



HusCompagniet 17 March 2021

# **Annual Report 2020**

## **Conference call**





## Agenda

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Highlights

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Strategy

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Sustainability

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Financial performance and outlook

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Q&A

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### Forward-looking statements

This presentation includes forward-looking statements on various matters, such as expected earnings and future strategies and expansion plans. Such statements are uncertain and involve various risks, as many factors, some of which are beyond our control, may result in actual developments differing considerably from the expectations set out in the 2020 Annual Report. Such factors include, but are not limited to, general economic and business conditions, exchange rate and interest rate fluctuations, the demand for our services and competition in the market.





# Highlights 2020 - record sales and deliveries

Revenue

**DKK 3,598 million** ↑

Up 3% from 2019

EBITA bsi

**DKK 317 million** ↑

Up 7% from 2019

Free cash flow

**DKK 110 million** ↑

DKK 91 million in 2019

Deliveries

**1,638 houses** ↑

Up 5% since 2019

EBITA bsi margin

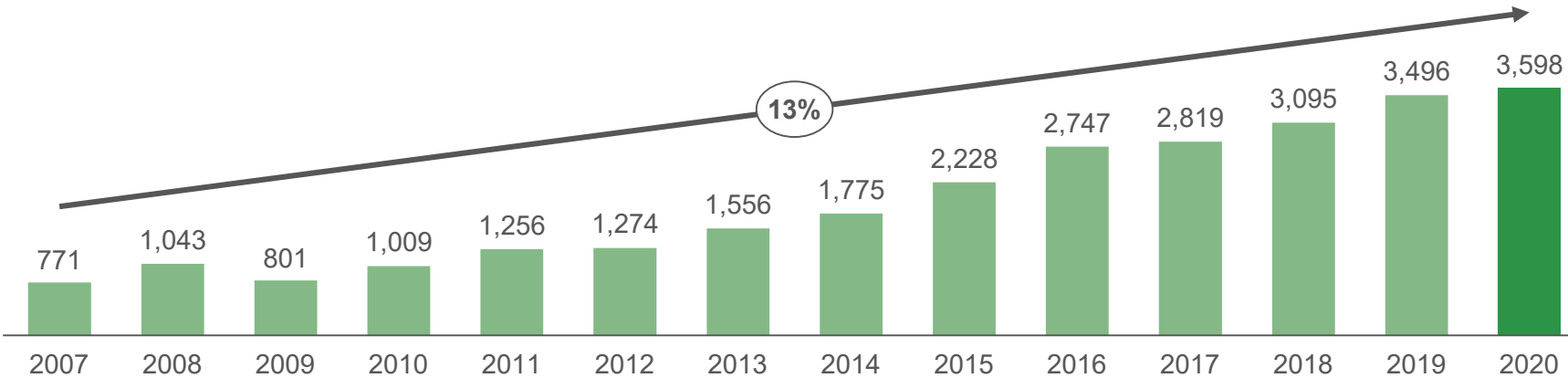
**8.8%** ↑

8.5% in 2019

Financial gearing (NIBD/EBITDA bsi)

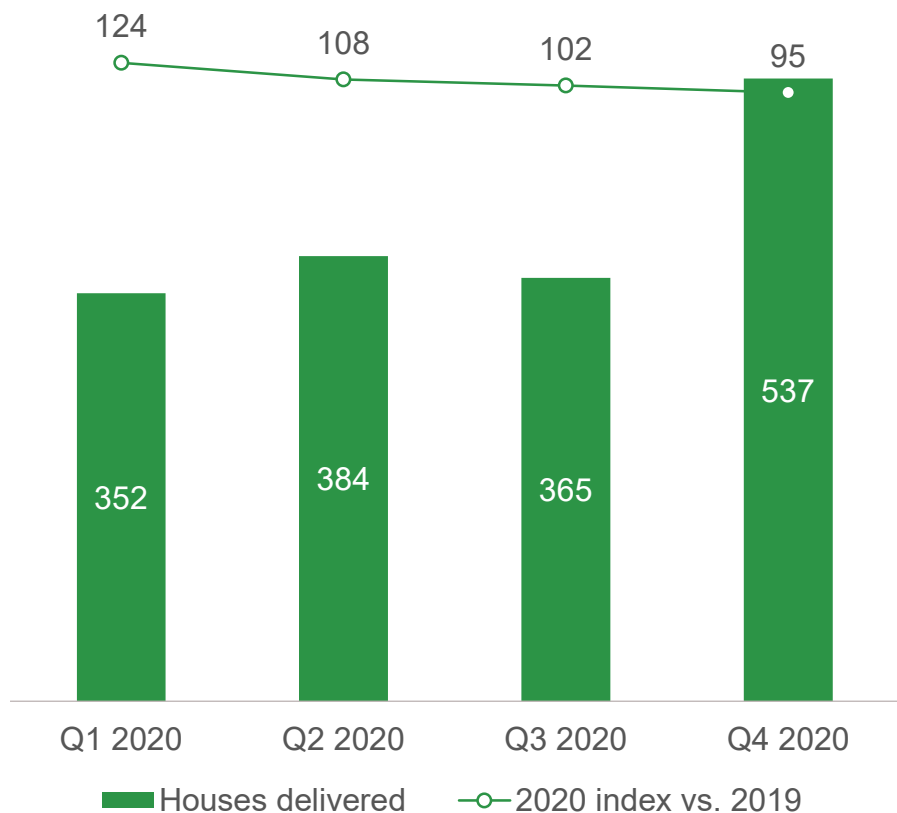
**2.0x** ↓

2.5x in 2019



# Resilience demonstrated during the COVID-19 outbreak

1,638 houses delivered



Covid-19 measures taken

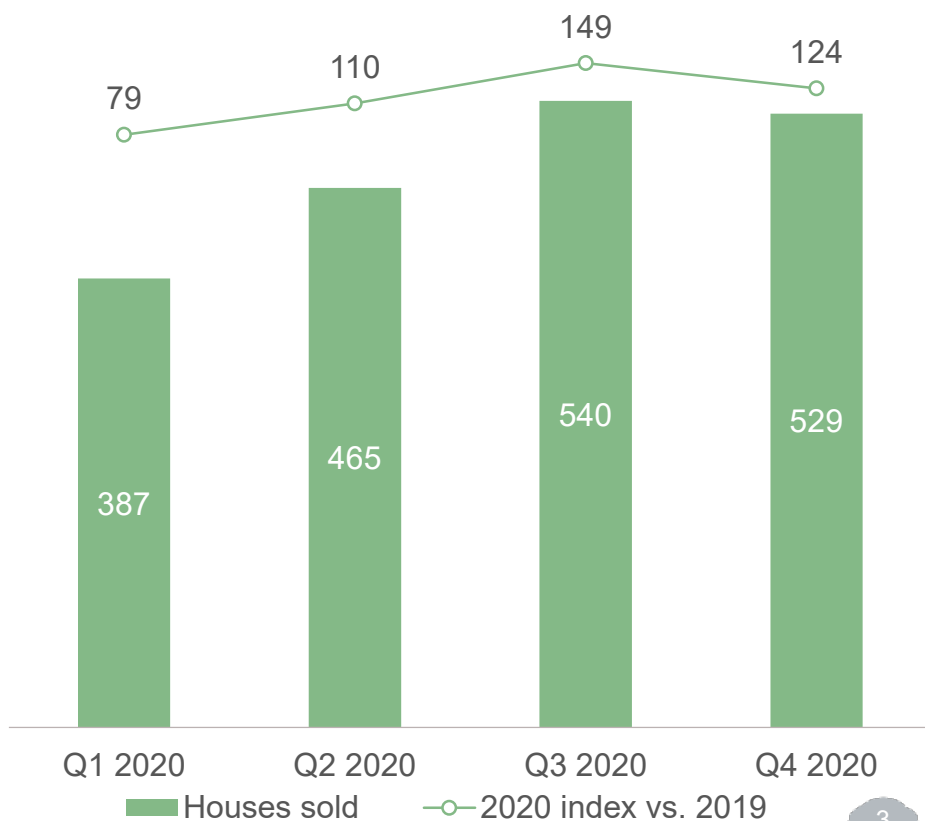
98%  
delivered on-time



4.7/5.0

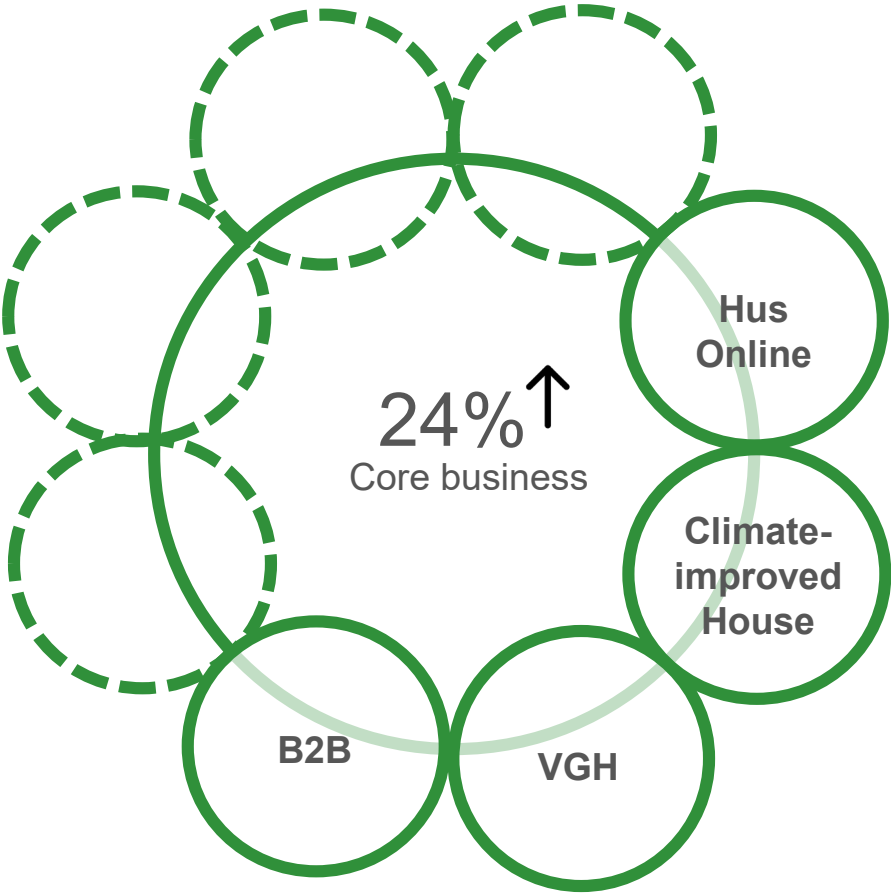
Based on more than 2,900  
reviews on Trustpilot

1,921 houses sold



# Strategy – growing from the core

Strategy  
overview



Embedded strategic  
initiatives



# Strategy underpinned by sustainability focus

HusCompagniet formalised and launched strategy in 2019



**50%**

houses sold with renewable energy sources in 2020



Introducing a CO<sub>2</sub>-reduced house offering in April 2021

2025 Targets



**60%** of houses sold to have renewable energy sources



**Zero emissions from vehicle fleet** – Commitment to the EV100 initiative, 100% electric

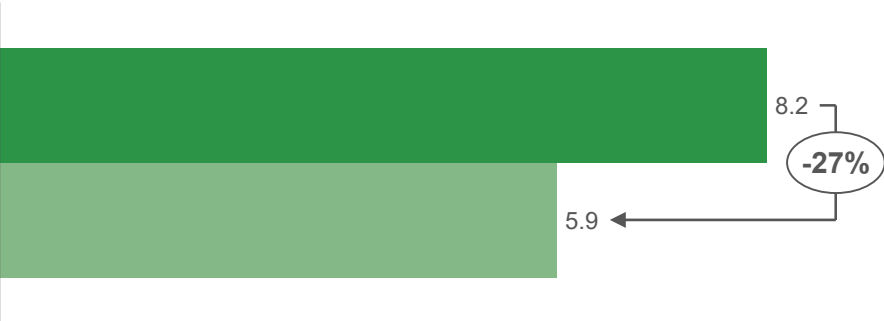


**35% reduction in CO<sub>2</sub> emissions** from building materials

# Introducing the Climate-improved house

The Climate-improved house emits significantly fewer CO<sub>2</sub> emissions from building materials

- The Functionalism House
- The Climate-improved house



Slate façade replacing brick



**5.2**

tonnes CO<sub>2</sub> avoided per house throughout its lifetime

Reduction of use concrete in foundation



**2.6**

tonnes CO<sub>2</sub> avoided

Paperwool replacing glass/stonewool



**0.7**

tonnes CO<sub>2</sub> avoided

Timber inner and outer walls replacing aircrete



**2.7**

tonnes CO<sub>2</sub> avoided

# Our markets - good market activity and demand

## Denmark

In terms of completions in Denmark, the market grew by 4% for detached houses to 5,928 units and by 8% for semi-detached houses to 6,310 units.

HusCompagniet maintained market share:

- 24% for single-family detached houses
- 1% for semi-detached houses

## Sweden

In terms of permits, the Swedish market grew 12% for detached houses to 5,273 units.

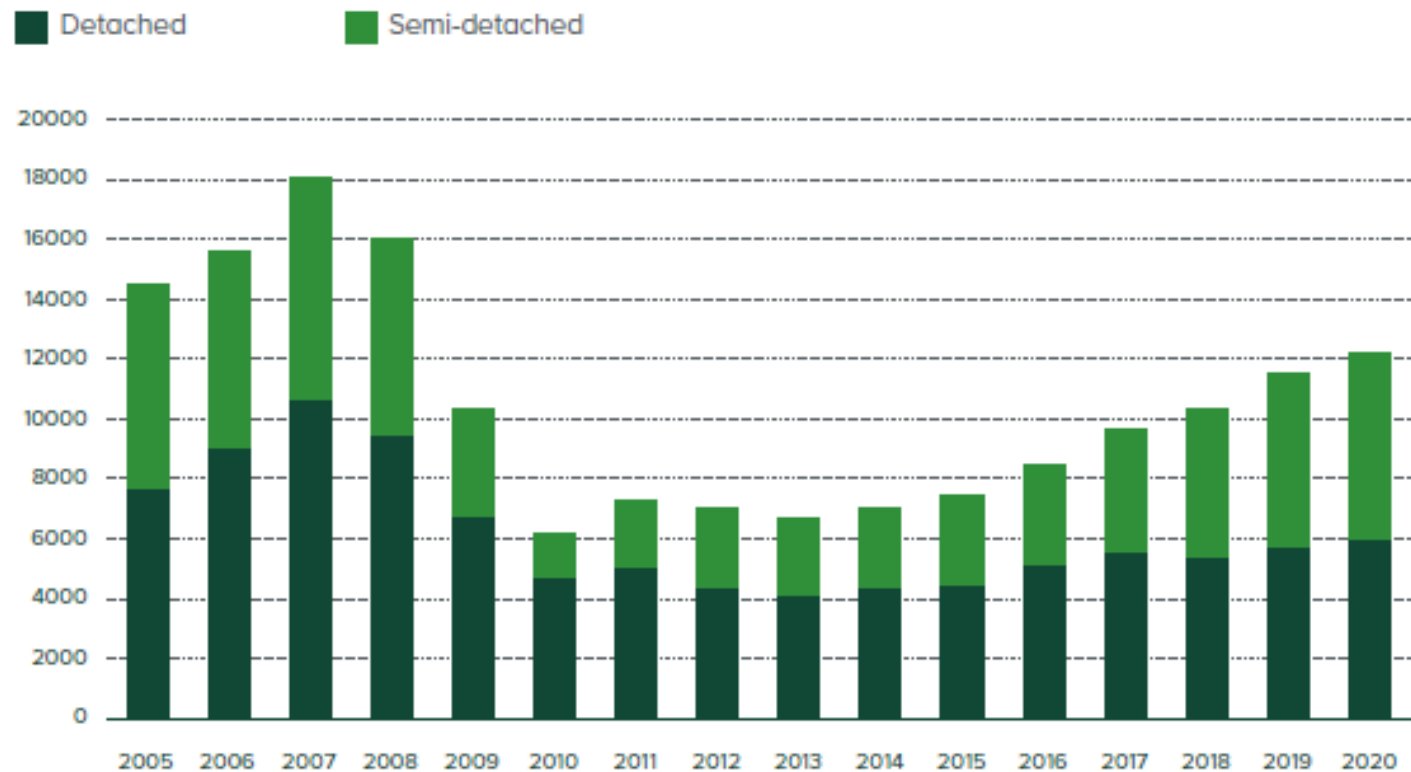
VårgårdaHus market share:

- 4% from 3% in 2019

## 2021

Market activity has been high in early 2021, supported by solid demand

## Number of detached and semi-detached houses constructed in Denmark (2005-2020)





# Adaptation to market development due to our flexible business model

DKKm	2020	2019	Difference
<b>Income statement</b>			
Revenue	3,598	3,496	3%
Gross profit	756	716	6%
EBITA before special items	317	297	7%
Special items	-79	-17	359%
EBITA after special items	238	279	-15%
EBIT	220	271	-19%
Financial income/expenses, net	-45	-51	-12%
Profit for the year (continued operations)	159	168	-5%
Profit for the year (discontinued operations)	-66	-168	-61%
Profit for the year	92	0	
Contract assets, net	445	676	-34%
Net interest-bearing debt (NIBD)	697	831	-16%
Cash flow from operating activities	141	134	5%
Cash flow from investing activities	-31	-43	-29%
Free cash flow	110	91	21%
Gross margin	21%	20%	1%pt
EBITA margin before special items	8.8%	8.5%	0.3%pt
NIBD/EBITDA before special items ratio	2.0	2.5	-0.5x

# Highlights Q4 2020 – strong sales

Revenue

**DKK 1,012 million** ↑

Up 2% from 2019

EBITA bsi

**DKK 111 million** ↑

DKK 101 million in 2019

Free cash flow

**DKK 48 million** ↓

DKK 246 million in 2019

Deliveries

**537 houses** ↓

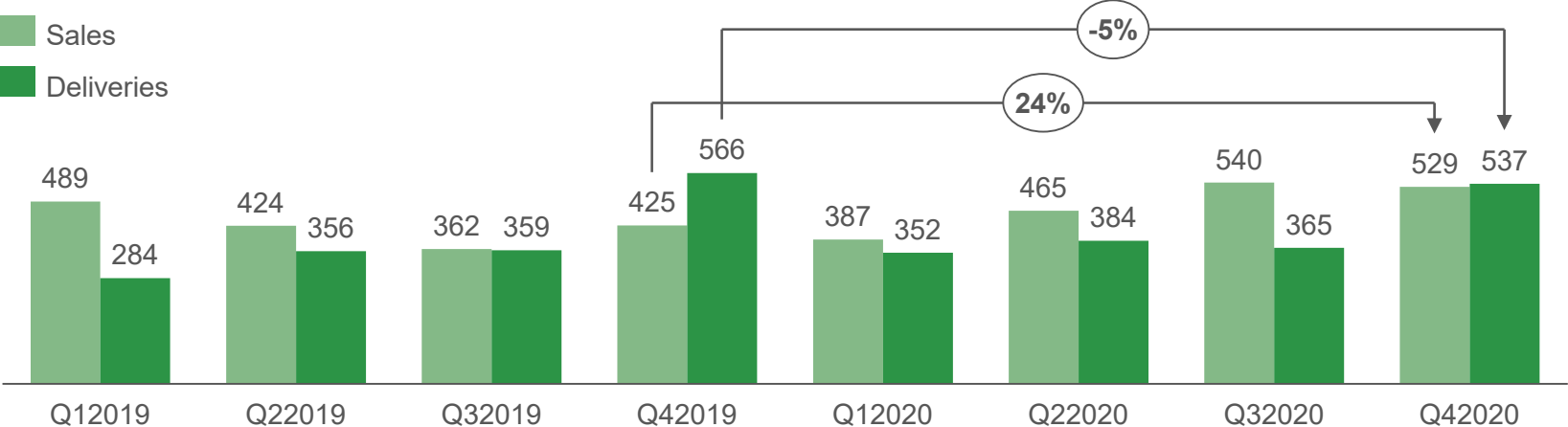
Down 5% from 2019

EBITA bsi margin

**10.9%** ↑

10.2% in 2019

■ Sales  
■ Deliveries



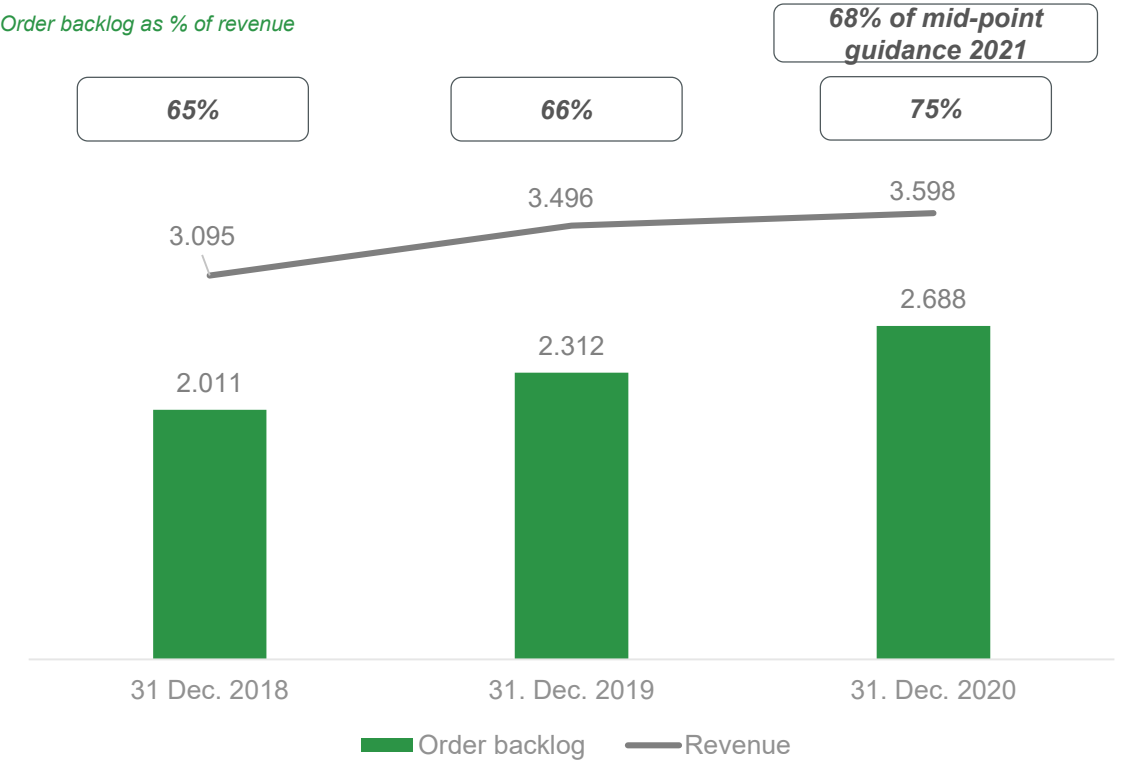


# Segments 2020

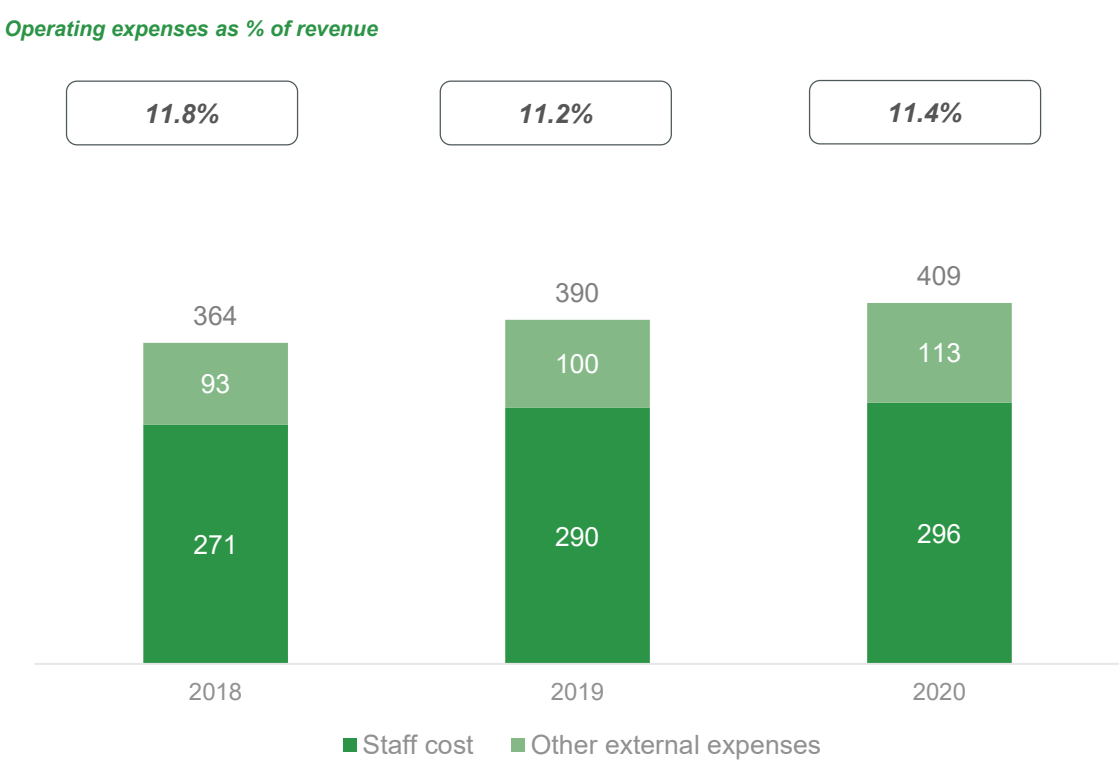
DKK <b>m</b>	Denmark		Swedish business
	Detached Houses	Semi-detached Houses	
Income statement			
Revenue	3,209	117	273
Gross profit	629	27	100
EBITA before special items	278	7	31
Gross margin	20%	23%	37%
EBITA margin before special items	8.7%	6.2%	11.5%

# Increased order backlog and ramping up to support growth

## Order backlog (DKKm)



## Operating expenses (DKKm)



Denmark	2018	2019	2020
Share of own land projects Detached	18.9%	14.4%	17.0%
Share of own land projects semi-detached	87.7%	62.7%	70.7%
Denmark share of own land	25.1%	17.0%	20.5%

	2018	2019	2020
Staff cost	8.8%	8.3%	8.2%
Other external expenses	3.0%	2.9%	3.1%

# Payout ratio of 65%

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## Capital structure

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- HusCompagniet has a **target leverage of below 2.0x** net debt to EBITDA before special items considering the Group's cash flow profile.
- If the leverage ratio is **below 1.5x** and capital is not committed or expected to be short term committed towards investments, HusCompagniet **will seek to return capital to shareholders** in addition to the initial **pay-out ratio through dividends and/or share buybacks**.

## Dividend

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- The Board of Directors has adopted a dividend policy with a target initial pay-out ratio of at least 50% of reported profit for the year.
- HusCompagniet Proposes a **dividend of DKK 3.00 per share** for the financial year of 2021, corresponding to a **payout ratio of 65%**.
- The level of the payout ratio reflects an extraordinary year due to listing and the related special items.

*2020 quarterly financials will be available in connection with the Q1 2021 trading update at the latest*



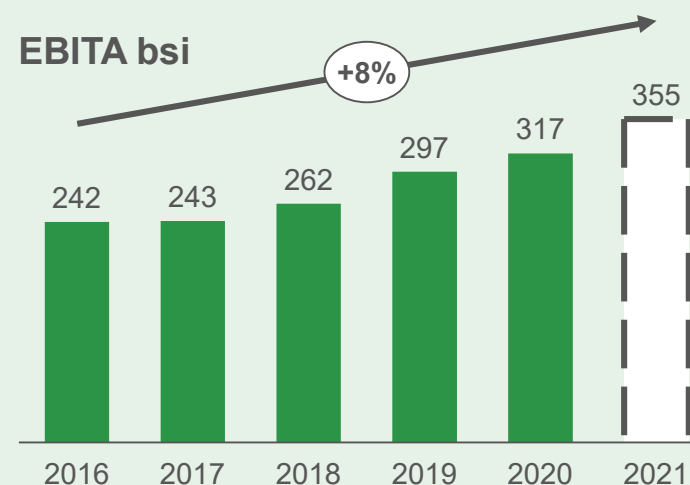
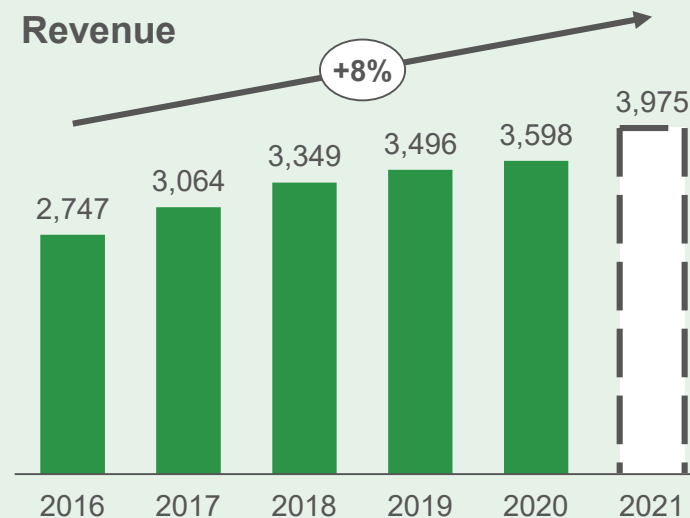
# Outlook for 2021

- Revenue is expected to be DKK 3,800 - 4,150 million
- EBITA before special items is expected to be DKK 350 - 360 million
- EBIT is expected to be DKK 325 - 335 million
- Leverage ratio below 2.0x NIBD/EBITDA before special items

## Assumptions for the Outlook

- Sales of between 1,950 and 2,100 houses
- Revenue from semi-detached is assumed be around DKK 500 million
- The average sale price per house is assumed to be slightly lower in 2021 than in 2020
- Gross profit on own land is expected to decrease between DKK 15 million and DKK 20 million
- No significant special items
- Contract assets are assumed to increase by around DKK 200 million

For detailed assumptions please see annual report 2020 page 10.





Q&A