

The VKR Group improved results amid a challenging year for the construction industry

At VKR Holding's Annual General Meeting yesterday, 20 March 2025, Mads Kann-Rasmussen was elected new Chair of the Board. The Group also released financial results for 2024, demonstrating a slight improvement compared to the year before, despite another challenging year in the European construction industry. Under the circumstances, the business areas, VELUX and DOVISTA, generated satisfactory operating profits, while continuing to invest in strategic initiatives. However, it was the return on the financial portfolio in particular, that positively impacted the Group's annual results for 2024. Overall, this is considered satisfactory.

- In 2024, the VKR Group achieved an annual profit of DKK 4.3 billion, an increase of DKK 0.2 billion compared to 2023.
- Revenue for 2024 amounted to DKK 28.8 billion, compared to DKK 29.5 billion in 2023, which is a decrease of 2.4%.
- EBITDA for the year ended at DKK 4.9 billion, down from DKK 5.1 billion in 2023, with the EBITDA margin falling to 16.9% from 17.1%.
- EBITA amounted to DKK 4.0 billion compared to DKK 4.2 billion in 2023, with the EBITA margin ending at 13.8% compared to 14.3% the previous year.
- Return on the financial portfolio was DKK 1.9 billion, an improvement compared to DKK 1.4 billion in 2023.
- Revenue at VELUX increased by 1.8%, while DOVISTA experienced a revenue decline of 14.1% due to greater exposure to new build construction and the divestments.
- In 2024, DOVISTA signed an acquisition agreement for 4B, a Swiss producer of quality windows and doors. The acquisition was approved by the authorities in February 2025.

2024 marked yet another year where instability in the world and in the macroeconomy challenged the VKR Group's top line. High interest rates put pressure on the European construction sector, and in several key markets, sales fell short of expectations or last year's levels. Despite difficult market conditions, the business areas, VELUX and DOVISTA, successfully managed markets and costs to avoid a significant decline in operating profit, while continuing to invest in long-term strategic initiatives. The financial markets developed positively throughout the year, and the return on the financial portfolio constituted a large part of the Group's solid results in 2024.

"Despite tough times within the industry, I am satisfied with the annual results that we are presenting today. Through careful management and focus on the changing environment and on cost control, both business areas achieved satisfactory operating results given the circumstances. With DOVISTA's acquisition of 4B, the company is continuing the European growth journey, and we have high expectations for how it will strengthen DOVISTA's market position in central Europe. This year's solid results are achieved thanks to the competent and talented employees

throughout the Group, who made a tremendous effort in driving sales and controlling costs. Therefore, it is with special gratitude to the employees that I present the VKR Group's annual report today for the last time as CEO," said Mads Kann-Rasmussen, Chair of the Board and outgoing CEO of VKR Holding.

Key figures (DKKm)

Year	2024	2023	2022	2021	2020
Revenue	28,835	29,543	31,889	26,093	22,610
Profit before depreciation (EBITDA)	4,875	5,064	5,251	4,844	4,837
Profit before goodwill amortisation (EBITA)	3,980	4,212	4,341	4,074	4,199
Profit before financial items and tax (EBIT)	3,777	4,002	4,130	3,907	4,049
Net financials	1,852	1,410	-2,151	2,410	734
Profit for the year (EAT)	4,347	4,175	1,573	4,997	3,703
Investments in tangible fixed assets (net)	1,640	1,404	354	627	604
Free cash flow before tax	2,987	4,594	2,956	198	5,221
Total assets	39,552	36,568	34,227	35,036	27,334
Total equity	33,157	29,780	26,022	25,320	22,009

Financial ratios

EBITDA margin	16.9%	17.1%	16.5%	18.6%	21.4%
EBITA margin	13.8%	14.3%	13.6%	15.6%	18.6%
Return on invested capital	27.2%	29.8%	32.2%	38.8%	48.1%
Equity ratio	83.8%	81.4%	76.0%	72.3%	80.5%
Average number of employees	17,113	18,181	20,007	17,104	15,267

KOMPAS, an independent venture capital fund established by VKR Holding in 2021, had a very satisfactory year in 2024, making five new direct investments and achieving the first exit.

Generational Change

As the final step in a long-planned generational change at VKR Holding, Mads Kann-Rasmussen was elected Chair of the Board at the Annual General Meeting yesterday, 20 March 2025, and simultaneously stepped down as CEO. He succeeds Thomas Thune Andersen, who has been a valuable member of VKR Holding's Board for 15 years – and as Chair since 2020.

"I am very much looking forward to assuming the position of Chair of the Board of VKR Holding – a role that is a natural next step after ownership of the Class A shares of VKR Holding was transferred to my brother, Jens Kann-Rasmussen and me in September 2024. At the same time, I would like to thank Thomas Thune Andersen for his invaluable contribution to the Board over the past 15 years. I have learned an immense amount from Thomas, especially in the past five years when he served

as Chair. At the same time, this is the right time for me to hand over the reins to a new CEO, who will take over a healthy and robust business with considerable future potential," said Mads Kann-Rasmussen.

The process of finding a new CEO is in progress. Until a new CEO is in place, Torben Sørensen, currently VKR Holding's Vice President of Business Development & Group M&A, will serve as interim CEO.

Focus on Sustainability

The annual report details the Group's and business areas' ongoing focus and significant efforts within sustainability and lays out the goals set to reduce CO₂ emissions in accordance with the Science Based Target initiative, to which both business areas have committed. In 2024, the VKR Group reduced its own CO₂ emissions (Scope 1 and 2) by 12% compared to 2023 – a reduction of 64% since 2021. The business areas also managed to reduce CO₂ emissions in the value chain (Scope 3) by 6%.

Both business areas will continue their investments in reducing future emissions.

Despite continued global instability and economic uncertainty, the Group remains optimistic about returning to growth in 2025. This is due to both an expected improvement in several markets as interest rates stabilize and to the effect of the 4B acquisition. With this acquisition, the VKR Group has continued its strategy of supplementing and complementing the business through acquisitions. Despite continued uncertainty in some regions, the Group is well-positioned to take advantage of the opportunities that arise.

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