

# HusCompagniet publishes Offering Circular and indicative price range for its intended Initial Public Offering on Nasdaq Copenhagen

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Company announcement 1/2020

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This announcement does not constitute an offering circular or a prospectus as defined by Regulation (EU) No. 2017/1129 of 14 June 2017 and nothing herein shall be construed as an offering of securities. No one should purchase any securities in HusCompagniet A/S ("**HusCompagniet**" or the "**Company**") except on the basis of information in the offering circular or prospectus published by the Company in connection with the offering and admission of such securities to trading and official listing on Nasdaq Copenhagen A/S ("**Nasdaq Copenhagen**"). Copies of the prospectus (also referred to as the "**Offering Circular**") are available at the Company's registered office and, subject to certain exceptions, through the website of the Company.

HusCompagniet, a leading asset-light detached single-family housebuilder in Denmark which also builds semi-detached houses for consumers and professional investors, today publishes an Offering Circular and indicative price range for its intended Initial Public Offering ("**IPO**" or "**Offering**") and subsequent admission to trading and official listing of its shares on Nasdaq Copenhagen.

Chairperson of the Board of Directors, Claus V. Hemmingsen, said:

*"I am pleased with the positive response we have received from potential investors in the two weeks since we indicated our intention to list the shares of HusCompagniet on Nasdaq Copenhagen. HusCompagniet's remarkable track record of growth and the focus on also driving both the digital and the sustainability agenda as a market leader in the detached single-family house segment resonate well with potential investors."*

Group CEO, Martin Ravn-Nielsen, said:

*"Today is a milestone for HusCompagniet and marks the beginning of a new, exciting journey. Our strong historical results are a testimony to our customer-centric DNA, and an endorsement of our business model of delivering high-quality, customized, single-family houses at a fixed price and on time. Combined with an increased focus on integrating sustainability throughout our business and across the entire value chain, this will also be our guiding principle in the future, as we continue to build on our market-leading position in the detached house segment, and grow further in the attractive semi-detached new build market segment aimed at professional investors."*

HusCompagniet is currently owned by EQT VI, the fund managed and/or operated by EQT VI (General Partner) LP (acting by its general partner, EQT VI Limited), together with associated co-investment vehicles ("**EQT**") with the remaining shares in the Company held by other co-investors, including management and certain existing and former employees as well as other third parties.

## Highlights of the Offering

- Indicative offer price range of DKK 112 to DKK 130 per share of nominal value of DKK 5 each.
- The indicative price range corresponds to an implied market capitalisation of between DKK 2.24 billion and DKK 2.60 billion.
- The offer price will be determined through a book-building process.
- The Offering comprises:
  - An offer of up to 9,600,000 existing shares by the principal shareholder EQT and other existing shareholders in the Company.
  - An over-allotment option to acquire up to 1,440,000 shares equal to 15% of the offer by the principal shareholder, EQT, and other existing shareholders has been granted to the Joint Global Coordinators by the principal shareholder, exercisable, in whole or in part, from the date of admission until 30 calendar days thereafter, solely to cover over-allotments or short positions, if any, incurred in connection with the Offering.
- The Offering is expected to result in a free float of between 48.0% and 55.2% of the Company's share capital after completion of the Offering, depending on the potential exercise of the over-allotment option and assuming that the offer price is the mid-point of the price range.
- The Offer period is from 6 November 2020 to 19 November 2020 at 11:00 CET, but may be closed in whole or in part at the earliest on 17 November 2020 at 00:01 a.m. CET. The Offer period for orders up to, and including, DKK 3 million may be closed before the remainder of the Offering is closed. Any such earlier closing, in whole or in part, will be announced through Nasdaq Copenhagen.
- Announcement of the Offer price, and the first day of trading and official listing on Nasdaq Copenhagen is expected on 20 November 2020 unless moved forward if the Offer period is closed before 19 November 2020.
- Shares will be admitted to trading and official listing under the symbol of "HUSCO" in the permanent ISIN DK0061412855.
- The admission is subject to, among other things, Nasdaq Copenhagen's approval of the distribution of the shares being offered, the Offering not being withdrawn prior to the settlement of the Offering and the Company making an announcement to that effect.
- Shares are expected to be delivered in book entry form electronically through the facilities of VP Securities, Euroclear and Clearstream on 24 November 2020 against payment in immediately available funds in DKK. If the first date of trading is moved forward, the date of payment and settlement will be brought forward accordingly.
- The Offering consists of a public offering to retail and institutional investors in Denmark, private placements to U.S. qualified institutional buyers, and private placements to institutional investors in the rest of the world in compliance with Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act").
- The Company will not receive any proceeds from the sale of shares by the selling shareholders in the Offering.
- Following the Offering, the Company and the selling shareholders will be subject to a 180-day lock-up. In addition, the members of the Board of Directors and the Executive Management who hold Shares in the Company will be subject to a 360-day lock-up on those shares.

## Offering Circular

An Offering Circular has been prepared. Special attention should be given to the risk factors that are described in the beginning of the Offering Circular.

The Offering Circular is available to eligible investors at no cost at the Company's website [www.huscompagniet.dk](http://www.huscompagniet.dk) and at the registered office of the HusCompagniet, Plutovej 3, 8700 Horsens, Denmark.

The Offering Circular can also be obtained upon request from eligible persons from:

Danske Bank A/S, Holmens Kanal 2-12, DK-1092 Copenhagen K, Denmark, [prospekter@danskebank.dk](mailto:prospekter@danskebank.dk) Danske Bank A/S, phone: +45 70 23 08 34.

Nordea Danmark, filial af Nordea Bank Abp, Finland, Grønjobsvej 10, DK-2300 Copenhagen S, Denmark, [corpact.dk@nordea.com](mailto:corpact.dk@nordea.com), phone: +45 55 47 53 38.

## **Information on HusCompagniet**

HusCompagniet is a leading provider of single-family detached houses in Denmark. The Company's core activity is the entire customer journey from inspiration, design, sale and delivery of customizable high-quality detached houses in Denmark to consumers, built on-site on customer-owned land. HusCompagniet also designs, sells and delivers semi-detached houses in Denmark to consumers and to professional investors, who either lease or sell the houses to end-users. HusCompagniet operates an asset light business model where almost all construction is outsourced to sub-contractors allowing for a flexible cost base.

The Group is also present in Sweden, where it operates through the VårgårdaHus brand, and where it produces prefabricated wood-framed detached houses in its factory in Vårgårda, which are sold by agents and finalized on-site on customer-owned land.

Based on a number of standardized house designs, HusCompagniet offers significant customization options for the customer; ensuring efficiency in the house building process while still providing a vast number of options to the customer.

The core market segment for detached houses in Denmark accounted for around 89% of HusCompagniet's revenues in 2019 excluding discontinued operations (German and Swedish brick house activities closed down in September 2020). The semi-detached segment in Denmark accounted for around 5%, while the Swedish wood-framed detached houses accounted for the remaining 6%.

HusCompagniet delivered 1,400 houses in Denmark in 2019, of which 1,325 were detached houses and 75 were semi-detached houses, corresponding to a market share of approximately 24% of the detached-house new build market segment in Denmark (as measured by the number of new builds delivered in 2019). This leading position in the detached market segment is built on HusCompagniet's constant focus on innovation and customer satisfaction with end-to-end turnkey houses delivered at the agreed time, at a fixed price and payable at delivery.

HusCompagniet has 16 offices with show rooms and more than 60 show houses throughout Denmark. In Sweden, HusCompagniet has 27 sales agents and sub-agents. At the end of September 2020, HusCompagniet had 437 employees.

### **Bank syndicate and Financial Advisor supporting the IPO**

Citigroup Global Markets Limited, Danske Bank A/S and Nordea Danmark, Filial af Nordea Bank Abp, Finland have been appointed to act as Joint Global Coordinators and Joint Bookrunners in the contemplated offering.

N.M. Rothschild & Sons Limited ("Rothschild & Co") is acting as Financial Advisor.

Gorrissen Federspiel Advokatpartnerselskab and Davis Polk & Wardwell London LLP are acting as legal advisors to the Company in connection with the Offering.

### **Press conference**

A press conference will be held today, 6 November 2020, at 12 noon in HusCompagniet's showroom on Lundbjerggård 14, 4000 Roskilde.

At the press conference, which will be held in Danish, Group CEO Martin Ravn-Nielsen and Chairperson of the board Claus V. Hemmingsen will be giving a presentation followed by a Q&A session.

Due to COVID-19 restrictions, there will be a limited number of seats. Journalists must therefore register in advance if they wish to attend. Please contact Uffe Tang (see information below) if you wish to attend.

**For additional information, please contact:**

**HusCompagniet**

Martin Ravn-Nielsen, Group CEO

Mads Dehlsen Winther, Group CFO

**Media enquiries**

Ulveman & Børsting

Uffe Tang

[ut@ulvemanborsting.com](mailto:ut@ulvemanborsting.com)

+45 28 13 60 28

**Important notice**

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This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by the Company in any jurisdiction where such offer or sale would be unlawful and this announcement and the information contained herein are not for distribution or release, directly or indirectly, in or into such jurisdictions.

This announcement and the information contained herein are not for distribution in or into the United States of America (including its territories and possessions, any state of the United States of America and the District of Columbia) (the "United States"). This announcement does not constitute, or form part of, an offer to sell, or a solicitation of an offer to purchase, any securities in the United States. The securities of HusCompagniet A/S have not been and will not be registered under the Securities Act and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. Any securities sold in the United States will be sold only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A under the Securities Act. In any member state of the European Economic Area ("EEA Member State"), other than Denmark, this announcement is only addressed to, and is only directed at, investors in that EEA Member State who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of Regulation (EU) No. 2017/1129 of 14 June 2017. This announcement is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth entities falling within Article 49(2)(a) - (d) of the Order (the persons described in (i) through (iii) above together being referred to as "relevant persons"). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

Citigroup Global Markets Limited, Danske Bank A/S and Nordea Danmark, Filial af Nordea Bank Abp, Finland (together, the "Managers") and Rothschild & Co and/or the Managers' and/or Rothschild & Co's respective affiliates are acting exclusively for the Company and the selling shareholders and no-one else in connection with the potential offering. Managers and/or

Rothschild & Co will not regard any other person as their respective clients in relation to the potential offering and will not be responsible to anyone other than the Company and the selling shareholders for providing the protections afforded to their respective clients, nor for providing advice in relation to the potential offering, the contents of this announcement or any transaction, arrangement and/or other matter referred to herein.

In connection with the offering, the Managers and any of their affiliates, acting as investors for their own accounts, may purchase shares and in that capacity may retain, purchase, sell, offer to sell, offer to sell or otherwise deal for their own accounts in such shares and other securities of the Company or related investments in connection with the potential offering or otherwise. Accordingly, references in the offering circular or prospectus to the shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, such Managers and any of their affiliates acting as investors for their own accounts. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

#### *Stabilization*

In connection with the Offering, Danske Bank A/S (the “Stabilizing Manager”) (or persons acting on behalf of the Stabilizing Manager) may over-allot securities or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or persons acting on behalf of the Stabilizing Manager) will undertake stabilization. Any stabilization action may begin on or after the date of commencement of trading and official listing of the securities on Nasdaq Copenhagen A/S and, if begun, may be ended at any time, but it must end no later than 30 days after the date of commencement of trading and official listing of the securities.

#### *Information for distributors*

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares offered in the Offering (the “Offered Shares”) have been subject to a product approval process, which has determined that the Offered Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, distributors should note that the price of the Offered Shares may decline and investors could lose all or part of their investment; the Offered Shares offer no guaranteed income and no capital protection; and an investment in the Offered Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment for any particular client of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Offered Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offered Shares and determining appropriate distribution channels.

#### *Forward looking statements*

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and that can be identified by words such as “believe”, “expect”, “anticipate”, “intends”, “estimate”, “will”, “may”, “continue”, “should”, and similar expressions, as well as other statements regarding future events or prospects. Specifically, this announcement includes information with respect to projections, estimates and targets that also constitute forward-looking statements. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties and other important factors include, among others: general economic conditions and related policy frameworks; the ongoing COVID-19 pandemic; changes in mortgage lending or the interest rate environment; dependence on third-party suppliers, contractors and other service providers; competition; negative publicity; incorrectly estimated costs in relation to projects; failure to successfully implement strategies; building and design defects; risks relating to own land; cyberattacks; compliance and litigation related risks; liquidity constraints; health, safety and environmental risks; changes in law and regulation; and failure to obtain required permits and approvals. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations, projections, estimates and targets expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.

## **Attachments**

- [Download announcement as PDF](#)