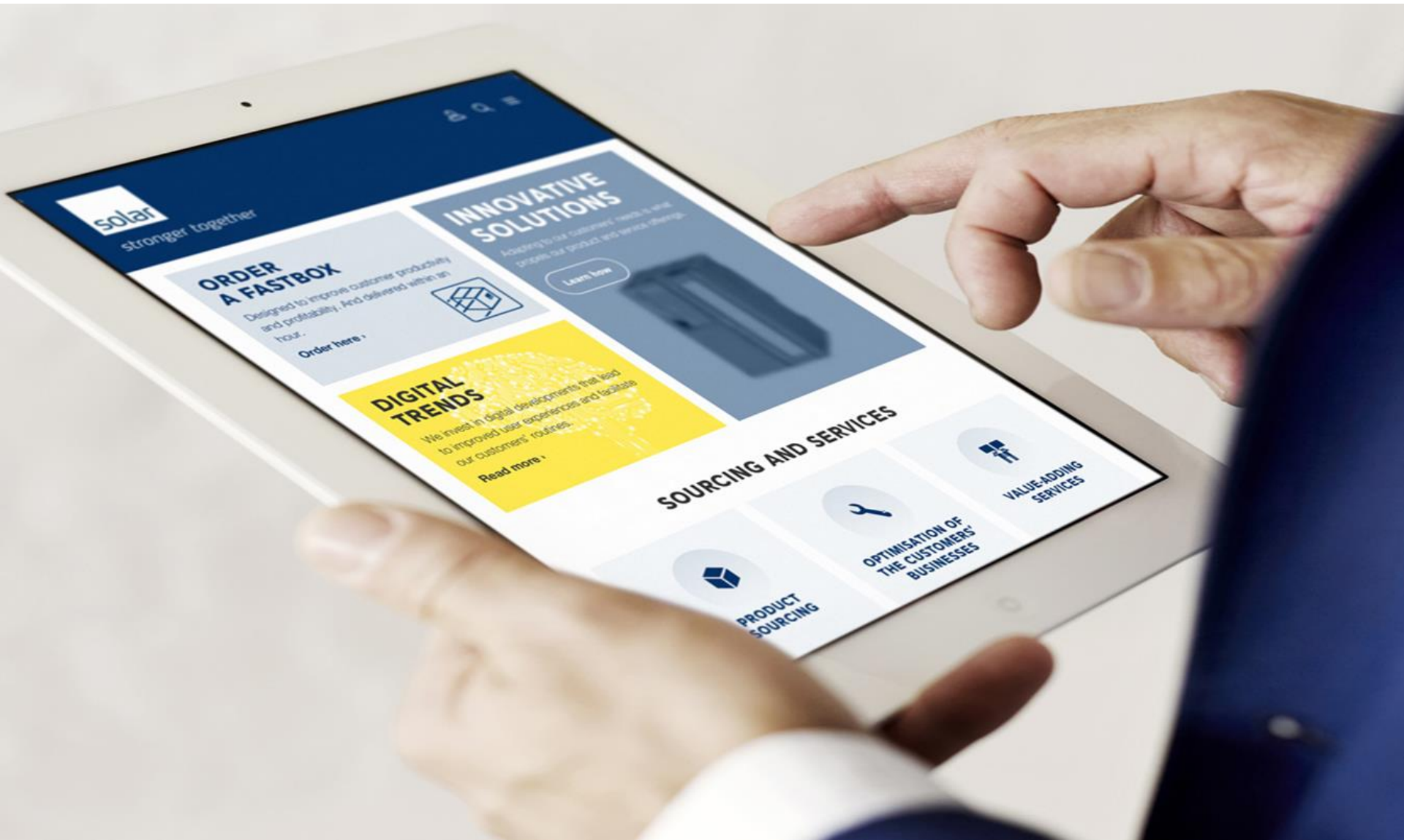


Solar Equity Story

We believe in productivity improvement, digitalisation and networked development





- 1. Future perspectives and megatrends**
- 2. Our strategic sourcing and services approach**
- 3. Investment proposition**
- 4. Financial targets and strategic focus areas**
- 5. Business update**
- 6. The results we achieved in Q1 2019**
- 7. Outlook 2019**
- 8. Appendix – facts about Solar**

A digital and green sourcing and services company

- Solar believes in productivity improvement, digitalisation and networked development.
- We support our customers in developing energy-efficient solutions, reducing waste and optimising logistics based on strong digital platforms.
- More than DKK 6bn of our approx. DKK 11bn revenue come from digital sales. Consequently, e-business and digitalisation are central elements in our business.
- Our energy-efficient solutions match the green transition. Especially the process of electrification will play an important role in the future.
- Our productivity agenda and our well-established Fastbox concept match the ongoing urbanisation.

A true digital company

Solar is well-positioned for the digital transformation of our industry

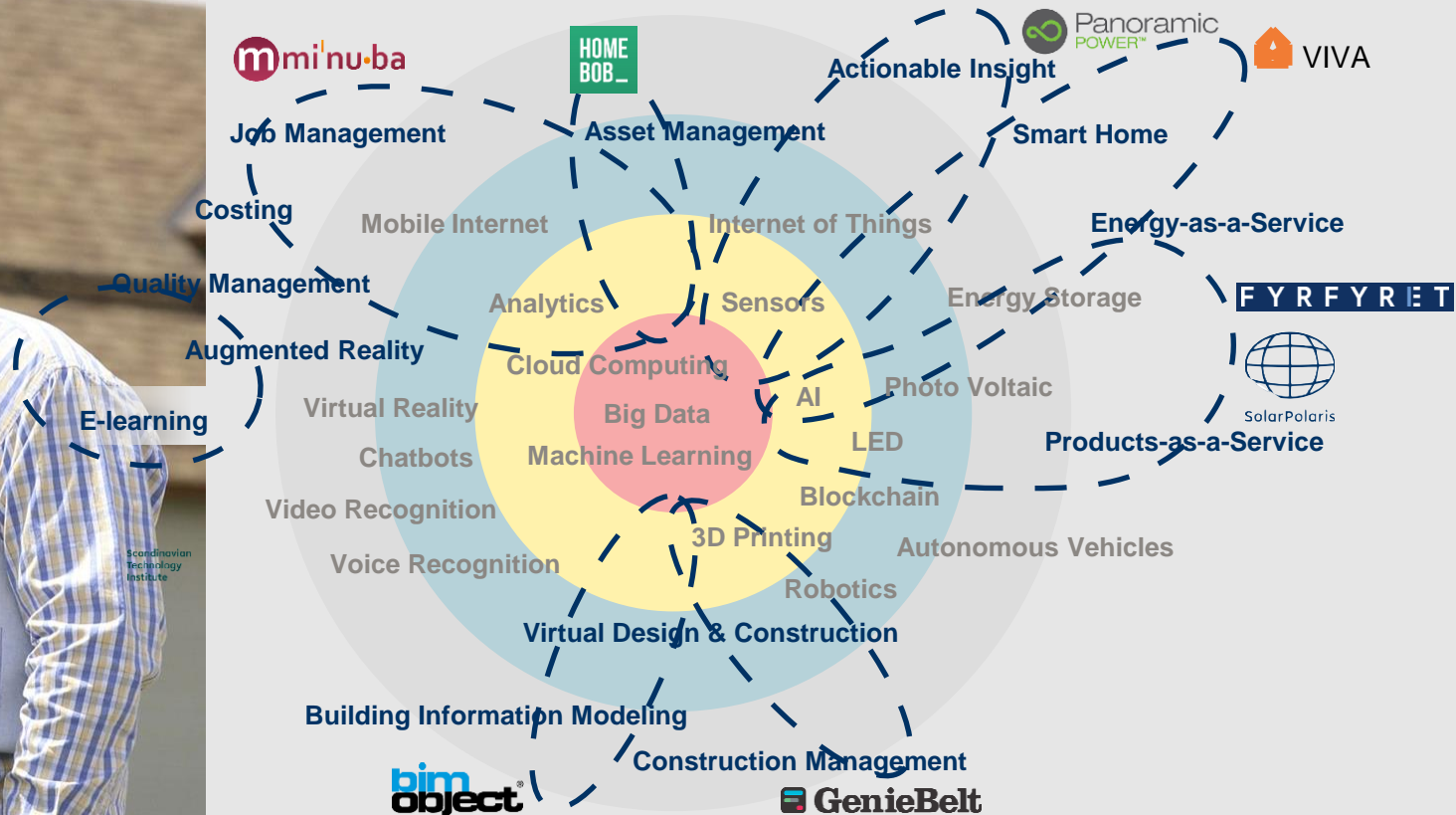


Digital leadership

- More than DKK 6bn in annual digital revenue
- Up to 80% of business through webshop, mobile and EDI in Denmark
- Continued growth across the group, especially on mobile
- Upgrading and integrating our entire customer platform
- More cost-effective sales and marketing
- Big Data and the Customer Experience
- Supported by our investments in digital start-ups



Software is the key to productivity in the construction value chain
and opens new opportunities to create customer value

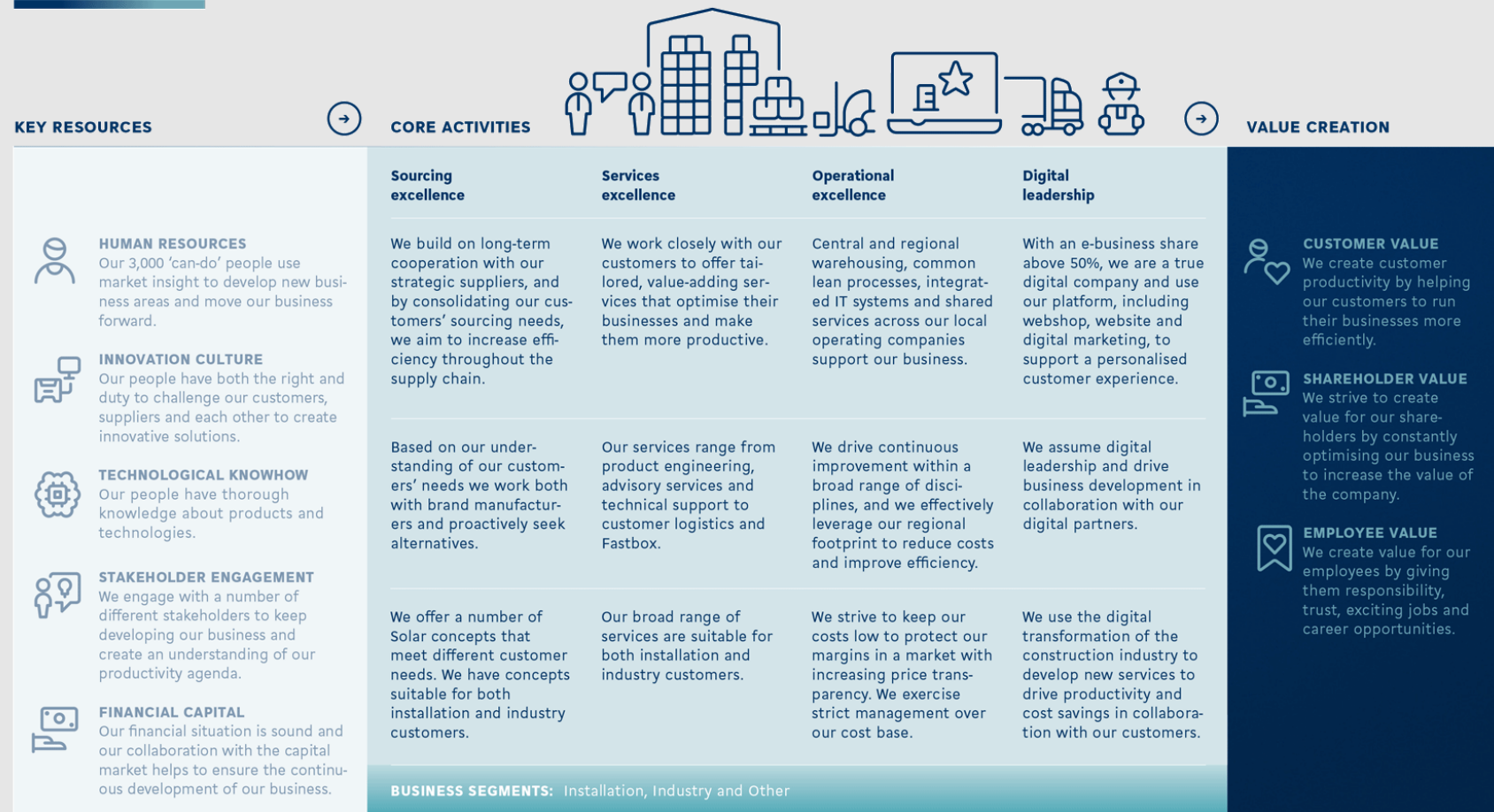


How we create value

Our strategic sourcing and services approach



Our business model



Reasons for investing in Solar:

A TRUE DIGITAL COMPANY

Our Installation and Industry customers are making increasing use of mobile apps and digital tools in their work. Together with the digital transformation of the construction industry, this provides us with opportunities for new services to drive productivity and cost savings in collaboration with our customers. With an e-business share above 50% - in Denmark up to 80% - we use our platform, including our webshop, website and digital marketing, to support a personalised customer experience.



>50%

DIGITAL BUSINESS DEVELOPMENT

We hold a dual track investment in four digital startups. This is partly a financial investment and partly a way to strengthen our core business via these collaborations where we gain further insight into the rapid digital transformation of the construction value chain. Since we invested in the four digital startups, the value creation has been approx. DKK 100m. Solar, however, is not necessarily a long-term owner of the four digital startups.



100
DKK million

DIVIDENDS AND SHARE BUY-BACK

The Board of Directors regularly assesses the company's capital and share structure to ensure that these are appropriate for both our shareholders and the company. We use dividends and share buy-back programmes as instruments to adjust our financial capital. Between 2014-2018, we paid out DKK 387m in dividends and spent DKK 216m on share buy-back, meaning DKK 603m in total was paid back to our shareholders.



>600
DKK million

STRONG CASH FLOW GENERATION

Historically, Solar has succeeded in generating a strong and stable cash flow. We aim to increase our profitability and thereby strengthen our margin. At the same time, we do not foresee the same need for investments as was the case in 2017-18. All things being equal, this will generate capital, which is in line with our previously stated aim of avoiding cash hoarding. On average for 2014-2018, our cash conversion rate was approx. 70% and we expect increasing cash flow generation over the years ahead.



70%

We work dedicatedly on our three strategic focus areas in order to achieve our 2020 financial targets

Financial ratios	2020 financial targets*
Growth, core business	Profitable growth above market level
Growth, related business	Organic growth of at least 15% per year
EBITA margin, core business	At least 4% in 2020 at the latest, corresponding to ROIC of at least 12% after tax
Equity interest	35-40%
Gearing (NIBD/EBITDA)	1.5**-3.0
Pay-out ratio	At least 35%***

Our three strategic focus areas

Strategic suppliers:

We pursue opportunities for growth within concept sales.

Industry focus:

As industry sales is the most profitable of our key segments we will continue to focus on this business area.

Operational excellence:

We will continue to invest in improved productivity in order to continuously grow the company and expand the services we offer to our customers.

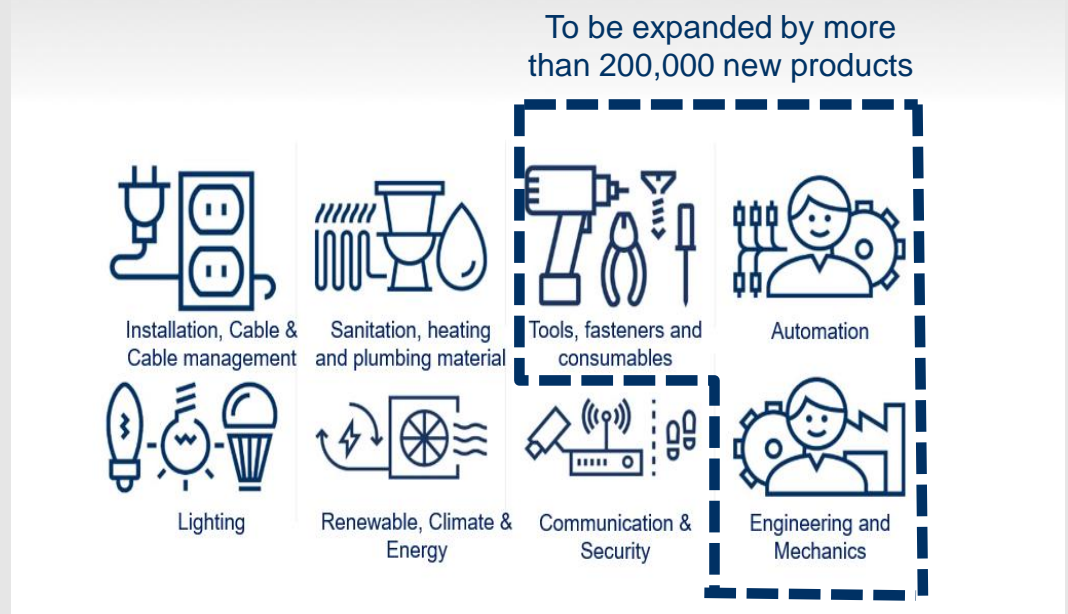
* Technical recalculation due to implementation of IFRS 16, Leases.

** We maintain the lower part of the range as we want a higher degree of freedom in order to have sufficient capital in the company for continued development of the business.

*** Changed due to our historical pay-out ratios.

Industry: We expand by more than 200,000 new products

- Through our Total Cost of Ownership (TCO) approach, we provide industry customers with a full and documented overview of total costs, allowing them to focus on their core business.
- To match our industry customers' purchasing patterns, we are expanding our product assortment through the addition of new product categories and more than 200,000 new products.



AutoStore: An automated storage and retrieval system

- We have implemented AutoStore, an automated storage and retrieval system, at our central warehouse in Norway.
- We expand our inventory capacity without adding more warehouse space.
- We increase our capacity without hiring more employees.
- The system is energy-efficient and will improve both warehouse efficiency and working environment.



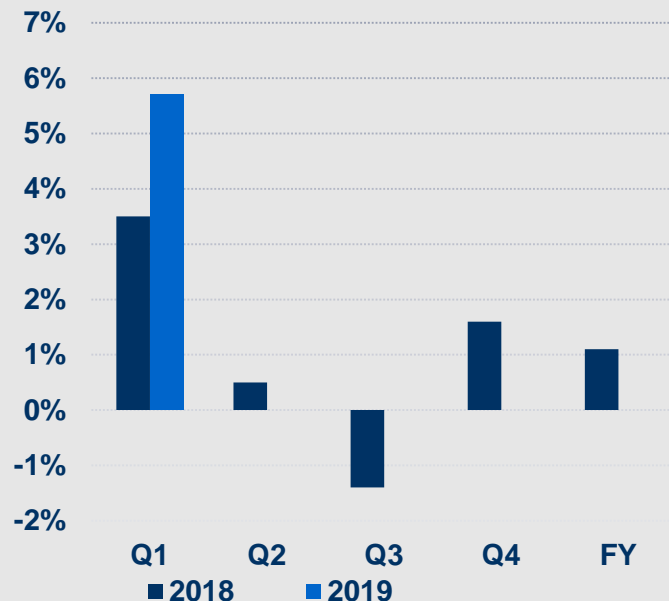
The SunDryve concept: Unique solar panel parking spaces

- Sustainability, sound operational economy and comfort.
- The system consists of 510 solar panels, produces 150,000 kWh per year, and supplies our data centre with power.
- It includes chargers for electric cars, making the concept consistent with the increasing electrification and driving of electric cars.
- The complete construction was delivered by our subsidiary Solar Polaris.
- We are promoting the concept under the name SunDryve.



In Q1, core business had **solid organic growth of 5.7%**

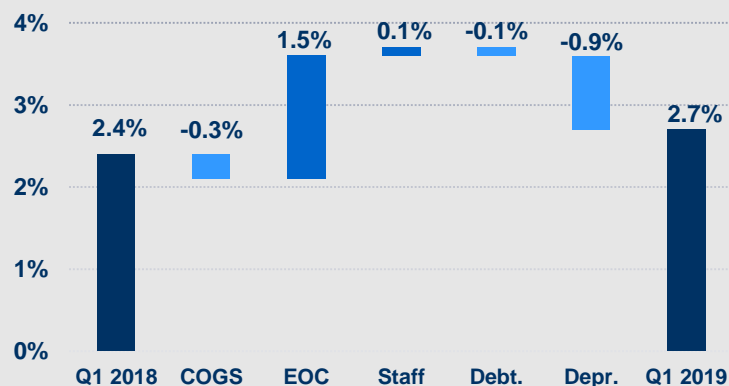
Core business, organic growth,
adjusted for number of working days



Solar Group	Q1 2019	Q1 2018
Revenue, DKK million	2,957	2,817
Revenue growth, %	5.0	-0.3
Adj. organic growth, %	5.8	4.5

EBITA margin increased despite headwind from freight costs and growth related to low margin areas

EBITA margin



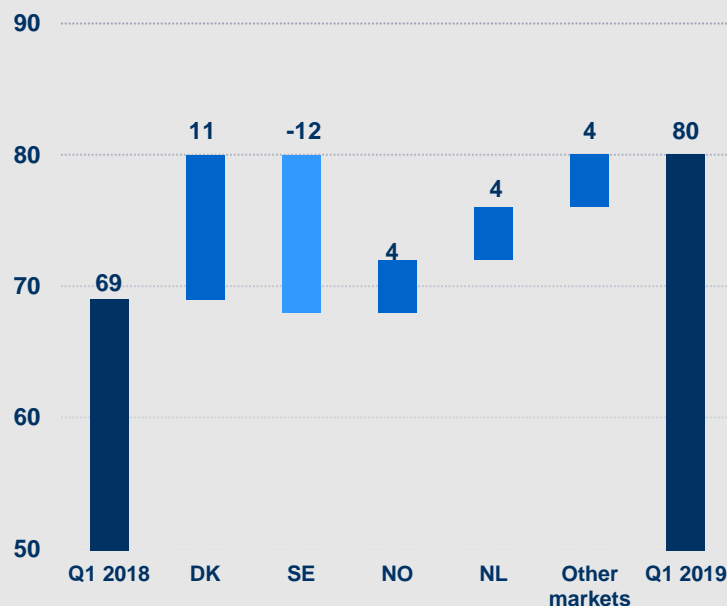
- Increased freight costs and growth related to low margin customers and/or low margin products impacted the gross profit margin.
- Implementation of IFRS 16, Leases had insignificant impact on EBITA level but impacted development in EOC and depreciation compared to Q1 2018.

Solar Group	Q1 2019	Q1 2018
Revenue, DKK million	2,957	2,817
Revenue growth, %	5.0	-0.3
Adj. organic growth, %	5.8	4.5
Gross profit, DKK million	593	575
Gross profit margin	20.1	20.4
EBITA, DKK million	80	69
EBITA margin	2.7	2.4

EBITA, core business increased to DKK 81m despite disappointing development in Solar Sverige

EBITA

DKK million

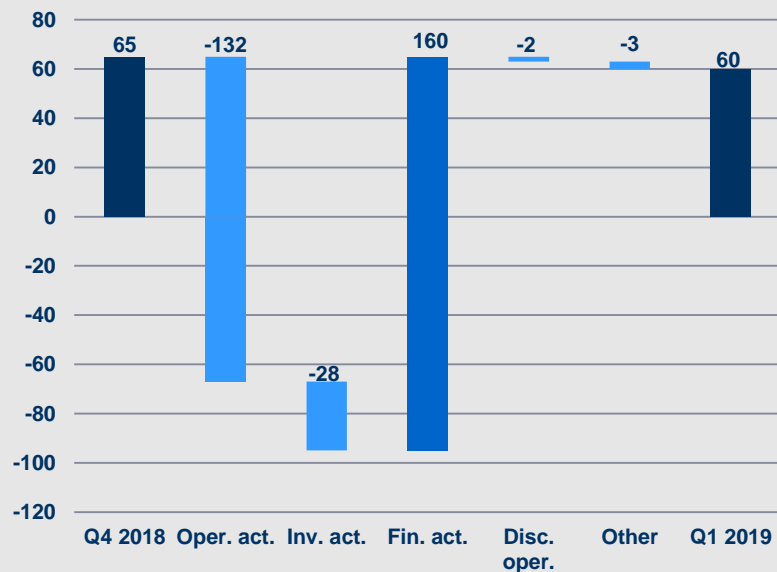


DKK million	Core business		Related business	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018
Revenue	2,808	2,677	149	140
EBITA	81	74	-1	-5
Adj. org. growth	5.7%	3.5%	6.7%	34.7%
EBITA margin	2.9%	2.8%	-0.7%	-3.6%

Total cash flow at DKK -2m in Q1 2019 impacted by dividend distribution of DKK 102m. Change in receivables impacted by growth and normal seasonal fluctuations.

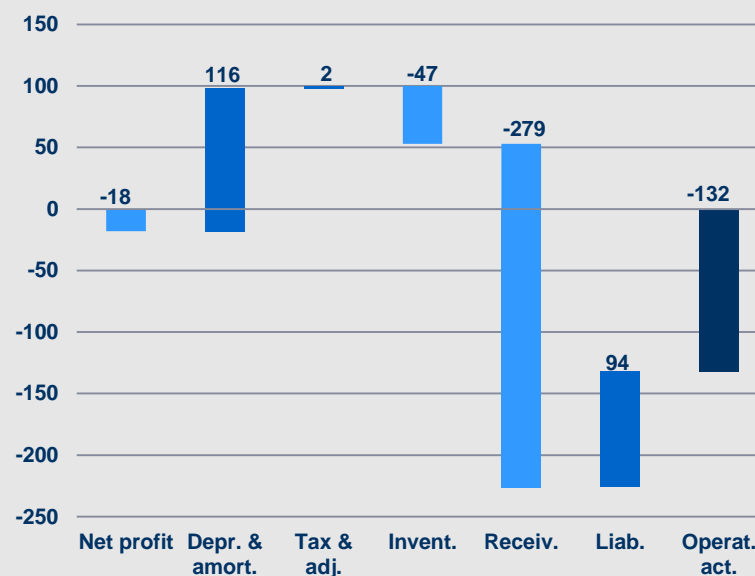
Cash flow

DKK million



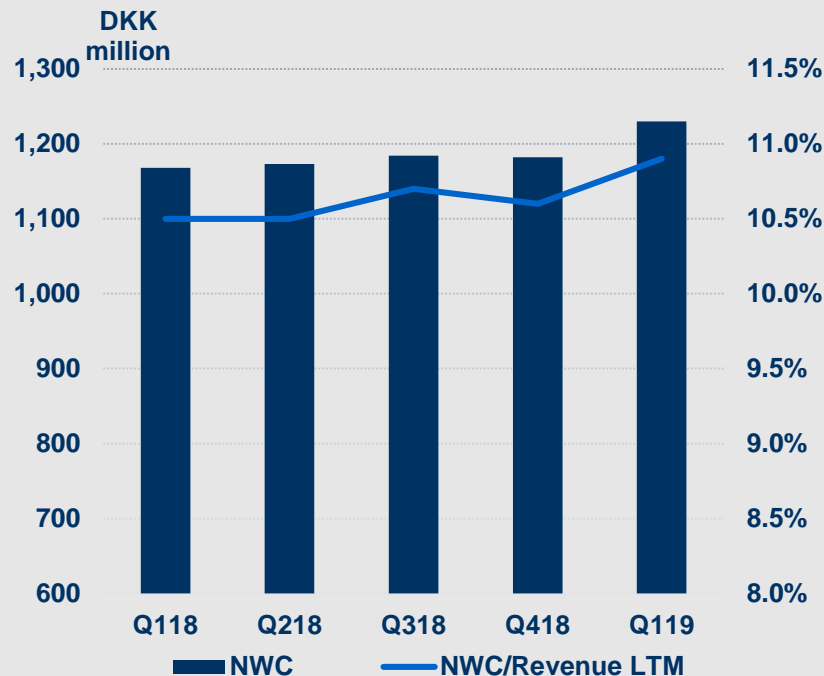
Cash flow, operating activities

DKK million

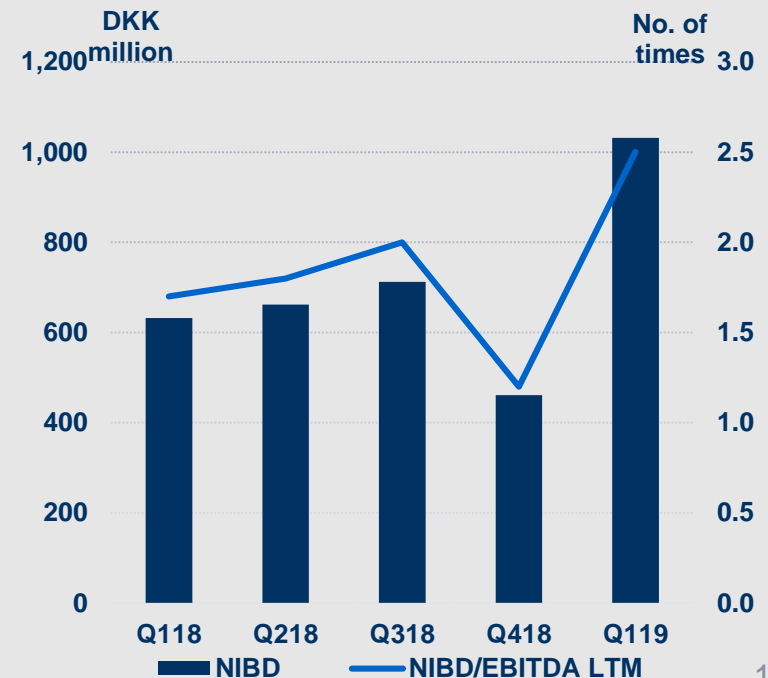


Year-end gearing at 2.5x EBITDA – among other things, NIBD impacted by DKK 278m from implementation of IFRS 16, Leases and by DKK 102m in dividend distribution

Net working capital average (NWC)





Net interest-bearing debt (NIBD)



We confirm our market outlook for 2019

Installation - Overall, we expect the installation market to grow in 2019 albeit at a slower pace than in 2018. In general, our outlook for 2019 is for moderate, positive market growth.

-  Compared to 2018, we expect new construction and renovation activities in the Danish market to grow, mainly in H1, whereas we are more uncertain about the development in H2.
-  We have seen a decline in the number of building permits in several quarters. However, this trend seems to have stabilised at the 2016 level. We do not expect to see growth rates at the same level as in 2018. There is a risk of a slowdown in the Swedish market, but should this happen, we expect a soft landing.
-  We continue to expect the installation segment to generate modest growth, partly driven by ongoing electrification.
-  We expect the positive trends to continue. Consequently, we expect stable growth in 2019.

Industry - We maintain our outlook for a slightly positive trend in all major markets, including MAG45's global market niche.

Other - We expect growth within the Other segment.

We confirm our expectations for EBITA of DKK 365m

- For core business, we expect revenue of at least DKK 10.7bn corresponding to organic growth of at least 1.5%.
- During 2019, we will continue the roll out of our eWM solution in Sweden and subsequently in Norway. In addition, we have invested in optimising the central warehouse in Norway by implementing AutoStore, an automated storage and retrieval system. We expect the roll out costs and temporary loss of efficiency to have a negative impact of approx. 0.1% on EBITA in 2019.
- We expect both Solar Sverige and Solar Norge to improve gradually compared to the performance in H2 2018, but to remain below the level of 2017.
- For the related business, we expect revenue of approx. DKK 650m corresponding to organic growth of approx. 15%.

DKK million	Core	Related	Group
2017 publ. 12.01.2018	309	-45	264
Divestments AT & BE	31	-	31
2017, continuing op.	340	-45	295
Overhead costs	-10	-	-10
EBITA loss SE & NO	-50	-	-50
Improvements	68	12	80
Divestment STI	-	12	12
2018, continuing op.	348	-21	327
eWM roll-out costs	-10	-	-10
Expect. improvements	32	16	48
2019, guidance	370	-5	365

Appendix

Facts about Solar



Solar Group at a glance

We draw on 100 years of experience and knowhow



1919

Founded in 1919

1953

Listed on the stock exchange since 1953

>DKK 11bn

>DKK 11bn in revenue and EBITA of DKK 327m in 2018

Customers

A lot of close customer relationships in our markets



>50%

E-business share

Warehouses

Strategically placed central warehouses

215,000

Approximately 215,000 articles in stock

3,000

Approx. 3,000 people

Solar's core business areas:

Electrical, heating and plumbing, and ventilation technologies



Installation



Cables



**Marine &
Offshore**



Lighting



Industry



Communication



Security



Ventilation



**Heating, Water
& Sanitation**



**Renewable
energy**

Solar's core business

Optimal supply to our customers



We offer a flexible distribution setup

- Day delivery
- Night delivery
- Delivery on worksite
- Delivery at company address
- Pick-up
- Fastbox*

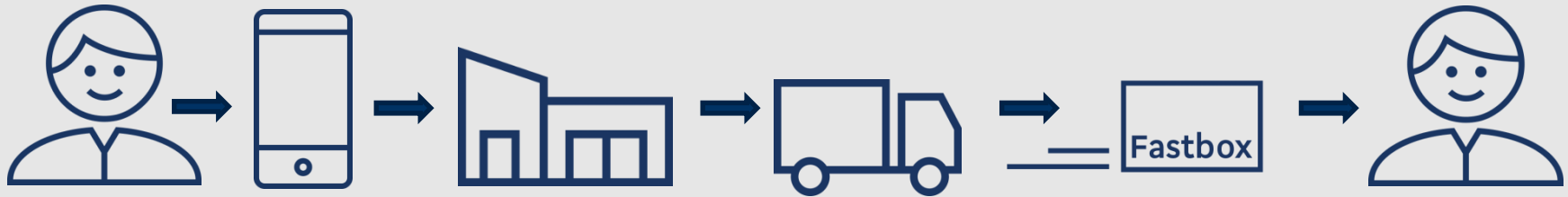
We work while you sleep

- Order via e-business before 6 PM and receive before 7 AM*
- We have a 97% delivery success rate
- We perform extensive quality control in our operation



* Electrical, heating and plumbing components

Solar Fastbox concept
At work site within an hour



- With Solar Fastbox
 - We make life easier for our customers
 - Increase productivity
 - Save time and transportation costs
 - Make materials available at customer work site within an hour

How we serve our customers

Everything starts with the customer



Customer channels

- Webshop
- Mobile
- Direct online connection (EDI)
- Direct sales
- Drive-ins
- Competence centres

Sales concepts

- Solar Plus
- Solar Netto
- Solar Light
- Solar Cable
- Solar Project
- Solar Tools
- Solar Heat

Solar services

- Inventory management
- Logistics solutions
- Delivery services
- Equipment rental
- Special handling
- Technical support
- Education and competence training
- Financing services

Distribution of share capital and votes based on the latest public information

Holdings of 5% or more of share capital	Share capital	Votes
The Fund of 20 December, Vejen, Denmark	16.9%	60.0%
RWC Asset Management LLP, London, England	15.8%	7.5%
Chr. Augustinus Fabrikker A/S, Copenhagen, Denmark	10.8%	5.1%
Nordea Funds Oy, Danish Branch, Copenhagen, Denmark	10.7%	5.1%
FIL Limited, Pembroke, Bermuda	5.3%	2.5%