have raised loans in their respective functional currencies, while the parent company has also raised loans in Swedish kroner, Norwegian kroner and euro.

**Financial risks – continued****Interest rate risk**

Solar monitors and adjusts interest-bearing liabilities on an ongoing basis. Loans are only raised in the functional currencies of the countries where Solar operates. Of total interest-bearing liabilities, Solar endeavours to ensure that a maximum of half is based on variable payment of interest determined in accordance with current money market rates. The remaining interest-bearing liabilities are fixed-rate. Solar Group has no significant non-current interest-bearing assets.

As a result of Solar's policies, a certain interest rate risk exists.

Currency risk

Solar is exposed to currency risks in the form of translation risks since a substantial proportion of activity derives from foreign subsidiaries which has other currencies than DKK as functional currency. The functional currencies applied in the group are euro, Danish kroner, Swedish kroner, Norwegian kroner and, to a lesser extent, Polish zloty, Swiss Franc, US dollar and British pound. Solar has a number of investments in foreign subsidiaries, where the translation of equity into Danish kroner depends on exchange rates. Investments in subsidiaries are not hedged as such investments are regarded as long-term and because hedging is seen as unlikely to create any long-term value.

The individual subsidiaries are not significantly affected by exchange rate fluctuations since revenue and costs in subsidiaries are mainly in the same currencies.

Effect from translation of foreign subsidiaries when the exchange rate increases by 10% (average for the year and at year end)

DKK million	Profit of the year		Equity	
	2025	2024	2025	2024
NOK	-7.5	5.1	41.9	50.6
SEK	5.9	8.0	57.3	51.2
PLN	-0.6	1.6	6.8	9.4
Total	-2.2	14.7	106.0	111.2

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DKK million	2025	2024
Outstanding interest swaps made for hedging floating-rate loans		
Principal amount	405	361
Interest rate in % for outstanding interest swaps	3.3-5.6	4.5-5.6
Fair value recognised as other payables under current liabilities	-12	-17

Maturity for interest swaps follows the maturity for debt to mortgage credit institutions as stated on previous page.

Amounts recognised in other comprehensive income

Adjustment to fair value for the year	0	-5
Realised during the year, recognised as financial income/expenses	5	5
Total	5	0

**Accounting policies****Derivatives**

Derivatives are only used to hedge financial risks in the form of interest rate and currency risks.

Derivatives are recognised at fair value. Both realised and unrealised gains and losses are recognised in the income statement unless the derivatives are part of hedging of future transactions. Value adjustments of derivatives for hedging of future transactions are recognised directly in other comprehensive income.

Any non-effective part of the financial instrument in question is recognised in the income statement. Derivatives are recognised under other receivables or other payables.

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DKK million	2025	2024
Interest income	22	31
Foreign exchange gains	17	28
Fair value adjustments, other financial investments	1	2
Other financial income	11	2
Total	51	63
 Financial income, received	 33	 33

4.6 Financial expenses

DKK million	2025	2024
Interest expenses	80	99
Foreign exchange losses	20	31
Fair value adjustments, other financial investments	5	3
Interest on lease liabilities	17	15
Total	122	148
 Financial expenses, settled	 97	 114



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5.1 Share-based payment

Restricted share units

	Executive Board	Others	Total
No. of restricted share units at year-end 2025			
Outstanding at the beginning of 2025	10,374	36,084	46,458
Granted in 2025	0	5,976	5,976
Adjustment due to dividends distribution	132	1,230	1,362
Exercised	-4,819	-9,064	-13,883
Outstanding at year-end 2025	5,687	34,226	39,913

No. of restricted share units at year-end 2024

		2024	2025
Outstanding at the beginning of 2024	23,212	24,789	48,001
Granted in 2024	0	14,945	14,945
Transferred on change to the Executive Board	-6,089	6,089	0
Adjustment due to dividends distribution	444	2,036	2,480
Exercised	-7,193	-11,775	-18,968
Outstanding at year-end 2024	10,374	36,084	46,458

DKK million

	2025	2024
Market value recognised under other liabilities	7	9

**Accounting policies**

Restricted share units and performance share units are measured at fair value at the grant date and are recognised in the income statement under staff costs over the period when the final right to the restricted share units and performance share units is vested. The set-off to this is recognised under other payables, as the company has a past practice that allows employees to choose cash settlement. This liability is regularly adjusted to fair value and for the performance share units an estimated probability for succeeding in fulfilling the targets set is taken into consideration.

The fair value of the granted restricted share units and performance share units is estimated using the market price of the company's shares at balance sheet date.

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No. of shares	Year of granting			
	2025	2024	2023	2022
Executive Board				
Granted	0	0	6,719	5,353
Transferred on change to the Executive Board	0	0	-1,899	-1,792
Adjustment due to dividend distribution	0	0	867	1,258
Exercised	0	0	0	-4,819
Total	0	0	5,687	0
Others				
Granted	5,976	14,945	7,930	5,757
Transferred on change to the Executive Board	0	0	1,899	1,792
Adjustment due to dividend distribution	334	1,818	1,324	1,515
Exercised	0	0	0	-9,064
Total	6,310	16,763	11,153	0
Price at time of granting	269.35	381.88	629.95	722.46
Vesting year	2028	2027	2026	2025

Performance share units

No. of performance share units at year-end 2025					Executive Board
	Outstanding at the beginning of 2025				15,036
Granted in 2025					20,283
Adjustment due to dividend distribution					1,721
Exercised					0
Outstanding at year-end 2025	37,040				
2025					
Price at time of granting	269.35				
Vesting year					2028
No. of performance share units at year-end 2024					
Outstanding at the beginning of 2024					0
Granted in 2024					13,939
Adjustment due to dividends distribution					1,097
Exercised					0
Outstanding at year-end 2024	15,036				
2024					
Price at time of granting	381.88				
Vesting year					2027

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In accordance with Solar's remuneration policy and general guidelines for incentive-based remuneration, the Board of Directors decided to grant restricted shares to the management team in 2025 and 2024.

Restricted shares are granted for no consideration and provide the holder with a right and an obligation to receive B shares at a nominal value of DKK 100. The price at the time of granting is fixed at DKK 269.35 (381.88) based on the average price on Nasdaq Copenhagen the first 10 business days after publication of Annual Report 2024 (2023). The restricted shares vest three years after the time of granting, meaning that this grant of shares vests in 2028 (2027). At this point, the holder may exercise the restricted share granting.

The number of granted restricted shares was adjusted by +1,362 (+2,480) shares in 2025 (2024) due to dividend distribution.

Based on the amended remuneration policy, the Board of Directors approved a new long-term incentive program (LTIP) for the members of the Executive Board. The members of the Executive Board was granted a total of 20,283 (15,036) performance shares (PSU) in 2025 (2024). The total market value of the grant was DKK 5.5m (DKK 5.3m) at the time of granting.

The LTIP is forward-looking, and grants of PSUs are therefore not based on previous performance of Solar or the participant; instead vesting is dependent on the participant's continued

employment with Solar and for 75 % of the PSUs the achievement of certain forward-looking performance targets within (a) Solution Sales, (b) EBITDA margin and (c) CO₂ reduction.

The PSUs vest after the expiry of a three-year lock-up period and simultaneously be converted into B-shares in Solar, subject to the fulfilment of the performance targets.

If the performance targets are only partly achieved, the participants will receive a proportion of the B-shares. If specified minimum targets are not met the vesting can lapse.

The number of performance restricted shares was adjusted by +1,721 (+1,097) shares in 2025 (2024) due to dividend distribution.

General information on Solar's incentive scheme is available on our website: <https://www.solar.eu/investor/policies>.

5.2 Contingent liabilities and other financial liabilities

	2025	2024
DKK million		
Collateral		
Assets have been pledged as collateral for bank arrangements at a carrying amount of:		
Land and buildings	465	418
Current assets	1	0
Total	466	418
 Contracts for the construction of Logistics Centre, Kumla		
Net obligation	43	339

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Group and parent Solar A/S are subject to control by the Fonden af 20. December (registered as a commercial foundation in Denmark), which owns 17.8% (17.0%) of the shares and holds 59.2% (60.5%) of the voting rights. The remaining shares are owned by a widely combined group of shareholders.

Other related parties include associates, the company's Board of Directors and Executive

Board. There have been no transactions in the financial year with members of the Board of Directors and Executive Board other than those which appear from note 2.3 and note 5.1.

Solar invoices the Fonden af 20. December for the performance of administrative services at DKK 55,000 (DKK 55,000). Balances with the Fonden af 20 December total DKK 0 (DKK 0) on balance sheet date.

5.4 Auditors' fees

DKK million	2025	2024
Deloitte		
Statutory audit	3	3
Other assurance engagements ¹	1	1
Tax consulting	0	0
Other services	0	0
Total	4	4

1) Other assurance engagements mainly consist of ESG assurance in 2024 and 2025.

5.5 New financial reporting standards

IASB has issued two new standards: IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures. IFRS 18 and IFRS 19 are effective from annual reporting periods beginning on or after 1 January 2027.

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1. IFRS 18 entails changes in the presentation of primarily the income statement and disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.

Solar is currently assessing the impact on the presentation of the income statement and disclosures of management-defined performance measurement.

Furthermore, IASB has issued amendments to existing standards (IFRS 7 and IFRS 9) that are effective from 1 January 2025 or 1 January 2026.

Solar does not expect that IFRS 19 or the amendments to existing standards will have impact on Solar's accounting policies.

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5.6 Acquisitions of businesses

On 1 December 2025, Solar A/S acquired 100% of the shares of Sonepar Norge AS, a trusted player in the market for B2B distribution of electrical material having a strong foothold in the installation segment and to a lesser extent in the industry segment. The combined business positions Solar Norge AS as one of the leading distributors offering efficient sourcing and services mainly within electrical, ventilation, and climate and energy solutions.

The enterprise value amounts to DKK 309m and the transaction is financed through a combination of one-third equity via an accelerated bookbuilding without pre-emption rights for existing shareholders and two-thirds debt financing provided by Danske Bank and Nordea.

Transaction costs related to the acquisition amounted to DKK 5m. These have been recognised as part of external operating costs in the income statement.

For December 2025, Sonepar Norge AS delivered revenue of DKK 46m and an EBITDA at DKK -8m, of which DKK -7m can be attributed to integration costs. If Sonepar Norge had been included from 1 January to 31 December 2025 we estimate an impact on revenue of DKK 725m and EBITDA of DKK -18m.

The main factors leading to the recognition of goodwill are:

- The presence of certain intangible assets, such as the assembled workforce and knowhow, which do not qualify for separate recognition.
- Expected synergies which result in Solar being prepared to pay a premium.

The goodwill recognised will not be deductible for tax purposes. As Sonepar Norge AS was acquired late in the year the initial accounting for the business combination is provisionally, which includes identification and measurement of assets acquired and liabilities assumed as well as measurement and allocation of goodwill on cash-generating units.

 **Accounting policies**

Newly acquired businesses are recognised in the consolidated financial statements from the date of acquisition. Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the group, liabilities incurred by the group to the former owners of the acquiree and the equity interest issued by the group in exchange for control of the acquiree.

Acquisition-related costs are recognised in the period in which they are incurred. Identifiable assets, liabilities and contingent liabilities (net assets) relating to the enterprise acquired are recognised at fair value at the date of acquisition. Intangible assets are recognised if they are separately recognisable or originate in a contractual right. Deferred tax related to all temporary differentials except taxable temporary differentials on goodwill is recognised.

For business combinations, positive balances between the acquisition consideration of the enterprise on one side and the fair value of the assets, liabilities and contingent liabilities acquired on the other side, are recognised as goodwill under intangible assets. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period which cannot exceed 12 months from the acquisition date.

Comparative figures are not restated for newly acquired businesses.

 **Accounting estimates and assessments**

Identification and measurement of assets, including goodwill and liabilities in relation to the acquisition of Sonepar Norge
Management makes judgements when determining whether intangible assets acquired in a business combination are separately identifiable. This involves assessing if the asset meets the separability criterion, which means it can be separated from the acquired business and sold, transferred, licensed, rented, or exchanged independently.

The application of the acquisition method involves the use of significant estimates because the identifiable net assets of the acquiree are recognised at their fair value for which observable market prices are typically not available. This is particularly relevant for assets which require use of valuation techniques typically based on estimates of present value of future uncertain cash flows.

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DKK million	Sonepar
Software	1
Property, plant and equipment	2
Right of use assets	38
Other non-current assets	19
Inventories	76
Trade receivables	143
Other receivables and prepayments	10
Cash	2
Other non-current liabilities, non-interest-bearing	-27
Current liabilities	-179
Net assets	85
Goodwill	226
Total consideration	311
Cash acquired	-2
Acquisition price on net debt-free basis	309

On 1 March 2025, Solar acquired a branch in Poland, amounting to DKK 2m.

With the acquisition, Solar strengthen its position in Poland and expanded the team with 7 employees.



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Notes	DKK million	2025	2024
2.1	Revenue	3,934	4,003
	Cost of sales	-3,078	-3,108
	Gross profit	856	895
	Other operating income	34	32
5.3	External operating costs	-44	-32
2.2	Staff costs	-563	-573
2.3	Loss on trade receivables	-2	-2
	Earnings before interest, tax, depreciation and amortisation (EBITDA)	281	320
2.4	Depreciation and write-down on property, plant and equipment	-90	-90
	Earnings before interest, tax and amortisation (EBITA)	191	230
2.4	Amortisation and impairment of intangible assets	-78	-68
	Earnings before interest and tax (EBIT)	113	162
	Profit from subsidiaries	6	76
4.4	Financial income	39	36
4.5	Financial expenses	-86	-102
	Earnings before tax (EBT)	72	172
2.5	Income tax	2	-21
2.6	Net profit for the year	74	151

Other comprehensive income

DKK million	2025	2024
Net profit for the year	74	151
Other income and costs recognised:		
Items that can be reclassified to the income statement		
Foreign currency translation adjustments of foreign subsidiaries	33	-36
Fair value adjustments of hedging instruments before tax, parent company	5	0
Tax on fair value adjustments of hedging instruments, parent company	-1	0
Other income and costs recognised after tax	37	-36
Total comprehensive income for the year	111	115



Balance sheet

As at 31 December

Notes	DKK million	2025	2024	Notes	DKK million	2025	2024
	Assets				Equity and liabilities		
3.1	Intangible assets	231	217	4.1	Share capital	801	736
3.2	Property, plant and equipment	339	380		Reserves	-16	-66
3.3	Right-of-use assets	90	100		Retained earnings	1,165	1,048
3.4	Investments measured at equity value	2,355	2,226		Proposed dividends for the financial year	0	110
3.4	Other non-current assets	19	22		Total equity	1,950	1,828
	Non-current assets	3,034	2,945				
3.5	Inventories	547	636	4.3	Interest-bearing liabilities	664	425
3.6	Trade receivables	544	554	3.3, 4.3	Lease liabilities	61	70
	Receivables from subsidiaries	200	184	2.5	Provision for deferred tax	78	89
	Income tax receivable	8	6		Non-current liabilities	803	584
	Other receivables	5	4	4.3	Interest-bearing liabilities	606	829
	Prepayments	20	27	3.3, 4.3	Lease liabilities	33	33
	Cash at bank and in hand	6	343		Trade payables	604	701
	Current assets	1,330	1,754		Amounts owed to subsidiaries	245	562
	Total assets	4,364	4,699	3.8	Other payables	118	157
				3.7	Other provisions	5	5
					Current liabilities	1,611	2,287
					Liabilities	2,414	2,871
					Total equity and liabilities	4,364	4,699

Cash flow statement

Notes	DKK million	2025	2024	Notes	DKK million	2025	2024
	Net profit for the year	74	151		Investing activities		
2.4	Depreciation, write-down and amortisation	168	158	3.1	Purchase of intangible assets	-92	-113
	Changes to provisions and other adjustments	8	-8	3.2	Purchase of property, plant and equipment	-17	-11
	Profit from subsidiaries	-6	-76		Disposal of property, plant and equipment	6	0
4.4, 4.5	Financials, net	47	66		Changes to loans to subsidiaries	-333	121
	Income tax	-2	21		Dividends from subsidiaries	36	7
4.4	Financial income, received	32	31		Acquisition of subsidiaries and activities	0	-10
4.5	Financial expenses, settled	-75	-96		Capital increase subsidiaries	-128	-26
	Income tax, settled	-12	-24		Cash flow from investing activities	-528	-32
	Cash flow before working capital changes	234	223				
	Working capital changes				Financing activities		
	Inventory changes	91	-13	4.3	Repayment of non-current interest-bearing debt	-11	-9
	Receivables changes	14	-28		Raising of non-current interest-bearing liabilities	250	100
	Non-interest-bearing liabilities changes	-136	9		Change in current interest-bearing liabilities	-223	19
	Cash flow from operating activities	203	191		Instalment on lease liabilities	-38	-37
					Net proceeds from issue of share capital	120	0
					Dividends paid to shareholders of Solar A/S	-110	-219
					Cash flow from financing activities	-12	-146
					Total cash flow	-337	13
					Cash at bank and in hand at the beginning of the year	343	330
					Cash at bank and in hand at the end of the year	6	343

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DKK million	Share capital	Reserves for hedging transactions ¹	Reserves for foreign currency translation adjustments ¹	Reserves for development costs ¹	Retained earnings	Proposed dividends	Total equity
2025							
Equity as at 1 January	736	-13	-221	168	1,048	110	1,828
Foreign currency translation adjustments of foreign subsidiaries			33				33
Fair value adjustments of hedging instruments before tax		5					5
Tax on fair value adjustments		-1					-1
Net income recognised in equity via other comprehensive income in the statement of comprehensive income	0	4	33	0	0	0	37
Net profit for the year				12	62		74
Comprehensive income	0	4	33	12	62	0	111
Distribution of dividends (DKK 15.00 per share)						-110	-110
Issue of share capital	65				58		123
Transaction costs related to issue of share capital					-3		-3
Share based payments			1				1
Transactions with the owners	65	0	1	0	55	-110	11
Equity as at 31 December	801	-9	-187	180	1,165	0	1,950

1) Reserves for hedging transactions, reserves for foreign currency translation adjustments and reserves for development costs are recognised in the balance sheet as a total amount under reserves.

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DKK million	Share capital	Reserves for hedging transactions ¹	Reserves for foreign currency translation adjustments ¹	Reserves for development costs ¹	Retained earnings	Proposed dividends	Total equity
2024							
Equity as at 1 January	736	-13	-185	132	1,043	219	1,932
Foreign currency translation adjustments of foreign subsidiaries			-36				-36
Fair value adjustments of hedging instruments before tax		0					0
Tax on fair value adjustments		0					0
Net income recognised in equity via other comprehensive income in the statement of comprehensive income	0	0	-36	0	0	0	-36
Net profit for the year				36	5	110	151
Comprehensive income	0	0	-36	36	5	110	115
Distribution of dividends (DKK 30.00 per share)						-219	-219
Transactions with the owners	0	0	0	0	0	-219	-219
Equity as at 31 December	736	-13	-221	168	1,048	110	1,828

1) Reserves for hedging transactions, reserves for foreign currency translation adjustments and reserves for development costs are recognised in the balance sheet as a total amount under reserves.



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Basis for preparation

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Section 1 – Basis for preparation

1.1 General accounting policies

The separate financial statements of the parent company for 2025 are presented in accordance with the International Financial Reporting Standards (IFRSs) as approved by the EU and additional Danish disclosure requirements for annual reports of listed companies and the IFRS executive order issued in accordance with the Danish Financial Statements Act.

A general description of accounting policies can be found in the consolidated financial statements on pages 110-112 note 1.1, Accounting policies.

Descriptions of accounting policies in notes

Descriptions of accounting policies in the notes form part of the overall description of accounting policies. Parent-specific descriptions are found in the following notes:

Note 2.5	Income tax
Note 2.6	Net profit for the year
Note 3.1	Intangible assets
Note 3.2	Property, plant and equipment
Note 3.3	Leases
Note 3.4	Investments measured at equity value and other non-current assets
Note 3.5	Inventories
Note 3.6	Trade receivables
Note 4.2	Treasury shares
Note 4.3	Financial instruments

1.2 Significant accounting estimates and assessments

When preparing the annual report in accordance with generally applicable principles, management make estimates and assumptions that affect the reported assets and liabilities. Management base their estimates on historic experience and expectations for future events. Therefore, actual results may differ from these estimates.

The following estimates and accompanying assessments are deemed material for the preparation of the financial statements:

- Impairment test of software
- Inventory write-down
- Write-down for loss on doubtful receivables

These estimates and assessments are described in the following notes:

Note 3.1	Intangible assets
Note 3.5	Inventories
Note 3.6	Trade receivables



Section 2

Income statement



Section 2 – Income statement

2.1 Segment information

Solar's business segments are Installation, Industry and Trade and are based on the customers' affiliation with the segments. Installation covers installation of electrical, and heating and plumbing products, while Industry covers industry, offshore and marine, and utility and infrastructure. Trade covers special sales and other small areas. The three main segments have been identified without aggregation of operating segments. Segment income and costs include any items that are directly attributable to the individual segment and any items that can be reliably allocated to the individual segment. Non-allocated costs refer to income and costs related to joint group functions. Assets and liabilities are not included in segment reporting.

DKK million	Installation	Industry	Trade	Total	DKK million	Installation	Industry	Trade	Total
2025									
Revenue	2,201	1,238	495	3,934	Revenue	2,121	1,325	557	4,003
Cost of sales	-1,752	-915	-411	-3,078	Cost of sales	-1,657	-975	-476	-3,108
Gross profit	449	323	84	856	Gross profit	464	350	81	895
Direct costs	-105	-62	-22	-189	Direct costs	-97	-61	-22	-180
Earnings before indirect costs	344	261	62	667	Earnings before indirect costs	367	289	59	715
Indirect costs	-144	-44	-18	-206	Indirect costs	-142	-46	-17	-205
Segment profit	200	217	44	461	Segment profit	225	243	42	510
Non-allocated costs				-180	Non-allocated costs				-190
Earnings before interest, tax, depreciation and amortisation (EBITDA)				281	Earnings before interest, tax, depreciation and amortisation (EBITDA)				320
Depreciation and amortisation				-168	Depreciation and amortisation				-158
Earnings before interest and tax (EBIT)				113	Earnings before interest and tax (EBIT)				162
Financials, net incl. share of net profit from associates and impairment on associates and profit from subsidiaries				-41	Financials, net incl. share of net profit from associates and impairment on associates and profit from subsidiaries				10
Earnings before tax (EBT)				72	Earnings before tax (EBT)				172

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2.2 Staff costs

DKK million	2025	2024
Salaries and wages etc.	501	512
Pensions, defined contribution	46	44
Costs related to social security	15	14
Share-based payment	1	3
Total	563	573
Average number of employees (FTEs)	808	812
Number of employees at year-end (FTEs)	786	820
Remuneration of Board of Directors	5	4
Remuneration of Board of Directors		
Remuneration of Executive Board	15	17
Salaries and wages etc.	15	17
Share-based payment	2	1
Total	17	18

Terms of notice for members of the Executive Board is 12 months. When stepping down, the members of the Executive Board are entitled to 12 (12) months' remuneration.

2.3 Loss on trade receivables

DKK million	2025	2024
Recognised losses	5	6
Received on trade receivables previously written off	0	0
Change in write-down for bad and doubtful debts	5	6
Total	-3	-4
Total	2	2

Relevant accounting policies are described in note 3.6 trade receivables.

2.4 Depreciation, write-down and amortisation

DKK million	2025	2024
Buildings	23	22
Plant, operating equipment, tools and equipment	29	28
Leasehold improvements	1	2
Tenancy, lease	18	20
Cars, lease	10	8
IT equipment, lease	9	10
Total depreciation and write-down on property, plant and equipment	90	90
Customer-related assets	1	1
Software	77	64
Impairment of intangible assets	0	3
Total amortisation and impairment of intangible assets	78	68

Relevant accounting policies are described in note 3.1, intangible assets, and note 3.2, property, plant and equipment and note 3.3, leases.



2.5 Income tax

DKK million

	2025	2024
Current tax	27	13
Deferred tax	-12	10
Tax on profit or loss for the year	15	23
Tax on taxable profit previous year	-17	-2
Total	-2	21

Statement of effective tax rate:

Danish income tax rate	22.0%	22.0%
Profit/loss from subsidiaries	-1.7%	-9.5%
Impairment on / gain from sale of / reversal of impairment on associates	1.4%	0.1%
Non-taxable/deductible items in parent	0.0%	0.7%
Tax regarding previous year	-23.9%	-1.0%
Effective tax rate	-2.2%	12.3%

**Accounting policies**

Tax for the year is recognised with the share attributable to results for the year in the income statement and with the share attributable to other recognised income and costs in the statement of comprehensive income. Tax consists of current tax and changes to deferred tax.



2.5 Income tax – continued

DKK million

	2025	2024
Deferred tax 1/1	89	79
Ordinary tax recognised in income statement	-12	10
Recognised in other comprehensive income	1	0
Deferred tax 31/12	78	89
 Specified as follows:		
Deferred tax	78	89
Total deferred tax, net	78	89
 Further specified as follows:		
Expected use after 1 year	78	89
Total, net	78	89



Accounting policies

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the year's taxable income, adjusted for tax on previous year's taxable income and for tax paid on account.

Deferred tax is measured in accordance with the balance sheet liability method of all temporary differentials between accounting and tax-related amounts and provisions. Deferred tax is recognised at the local tax rate that any temporary differentials are expected to be realised at based on the adopted or expected adopted tax legislation on the balance sheet date.

Deferred tax assets, including the tax value of tax loss allowed for carryforward, are measured at the value at which the asset is expected to be realised, either by elimination in tax of future earnings or by offsetting against deferred tax liabilities.

Deferred tax assets are assessed annually and only recognised to the extent that it is probable that they will be utilised.

Deferred tax is also recognised for the covering of taxation of losses in former foreign subsidiaries participating in joint taxation assessed as becoming current.

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DKK million	2024	Recognised in other comprehensive income	Ordinary tax recognised in income statement	2025
Intangible assets	47	0	-2	45
Property, plant and equipment	24	0	-10	14
Provisions for loss on receivables	-1	0	0	-1
Other items ¹	19	1	0	20
Total, net	89	1	-12	78

DKK million	2023	Recognised in other comprehensive income	Ordinary tax recognised in income statement	2024
Intangible assets	38	0	9	47
Property, plant and equipment	24	0	0	24
Provisions for loss on receivables	-1	0	0	-1
Other items ¹	18	0	1	19
Total, net	79	0	10	89

1) Other items particularly cover loss balances utilised in jointly taxed entities.

2.6 Net profit for the year

DKK million	2025	2024
Proposed distribution of net profit for the year:		
Proposed dividend	0	110
Reserves for development costs	12	36
Retained earnings	62	5
Net profit for the year	74	151

Ordinary dividend in DKK per share of DKK 100¹ 0 15.00**Accounting policies****Dividends**

Proposed dividends are recognised as a liability at the time of adoption of the general meeting.



Section 3

Invested capital

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3.1 Intangible assets

DKK million	Customer-related assets	Software	Total
2025			
Cost 1/1	5	573	578
Additions during the year	0	92	92
Disposals during the year	0	-18	-18
Cost 31/12	5	647	652
Amortisation and impairment 1/1	5	356	361
Amortisation during the year	0	78	78
Amortisation of abandoned assets	0	-18	-18
Amortisation and impairment 31/12	5	416	421
Carrying amount 31/12	0	231	231
Remaining amortisation period in number of years	-	1-8	-

**Accounting policies****Customer-related intangible assets**

Customer-related intangible assets acquired in connection with business combinations are measured at cost less accumulated amortisation and impairment loss.

Customer-related intangible assets are amortised using the straight-line principle over the expected useful life. Typically, the amortisation period is 5-7 years.

Software

Software is measured at cost less accumulated amortisation and impairment. Cost includes both direct internal and external costs. Software is amortised using the straight-line principle over 4-8 years. The basis of amortisation is reduced by any impairment.



3.1 Intangible assets – continued

DKK million	Customer-related assets	Software	Total
2024			
Cost 1/1	5	783	788
Additions during the year	0	113	113
Disposals during the year	0	-323	-323
Cost 31/12	5	573	578
Amortisation and impairment 1/1			
Amortisation during the year	4	612	616
Impairment during the year	1	64	65
Amortisation of abandoned assets	0	3	3
Amortisation and impairment 31/12	5	356	361
Carrying amount 31/12	0	217	217
Remaining amortisation period in number of years			
	1	1-8	-



Accounting policies

Impairment of intangible assets

The carrying amount of intangible assets is assessed annually to determine whether there is any indication of impairment.

When such an indication is present, the asset's recoverable amount is calculated, which is the highest of the asset's fair value less expected costs of disposal or value in use. Value in use is calculated as the present value of expected cash flow from the smallest cash-generating unit to which the asset belongs.

Impairment loss is recognised when the carrying amount of an asset exceeds the asset's recoverable amount. Impairment loss is recognised in the income statement.

Impairment loss on intangible assets is reversed if changes have been made to the assumptions and estimates that led to the impairment loss.



Accounting estimates and assessments

Software

Software is evaluated annually for indicators of a need for impairment. If a need to perform impairment is identified, an impairment test for the software is performed.

The impairment test is made on the basis of different factors, including the software's future application, the present value of the expected cost saving as well as interest and risks.



3.2 Property, plant and equipment

DKK million	Land and buildings	Plant, operating equipment, tools and equipment	Leasehold improvements	Assets under construction	Total
2025					
Cost 1/1	488	252	14	5	759
Additions during the year	5	14	1	0	20
Disposals during the year	-27	-14	0	-3	-44
Cost 31/12	466	252	15	2	735
Write-down and depreciation 1/1	240	127	12	0	379
Write-down and depreciation during the year	23	29	1	0	53
Write-down and depreciation of abandoned assets	-22	-14	0	0	-36
Write-down and depreciation 31/12	241	142	13	0	396
Carrying amount 31/12	225	110	2	2	339



Accounting policies

Property, plant and equipment

Land and buildings as well as other plant, operating equipment, and tools and equipment are measured at cost less accumulated depreciation and write-down.

Cost includes the purchase price and costs directly attributable to the acquisition until the time when the asset is ready for use. Cost of a combined asset is disaggregated into separate components which are depreciated separately if the useful lives of the individual components differ.

Subsequent expenditure, for example in connection with the replacement of components of property, plant or equipment, is recognised in the carrying amount of the relevant asset when it is probable that the incurrence will result in future economic benefits for the group. The replaced components cease to be recognised in the balance sheet and the carrying amount is transferred to the income statement. All other general repair and maintenance costs are recognised in the income statement when these are incurred.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives which are:

- Buildings 40 years
- Technical installations 20 years
- Plant, operating equipment, and tools and equipment 2-5 years

There are a few differences from the mentioned depreciation periods in which useful life is estimated as shorter. Leasehold improvements are depreciated over the lease term, however, maximum 5 years.

Land is not depreciated.



3.2 Property, plant and equipment – continued

DKK million	Land and buildings	Plant, operating equipment, tools and equipment	Leasehold improvements	Assets under construction	Total
2024					
Cost 1/1	486	250	14	6	756
Additions during the year	2	10	0	5	17
Disposals during the year	0	-8	0	-6	-14
Cost 31/12	488	252	14	5	759
Write-down and depreciation 1/1	218	106	10	0	334
Write-down and depreciation during the year	22	28	2	0	52
Write-down and depreciation of abandoned assets	0	-7	0	0	-7
Write-down and depreciation 31/12	240	127	12	0	379
Carrying amount 31/12	248	125	2	5	380



Accounting policies

The basis of depreciation is determined in consideration of the asset's residual value and reduced by any impairment. Residual value is determined at the time of acquisition and reassessed annually. If residual value exceeds the asset's carrying amount, depreciation will cease.

By changing the depreciation period or residual value, the effect of future depreciation is recognised as a change to accounting estimates.

Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is assessed annually to determine whether there is any indication of impairment.

When such an indication is present, the asset's recoverable amount is calculated, which is the highest of the asset's fair value less expected costs of disposal or value in use. Value in use is calculated as the present value of expected cash flow from the smallest cash-generating unit to which the asset belongs.

Impairment loss is recognised when the carrying amount of an asset exceeds the asset's recoverable amount. Impairment loss is recognised in the income statement.

Write-down on property, plant and equipment is reversed to the extent that changes have been made to the assumptions and estimates that led to the write-down.

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DKK million	Tenancy	Cars	IT equipment	Total
2025				
Cost 1/1	135	39	47	221
Additions during the year	14	16	1	31
Disposals during the year	-18	-8	0	-26
Cost 31/12	131	47	48	226

Write-down and depreciation 1/1	78	23	20	121
Write-down and depreciation during the year	18	10	9	37
Write-down and depreciation of abandoned assets	-14	-8	0	-22
Write-down and depreciation 31/12	82	25	29	136
Carrying amount 31/12	49	22	19	90

DKK million	Tenancy	Cars	IT equipment	Total
2024				
Cost 1/1	132	40	51	223
Additions during the year	9	10	10	29
Disposals during the year	-6	-11	-14	-31
Cost 31/12	135	39	47	221

Write-down and depreciation 1/1	64	25	24	113
Write-down and depreciation during the year	20	8	10	38
Write-down and depreciation of abandoned assets	-6	-10	-14	-30
Write-down and depreciation 31/12	78	23	20	121

Carrying amount 31/12	57	16	27	100
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**Accounting policies****Right-of-use assets**

Right-of-use assets are lease assets arising from a lease agreement. Lease assets are initially measured at cost consisting of the amount of the initial measurement of the lease liability with addition of lease payments made to the lessor at or before the commencement date less any lease incentives received. Three different types of leases have been identified:

- Tenancy
- Cars
- IT equipment

The lease assets are depreciated on a straight-line basis over the lease term. The carrying amount of the right-of-use asset can be adjusted due to modifications to the lease agreement or in special cases reassessment of the lease term.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture of a value below DKK 37,000.

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3.3 Leases – continued**Short-term lease liabilities**

DKK million	2025	2024
Maturity < 1 year	33	33
Short-term lease liabilities 31/12	33	33

Long-term lease liabilities

DKK million	2025	2024
Maturity > 1 year < 5 years, undiscounted	64	73
Maturity > 5 years, undiscounted	0	1
Long-term lease liabilities 31/12, undiscounted	64	74
Discounting on lease liabilities > 1 year < 5 years	-3	-4
Long-term lease liabilities 31/12	61	70

Amounts recognised in the Income statement

DKK million	2025	2024
Depreciation of Right-of-use assets	37	38
Interest expense on lease liabilities	4	4
Expense relating to variable lease payments not included in the measurement of lease liabilities	2	2
Total	43	44

Cash outflows for leases

Instalment on lease liabilities	-38	-37
Interest payments	-4	-4
Total cash outflows for leases	-42	-41

**Accounting policies****Lease liabilities**

Lease liabilities arise from a lease agreement. Lease liabilities are initially measured at the present value of the lease payments during the non-cancellable lease period with addition of periods covered by an option to extend the lease if exercise of the option is considered reasonably certain on inception of the lease.

At initial recognition, each contract is assessed individually to assess the likelihood of exercising a potential extension option in the contract. The option to extend the contract period will be included in measuring the lease liability if it is reasonably certain that Solar will exercise the option. When calculating the net present value, a discount rate corresponding to Solar's incremental borrowing rate has been used.

The lease liability will be remeasured when changes occur due to modifications to the contract (extension, termination etc.), indexation or in special cases reassessment of the lease term.

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3.4 Investments measured at equity value and other non-current assets

DKK million	Investment measured at equity value	Investments in associates	Other investments	Other receivables	Total
2025					
Cost 1/1	2,791	5	60	16	2,872
Additions during the year	128	0	0	0	128
Disposals during the year	0	0	0	-7	-7
Cost 31/12	2,919	5	60	9	2,993
Value adjustment 1/1	-565	-5	-46	-8	-624
Foreign currency translation adjustments	33	0	0	0	33
Dividends from subsidiaries	-36	0	0	0	-36
Profit from subsidiaries	6	0	0	0	6
Fair value adjustment recognised under financial income	0	0	4	0	4
Other adjustments	-2	0	0	0	-2
Value adjustment 31/12	-564	-5	-42	-8	-619
Carrying amount 31/12	2,355	0	18	1	2,374

**Accounting policies**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the parent company's share of the post-acquisition profits or losses of the subsidiary in profit or loss statement, and the parent company's share of movements in other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from subsidiaries are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the parent company and its subsidiaries are eliminated to the extent of the parent company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the parent company.

The carrying amount of equity-accounted investments is tested for impairment.

Other investments are measured at fair value.

3.4 Investments measured at equity value and other non-current assets – continued

DKK million	Investment measured at equity value	Investments in associates	Other investments	Other receivables	Total
2024					
Cost 1/1	2,765	5	60	17	2,847
Additions during the year	26	0	0	0	26
Disposals during the year	0	0	0	-1	-1
Cost 31/12	2,791	5	60	16	2,872
Value adjustment 1/1	-597	-5	-45	-8	-655
Foreign currency translation adjustments	-36	0	0	0	-36
Dividends from subsidiaries	-8	0	0	0	-8
Profit from subsidiaries	76	0	0	0	76
Fair value adjustment recognised under financial expenses	0	0	-3	0	-3
Fair value adjustment recognised under financial income	0	0	2	0	2
Other adjustments	0	0	0	0	0
Value adjustment 31/12	-565	-5	-46	-8	-624
Carrying amount 31/12	2,226	0	14	8	2,248

An amount of DKK 47m have been impaired relating to goodwill in the subsidiary Thermonova which is included in Profit from subsidiaries



3.5 Inventories

DKK million	2025	2024
End products	547	636
Recognised write-down	-2	-6



Accounting policies

Inventories are measured at cost according to the FIFO method or at net realisable value, if this is lower.

Cost of inventories includes purchase price with addition of delivery costs.

The net realisable value of inventories is determined as selling price less costs incurred to make the sale and is determined in consideration of marketability, obsolescence and development of expected selling price.



Accounting estimates and assessments

Write-down of inventories

Write-down of inventories is made due to the obsolescence of products.

Management specifically assess inventories, including the products' turnover rate, current economic trends and product development when deciding whether the write-down is sufficient.

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	2025	2024
Not due	502	517
Past due for 1-30 day(s)	37	32
Past due for 31-90 days	5	6
Past due for 91+ days	2	4
	546	559
Write-down	-2	-5
Total	544	554

Write-down based on:

Age distribution	2	2
Individual assessment	1	3
Total	3	5
Write-down 1/1	5	10
Write-down for the year	1	1
Losses realised during the year	-2	-3
Reversed for the year	-2	-3
Write-down 31/12	2	5

1) A factoring arrangement on non-recourse conditions is established with a few major customers.
As a result trade receivables is reduced with approx. DKK 112m (DKK 103m).

We refer to the consolidated accounts, note 3.6, trade receivables, for information on credit risk.

**Accounting policies**

Trade receivables are measured at fair value at acquisition and at amortised cost subsequently. Based on an individual assessment of the loss risk, including a statistical based model, write-down to amortised cost less expected credit losses is made, if this is lower.

**Accounting estimates and assessments****Write-down for meeting of loss on doubtful trade receivables**

The IFRS 9 simplified approach is applied to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the day past invoicing.

As the vast majority of our group companies generally takes out insurance to hedge against loss to the extent possible, the write-down based on age distribution amounts to less than 0.4% (0.4%) of gross trade receivables.

Individual assessment of write-down is performed by management specifically analysing trade receivables, including the customers' credit rating and current economic trends to ensure that write-down is sufficient. Write-down based on individual assessment amounts to 0.2% (0.5%) of gross trade receivables. As the total write-down on trade receivables amounts to 0.6% (0.9%) of gross trade receivables, no maturity statement of the write-down is included. However, the majority of the provision relates to receivables overdue by more than 31 days (31 days).



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3.7 Other provisions

DKK million	2025	2024
Current		
Other provisions	5	5
Total 31/12	5	5
Specification, current		
1/1	5	3
Reversed during the year	-5	-3
Provisions of the year	5	5
Total 31/12	5	5

3.8 Other payables

DKK million	2025	2024
Staff costs	60	80
Taxes and charges	22	21
Interest rate swaps	12	17
Other payables and amounts payable	24	39
Total	118	157

Accounting policies for hedging instruments are described in note 4.3 Financial instruments.

**Section 4**

Capital structure and financing costs



Section 4 – Capital structure and financing costs

4.1 Share capital

DKK million	2025	2024
Share capital 1/1	736	736
Change in share capital	65	0
Share capital 31/12	801	736
Share capital is fully paid in and divided into the following classes:		
A shares 900,000 at DKK 100, 10 votes per share	90	90
B shares, 7,106,000 at DKK 100, 1 vote per share	711	646
Total	801	736

	Number of shares		Nominal value (DKK million)	
	2025	2024	2025	2024
A shares outstanding 31/12	900,000	900,000	90	90
B shares outstanding				
Outstanding 1/1	6,403,187	6,403,187	640	640
Issue of share capital	646,000	0	65	0
B shares outstanding 31/12	7,049,187	6,403,187	705	640
Total shares outstanding 31/12	7,949,187	7,303,187	795	730

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4.2 Treasury shares

Treasury shares (B shares)	Number of shares		Nominal value (DKK million)		Cost (DKK million)		Percentage of share capital	
	2025	2024	2025	2024	2025	2024	2025	2024
Holding 1/1	56,813	56,813	6	6	22	22	0.7%	0.7%
Divestment	0	0	0	0	0	0	0.0%	0.0%
Holding 31/12	56,813	56,813	6	6	22	22	0.7%	0.7%

All treasury shares are held by the parent company in order to cover the Executive Board's incentive schemes.

**Accounting policies****Treasury shares**

Acquisition and disposal sums related to treasury shares are recognised directly in transactions with the owners.

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DKK million	Interest rate	2025	2024
Debt to mortgage credit institutions	Fixed ¹	176	187
Debt to bank and credit institutions	Fixed ¹	499	249
Lease liabilities	Calculated	94	103
Bank loans and overdrafts	Floating	595	818
Interest-bearing liabilities		1,364	1,357
Trade payables ²		604	701
Other payables		118	157
Financial liabilities		2,086	2,215
Cash at bank and in hand		6	343
Trade receivables		544	554
Other receivables		233	221
Financial assets		783	1,118
Total, financial balance sheet items, net		1,303	1,097

1) Interest swaps have been used to hedge floating-rate loans, converting these loans to fixed-rate loans.

2) Solar participates in supplier financing arrangement with one bank covering one supplier in the amount of DKK 61m (DKK 141m) that is fully paid to the suppliers. Although, Solar has obtained extended credit term of up to 90 days which is beyond the average credit terms from other supplies of 30 – 60 days the credit term is considered usual within the industry, thus, the liability towards the bank is presented as trade payables.

Fair value of Solar's respective interest-bearing liabilities is seen as fair value measurement at level 2. Mortgage loans are valued based on underlying securities, while bank debt is calculated based on models for discounting to net present value. Non-observable market data is primarily made up of credit risks, which are seen as insignificant in Solar's case.

The fair value of Solar's interest rate instrument is measured as fair value measurement at level 2, since fair value can be determined directly based on the actual forward rates and instalments on the balance sheet date. Outstanding interest rate swaps for hedging of floating-rate loans expire over the period until 2037 (2037).

**Accounting policies****Financial liabilities**

Debt to bank and credit institutions is recognised initially at fair value that corresponds to the proceeds received net of transaction costs incurred.

In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method, meaning that the difference between the proceeds and the nominal value is recognised in the income statement under financials for the term of the loan. For information on lease liabilities, see note 3.3.

Fair value measurement

The group uses the fair value concept for recognition of certain financial instruments and in connection with some disclosure requirements. Fair value is defined as the price that can be secured when selling an asset or that must be paid to transfer a liability in a standard transaction between market participants (exit price).

Fair value is a market-based and not enterprise-specific valuation. The enterprise uses the assumptions that market participants would use when pricing an asset or liability based on existing market conditions, including assumptions relating to risks.

As far as possible, fair value measurement is based on market value in active markets (level 1) or alternatively on values derived from observable market information (level 2).

If such observable information is not available or cannot be used without significant modifications, recognised valuation methods and fair estimates are used as the basis of fair values (level 3).



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4.3 Financial instruments – continued

Financial liabilities, maturity statement

DKK million	2025	2024	DKK million	2025	2024
Current interest-bearing liabilities			Interest-bearing liabilities and maturity statement for expected interest expense for the period		
Maturity < 1 year			< 1 year		
Debt to mortgage credit institutions	11	11		28	22
Lease liabilities	33	32		41	41
Bank loans and overdrafts	595	818		27	33
Current interest-bearing liabilities	639	861	Total	96	96
Other financial liabilities	722	858			
Financial liabilities	1,361	1,719	Interest rate sensitivity		
			DKK million	2025	2024
Current financial assets	783	1,118	Effect of a 1% interest rate increase at the end of the year		
Net current financial liabilities	578	601	Effect on equity		
			Of this, earnings impact is		
Maturity 1-5 year(s)			Undrawn credit facilities 31/12		
Debt to mortgage credit institutions	43	47		1,067	945
Bank loans and overdrafts	499	249			
Lease liabilities	61	70	Financial liabilities, foreign currency risk exposure		
Total	603	366	Distribution on currencies	Current liabilities	Non-current liabilities
			DKK million	2025	2024
Maturity > 5 years			EUR	27	124
Debt to mortgage credit institutions	122	129	DKK	548	705
Lease liabilities	0	1	NOK	5	0
Total	122	130	SEK	26	0
Total non-current liabilities	725	496	Total	606	829
Maturity, until year	2042	2042	Interest rate in %	2.9-5.7	3.7-5.6
					3.3-5.6
					3.9-5.6

The carrying amount of financial liabilities corresponds to fair value.

Of long-term bank loans and overdrafts DKK 150m is subject to covenants measured on gearing and solvency ratio on a quarterly basis. There is no indication that covenants cannot be met for the next 12 months.

Hedging activities

The parent company has raised loans in Danish kroner, Swedish kroner, Norwegian kroner and euro. We refer to the consolidated accounts, note 4.4, Financial instruments, for more information on liquidity risk, interest rate and currency risk management.

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Principal amount

405

361

Interest rate in % for outstanding swaps

3.3-5.6

4.5-5.6

Fair value

-12

-17

Maturity for interest swaps follows the maturity for debt to mortgage credit institutions as stated on previous page.

DKK million**2025****2024****Amounts recognised in other comprehensive income**

Adjustment to fair value for the year

0

-5

Realised during the year, recognised as financial income/expenses

5

5

Total**5****0****Reconciliation of development in interest-bearing debt to financing activities in the cash flow statement****DKK million****2025****2024**

Interest bearing liabilities 1/1

1,357

1,256

Repayment of non-current interest-bearing debt

-11

-9

Raising of non-current interest-bearing liabilities

250

100

Change in current interest-bearing debt

-223

19

Installment on lease liabilities

-38

-37

Lease liability raised during the year, non-cash

31

29

Foreign currency translation adjustment

-2

-1

Interest bearing liabilities 31/12**1,364****1,357****Accounting policies****Derivatives**

Derivatives are only used to hedge financial risks in the form of interest rate and currency risks.

Derivatives are recognised at fair value. Both realised and unrealised gains and losses are recognised in the income statement unless the derivatives are part of hedging of future transactions. Value adjustments of derivatives for hedging of future transactions are recognised directly in other comprehensive income. Any non-effective part of the financial instrument in question is recognised in the income statement. Derivatives are recognised under other receivables or other payables.

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Interest income	11	16
Foreign exchange gains	6	3
Fair value adjustments on investments	1	2
Other financial income	21	15
Total	39	36

Financial income, received**4.5 Financial expenses****DKK million**

Interest expenses	67	84
Foreign exchange losses	6	3
Interest on lease liabilities	4	4
Fair value adjustments, other financial investments	5	3
Other financial expenses	4	8
Total	86	102

Financial expenses, settled**2025****2024****2025****2024**



Section 5

Other notes



Section 5 – Other notes

5.1 Contingent liabilities and other financial liabilities

DKK million	2025	2024
Collateral		
Assets have been pledged as collateral for bank arrangements at a carrying amount of:		
Land and buildings	220	243
Total	220	243
Mortgaging and guarantees		
As security of subsidiaries' bank arrangements, guarantees have been issued for:		
Total	88	105
As security of subsidiaries' liabilities, guarantees have been issued for:		
Total	506	502

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Group and parent Solar A/S are subject to control by the Fonden af 20. December (registered as a commercial foundation in Denmark), which owns 17.8% (17.0%) of the shares and holds 59.2% (60.5%) of the voting rights. The remaining shares are owned by a widely combined group of shareholders.

Other related parties include subsidiaries, associates, the company's Board of Directors and Executive Board. There have been no transactions in the financial year with members of the Board of Directors and Executive Board other than those which appear from note 2.2.

The parent company has had the following significant transactions with related parties:

DKK million	2025	2024
Sale of services to subsidiaries	173	173
Sale of goods to subsidiaries	133	147
Interest income subsidiaries	9	13
Interest expense subsidiaries	5	6

On the balance sheet date, the usual product balances derived from these transactions exist. These appear from the parent company's balance sheet.

Solar also invoices the Fonden af 20. December for the performance of administrative services at DKK 55,000 (DKK 55,000). Balances with the Fonden af 20. December total DKK 0 (DKK 0) on balance sheet date.

5.3 Auditors' fees

DKK million	2025	2024
Deloitte		
Statutory audit	2	2
Other assurance engagements ¹	1	1
Total	3	3

¹⁾ Other assurance engagements mainly consist of ESG assurance in 2024 and 2025.



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Companies fully owned by Solar A/S

Name	Reg. no.	Currency	Share capital	Country
Solar A/S	15908416	DKK	800,600,000	DK
Solar Sverige AB	5562410406	SEK	100,000,000	SE
Solar Norge AS	980672891	NOK	71,000,000	NO
Sonepar Norge AS	962218288	NOK	15,000,000	NO
Solar Nederland B.V.	09013687	€	67,000,500	NL
Eltechna B.V.	23066336	€	18,151	NL
MAG45 Holding B.V.	17213145	€	28,544	NL
MAG45 B.V.	17168649	€	18,000	NL
MAG45 Sp.z.oo	277409	PLN	50,000	PL
MAG45 GmbH	32297	€	25,000	DE
MAG45 Ltd	311859	€	152	IE
MAG45 (UK) Ltd	4092664	£	301	UK
MAG45 S.a.r.l.	CHE-265.557.148	CHF	20,000	CH
MAG45 INC	35-2568242	\$	1,457	USA
MAG45 S.R.O	27697690	CZK	200,000	CZ
MAG45 Iss Co. Ltd	91320594693364287L	\$	80,000	CN
MAG45 Ltd	39740334	EUR	1	HK
MAG45 Pte Ltd.	201709959H	SG\$	100,000	SG
MAG45 Kft	09-09-029346	HUF	3,000,000	HU
MAG45 Srl	10053890967	€	20,000	IT
MAG45 Sarl	919450692	€	100,000	FR
Solar Polska Sp.z.oo	0000003924	PLN	65,050,000	PL
P/F Solar Føroyar	P/F 104	DKK	12,000,000	FO
SD of 16 March GmbH	HRB 516 NM	€	51,400,000	DE
SD of 17 March Gesellschaft für Vermögensverwaltung mbH	HRB 16642 KI	€	25,000	DE
SD of 16 March Gesellschaft für Vermögensverwaltung mbH	HRB 16638 KI	€	2,556,500	DE
SD of 16 March Immobilienverwaltung GmbH	HRB 16616 KI	€	25,000	DE

Companies fully owned by Solar A/S – continued

Name	Reg. no.	Currency	Share capital	Country
Solar Invest A/S	73316111	DKK	500,000	DK
Solar Polaris A/S	38378171	DKK	5,000,000	DK
Højager Belysning A/S	74111416	DKK	1,450,500	DK
Letskog SIA	40203326011	EUR	2,801	LV
Dunduru Plavas SIA	41503039257	EUR	426,800	LV

Companies, where Solar's equity interest is less than 100%

Subsidiaries, where Solar's equity interest is more than 50%

Name	Reg. no.	Currency	Share capital	Country
Thermonova A/S, 51.00%	38132369	DKK	468,687	DK

Companies, where Solar's equity interest is less than 50%

Name	Reg. no.	Currency	Share capital	Country
Associates				
Monterra AB, 30.00%	559103-4847	SEK	50,000	SE
Zolw AS, 35.00%	925 003 328	NOK	48,000	NO
Other financial investments				
LetsBuild Holding SA, 8.07%	0656.613.388	EUR	30,457,207	BE
Minuba ApS, 19.98%	33259336	DKK	100,771	DK
SiteHub ApS, 16.7%	41823194	DKK	59,726	DK



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Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today considered and approved the Annual Report of Solar A/S for the financial year 1 January – 31 December 2025.

The Annual Report is prepared in accordance with IFRS Accounting Standards as adopted by the EU and disclosure requirements for listed companies in Denmark.

In our opinion, the consolidated financial statements and the separate financial statements give a true and fair view of the Group's and the Parent's financial position at 31. December 2025 as well as of the results of their operations and the Group's cash flows for the year 1 January – 31 December 2025.

In our opinion, the Management review is prepared in accordance with relevant laws and regulations and contains a fair review of the development of the Group's and the Parent's business and financial matters, the results for the year and of the Parent's financial position and the financial position as a whole of the entities included in the consolidated financial statements,

together with a description of the principal risks and uncertainties that the Group and the Parent face.

The Sustainability Statement is prepared in accordance with the European Sustainability Reporting Standards (ESRS) as required by the Danish Financial Statements Act as well as article 8 in the EU Taxonomy regulation.

Furthermore, in our opinion, the annual report of Solar A/S for the financial year 1 January – 31 December 2025, with the file name SOLA-2025-12-31-1-en.zip, is prepared, in all material respects, in accordance with the ESEF Regulation.

We recommend the Annual Report for adoption at the Annual General Meeting.

Vejen, 5 February 2026

EXECUTIVE BOARD

Jens E. Andersen
CEO

Michael H. Jeppesen
CFO

BOARD OF DIRECTORS

Michael Troensegaard Andersen
Chair

Jesper Dalsgaard
Vice-chair

Peter Bang

Louise Knauer Baroudy

Katrine Borum

Morten Chrone

Denise Goldby

Rune Jesper Nielsen

Michael Kærgaard Ravn

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To the shareholders of Solar A/S

Report on the consolidated financial statements and the separate financial statements

Opinion

We have audited the consolidated financial statements and the separate financial statements of for the financial year 01.01.2025 – 31.12.2025, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information, for the Group as well as for the Parent. The consolidated financial statements and the separate financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements for listed entities in Denmark.

In our opinion, the consolidated financial statements and the separate financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2025, and of the results of their operations and cash flows for the financial year 01.01.2025 – 31.12.2025 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements for listed entities in Denmark.

Our opinion is consistent with our audit book comments issued to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable

in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the separate financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities, and the additional ethical requirements applicable in Denmark to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, we have not provided any prohibited non-audit services as referred to in Article 5(1) of Regulation (EU) No 537/2014.

We were appointed auditors of for the first time on 19.03.2021 for the financial year 2021. We have been reappointed annually by decision of the general meeting for a total contiguous engagement period of 5 years up to and including the financial year 2025.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated

financial statements and the separate financial statements for the financial year 01.01.2025 – 31.12.2025. These matters were addressed in the context of our audit of the consolidated financial statements and the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of revenue

Recognition of revenue is complex due to the volume of transactions and the various IT setups. We focused on this area due to the large number of transactions involved and because recognition of revenue involves accounting policy decisions and judgements made by Management, originating from different customer behavior, market conditions and customer agreements. Further, the number of transactions require various IT setups to ensure correct revenue recognition, which are complex and involve an inherent risk to the revenue recognition process. Reference is made to note 2.1 in the consolidated financial statements.

How the identified key audit matter was addressed in our audit

We assessed and tested the design, implementation, and operating effectiveness of relevant internal controls, including test of relevant IT controls. In addition, we sample tested revenue transactions, including manual revenue journals and customer bonuses throughout 2025 to supporting documentation. We have focused our sample selecting on transactions outside the usual billing and revenue recognition process.

We also tested cut off on revenue recognized around the balance sheet data.

Statement on the management review

Management is responsible for Management's Review.

Our opinion on the consolidated statements and the separate financial statements does not cover Management's Review, and we do not as part of the audit express any form of assurance conclusion thereon.

In connection with our audit of the consolidated statements and the separate financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated statements and the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act. This does not include the requirements in paragraph 99a related to the sustainability statement covered by the separate auditor's limited assurance report hereon.

Based on the work we have performed, in our view, Management's Review is in accordance with the consolidated statements and the separate financial statements and has been prepared in accordance with the requirements

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of the Danish Financial Statements Act except for the requirements in paragraph 99a related to the sustainability statement, cf. above. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the consolidated financial statements and the separate financial statements

Management is responsible for the preparation of consolidated financial statements and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements for listed entities in Denmark, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the separate financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the separate financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and these separate financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the separate financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the separate financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the separate financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements and the separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with

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them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, safeguards put in place and measures taken to eliminate threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the separate financial statements of the current period and are therefore the key audit matters.

Report on compliance with the ESEF Regulation
As part of our audit of the consolidated financial statements and the separate financial statements of we performed procedures to express an opinion on whether the annual report for the financial year 01.01.2025 – 31.12.2025, with the file name SOLA-2025-12-31-1-en.zip, is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation), which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;

- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;

- Ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;

- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements including notes;

- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;

- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and

- Reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the annual report of Solar A/S for the financial year 01.01.2025 – 31.12.2025, with the file name SOLA-2025-12-31-1-en.zip, is prepared, in all material respects, in compliance with the ESEF Regulation.

Aarhus, 5 February 2026

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33963556

Jakob Olesen

State Authorised Public Accountant
mne34492

Jacob Tækker Nørgaard

State Authorised Public Accountant
mne40049

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Independent auditor's limited assurance report on sustainability statements

To the stakeholders of Solar A/S**Limited assurance conclusion**

We have conducted a limited assurance engagement on the sustainability statement of Solar A/S ("Group") included in the Management's Review (the "sustainability statement"), pages 40 – 99, for the financial year 1 January – 31 December 2025.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not prepared, in all material respects, in accordance with the Danish Financial Statements Act section 99 a, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Management to identify the information reported in the sustainability statement (the "Process") is in accordance with the description set out in the DMA methodology and proces on pages 52 and 53 and
- compliance of the disclosures in section EU Taxonomy on pages 72-76 within the environmental section of the sustainability statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised), Assurance engagements other than audits or

reviews of historical financial information, and additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the assurance engagement" section of our report.

Our independence and quality management

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Deloitte Statsautoriseret Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter

The comparative information included in the Sustainability statement of the Group for the financial year 2023 and previous years was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Management's responsibilities for the sustainability statement

Management is responsible for designing and implementing a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this Process in DMA methodology and proces of the sustainability statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and

opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium-, or long-term;

- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the sustainability statement, in accordance with the Danish Financial Statements Act section 99a, including:

- compliance with the ESRS;
- preparing the disclosures in EU Taxonomy within the environmental section of the sustainability statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

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Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Process include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS, and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in the section DMA methodology and proces on pages 52 and 53.

Our other responsibilities in respect of the sustainability statement include:

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the sustainability statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management; and reviewing the Group's internal documentation of its Process; and

- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group's was consistent with the description of the Process set out in section DMA methodology and proces on pages 52 and 53.

In conducting our limited assurance engagement, with respect to the sustainability statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its sustainability statement including the consolidation processes by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;

- Evaluated whether material information identified by the Process is included in the sustainability statement;
- Evaluated whether the structure and the presentation of the sustainability statement are in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the sustainability statement;
- Performed substantive assurance procedures on selected information in the sustainability statement;

- Evaluated methods, assumptions and data for developing material estimates and forward-looking information and how these methods were applied;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability statement and management's review

Aarhus, 5 February 2026

DeloitteStatsautoriseret Revisionspartnerselskab
CVR-nr. 33963556**Jakob Olesen**State Authorised Public Accountant
mne34492**Jacob Tækker Nørgaard**State Authorised Public Accountant
mne40049



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Q4 2025

Quarterly figures

Consolidated

		Q1		Q2		Q3		Q4	
		2025	2024	2025	2024	2025	2024	2025	2024
Income statement (DKK million)									
Revenue	3,223	3,030	3,018	3,100	2,815	2,860	3,115	3,233	
Earnings before interest, tax, depreciation and amortisation (EBITDA)	74	88	112	137	110	202	205	219	
Earnings before interest, tax and amortisation (EBITA)	10	26	45	77	47	143	139	154	
Earnings before interest and tax (EBIT)	-11	10	24	56	27	125	115	87	
Financials, net	-22	-16	-21	-22	-21	-24	-7	-23	
Earnings before tax (EBT)	-33	-6	3	34	6	101	108	63	
Net profit or loss for the quarter	-28	-6	-1	25	3	78	100	51	

Q4 2025

		Q1		Q2		Q3		Q4	
		2025	2024	2025	2024	2025	2024	2025	2024
Balance sheet (DKK million)									
Non-current assets	2,015	1,877	2,061	1,880	2,114	1,879	2,486	1,900	
Current assets	4,385	4,205	3,944	4,339	3,929	4,385	3,810	4,208	
Balance sheet total	6,400	6,082	6,005	6,219	6,043	6,264	6,296	6,108	
Total equity	1,786	1,726	1,754	1,770	1,767	1,831	1,996	1,874	
Non-current liabilities	863	891	694	881	687	871	1,113	878	
Current liabilities	3,751	3,465	3,557	3,568	3,589	3,562	3,187	3,356	
Interest-bearing liabilities, net	1,519	1,450	1,670	1,334	1,739	1,646	1,625	1,232	
Invested capital	3,289	3,157	3,410	3,085	3,493	3,460	3,608	3,089	
Net working capital, end of period	1,867	1,876	1,865	1,720	1,869	2,036	1,648	1,693	
Net working capital, average	1,829	2,075	1,865	1,939	1,824	1,885	1,812	1,831	

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Consolidated – continued

Cash flows (DKK million)	Q1		Q2		Q3		Q4	
	2025	2024	2025	2024	2025	2024	2025	2024
Cash flow from operating activities	-88	7	4	202	64	-196	430	525
Cash flow from investing activities	-78	-57	-118	-70	-94	-82	-361	-56
Cash flow from financing activities	51	-57	-26	-85	16	165	-126	-278
Net investments in intangible assets	-26	-34	-31	-41	-24	-38	-45	-41
Net investments in property, plant and equipment	-50	-23	-87	-19	-70	-44	-7	-15
Acquisition and disposal of subsidiaries, net	-2	0	0	-10	0	0	-309	0

Financial ratios (% unless otherwise stated)	Q1		Q2		Q3		Q4	
	2025	2024	2025	2024	2025	2024	2025	2024
Revenue growth	6.4	-17.1	-2.6	-4.6	-1.6	-3.5	-3.6	2.3
Organic growth	6.5	-17.1	-3.4	-5.0	-2.1	-3.8	-6.1	2.3
Organic growth adjusted for number of working days	6.5	-15.4	-1.2	-7.8	-2.1	-5.3	-6.1	3.0
Gross profit margin	20.4	20.7	20.3	20.4	19.8	20.7	21.0	20.8
EBITDA margin	2.3	2.9	3.7	4.4	3.9	7.1	6.6	6.8
EBITA margin	0.3	0.9	1.5	2.5	1.7	5.0	4.5	4.8
EBIT margin	-0.3	0.3	0.8	1.8	1.0	4.4	3.7	2.7
Net working capital (NWC end of period)/revenue (LTM)	15.0	15.1	15.1	14.0	15.2	16.8	13.5	13.9
Net working capital (NWC average)/revenue (LTM)	14.7	16.7	15.1	15.8	14.8	15.5	14.9	15.0
Gearing (interest-bearing liabilities,net/EBITDA), no. of times	2.4	2.1	2.8	2.2	3.4	2.7	3.2	1.9
Return on equity (ROE)	7.2	10.9	5.9	8.6	1.5	8.8	4.0	8.4
Return on invested capital (ROIC)	7.7	8.5	6.7	6.6	4.4	6.8	3.0	8.3
Enterprise value/earnings before interest, tax and amortisation (EV/EBITA)	8.4	8.6	11.1	10.0	12.4	11.1	13.1	8.4
Equity ratio	27.2	27.6	28.5	27.7	28.5	28.5	31.0	29.9

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● Q4 2025

Consolidated – continued

Share ratios (DKK unless otherwise stated)	Q1		Q2		Q3		Q4	
	2025	2024	2025	2024	2025	2024	2025	2024
Earnings per share outstanding (EPS)	-3.70	-0.68	-0.14	3.70	0.41	10.68	12.96	6.98
Intrinsic value per share outstanding	238.39	229.63	234.01	235.92	235.79	244.28	245.31	250.3
Share price	241.44	331.37	310.17	325.27	202.13	354.55	200.07	299.27
Share price/intrinsic value	1.01	1.44	1.33	1.38	0.86	1.45	0.82	1.20

Employees	Q1		Q2		Q3		Q4	
	2025	2024	2025	2024	2025	2024	2025	2024
Average number of employees (FTE's)	2,896	2,997	2,902	2,954	2,908	2,923	2,932	2,899

Definitions

Organic growth	Revenue growth adjusted for businesses acquired and sold off and any exchange rate changes. No adjustments have been made for number of working days.
Organic growth adjusted for number of working days	Revenue growth adjusted for businesses acquired and sold off and any exchange rate changes and number of working days.
Net working capital	Inventories and trade receivables less trade payables.
ROIC	Return on invested capital calculated on the basis of EBIT exclusive impairment on goodwill less tax calculated using the effective tax rate adjusted for one-off effects, if any.

In all material aspects financial ratios are calculated in accordance with the Danish Finance Society's "Recommendations & Financial Ratios".



EBITDA amounted to DKK 205m in Q4

EBITDA amounted to DKK 205m, positively affected by DKK 74m from the gain on the sale of our warehouses in Sweden.

(Data shown in brackets relate to the corresponding period in 2024)

Q4 2025

Revenue

Revenue decreased to DKK 3.1bn (DKK 3.2bn), despite including December revenue from Sonepar Norge of DKK 46m. Adjusted organic growth amounted to -6.1% (3.0%).

Despite the launch of additional growth initiatives, the unexpected slowdown in Q2-Q3 continued into Q4. This resulted in negative growth, particularly for Industry and, to a lesser extent, for Installation.

Adjusted organic growth amounted to -2.4% (2.4%) for Installation, -5.5% (-1.1%) for Industry and -25.4% (20.4%) for Trade mainly because Solar Polaris' deliveries to a major solar project park as expected came to an end.

Gross profit

As outlined in our guidance, we expected the downward trend in gross profit margin to taper off in 2025. Although, the actual gross profit margin in Q1-Q3 did not support this assumption, we saw a gross profit margin improvement in Q4.

Gross profit margin at group level increased to 21.0% (20.8%) in Q4 2025. However, part of the gross margin improvement was related to Solar Polaris having lower revenue from deliveries to a major solar project park in Q4 2025 compared with Q4 2024. In addition, we received extraordinary supplier bonus at around same level as in Q4 2024.

However, we continue to see pressure on sales prices and fewer cyclical inventory gains.

Other operating income

Other operating income amounted to DKK 74m (DKK 49m) in non-recurring income, primarily relating to the sale of our warehouse in Halmstad, Sweden. The Halmstad warehouse was vacated in 2025 in relation with the construction of our new logistics centre in Kumla, Sweden. In Q4 2024, non-recurring income related to the sale of our warehouse in Örebro, Sweden.

External operating costs and staff costs

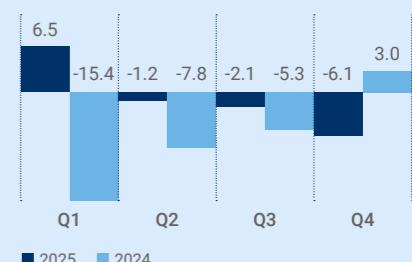
The acquisition of Sonepar Norge was approved by the authorities in November 2025 and the integration is ahead of schedule. In Q4 2025, integration and acquisition costs of DKK 11m was included.

Adjusted for these non-recurring costs, external operating costs and staff costs amounted to 16.4% (15.4%) of revenue.

In addition, the recognised gain from the sale of our Halmstad warehouse reactivated bonus of DKK 10m not included in our latest EBITDA guidance.

We continuously initiate measures to optimise our operating model, and to mitigate the impact of cost inflation and market development.

Adjusted organic growth %



Gross profit margin %



EBITDA

DKKm





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EBITDA

EBITDA amounted to DKK 205m (DKK 219m) impacted by Sonepar Norge EBITDA of DKK -8m, which included integration costs of DKK 7m.

Additionally, the gain from the sale of our Halmstad warehouse in 2025 and Örebro warehouse in 2024 positively impacted EBITDA by DKK 74m (DKK 49m).

When adjusted for non-recurring items, EBITDA amounted to DKK 142m (DKK 170m). The EBITDA margin adjusted for non-recurring items was unchanged at 4.6%.

DKKm	Q4 2025	Q4 2024
EBITDA	205	219
Gain from sale of warehouses	-74	-49
EBITDA adj. non-recurring income	131	170
Integration & acquisition costs	11	-
EBITDA adj. non-recurring items	142	170

The results from the individual markets are shown on page 213.

Amortisation and impairment of intangible assets

Amortisation and impairment of intangible assets amounted to DKK 24m (DKK 67m). In 2024 an impairment loss related to Thermonova of DKK 47m was included.

Financials

Net financials amounted to DKK -7m (DKK -23m) and included DKK 4m in interest income from the Danish tax authorities in connection with the repayment of the taxable value of tax losses associated with divested activities in Belgium.

Earnings before tax

Earnings before tax amounted to DKK 108m (DKK 63m).

Income tax

Income tax amounted to DKK -8m (DKK -12m). Q4 2025 was positively impacted by DKK 17m in income tax from previous years related to repayment of the taxable value of tax losses from divested activities in Belgium.

Net profit

Net profit amounted to DKK 100m (DKK 51m).

Share capital

The Board of Directors regularly reviews the capital structure in relation to our gearing target and capital requirements.

As part of the financing of our acquisition of Sonepar Norge, in November, the Board of Directors resolved to utilise the authorisation in the Articles of Association to increase the share capital.

The share capital was therefore increased by a nominal amount of DKK 64.6m through the issuance of 646,000 new B shares. The share issue was completed through an accelerated bookbuilding process at an offer price of DKK 191 per share, raising gross proceeds of approx. DKK 123m.

Following the capital increase, the share capital has a total nominal value of DKK 800.6m, comprising DKK 90.0m A shares and DKK 710.6m B shares, each with a nominal value of DKK 100.

Cash flows

Net working capital as an average of the previous four quarters amounted to 14.9% (15.0%) of revenue. Net working capital at the end of 2025 decreased to 13.5% (13.9%).

Cash flow from operating activities totalled DKK 430m (DKK 525m). Due to a temporary inventory increase, inventory changes amounted to DKK -76m (DKK 47m). We expect this to reverse in Q1 2026. Changes in receivables impacted cash flow by DKK 353m (DKK 292m) while changes in non-interest-bearing liabilities had a cash flow impact of DKK 13m (DKK 42m).

Total cash flow from investing activities amounted to DKK -361m (DKK -56m).

The purchase of intangible assets DKK -45m (DKK -41m) primarily relates to ongoing investments in the optimisation of our digital platforms.

The purchase of property, plant and equipment amounted to DKK -131m (DKK -76m). DKK -117m relates to the construction of our new logistics centre in Kumla, Sweden. Of the total Kumla investment, approx. DKK 125m remains outstanding.

The disposal of property, plant and equipment amounted to DKK 124m (DKK 61m), which primarily relates to sale of our warehouse in Halmstad, Sweden. In 2024, the sale of our warehouse in Örebro had a positive impact of DKK 61m.

The acquisition of businesses of DKK -309m (DKK 0m) relates to the acquisition of Sonepar Norge.

Cash flow from financing activities amounted to DKK -126m (DKK -278m). The raising of non-current interest-bearing liabilities of DKK 250m (DKK 100m) and the net proceeds of DKK 120m

from the issuance of new shares were primarily used to finance the acquisition of Sonepar Norge. In addition, changes in current interest-bearing liabilities were affected by DKK -453m (DKK -341m).

As a result, total cash flow amounted to DKK -57m (DKK 191m).

Net interest-bearing liabilities amounted to DKK 1,625m (DKK 1,232). By the end of 2025, gearing was 3.2 (1.9) times EBITDA, which is above our gearing target of 1.0-3.0 times EBITDA, primarily due to the acquisition of Sonepar Norge.

By the end of 2025, Solar had undrawn credit facilities of DKK 1,134m (DKK 1,028m).

Invested capital

Solar Group's invested capital totalled DKK 3,608m (DKK 3,089m) impacted by the acquisition of Sonepar Norge. ROIC calculated over the past 12 months amounted to 3.0% (8.3%).

Activities with a Solar equity interest of less than 50% and activities attributable to non-controlling interests are not included in the ROIC calculation. Invested capital includes operating assets and liabilities only.



Our segments in Q4 2025

Installation

Our Installation segment covers the installation of electrical, heating and plumbing products.

Installation revenue for Q4 amounted to DKK 1,820m (DKK 1,793m), which corresponds to overall adjusted organic growth of around -2.4% (2.4%) related to the electrical as well as the heating and plumbing business. Solar Danmark, Solar Sverige and Solar Polska saw positive growth while all other main markets posted negative growth.

Segment profit amounted to DKK 125m (DKK 154m), which corresponds to a segment profit margin of 6.9% (8.6%).

Industry

This segment covers the industry, offshore and marine industries as well as utilities and infrastructure. Industry also includes MAG45 and Thermonova.

Industry revenue for Q4 amounted to DKK 1,016m (DKK 1,068m). This corresponds to overall adjusted organic growth of around -5.5% (-1.1%). Solar Sverige and Solar Polska saw positive growth while other main markets posted negative growth.

Segment profit amounted to DKK 155m (DKK 173m). This corresponds to a segment profit margin of 15.3% (16.2%).

Trade

Our Trade segment covers special sales and other specialist areas. It also includes Solar Polaris and Højager.

Revenue from Trade for Q4 amounted to DKK 279m (DKK 372m). This corresponds to overall adjusted organic growth of around -25.4% (20.4%) mainly because Solar Polaris' deliveries to a major solar project park as expected came to an end. When adjusted for Solar Polaris, organic growth amounted to approx. -8% (-7.4%).

Segment profit amounted to DKK 42m (DKK 36m), which corresponds to a segment profit margin of 15.1% (9.7%).

Segment profit includes items that are directly attributable to the individual segment and items that can be reliably allocated to the individual segment.

Segment profit does not include non-allocated costs of DKK 117m (DKK 144m) in Q4, which cover income and costs related to joint group functions and to costs that cannot be reliably allocated to the individual segment.

Detailed segment information is given on page 212.

Segment revenue

DKKm



● Installation	1,820
● Industry	1,016
● Trade	279

Segment profit

DKKm



● Installation	125
● Industry	155
● Trade	42

DKK million	Revenue		Segment profit		Segment margin %	
	2025	2024	2025	2024	2025	2024
Installation	1,820	1,793	125	154	6.9	8.6
Industry	1,016	1,068	155	173	15.3	16.2
Trade	279	372	42	36	15.1	9.7
Solar Group	3,115	3,233	322	363	10.3	11.2

Statement of comprehensive income

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Income statement

DKK million	Q4	
	2025	2024
Revenue	3,115	3,233
Cost of sales	-2,461	-2,562
Gross profit	654	671
Other operating income and costs	74	49
External operating costs	-98	-91
Staff costs	-424	-407
Loss on trade receivables	-1	-3
Earnings before interest, tax, depreciation and amortisation (EBITDA)	205	219
Depreciation and write-down on property, plant and equipment	-66	-65
Earnings before interest, tax and amortisation (EBITA)	139	154
Amortisation and impairment of intangible assets	-24	-67
Earnings before interest and tax (EBIT)	115	87
Share of net profit from associates	0	-1
Financial income	23	34
Financial expenses	-30	-57
Earnings before tax (EBT)	108	63
Income tax	-8	-12
Net profit for the period	100	51
Earnings in DKK per share outstanding (EPS)	12.96	6.98
Diluted earnings in DKK per share outstanding (EPS-D)	12.92	6.96
Attributable to:		
Shareholders of Solar A/S	99	51
Non-controlling interests	1	0
Net profit for the period	100	51

Other comprehensive income

DKK million	Q4	
	2025	2024
Net profit for the period	100	51
Other income and costs recognised:		
Items that can be reclassified for the income statement		
Foreign currency translation adjustment of foreign subsidiaries	7	-7
Fair value adjustment of hedging instruments before tax	2	0
Other income and costs recognised after tax	9	-7
Total comprehensive income for the period	109	44
Attributable to:		
Shareholders of Solar A/S	108	44
Non-controlling interests	1	0
Total comprehensive income for the period	109	44

Balance sheet

Consolidated

DKK million	31.12		DKK million	31.12	
	2025	2024		2025	2024
Assets			Equity and liabilities		
Intangible assets	651	381	Share capital	801	736
Property, plant and equipment	1,347	1,070	Reserves	-196	-234
Right-of-use assets	427	408	Retained earnings	1,345	1,216
Deferred tax assets	36	11	Proposed dividend for the financial year	0	110
Investments in associates	3	3	Equity attributable to shareholders of Solar A/S	1,950	1,828
Other non-current assets	22	27	Non-controlling interests	46	46
Non-current assets	2,486	1,900	Total equity	1,996	1,874
 Inventories	 1,871	 1,888	Interest-bearing liabilities	664	425
Trade receivables	1,714	1,657	Lease liabilities	290	284
Income tax receivable	11	20	Provision for deferred tax	148	157
Contract assets	5	4	Other provisions	11	12
Other receivables	13	107	Non-current liabilities	1,113	878
Prepayments	63	73	Interest-bearing liabilities	650	841
Cash at bank and in hand	133	459	Lease liabilities	154	141
Current assets	3,810	4,208	Trade payables	1,937	1,852
 Total assets	 6,296	 6,108	Income tax payable	11	8
			Contract liabilities	17	35
			Other payables	387	462
			Prepayments	3	8
			Other provisions	28	9
			Current liabilities	3,187	3,356
			 Liabilities	 4,300	 4,234
			 Total equity and liabilities	 6,296	 6,108

Cash flow statement

Consolidated

	Q4			Q4	
DKK million	2025	2024	DKK million	2025	2024
Net profit for the period	100	51	Financing activities		
Depreciation, write-down and amortisation	90	132	Repayment of non-current, interest-bearing debt	-3	-2
Changes to provisions and other adjustments	-83	-53	Raising of non-current interest-bearing liabilities	250	100
Share of net profit from associates	0	1	Change in current interest-bearing debt	-453	-341
Financials, net	7	23	Instalment on lease liabilities	-40	-34
Income tax	9	12	Net proceeds from the issuance of shares (share issue)	120	0
Financial income, received	19	16	Dividends paid to non-controlling interests	0	-1
Financial expenses, settled	-27	-39	Cash flow from financing activities	-126	-278
Income tax, settled	25	1	Total cash flow	-57	191
Cash flow before working capital changes	140	144	Cash at bank and in hand at the beginning of period	190	268
Working capital changes			Cash at bank and in hand at the end of period	133	459
Inventory changes	-76	47			
Receivables changes	353	292			
Non-interest-bearing liabilities changes	13	42			
Cash flow from operating activities	430	525			
Investing activities					
Purchase of intangible assets	-45	-41			
Purchase of property, plant and equipment	-131	-76			
Disposal of property, plant and equipment	124	61			
Acquisition of subsidiaries and activities	-309	0			
Cash flow from investing activities	-361	-56			



- Q4 2025

Revenue

DKK million	Q4	
	2025	2024
Sales of goods and services	3,086	3,139
Revenue from construction contracts	29	94
Total revenue	3,115	3,233



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Solar's business segments are Installation, Industry and Trade and are based on the customers' affiliation with the segments. Installation covers installation of electrical, and heating and plumbing products, while Industry covers industry, offshore and marine, and utility and infrastructure. Trade covers other small areas. The three main segments have been identified without aggregation of operating segments. Segment income and costs include any items that are directly attributable to the individual segment and any items that can be reliably allocated to the individual segment. Non-allocated costs refer to income and costs related to joint group functions. Assets and liabilities are not included in segment reporting.

Revenue and costs in the amount of DKK 29m and DKK 22m, respectively, from construction contracts recognised over time are fully allocated to the Trade segment.

Income statement (DKK million)	Installation	Industry	Trade	Total
Q4 2025				
Revenue	1,820	1,016	279	3,115
Cost of sales	-1,486	-761	-214	-2,461
Gross profit	334	255	65	654
Direct costs	-84	-45	-10	-139
Earnings before indirect costs	250	210	55	515
Indirect costs	-125	-55	-13	-193
Segment profit	125	155	42	322
Non-allocated costs				-117
Earnings before interest, tax, depreciation and amortisation (EBITDA)				205
Depreciation and amortisation				-90
Earnings before interest and tax (EBIT)				115
Financials, net including share of net profit from associates and impairment on associates				-7
Earnings before tax (EBT)				108

Revenue and costs in the amount of DKK 94m and DKK 87m, respectively, from construction contracts recognised over time are fully allocated to the Trade segment.

Income statement (DKK million)	Installation	Industry	Trade	Total
Q4 2024				
Revenue	1,793	1,068	372	3,233
Cost of sales	-1,453	-794	-315	-2,562
Gross profit	340	274	57	671
Direct costs	-72	-41	-10	-123
Earnings before indirect costs	268	233	47	548
Indirect costs	-114	-60	-11	-185
Segment profit	154	173	36	363
Non-allocated costs				-144
Earnings before interest, tax, depreciation and amortisation (EBITDA)				219
Depreciation and amortisation				-132
Earnings before interest and tax (EBIT)				87
Financials, net including share of net profit from associates and impairment on associates				-24
Earnings before tax (EBT)				63



Segment information – continued

Geographical information

Solar A/S primarily operates on the Danish, Swedish, Norwegian and Dutch markets. In the below table, Other markets covers the remaining markets, which can be seen in the companies overview available on page 192. The below allocation has been made based on the products' place of sale.

Revenue and costs in the amount of DKK 29m and DKK 22m, respectively, from construction contracts recognized over time are fully allocated to the Danish market.

DKK million	Q4				
	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
2025					
Denmark	977	-10.1 ¹	77	7.9	787
Sweden	628	5.6	94	15.0	611
Norway	510	-5.0	11	2.2	494
The Netherlands	668	-8.5	17	2.5	389
Poland	121	4.8	1	0.8	49
Other markets	211	-15.7	5	2.4	156
Solar Group	3,115	-6.1	205	6.6	2,486

1) Includes adjusted organic growth Solar Denmark -5.4%, Solar Polaris -69%, Thermonova 250% and Højager 6.7%.

Revenue and costs in the amount of DKK 94m and DKK 87m, respectively, from construction contracts recognised over time are fully allocated to the Danish market.

DKK million	Q4				
	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
2024					
Denmark	1,087	8.2	91	8.4	835
Sweden	567	-3.6	67	11.8	291
Norway	487	7.3	22	4.5	203
The Netherlands	729	-1.9	29	4.0	396
Poland	113	7.9	1	0.9	50
Other markets	250	1.6	9	3.6	125
Solar Group	3,233	3.0	219	6.8	1,900

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<http://www.linkedin.com/company/solar-as>

ESEF data

Name of reporting entity or other means of identification	Solar A/S
Domicile of entity	Denmark
Legal form of entity	A/S
Country of incorporation	Denmark
Address of entity's registered office	Industrivej Vest 43, 6600 Vejen
Principal place of business	Europe
Description of nature of entity's operations and principal business	Sourcing and services company
Name of parent entity	Solar A/S
Name of ultimate parent of group	Fonden af 20. December