

8 May 2025

Company Announcement 6/2025

HusCompagniet maintained sales traction in Q1 2025 and confirms guidance

Trading Statement for 1 January – 31 March 2025

HusCompagniet maintained strong momentum in house sales and revenue, which grew by 31% to DKK 635 million in Q1 in line with expectations due to higher activity across all business units following continued sales improvements in recent quarters.

Group CEO of HusCompagniet, Martin Ravn-Nielsen says: *"We had a good start to the year and are pleased to maintain the strong traction in sales across our business units and deliver solid revenue growth for the third quarter in a row. The pickup continued in the detached segment despite the turbulence on the global political and economic stage, and we continue to grow the pipeline in the semi-detached business."*

The gross margin¹ declined from 23.3% to 19.5% in Q1 2025 in line with expectations. The comparison period was impacted by the completion of several successful projects and lower than expected material costs. The Q1 2025 margin reflects changes in product mix and a lower share of projects on own land in Semi-detached combined with the initiation of new projects and increased material costs in line with expectations. EBITDA was DKK 17 million in the quarter, corresponding to a margin of 2.6% compared to DKK 21 million and 4.4% in the same period last year. EBIT declined to DKK 6 million from DKK 9 million. Earnings and profitability were affected by onboarding of employees supporting future sales in the recovering housebuilding market.

Sales grew by 31% to 356 houses (units) in Q1 2025 with solid growth and sales performance across all business units. The positive traction in sales in recent quarters drove a strong 61% increase in the order backlog, which reached DKK 2.1 billion with very strong performance in both the Detached and Semi-detached businesses.

"The pick-up in sales and the signing of exciting B2B projects during 2024 and 2025 drove higher activity in the first quarter, and we look forward to delivering more houses and several projects to increase revenue and earnings throughout the year. To support the traction in the B2B business and accommodate market demand, we are expanding our production footprint in Esbjerg in the second quarter with a new lease agreement adding another 4,000 square meters adjacent to our existing factory, enabling us to optimise and increase our manufacturing output of wooden elements and roof cassettes," says Martin Ravn-Nielsen.

Based on the Q1 2025 performance, HusCompagniet confirms the full-year outlook for 2025 with expected revenue of DKK 2.8-3.1 billion, EBITDA of DKK 110-160 million, and EBIT of DKK 70-120 million.

¹ Staff costs related to production employees at the factories in Esbjerg and Sweden have been reclassified as part of cost of sales and impact gross profit in the Semi-detached and Wooden houses segments. In prior years, the costs were included in staff costs as SG&A. Key figures from the comparison periods in 2024 have been restated reflecting the change in presentation.

Selected key highlights Q1 2025

DKKm	Q1 2025	Q1 2024*	Change Q1/Q1	FY 2024*
Houses sold (units)	356	272	31%	1,414
Houses delivered (units)	195	167	17%	899
Order backlog, net	2,091	1,297	61%	1,897
Income statement				
Revenue	635	483	31%	2,297
Gross profit	124	113	10%	471
EBITDA	17	21	-19%	104
EBIT	6	9	-33%	56
Balance sheet				
Contract assets, net	403	318	85	325
Inventories	291	260	31	234
Net interest-bearing debt, NIBD	287	360	-73	271
Financial ratios				
Gross margin	19.5%	23.3%	-3.8 ppt.	20.5%
EBITDA margin	2.6%	4.4%	-1.8 ppt.	4.5%
EBIT margin	1.0%	1.8%	-0.8 ppt.	2.4%
NIBD/LTM EBITDA	2.9x	4.0x	-1.1x	2.6x
Free cash flow	-14	-3	-11	105
Available cash incl. revolving credit facility	529	464	65	550
FTE end of period	455	396	59	434

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Highlights

- HusCompagniet maintained momentum and grew sales by 31% to 356 houses (units) in Q1 2025 based on solid sales performance in all three segments. The progress was supported by a B2B order for the construction of 96 semi-detached housing units located in Rønne on the Danish island of Bornholm for which the building permit was obtained in March.
- Revenue was up by 31% to DKK 635 million in Q1 2025 and grew for the third consecutive quarter, reflecting the pick-up in sales during 2024. Deliveries increased by 17% driven by growth in the Detached segment, while the lower contribution from Semi-detached was in line with expectations because commencement of a few larger projects was postponed in 2024.
- Gross profit increased by 10% to DKK 124 million for a margin of 19.5% in Q1 2025 compared to a margin of 23.3% in the comparison quarter. The margin decline was as expected following product mix changes and the effect of timing of project deliveries and postponed commencement of a few larger projects in Semi-detached in 2024. The Semi-detached business had a lower share of projects on own land and more projects in the initiation phase during Q1 2025, whereas the segment benefited from a favorable product mix and completion of several successful projects in the comparison period.

- Q1 2025 EBITDA declined to DKK 17 million corresponding to an EBITDA margin of 2.6% against DKK 21 million and 4.4% in Q1 2024. The decline was a result of a lower contribution from Semi-detached, which was only partly compensated for by significant progress in Detached and improved performance in Wooden houses. EBIT for the quarter was DKK 6 million, down from DKK 9 million in the comparison period.
- As of 31 March 2025, the order backlog (net) had grown by 61% to DKK 2,091 million compared to DKK 1,297 million at the end of the comparison period. The positive development was due to the continued sales growth over the recent twelve months.
- The group's net interest-bearing debt (NIBD) was reduced to DKK 287 million at the end of Q1 2025 compared to DKK 360 million on 31 March 2024 and slightly higher than DKK 271 million at year-end 2024. The leverage ratio (NIBD/LTM EBITDA) was 2.9x compared to 4.0x at end-Q1 2024 and 2.6x on 31 December 2024.
- Inventories increased to DKK 291 million from DKK 260 million in Q1 last year and DKK 234 million at year-end 2024 primarily impacted by the acquisition of 12 apartments in 6 houses (units) in Kårsta Park, Sweden, at a foreclosure auction in the quarter. The acquisition does not impact sales or deliveries in the period.

Q1 segmental development

	Denmark				Sweden		Group	
	Detached		Semi-detached		Wooden		Total segments	
	Q1 2025	Q1 2024*	Q1 2025	Q1 2024*	Q1 2025	Q1 2024*	Q1 2025	Q1 2024*
DKKm								
Houses sold (units)	203	172	120	88	33	12	356	272
Houses delivered (units)	150	112	29	38	16	17	195	167
Houses delivered on own land (%)	8.0%	4.5%	6.9%	18.4%	n.a.	n.a.	7.8%	8.0%
Average selling price (ASP)	2.7	2.8	1.6	1.7	1.2	1.6	n.a.	n.a.
Order backlog, net	1,304	944	659	267	128	86	2,091	1,297
Income statement								
Revenue	483	356	130	101	22	26	635	483
Gross profit	94	72	19	33	11	8	124	113
EBITDA	17	3	-3	19	3	-1	17	21
EBIT	10	-6	-5	17	1	-2	6	9
Financial ratios								
Revenue growth	36%	-20%	29%	-13%	-15%	-72%	31%	-26%
Gross margin	19.6%	20.1%	14.6%	32.5%	47.9%	31.6%	19.5%	23.3%
EBITDA margin	3.4%	1.0%	-2.2%	18.4%	13.4%	-3.6%	2.6%	4.4%
EBIT margin	1.9%	-1.6%	-3.2%	17.1%	6.2%	-10.0%	1.0%	1.8%

* Staff costs related to production employees at the factories in Esbjerg and Sweden have been reclassified as part of cost of sales and impact gross profit in Semi-detached and Wooden houses segments. In prior years, the costs were included in staff costs and SG&A. Key figures from the comparison periods in 2024 are restated reflecting the change in presentation.

Detached houses

- The Detached business grew sales by 18% to 203 houses (units) in the first quarter of the year, maintaining the positive traction from recent quarters.
- Revenue grew by 36% to DKK 483 million in the quarter after a similar 34% increase in deliveries resulting in 150 houses (units) being handed over to customers. The average selling price (ASP) was slightly down to DKK 2.7 million from DKK 2.8 million.
- Gross profit for the quarter improved by 31% to DKK 94 million corresponding to a margin of 19.6% against 20.1% in the comparison period.
- Earnings improved significantly on the back of higher revenue with EBITDA increasing to DKK 17 million and a margin of 3.4% in Q1 2025 from DKK 3 million and 1.0% in the first quarter last year. This positive development entailed higher EBIT of DKK 10 million in the quarter against DKK -6 million last year.
- At the end of Q1 2025, the Detached segment's order backlog (net) was DKK 1,304 million corresponding to a growth of 38% from 31 March 2024.
- In April 2025, the Detached business delivered 33 houses (units) and sold 75 houses (units) compared to 34 deliveries and 64 sales in April last year.

Semi-detached houses

- Semi-detached sales increased by 36% to 120 houses (units) in Q1 2025 including the B2B project in Rønne on Bornholm comprising 96 housing units and underlining the fluctuating nature of Semi-detached sales.
- Revenue from the Semi-detached business grew by 29% to DKK 130 million due to a higher contribution from work in progress, while deliveries were lower at 29 units in Q1 2025 against 38 units in the comparison period. The decline reflects the timing of Semi-detached deliveries and a few large projects being initiated later than expected in 2024.
- Gross profit declined by 42% to DKK 19 million corresponding to a margin of 14.6% compared to a 32.5% margin in Q1 last year. Gross profit and margin were as expected and impacted by higher production-related staff costs, a lower share of projects on own land and more projects in the initiation phase, whereas the segment benefited from a favorable product mix and completion of several successful projects in the comparison period.
- EBITDA was negative by DKK 3 million in Q1 2025 compared to a positive contribution of DKK 19 million last year. The development followed the decline in gross profit and was further impacted by allocation of SG&A costs related to the production of elements at the group's Swedish factory, which were delivered to the Semi-detached segment in the quarter. EBIT came to DKK -5 million compared to DKK 17 million in the comparison period.
- The strong sales development in Semi-detached in recent quarters was reflected in the order backlog (net), which increased significantly by 147% from the prior year to DKK 659 million at the end of the quarter.
- The Semi-detached business sold 4 houses (units) in April 2025, whereas there were no deliveries in the quarter, compared to 135 sales and 1 delivery in April last year.

Sweden

- Sales in the Wooden houses business in Sweden increased to 33 houses (units) in Q1 2025 corresponding to 175% growth compared to 12 houses (units) sold in the comparison period. The development also reflected the signing of a B2B contract for 15 units in February.
- Revenue declined to DKK 22 million from DKK 26 million in Q1 2024 as the Swedish business delivered 16 houses (units) at a lower ASP of DKK 1.2 million against 17 houses (units) and an ASP of DKK 1.6 million in the comparison period following a change in the mix of delivered houses.
- The business unit's gross profit increased to DKK 11 million for a margin of 47.9% against DKK 8 million and 31.6% in Q1 last year. The improvement was realised despite a lower ASP and due to sales of land combined with lower material costs following expiration of fixed-cost contracts, which impacted Q1 last year.
- EBITDA improved and reached DKK 3 million with an EBITDA margin of 13.4% against negative EBITDA of DKK 1 million in the comparison period. The positive development was driven by higher gross profit and supported by SG&A costs being allocated to the Semi-detached segment in relation to the production and delivery of elements to the Semi-detached segment in the quarter. EBIT was DKK 1 million compared to DKK -2 million in Q1 last year.
- The Wooden houses segment's order backlog (net) was DKK 128 million at the end of Q1 2025 compared to DKK 86 million on 31 March 2024.
- In April 2025, the business in Sweden delivered 8 houses (units) and sold 8 houses (units) compared to 9 deliveries and 6 sales in April 2024.

Outlook for 2025

The full-year 2025 guidance issued on 7 March 2025 is reiterated.

- Revenue is expected to be DKK 2.8-3.1bn
- EBITDA is expected to be DKK 110-160m
- Operating profit (EBIT) is expected to be DKK 70-120m

Assumptions for the outlook

- Current expectations for 2025 deliveries are between 1,000 and 1,200 houses.
- The 2025 guidance is based on expectations of a continued market rebound and assumes no severe disruption of supply chains or raw material prices significantly exceeding current levels.
- Dividend distribution to shareholders is suspended and is not expected to be reintroduced before leverage is below the long-term target of 2x net debt to EBITDA.

Webcast and conference call

HusCompagniet will host a conference call for investors and analysts today, 8 May 2025, at 10:00 (CEST). The conference call and presentation will be available from HusCompagniet's investor website.

Conference call dial-in numbers for investors and analysts:

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Webcast link:

<https://huscompagniet-events.eventcdn.net/events/trading-statement-for-the-first-three-months-2025>

For additional information, please contact:

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Forward-looking statements

This announcement 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. 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.