

Q1  
2025

solar

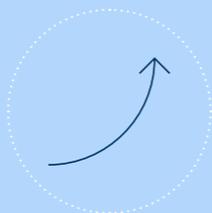


Solar A/S  
CVR no. 15 90 84 16



# 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 more than 49,000 customers, supported by valuable market knowledge and the expertise of 2,899 committed employees, driving greater productivity.



## Enhancing service through digitalisation

With 65% 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 CO<sub>2</sub> emission reduction targets through our Climate & Energy products, which generate revenue exceeding DKK 1bn. Our CO<sub>2</sub> 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 2024 revenue

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

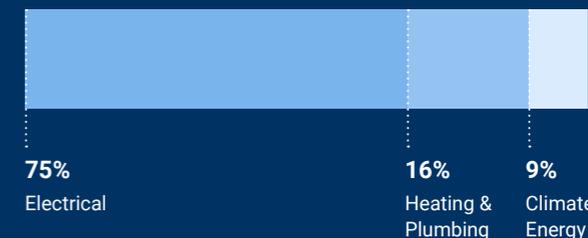
## Segments

% of 2024 revenue



## Products

% of 2024 revenue



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### Preparing for future growth

Investments in our four strategic markets, which cover warehouse expansion, automation, digitalisation and standardisation, have boosted capacity, improved efficiency, and positioned us for further growth and market opportunities.

# Financial highlights

DKK million	Q1		Year
	2025	2024	2024
Revenue	3,223	3,030	12,223
Earnings before interest, tax, depreciation and amortisation (EBITDA)	74	88	646
Earnings before interest, tax and amortisation (EBITA)	10	26	400
Earnings before interest and tax (EBIT)	-11	10	278
Earnings before tax (EBT)	-33	-6	192
Net profit for the period	-28	-6	148
Balance sheet total	6,400	6,082	6,108
Total equity	1,786	1,726	1,874
Interest-bearing liabilities, net	1,519	1,450	1,232
Cash flow from operating activities	-88	7	538
Net investments in property, plant and equipment	-50	-23	-101
<b>Employees</b>			
Number of employees (FTE's), end of period	2,919	2,932	2,895
Average number of employees (FTE's)	2,896	2,997	2,899
<b>Financial ratios (% , unless otherwise stated)</b>			
Organic growth adjusted for number of working days	6.5	-15.4	-6.4
Gross profit margin	20.4	20.7	20.6
EBITDA margin	2.3	2.9	5.3
EBITA margin	0.3	0.9	3.3
Net working capital (end of period NWC)/revenue (LTM)	15.0	15.1	13.9
Gearing (net interest-bearing liabilities/EBITDA), no. of times	2.4	2.1	1.9
Return on equity (ROE)	7.2	10.9	8.0
Equity ratio	27.2	27.6	29.9
<b>Share ratios (DKK)</b>			
Earnings per share outstanding (EPS)	-3.70	-0.68	20.68

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

## Q1 Financial messages

- All our main markets returned to positive growth.
- EBITDA was on par with expectations.
- For the seventh consecutive quarter, average net working capital decreased.
- We confirm our 2025 EBITDA guidance in the range of DKK 530-600m.



# Preparing for future growth

Investments in our four strategic markets, which cover warehouse expansion, automation, digitalisation and standardisation, have boosted capacity, improved efficiency, and positioned us for further growth and market opportunities.



### Warehouse expansion and automation

By 2026, the AutoStore system will be operational in our four main markets, managing 279 robots picking products from almost 300,000 bins. This automation combined with warehouse expansions will result in a warehouse capacity increase of 25% across Denmark, Sweden and the Netherlands. The initiative, focused on automation, digitalisation, and standardisation, represents total investments of more than DKK 1 billion.

Our investments in warehouse upgrades and expansions have increased capacity and enable us to take advantage of market opportunities. By moving 70% of picks to AutoStore, we have improved the work environment by minimising noise and reducing lifting. At the same time, picking efficiency increases by a factor of up to four.

Our high degree of automation reduces costs and allows us to accommodate increased demand without added labour costs. Digitalisation provides better insights into our customers' needs and enhances service quality. Standardisation across borders facilitates cross-border learning and drives operational efficiency.

These warehouse upgrades provide a platform for us to capitalise on market growth while maintaining high levels of efficiency and employee satisfaction. Our investments in automation, digitalisation, and standardisation have thus, set the stage for future growth and improved operational performance.

Our investments consistently achieve an IRR significantly higher than our WACC, which improves shareholder return. Although the investments have reduced dividend payments, cash flow is set to increase when our investment programme concludes in 2026, and investments return to normal levels.

### Future innovative enhancements

Future plans include the implementation of robot arms in the AutoStore setup for simple orders and developing solutions for elongated goods to enhance efficiency and optimise costs. These initiatives will further streamline operations, reduce costs, and improve overall performance, laying the groundwork for continued success.

We will continue to invest in the future, while keeping our CAPEX at normal levels.

## Solar Group, AutoStore implementation highlights

(by country)

2019	2020	2022	2023	2026
<b>Solar Norge</b>	<b>Solar Nederland Phase 1</b>	<b>Solar Danmark</b>	<b>Solar Nederland Phase 2</b>	<b>Solar Sverige Planned</b>
Robots	Robots	Robots	Robots	Robots
<b>40</b>	<b>50</b>	<b>125</b>	<b>4</b>	<b>60</b>
Bins	Bins	Bins	Bins	Bins
<b>35,000</b>	<b>41,000</b>	<b>108,000</b>	<b>20,000</b>	<b>69,500</b>

# All main markets returned to positive organic growth

Adjusted organic growth increased to 6.5% as revenue in all our main markets and main segments returned to positive growth.

## Q1 2025

### Revenue

Revenue increased to DKK 3.2bn (DKK 3.0bn). Adjusted organic growth amounted to 6.5% (-15.4%). When adjusting for Solar Polaris' deliveries to a major solar park project, organic growth amounted to 4.3%.

As expected, we saw positive adjusted organic growth in all main markets and across all main segments in Q1 2025. Installation delivered adjusted organic growth of 4.7% (-17%), Industry of 3.3% (-10%) and Trade of 30% (-22%).

Revenue from Climate & Energy, a strategic focus area, also showed positive adjusted organic growth, amounting to 37% (-48%). However, when adjusting for Solar Polaris' deliveries to a major solar park project, organic growth amounted to 14%.

### Gross profit

Throughout 2024, we saw a loss in gross profit margin across all main product categories. Our 2025 guidance reflected our expectations for this downward trend to taper off in 2025. However, we continue to expect a slightly lower gross profit margin in 2025, mainly due to continued price pressure combined with lower price increases.

As expected, in Q1 2025 gross profit margin at group level declined to 20.4% (20.7%). In all material aspects, the decline referred to Solar Polaris' deliveries to a major solar project park.

### External operating costs and staff costs

The construction of our new logistics centre in Kumla, Sweden, is ahead of schedule. This allows us to optimise the completion of the relocation of the warehouses in Örebro and Halmstad by moving our inventory from Halmstad to Örebro, and thus vacating the Halmstad warehouse earlier than expected. In Q1 2025, this resulted in approx. DKK 12m in transition costs, which were initially expected in 2026. Fast-tracking this step towards Kumla, reduces risks and frees up cash by reducing net working capital.

In Q1, we also initiated several measures to optimise our operating model, including cost containment, process improvements and staff reductions.

Consequently, costs in Q1 2025 include restructuring costs of approx. DKK 40m (DKK 25m) resulting in similar savings in 2025 but with full-year savings of approx. DKK 60m.

When adjusting for restructuring and transition costs, external operating costs and staff costs decreased to 16.4% (16.8%) of revenue.

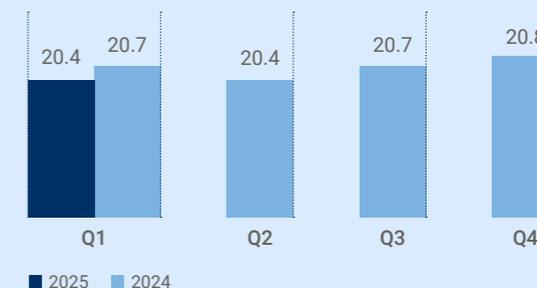
### EBITDA

EBITDA of DKK 74m (DKK 88m) was on par with expectations and we confirm our 2025 EBITDA guidance in the range of DKK 530-600m. When adjusting for restructuring and transition costs, the underlying EBITDA margin amounted to 3.9% (3.7%). The results from the individual markets are given on page 21.

Adjusted organic growth %



Gross profit margin %



EBITDA DKKm



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

**Earnings before tax**

As increased revenue did not compensate for lower gross profit margin and increased costs due to restructuring and transition, earnings before tax amounted to DKK -33m (DKK -6m).

**Net profit**

Net profit amounted to DKK -28m (DKK -6m). Within the next three quarters, we expect a catch-up of the DKK 40m in restructuring costs recognised in the income statement in Q1 2025.

**Cash flows**

Net working capital as an average of the previous four quarters amounted to 14.7% (16.7%) of revenue. Net working capital at the end of Q1 2025 decreased to 15.0% (15.1%).

Cash flow from operating activities totalled DKK -88m (DKK 7m). Nevertheless, we succeeded in reducing inventories through inventory changes, which had a cash flow impact of DKK 45m (DKK 112m).

Changes in receivables impacted cash flow by DKK -343m (DKK -222m) due to increased growth and the normal seasonal factors. Changes in non-interest-bearing liabilities impacted cash flow by DKK 129m (DKK 87m).

Total cash flow from investing activities amounted to DKK -78m (DKK -57m). Purchase of property, plant and equipment amounted to DKK -126m of which DKK -115m relates to the construction of our new logistics centre in Kumla, Sweden. Disposal of property, plant and equipment amounted to DKK 76m which primarily relates to the release of the proceeds from the sale of our warehouse in Duiven in Q4 2024.

Cash flow from financing activities amounted to DKK 51m (DKK -57m). This was primarily affected by changes in current interest-bearing liabilities and by dividend distribution of DKK 110m (DKK 219m).

As a result, total cash flow amounted to DKK -115m (DKK -107m). Net interest-bearing liabilities amounted to DKK 1,519m (DKK 1,450m).

By the end of Q1 2025, gearing was 2.4 (2.1) times EBITDA. Our gearing target was 1.0-3.0 times EBITDA.

At the end of Q1 2025, Solar had undrawn credit facilities of DKK 744m (DKK 743m).

**Invested capital**

Invested capital for the Solar Group totalled DKK 3,289m (DKK 3,157m). ROIC calculated over the last twelve months amounted to 7.7% (8.5%). 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.

**Key risks and mitigation**

The commercial and financial risks in respect of our activities are detailed in Solar's 2024 Annual Report. No additional material risks have been identified. Solar is not directly exposed to the tariffs imposed by the US or to the US market, but resulting macroeconomic consequences may affect Solar's markets. We continue to monitor market developments closely.



# Positive growth across our main segments in Q1

## Installation

Our Installation segment covers the installation of electrical, heating and plumbing products.

Installation revenue for Q1 amounted to DKK 1,756m (DKK 1,679m), which corresponds to overall adjusted organic growth of around 4.7% (-17%). All markets saw positive development with Solar Danmark almost reaching double digit growth.

Segment profit amounted to DKK 144m (DKK 131m), which corresponds to a segment profit margin of 8.2% (7.8%).

## 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 Q1 amounted to DKK 1,119m (DKK 1,086m). This corresponds to overall adjusted organic growth of around 3.3% (-10%). We saw positive growth in Solar Danmark, Solar Norge and Solar Sverige while other markets, including MAG45 posted negative growth.

Segment profit amounted to DKK 167m (DKK 164m). This corresponds to a segment profit margin of 14.9% (15.1%).

## Trade

Our Trade segment covers special sales and other specialist areas. It also includes Solar Polaris and Højager Belysning.

Revenue from Trade for Q1 amounted to DKK 348m (DKK 265m) corresponding to overall adjusted organic growth of around 30% (-22%), which was positively affected by Solar Polaris' deliveries to a major solar park project. When adjusting for Solar Polaris' deliveries, organic growth amounted to approx. 6%.

Segment profit amounted to DKK 31m (DKK 29m), which corresponds to a segment profit margin of 8.9% (10.9%).

Segment profit includes items that are directly attributable to the individual segment and items that can be reliably allocated to it.

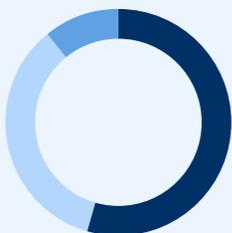
Segment profit does not include non-allocated costs of DKK 268m (DKK 236m) in Q1, which cover income and costs related to joint group functions and to costs that cannot be reliably allocated to it.

Detailed segment information is given on page 20.

### Segment revenue

DKKm

Q1 2025

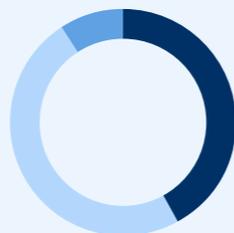


● Installation	<b>1,756</b>
● Industry	<b>1,119</b>
● Trade	<b>348</b>

### Segment profit

DKKm

Q1 2025



● Installation	<b>144</b>
● Industry	<b>167</b>
● Trade	<b>31</b>

### Overview business segments

DKK million	Revenue		Q1 Segment profit		Segment margin %	
	2025	2024	2025	2024	2025	2024
Installation	1,756	1,679	144	131	8.2	7.8
Industry	1,119	1,086	167	164	14.9	15.1
Trade	348	265	31	29	8.9	10.9
<b>Solar Group</b>	<b>3,223</b>	<b>3,030</b>	<b>342</b>	<b>324</b>	<b>10.6</b>	<b>10.7</b>

# We confirm our EBITDA guidance of between DKK 530m and DKK 600m for 2025

Our 2025 guidance ranges between DKK 12.3bn and 12.8bn for revenue and between DKK 530m and 600m for EBITDA.

## Assumptions

As mentioned on page 7, uncertainty increased substantially at the start of Q2 2025. However, on a macroeconomic level, we continue to expect a recovery in 2025 although the timing and strength of the recovery have become more unpredictable.

### Revenue

We expect all markets to post stagnant growth or experience positive trends in all countries in 2025, resulting in projected overall growth across all segments.

### Installation

We expect to see growth in the new construction sector in 2025. The green transition is set to deliver slightly better growth rates. We expect the installation market to show positive growth.

### Industry

The guidance assumes stagnant sales to Marine/Offshore and Utility, whereas we expect all other sub-segments to show positive growth. Overall, we expect the industry market to show positive trends.

### Trade

We expect to see positive growth in special sales in 2025, which is the Trade segment's primary activity.

## Gross profit margin

Throughout 2024, we saw a loss in gross profit margin across all main product categories. However, we expect this downward trend to taper off in 2025. Our outlook is for a slightly lower gross profit margin in 2025, primarily driven by ongoing price pressure combined with lower price increases.

## Costs

Contrary to our initial expectations, salary inflation continues to have an impact, in part due to carry-over effects and in part to collective labour agreements. We anticipate this trend to continue into 2025.

The implemented restructuring costs of DKK 40m in Q1 are cost neutral for 2025. We will, however, continue to initiate restructuring activities albeit at a lower level. This, combined with other measures, including cost containment and process improvements, will continue to reduce costs.

## Financial outlook 2025

### Revenue guidance

We expect revenue to range between DKK 12.3bn and 12.8bn.

### EBITDA guidance

We expect EBITDA in the range of DKK 530-600m.

# Share and webcast information

Solar's share capital is divided into nominal value DKK 90 million A shares and nominal value DKK 646 million B shares.

## Total shareholder return

The total shareholder return of the Solar B share during the holding period 1 January 2025 - 31 March 2025 was -15.0% including the DKK 15.00 ordinary dividend that was paid out in March 2025.

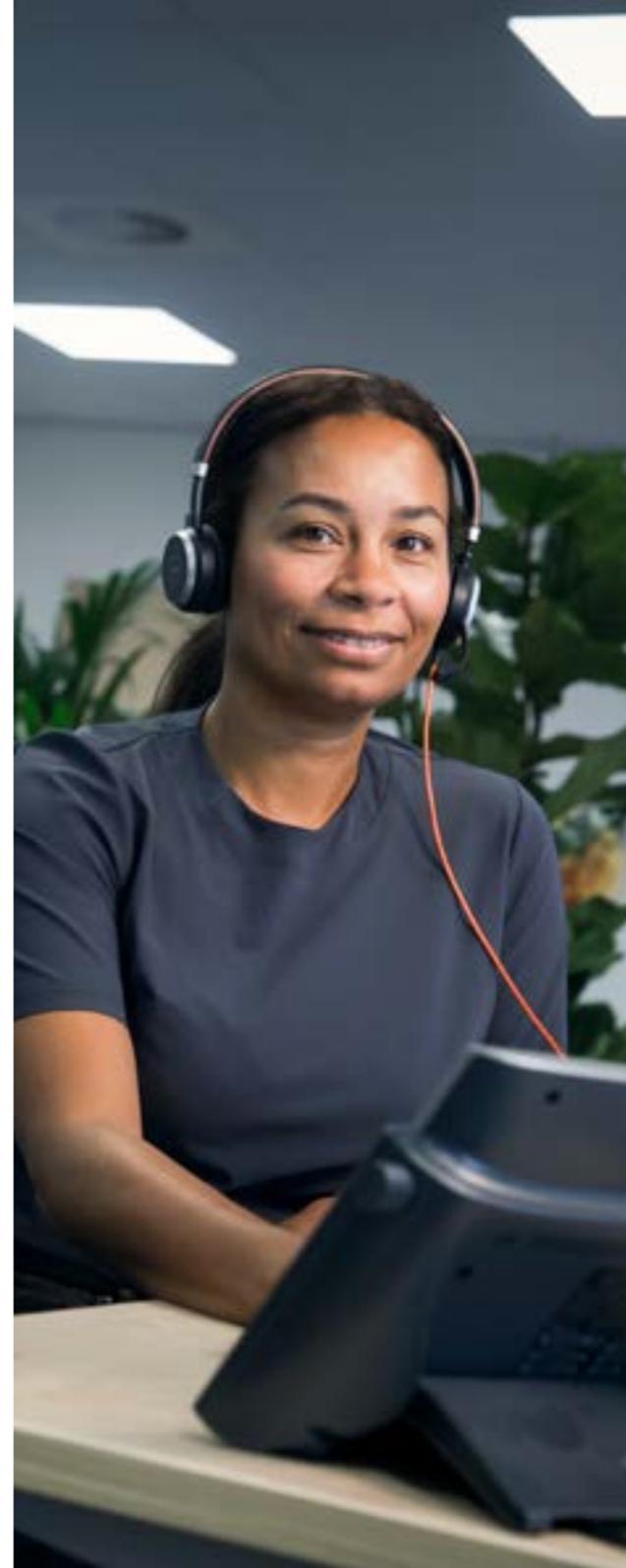
## Audio webcast

The presentation of the Quarterly Report Q1 2025 will be conducted in English on 9 May 2025 at 11:00 CET. The presentation will be transmitted as an audio webcast and will be available at:

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

## The Solar share

	A share	B share
Shares	900,000	6,460,000
Nominal value (DKK)	100	100
Votes per share	10	1
Treasury shares	-	56,813
Stock Exchange	-	Nasdaq Copenhagen Stock Exchange
Ticker symbol		Solar B
Share price 31 March (DKK)	239.50	239.50
Market Cap 31 March (DKKm)	216	1,547



## Financial calendar 2025

14 Aug Quarterly Report Q2 2025

6 Nov Quarterly Report Q3 2025

## Shareholders with more than 5% of shares or votes

### Shareholders according to section 55 of the Danish Companies Act

	Share Capital	Votes
The Fund of 20th December, Vejen, Denmark	17.0%	60.5%
Nordea Funds Ltd., Helsinki, Finland	10.4%	5.0%

# Q1 2025 Consolidated financial statements

# Statement of comprehensive income

## Consolidated financial statements Q1

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## Income statements

DKK million	Q1		Year
	2025	2024	2024
<b>Revenue</b>	3,223	3,030	12,223
Cost of sales	-2,567	-2,404	-9,702
<b>Gross profit</b>	<b>656</b>	<b>626</b>	<b>2,521</b>
Other operating income and costs	2	0	88
External operating costs	-116	-107	-369
Staff costs	-464	-426	-1,580
Loss on trade receivables	-4	-5	-14
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>74</b>	<b>88</b>	<b>646</b>
Depreciation and write-down on property, plant and equipment	-64	-62	-246
<b>Earnings before interest, tax and amortisation (EBITA)</b>	<b>10</b>	<b>26</b>	<b>400</b>
Amortisation and impairment of intangible assets	-21	-16	-122
<b>Earnings before interest and tax (EBIT)</b>	<b>-11</b>	<b>10</b>	<b>278</b>
Share of net profit from associates	0	0	-1
Financial income	8	8	63
Financial expenses	-30	-24	-148
<b>Earnings before tax (EBT)</b>	<b>-33</b>	<b>-6</b>	<b>192</b>
Income tax	5	0	-44
<b>Net profit for the period</b>	<b>-28</b>	<b>-6</b>	<b>148</b>
<b>Attributable to:</b>			
Shareholders of Solar A/S	-27	-5	151
Non-controlling interests	-1	-1	-3
<b>Net profit for the period</b>	<b>-28</b>	<b>-6</b>	<b>148</b>
Earnings in DKK per share outstanding (EPS)	-3.70	-0.68	20.68
Diluted earnings in DKK per share outstanding (EPS-D)	-3.70	-0.68	20.60

## Other comprehensive income

DKK million	Q1		Year
	2025	2024	2024
<b>Net profit for the period</b>	<b>-28</b>	<b>-6</b>	<b>148</b>
<b>Other income and costs recognised:</b>			
<b>Items that can be reclassified for the income statement</b>			
Foreign currency translation adjustment of foreign subsidiaries	48	-33	-36
Fair value adjustment of hedging instruments before tax	2	2	0
Tax on fair value adjustments of hedging instruments	0	0	0
<b>Other income and costs recognised after tax</b>	<b>50</b>	<b>-31</b>	<b>-36</b>
<b>Total comprehensive income for the period</b>	<b>22</b>	<b>-37</b>	<b>112</b>
<b>Attributable to:</b>			
Shareholders of Solar A/S	23	-36	115
Non-controlling interests	-1	-1	-3
<b>Total comprehensive income for the period</b>	<b>22</b>	<b>-37</b>	<b>112</b>

# Balance sheet

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DKK million	31.03		31.12
	2025	2024	2024
<b>Assets</b>			
Intangible assets	388	366	381
Property, plant and equipment	1,184	1,057	1,070
Right-of-use assets	401	415	408
Deferred tax asset	14	7	11
Investments in associates	3	4	3
Other non-current assets	25	28	27
<b>Non-current assets</b>	<b>2,015</b>	<b>1,877</b>	<b>1,900</b>
Inventories	1,876	1,893	1,888
Trade receivables	2,030	1,846	1,657
Income tax receivable	25	52	20
Contract assets	3	0	4
Other receivables	29	20	107
Prepayments	78	60	73
Cash at bank and in hand	344	334	459
<b>Current assets</b>	<b>4,385</b>	<b>4,205</b>	<b>4,208</b>
<b>Total assets</b>	<b>6,400</b>	<b>6,082</b>	<b>6,108</b>

DKK million	31.03		31.12
	2025	2024	2024
<b>Equity and liabilities</b>			
Share capital	736	736	736
Reserves	-184	-229	-234
Retained earnings	1,189	1,170	1,216
Proposed dividends for the financial year	0	0	110
<b>Equity attributable to shareholders of Solar A/S</b>	<b>1,741</b>	<b>1,677</b>	<b>1,828</b>
Non-controlling interests	45	49	46
<b>Total equity</b>	<b>1,786</b>	<b>1,726</b>	<b>1,874</b>
Interest-bearing liabilities	422	432	425
Lease liabilities	275	303	284
Provision for deferred tax	157	145	157
Other provisions	9	11	12
<b>Non-current liabilities</b>	<b>863</b>	<b>891</b>	<b>878</b>
Interest-bearing liabilities	1,025	925	841
Lease liabilities	141	124	141
Trade payables	2,039	1,863	1,852
Income tax payable	1	35	8
Contract liabilities	25	0	35
Other payables	457	486	462
Prepayments	6	9	8
Other provisions	57	23	9
<b>Current liabilities</b>	<b>3,751</b>	<b>3,465</b>	<b>3,356</b>
<b>Liabilities</b>	<b>4,614</b>	<b>4,356</b>	<b>4,234</b>
<b>Total equity and liabilities</b>	<b>6,400</b>	<b>6,082</b>	<b>6,108</b>

# Cash flow statement

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DKK million	31.03		31.12	DKK million	31.03		31.12
	2025	2024	2024		2025	2024	2024
<b>Net profit for the period</b>	-28	-6	148	<b>Investing activities</b>			
Depreciation, write-down, amortisation and impairment	85	78	368	Purchase of intangible assets	-26	-34	-154
Changes to provisions and other adjustments	49	0	-103	Purchase of property, plant and equipment	-126	-23	-162
Share of net profit from associates	0	0	1	Disposal of property, plant and equipment	76	0	61
Financials, net	22	16	85	Acquisition of subsidiaries and activities	-2	0	-10
Income tax	-5	0	44	<b>Cash flow from investing activities</b>	<b>-78</b>	<b>-57</b>	<b>-265</b>
Financial income, received	3	5	33				
Financial expenses, settled	-27	-20	-114	<b>Financing activities</b>			
Income tax, settled	-18	-43	-69	Repayment of non-current interest-bearing debt	-103	-2	-9
<b>Cash flow before working capital changes</b>	<b>81</b>	<b>30</b>	<b>393</b>	Raising of non-current interest-bearing liabilities	0	0	100
				Change in current interest-bearing debt	304	198	11
<b>Working capital changes</b>				Instalment on lease liabilities	-40	-34	-137
Inventory changes	45	112	113	Dividends paid to shareholders of Solar A/S	-110	-219	-219
Receivables changes	-343	-222	-64	Dividends paid to non-controlling interests	0	0	-1
Non-interest-bearing liabilities changes	129	87	96	<b>Cash flow from financing activities</b>	<b>51</b>	<b>-57</b>	<b>-255</b>
<b>Cash flow from operating activities</b>	<b>-88</b>	<b>7</b>	<b>538</b>				
				<b>Total cash flow</b>	<b>-115</b>	<b>-107</b>	<b>18</b>
				Cash at bank and in hand at the beginning of period	459	441	441
				<b>Cash at bank and in hand at the end of period</b>	<b>344</b>	<b>334</b>	<b>459</b>

# Statement of changes in equity

## Consolidated

DKK million	Share capital	Reserves for hedging transactions <sup>1</sup>	Reserves for foreign currency translation adjustments <sup>1</sup>	Retained earnings	Proposed dividends	Equity attributable to Shareholders of Solar A/S	Non-controlling interests	Total equity
<b>2025</b>								
<b>Equity as at 1 January</b>	736	-13	-221	1,216	110	1,828	46	1,874
Foreign currency translation adjustments of foreign subsidiaries			48			48		48
Fair value adjustments of hedging instruments before tax		2				2		2
Tax on fair value adjustments		0				0		0
Net income recognised in equity via other comprehensive income in the statement of comprehensive income	0	2	48	0	0	50		50
Net profit or loss for the period				-27		-27	-1	-28
<b>Comprehensive income</b>	<b>0</b>	<b>2</b>	<b>48</b>	<b>-27</b>	<b>0</b>	<b>23</b>	<b>-1</b>	<b>22</b>
Distribution of dividends (DKK 15.00 per share)					-110	-110		-110
Non-controlling interests on acquisition of subsidiary						0		0
<b>Transactions with the owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-110</b>	<b>-110</b>	<b>0</b>	<b>-110</b>
<b>Equity as at 31 March</b>	<b>736</b>	<b>-11</b>	<b>-173</b>	<b>1,189</b>	<b>0</b>	<b>1,741</b>	<b>45</b>	<b>1,786</b>

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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# Statement of changes in equity

## – Continued

DKK million	Share capital	Reserves for hedging transactions <sup>1</sup>	Reserves for foreign currency translation adjustments <sup>1</sup>	Retained earnings	Proposed dividends	Equity attributable to Shareholders of Solar A/S	Non-controlling interests	Total equity
<b>2024</b>								
<b>Equity as at 1 January</b>	736	-13	-185	1,175	219	1,932	50	1,982
Foreign currency translation adjustments of foreign subsidiaries			-33			-33		-33
Fair value adjustments of hedging instruments before tax		2				2		2
Tax on fair value adjustments		0				0		0
Net income recognised in equity via other comprehensive income in the statement of comprehensive income	0	2	-33	0	0	-31	0	-31
Net profit or loss for the period				-5		-5	-1	-6
<b>Comprehensive income</b>	<b>0</b>	<b>2</b>	<b>-33</b>	<b>-5</b>	<b>0</b>	<b>-36</b>	<b>-1</b>	<b>-37</b>
Distribution of dividends (DKK 30.00 per share)					-219	-219		-219
Non-controlling interests on acquisition of subsidiary						0		0
<b>Transactions with the owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-219</b>	<b>-219</b>	<b>0</b>	<b>-219</b>
<b>Equity as at 31 March</b>	<b>736</b>	<b>-11</b>	<b>-218</b>	<b>1,170</b>	<b>0</b>	<b>1,677</b>	<b>49</b>	<b>1,726</b>

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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### 1.1 Accounting policies

The financial report for Solar A/S has been prepared in accordance with IAS 34 “Presentation of interim reports” as approved by the EU and additional Danish disclosure requirements for quarterly reports of listed companies.

The accounting policies remain unchanged from the Annual Report 2024, which contains a full description of these on pages 104-106 as well as of relevant, supplementary notes.

In the financial report, income tax has been calculated on the basis of pre-tax profits at the expected average tax rate.

#### **New accounting standards implemented during the period**

No additional standards have become effective in the period, only amendments and improvements to existing standards. These changes have no impact on Solar’s accounting policies.

#### **New accounting standards to be implemented in coming accounting periods**

In Annual Report 2024, note 5.5, page 145, new or amended standards to be implemented in the coming accounting periods are described.



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# Income statement

## Section 2 – Income statement

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### 2.1 Revenue

DKK million	Q1 2025	Q1 2024
Sales of goods and services	3,148	3,022
Revenue from construction contracts	75	8
<b>Total</b>	<b>3,223</b>	<b>3,030</b>

### 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 and costs, which can not be reliably allocated to the individual segment. Assets and liabilities are not included in segment reporting.

Revenue and costs in the amount of DKK 75m (Q1 2024: DKK 8m) and DKK 70m (Q1 2024: DKK 6m), respectively, from construction contracts recognised over time are fully allocated to the Trade segment.

DKK million	Installation	Industry	Trade	Total
<b>Q1 2025</b>				
Revenue	1,756	1,119	348	3,223
Cost of sales	-1,421	-852	-294	-2,567
<b>Gross profit</b>	<b>335</b>	<b>267</b>	<b>54</b>	<b>656</b>
Direct costs	-73	-44	-11	-128
<b>Earnings before indirect costs</b>	<b>262</b>	<b>223</b>	<b>43</b>	<b>528</b>
Indirect costs	-118	-56	-12	-186
<b>Segment profit</b>	<b>144</b>	<b>167</b>	<b>31</b>	<b>342</b>
Non-allocated costs				-268
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>				<b>74</b>
Depreciation and amortisation				-85
<b>Earnings before interest and tax (EBIT)</b>				<b>-11</b>
Financials, net incl. share of net profit from associates and impairment on associates				-22
<b>Earnings before tax (EBT)</b>				<b>-33</b>

DKK million	Installation	Industry	Trade	Total
<b>Q1 2024</b>				
Revenue	1,679	1,086	265	3,030
Cost of sales	-1,368	-820	-216	-2,404
<b>Gross profit</b>	<b>311</b>	<b>266</b>	<b>49</b>	<b>626</b>
Direct costs	-67	-41	-8	-116
<b>Earnings before indirect costs</b>	<b>244</b>	<b>225</b>	<b>41</b>	<b>510</b>
Indirect costs	-113	-61	-12	-186
<b>Segment profit</b>	<b>131</b>	<b>164</b>	<b>29</b>	<b>324</b>
Non-allocated costs				-236
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>				<b>88</b>
Depreciation and amortisation				-78
<b>Earnings before interest and tax (EBIT)</b>				<b>10</b>
Financials, net incl. share of net profit from associates and impairment on associates				-16
<b>Earnings before tax (EBT)</b>				<b>-6</b>

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### 2.2 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 group companies overview available on page 184 of Annual Report 2024 or on [www.solar.eu](http://www.solar.eu). The below allocation has been made based on the products' place of sale.

DKK million	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets	DKK million	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
<b>2025</b>						<b>2024</b>					
Denmark	1,124	14.0	45	4.0	820	Denmark	971	-10.9	35	3.6	896
Sweden	547	2.6	2	0.4	418	Sweden	539	-20.6	17	3.2	210
Norway	479	10.0	-1	-0.2	206	Norway	437	-19.0	11	2.5	211
The Netherlands	725	1.4	18	2.5	389	The Netherlands	726	-21.6	10	1.4	417
Poland	105	5.2	0	0.0	52	Poland	98	-4.5	0	0.0	49
Other markets	243	-5.1	10	4.1	127	Other markets	259	6.8	15	5.8	94
<b>Solar Group</b>	<b>3,223</b>	<b>6.5</b>	<b>74</b>	<b>2.3</b>	<b>2,012</b>	<b>Solar Group</b>	<b>3,030</b>	<b>-15.4</b>	<b>88</b>	<b>2.9</b>	<b>1,877</b>



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# Q1 2025 Quarterly figures

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		Q1		Q2		Q3		Q4	
	2025	2024	2024	2023	2024	2023	2024	2023	
<b>Income statement (DKK million)</b>									
Revenue	3,223	3,030	3,100	3,250	2,860	2,965	3,233	3,160	
Earnings before interest, tax, depreciation and amortisation (EBITDA)	74	88	137	214	202	187	219	190	
Earnings before interest, tax and amortisation (EBITA)	10	26	77	159	143	132	154	131	
Earnings before interest and tax (EBIT)	-11	10	56	121	125	114	87	114	
Financials, net	-22	-16	-22	-20	-24	-21	-23	-29	
Earnings before tax (EBT)	-33	-6	34	101	101	93	63	85	
Net profit or loss for the quarter	-28	-6	25	77	78	71	51	55	
<b>Balance sheet (DKK million)</b>									
Non-current assets	2,015	1,877	1,880	1,761	1,879	1,809	1,900	1,893	
Current assets	4,385	4,205	4,339	4,556	4,385	4,456	4,208	4,219	
Balance sheet total	6,400	6,082	6,219	6,317	6,264	6,265	6,108	6,112	
Total equity	1,786	1,726	1,770	1,810	1,831	1,910	1,874	1,982	
Non-current liabilities	863	891	881	894	871	877	878	908	
Current liabilities	3,751	3,465	3,568	3,613	3,562	3,478	3,356	3,222	
Interest-bearing liabilities, net	1,519	1,450	1,334	1,558	1,646	1,480	1,232	1,157	
Invested capital	3,289	3,157	3,085	3,342	3,460	3,366	3,089	3,120	
Net working capital, end of period	1,867	1,876	1,720	2,265	2,036	2,253	1,693	1,907	
Net working capital, average	1,829	2,075	1,939	2,251	1,885	2,268	1,831	2,193	

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Cash flows (DKK million)	Q1		Q2		Q3		Q4	
	2025	2024	2024	2023	2024	2023	2024	2023
Cash flow from operating activities	-88	7	202	78	-196	190	525	486
Cash flow from investing activities	-78	-57	-70	-54	-82	-102	-56	-87
Cash flow from financing activities	51	-57	-85	-38	165	-109	-278	-199
Net investments in intangible assets	-26	-34	-41	-25	-38	-26	-41	-31
Net investments in property, plant and equipment	-50	-23	-19	-29	-44	-76	-15	-34
Acquisition and divestment of subsidiaries and operations, net	-2	0	-10	0	0	0	0	-22

### Financial ratios (% unless otherwise stated)

Revenue growth	6.4	-17.1	-4.6	-5.8	-3.5	-9.2	2.3	-14.2
Organic growth	6.5	-17.1	-5.0	-2.2	-3.8	-6.2	2.3	-12.5
Organic growth adjusted for number of working days	6.5	-15.4	-7.8	-1.0	-5.3	-4.7	3.0	-11.1
Gross profit margin	20.4	20.7	20.4	22.7	20.7	21.5	20.8	22.4
EBITDA margin	2.3	2.9	4.4	6.6	7.1	6.3	6.8	6.0
EBITA margin	0.3	0.9	2.5	4.9	5.0	4.5	4.8	4.1
EBIT margin	-0.3	0.3	1.8	3.7	4.4	3.8	2.7	3.6
Net working capital (end of period NWC)/revenue (LTM)	15.0	15.1	14.0	16.3	16.8	16.6	13.9	14.6
Net working capital (average NWC )/revenue (LTM)	14.7	16.7	15.8	16.2	15.5	16.7	15.0	16.8
Gearing (net interest-bearing liabilities/EBITDA), no. of times	2.4	2.1	2.2	1.4	2.7	1.5	1.9	1.3
Return on equity (ROE)	7.2	10.9	8.6	32.7	8.8	25.5	8.4	18.3
Return on invested capital (ROIC)	7.7	8.5	6.6	20.5	6.8	16.9	8.3	13.2
Enterprise value/earnings before interest, tax and amortisation (EV/EBITA)	8.4	8.6	10.0	5.7	11.1	6.2	8.4	7.0
Equity ratio	27.2	27.6	27.7	27.9	28.5	29.7	29.9	31.6

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		Q1		Q2		Q3		Q4	
	2025	2024	2024	2023	2024	2023	2024	2023	
<b>Share ratios (DKK unless otherwise stated)</b>									
Earnings per share outstanding (EPS)	-3.70	-0.68	3.70	10.54	10.68	9.72	6.98	7.39	
Intrinsic value per share outstanding	238.39	229.63	235.92	241.13	244.28	254.82	250.30	264.54	
Share price	241.44	331.37	325.27	506.42	354.55	476.27	299.27	465.71	
Share price/intrinsic value	1.01	1.44	1.38	2.10	1.45	1.87	1.20	1.76	

### Employees

Number of employees (FTE's), end of period	2,919	2,932	2,889	3,063	2,880	3,005	2,895	2,990
Average number of employees (FTE's)	2,896	2,997	2,954	3,058	2,923	3,049	2,899	3,036

### Definitions

Organic growth	Revenue growth adjusted for enterprises 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 enterprises acquired and sold off and any exchange rate changes and number of working days.
Net working capital	Inventories and trade receivables less trade payables.
Return on invested capital (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".

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# Statement by the Executive Board and the Board of Directors

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Today, the group's Board of Directors and Executive Board have discussed and approved the financial report of Solar A/S for the first three months of 2025.

Vejen, 9 May 2025

The financial report for the first three months of 2025, which has not been audited or reviewed by the company's auditor, is presented in accordance with IAS 34 "Interim Financial Reporting" as approved by the EU and additional Danish disclosure requirements for quarterly reports of listed companies.

### Executive Board

**Jens E. Andersen**  
CEO

**Michael H. Jeppesen**  
CFO

In our opinion, the financial report gives a fair presentation of the group's assets, equity and liabilities and financial position as at 31 March 2025 as well as of the results of the group's activities and cash flow for the first three months of 2025.

### Board of Directors

**Michael Troensegaard Andersen**  
Chair

**Jesper Dalsgaard**  
Vice chair

**Peter Bang**

Further, in our opinion, the management's review gives a true and fair statement of the development of the group's activities and financial situation, net profit for the period and of the group's overall financial position and describes the most significant risks and uncertainties that the group faces.

**Katrine Borum**

**Morten Chronne**

**Denise Goldby**

In our opinion, the financial report of Solar A/S for the first three months of 2025 with the file name SOLA-2025-03-31-0-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

**Louise Knauer**

**Rune Jesper Nielsen**

**Michael Kærgaard Ravn**

# solar

Solar A/S  
Industrivej Vest 43  
DK 6600 Vejen  
Denmark  
Tel. +45 79 30 00 00  
CVR no. 15908416  
LEI 21380031XTLI9X5MTY92

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