



HusCompagniet 29 April 2022

Q1 2022 – trading statement Conference call

Q1 2022 Trading Statement

Disclaimer

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 expressed. 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.

Q1 2022 - summary

Q1 2022 Highlights

- Revenue growth of 23% to DKK 1,173 million
- Sales decreased 40% y-o-y. from extraordinary high level in Q1 2021
- EBITDA of DKK 99 million, margin was 8.5% - despite extraordinary challenging market environment
- The target of delivering 98% of houses on time was maintained
- Share buyback of DKK 36.8m completed Q1 2022
- Factory in Esbjerg, Denmark, acquired in April 2022

Market

- Market demand lower in Q1 2022 after extraordinary high market activity in H1 2021
- Two main market challenges in 2022 persists:
 - Cost inflation from materials and subcontractors
 - Access to materials and subcontractors
- Reduced visibility for 2022 due to the Russian invasion of Ukraine
 - Immediate surcharges from suppliers due to accelerated energy prices

Outlook

Outlook for 2022 adjusted and range expanded due to low visibility

- Revenue at DKK 4,250 - 4,550 million (previously DKK 4,350 – 4,650 million)
- EBITDA before special items at DKK 370 – 410 million (previously DKK 420 – 450 million)
- EBIT at DKK 320 - 360 million (previously DKK 370-400 million)

Expected leverage ratio below 2.25x net debt to EBITDA (LTM) bsi at the end of 2022 (previously 2.0x)

Market update

Sales activity

- Decreased demand in Q4 2021 and first two months of 2022
- March and April back on historical normalised levels
- Uncertainty going forward due to low visibility

Supply chains

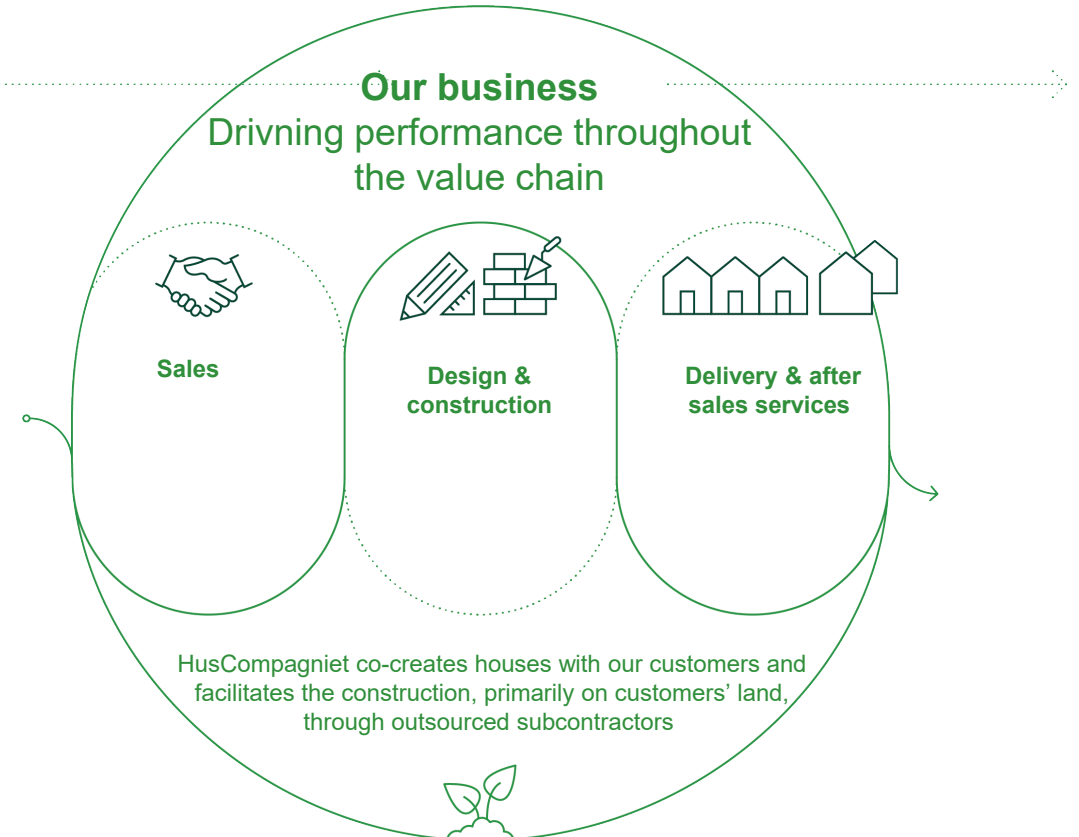
- 98% delivery on time maintained – materials still supplied in a distressed market
- The Russian invasion of Ukraine has reduced visibility further
- Immediate surcharges imposed by suppliers due to accelerated energy prices – Force majeure like situation

Subcontractors

- Jutland and Funen starting to normalise
- Zealand still challenged in 2022

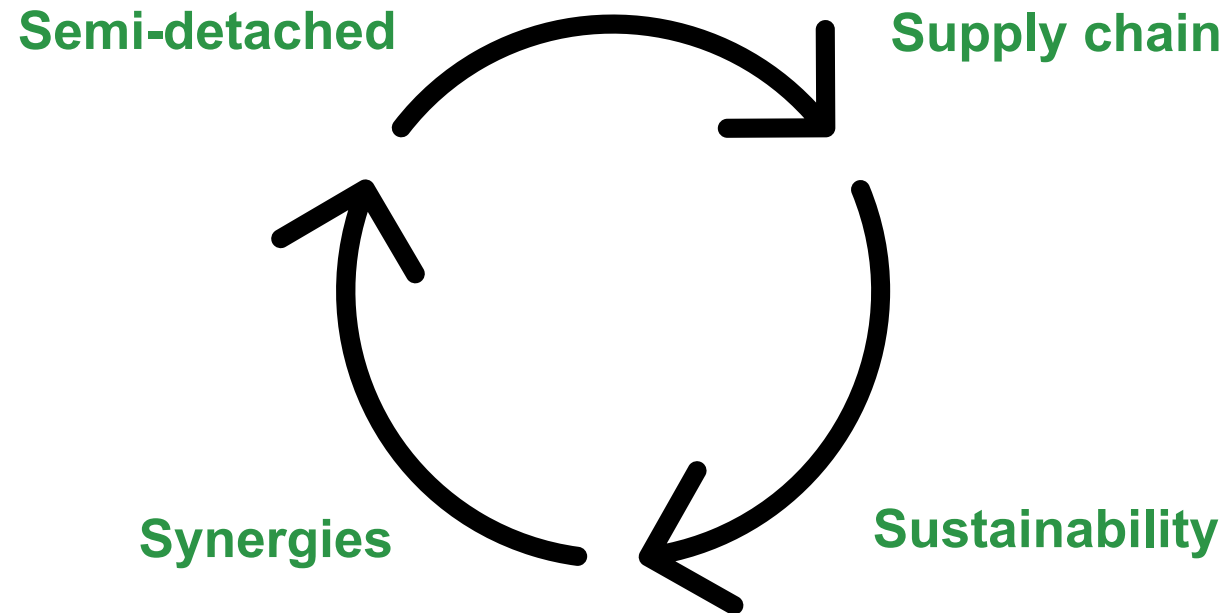
Resilient business model proven

Resilience proven during 2020 and 2021, with pandemic and input cost inflationary environment - closely monitoring of the market and quick adaptation



Acquisition of factory in Esbjerg, Denmark

Strategic rationale – the four S's



Increased mid-term sales target



Mid-term sales target increased from 500 within 2023 – 2025 to 750 towards 2025.

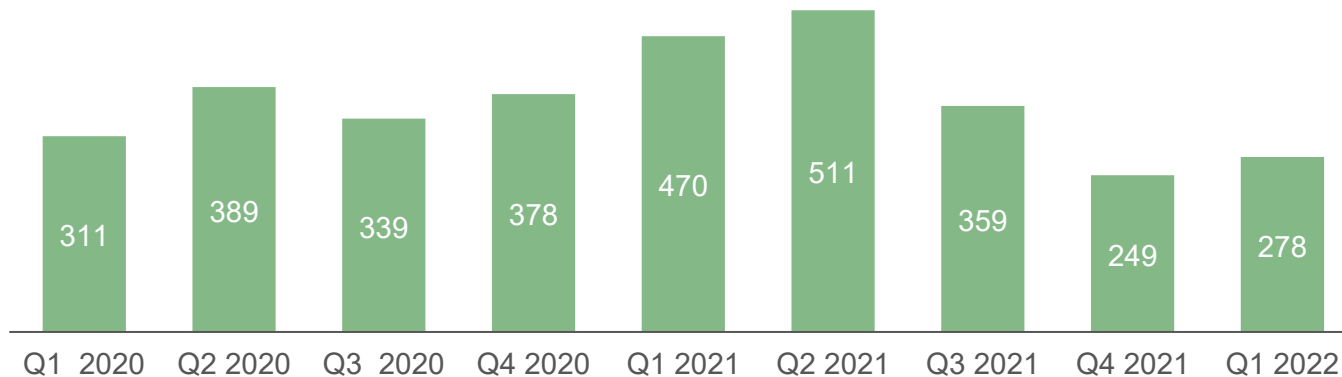
Facts

- Purchase price DKK 90 million.
- Orderbook of around DKK 200 million
- Capacity expected to double from existing 400 units to approx. 800 units

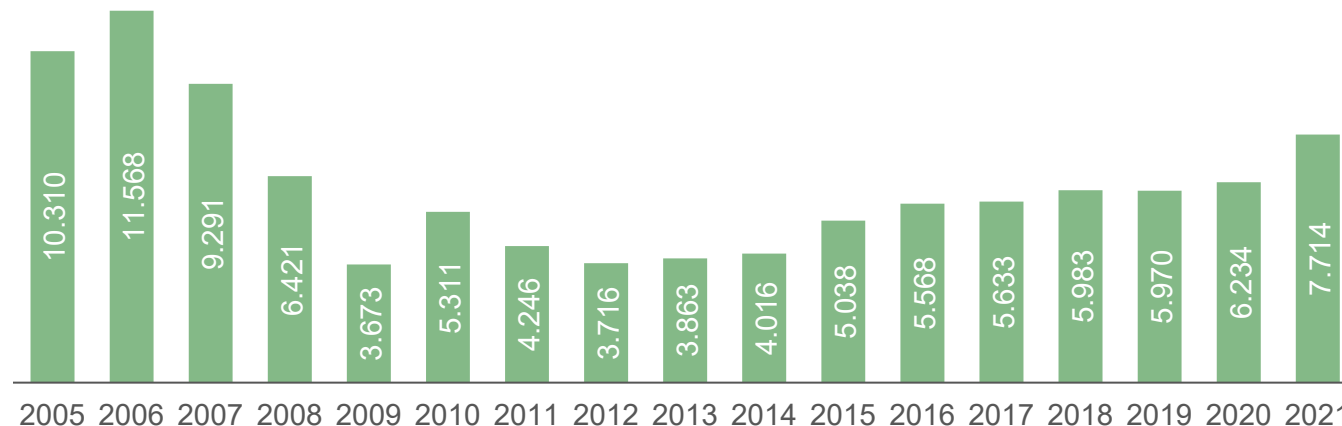
Detached demand decreased - organisation adjusted in February

Demand decreased in H2 2021 after extraordinary high H1 2021

HusCompagniet quarterly detached sales (units)



Permits since 2005, Detached market Denmark (units)



Source: www.statistikbanken.dk/BYGV90

Lower expected demand in 2022

- Private customers, especially in the Danish detached market, are more hesitant.
- We have adjusted the organisation in February with 28 FTE's to align with expected future demand
- The quarterly flow is expected to be more even in 2022 compared to 2021
- The Russian invasion of Ukraine has increased uncertainty and 2022 visibility is reduced – market development is monitored closely.

Highlights Q1 2022

Revenue

DKK 1,173 million ↑

Up 22.6% from Q1 2021

EBITDA bsi

DKK 99 million ↑

Up 33.8% from DKK 74 million in Q1 2021

EBIT

DKK 88 million ↑

Up 41.9% from DKK 62 million in Q1 2021

Available cash

DKK 400 million ↓

Down DKK 55 million from DKK 455 million end of 2021

Deliveries

480 houses ↑

Up 21.8% from Q1 2021

EBITDA bsi margin

8.5% ↑

7.7% in Q1 2021

EBIT margin

7.5% ↑

6.5% in Q1 2021

Financial gearing (NIBD/EBITDA bsi)

1.8x →

1.8x at end of 2021



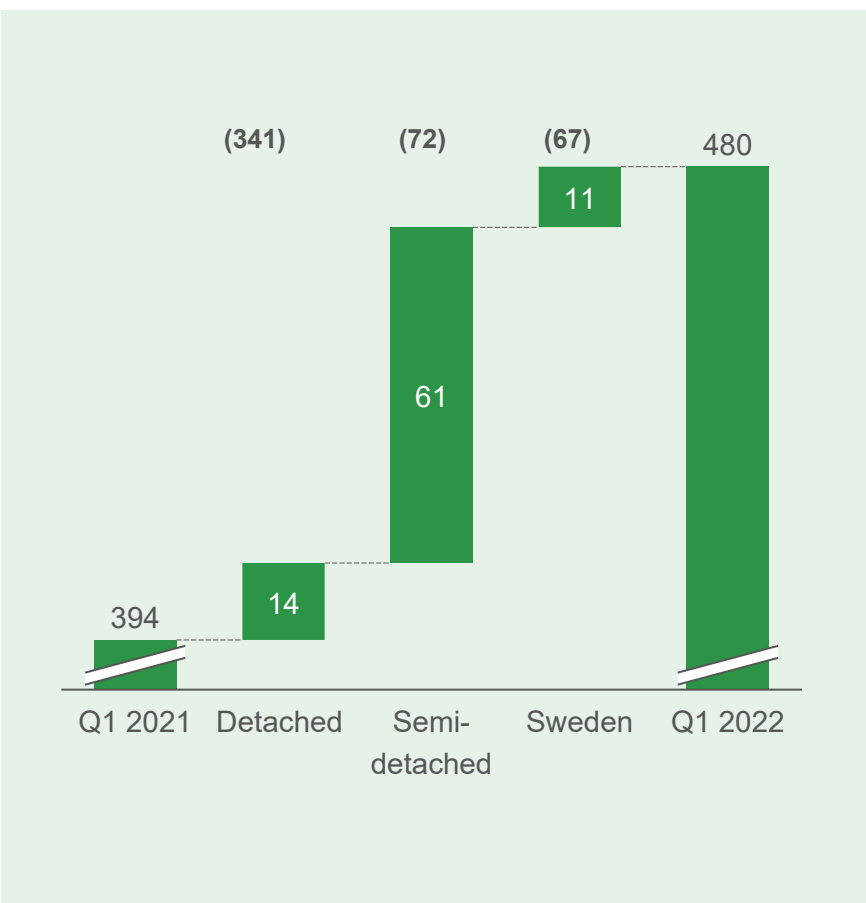
Q1 2021 deliveries up 21.8% y-o-y

480 houses delivered in Q1 2022



Segment split - development

(total)

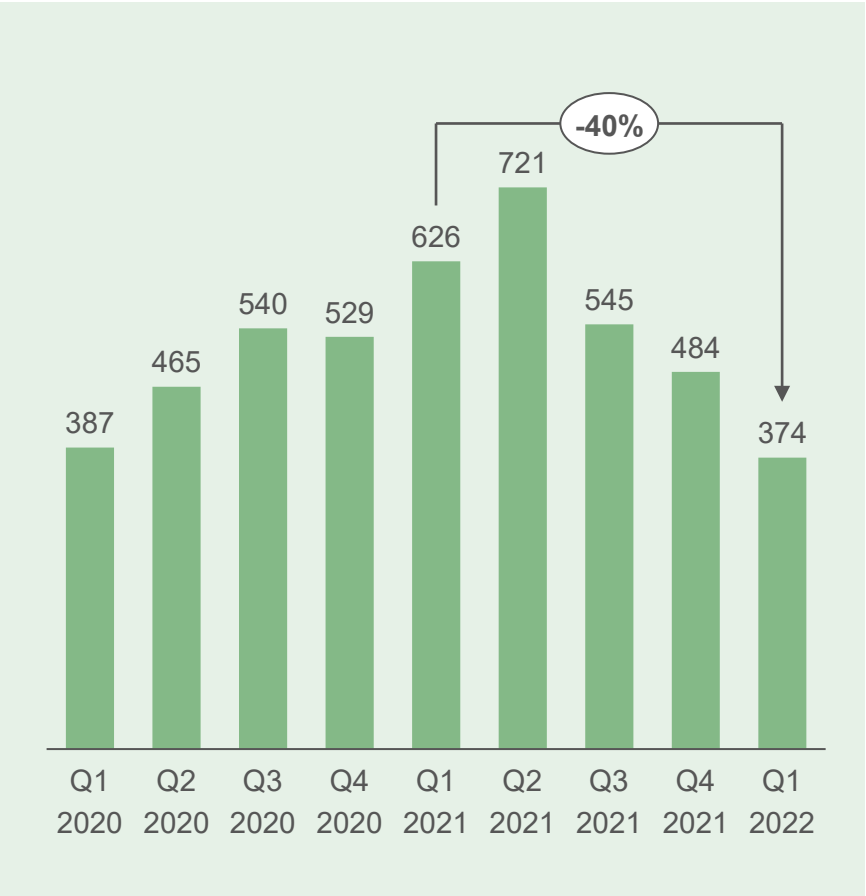


Comments

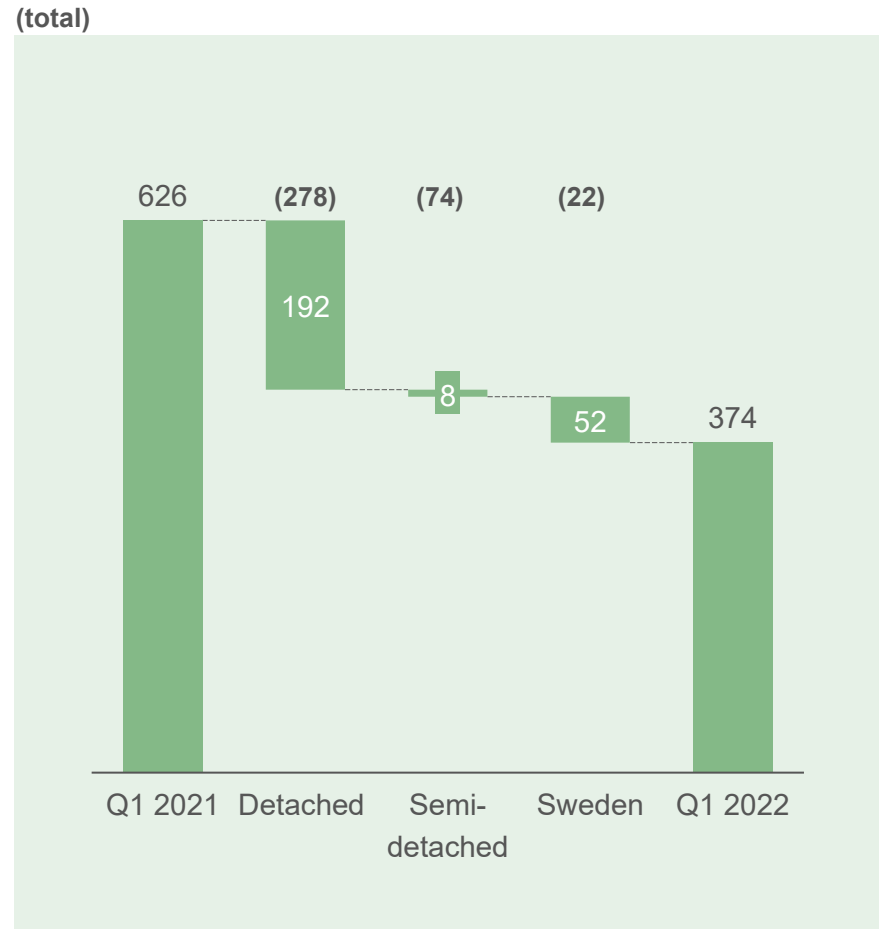
- Q1 2022 deliveries up 21.8% from Q1 2021
- The detached completion rate in 2022 exceeded last year level – expect to improve full year flow
- Semi-detached deliveries comprised mainly delivery of two larger projects
- Higher factory utilisation in Sweden

Q1 2022 sales down 40% y-o-y from extraordinary high 2021 level

374 houses sold in Q1 2022



Segment split - development

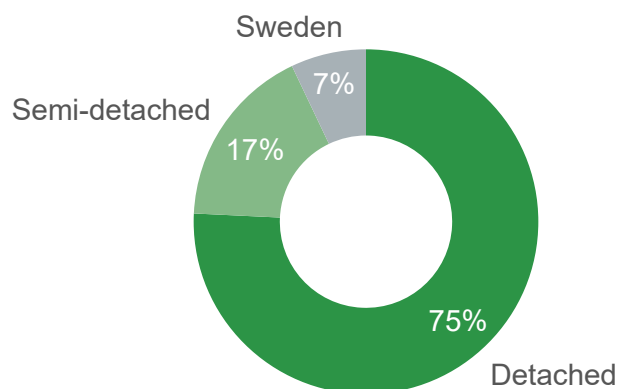


Comments

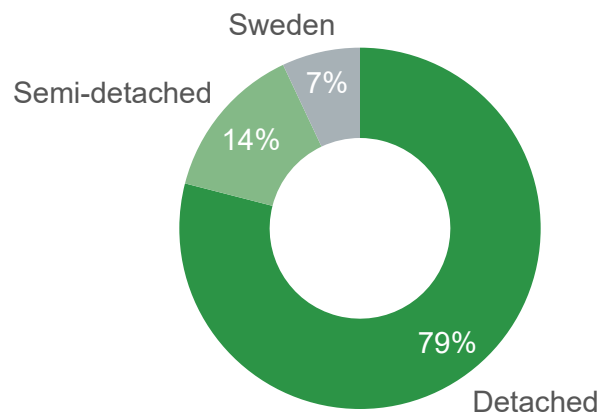
- Market demand decreased after extraordinary high market activity in H1 2021 for detached
- 74 units sold in Semi-detached of which 31 were B2B sales. Overall level impacted by fluctuations in B2B sales
- Sweden sales rate impacted by lower market demand and focus on executing on existing order book

Segments Q1 2022

Revenue split Q1 2022



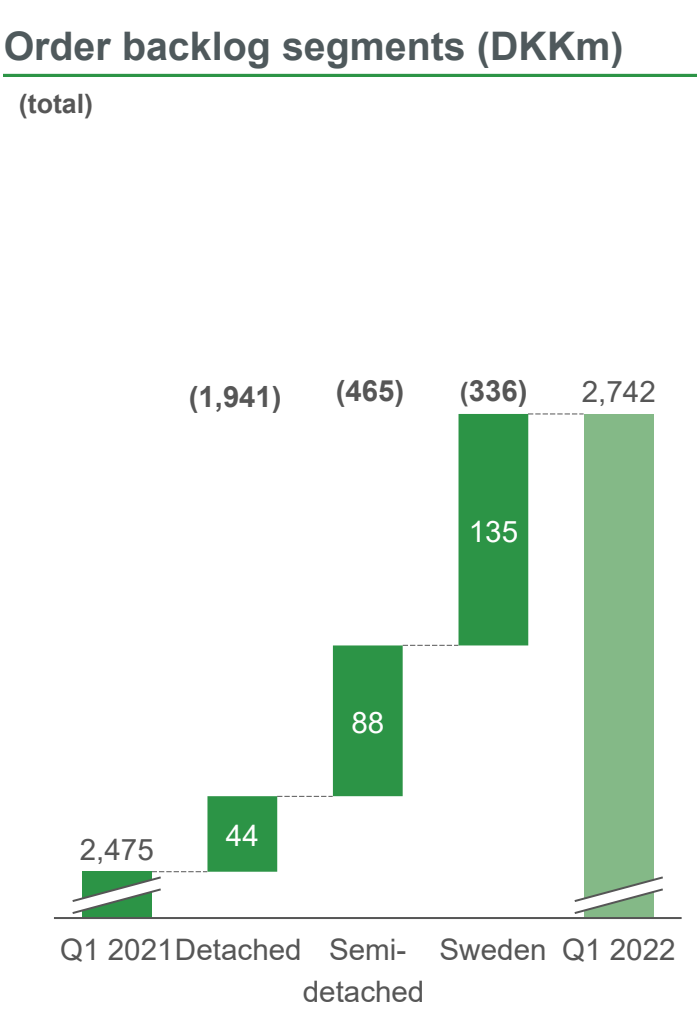
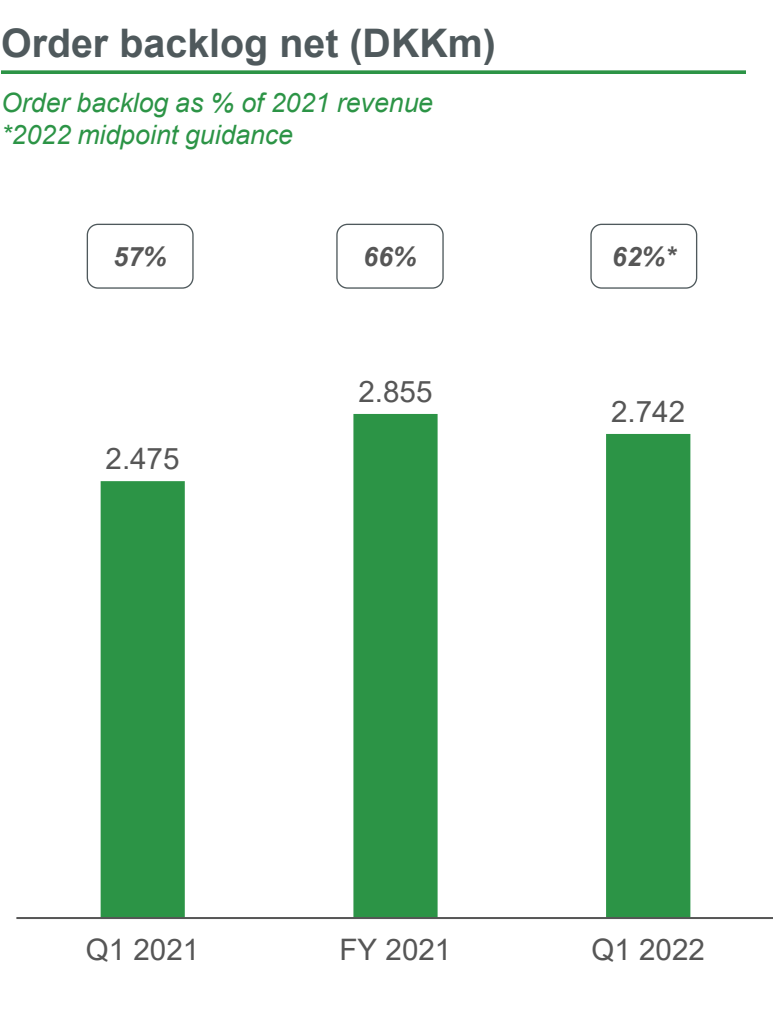
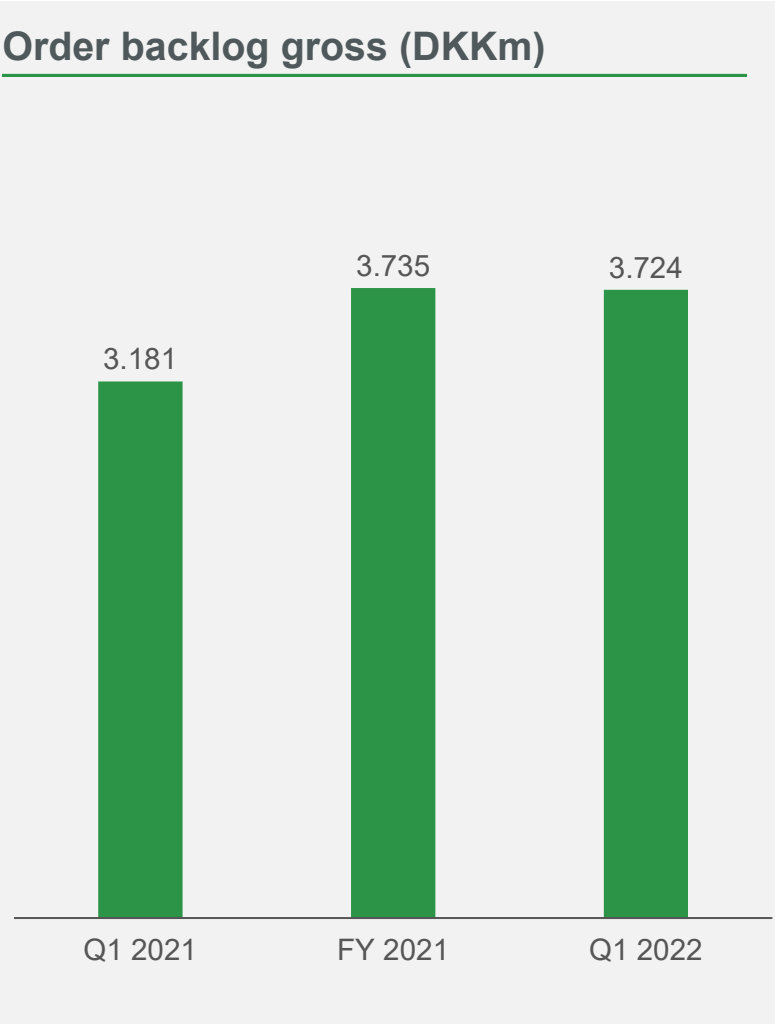
Revenue split Q1 2021



DKK m	Denmark						Group	
	Detached Houses		Semi-detached Houses		Swedish business			
	Q1 2022	Q1 2021	Q1 2022	Q1 2021	Q1 2022	Q1 2021	Q1 2022	Q1 2021
Order backlog (gross)	2,652	2,447	706	503	365	231	3,724	3,181
Order backlog (net)	1,941	1,897	465	377	336	201	2,742	2,475
Revenue	882	757	205	132	86	68	1,173	957
Gross profit	170	147	15	15	33	28	218	190
EBITDA bsi	78	53	9	11	12	11	99	74
Share of own land*	8.5%	10.4%	86.1%	36.4%	n/a	n/a	22.0%	11.2%
Average Selling Price	2.3	2.2	2.2	1.3	1.3	1.2	n/a	n/a
Revenue growth (%)	16.5%	3.6%	55.3%	169%	26.5%	-5.6%	22.6%	12.5%
Gross margin	19.3%	19.4%	7.4%	11.4%	37.8%	41.6%	18.6%	19.9%
EBITDA margin bsi	8.9%	7.0%	4.4%	8.1%	14.2%	15.4%	8.5%	7.7%

*Includes houses delivered solely in Denmark.

Order backlog – gross and net



Outlook for 2022

Financial outlook for 2022 adjusted:

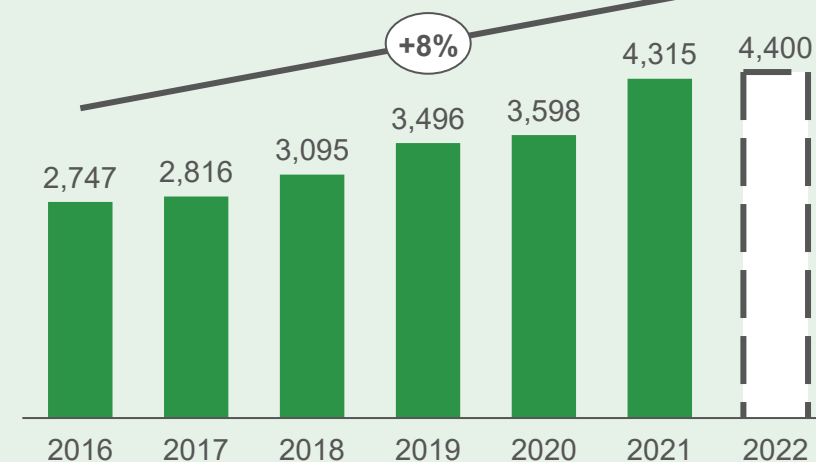
- Revenue is expected to be DKK 4,250 – 4,550 million (previously DKK 4,350 – 4,650 million)
- EBITDA before special items is expected to be DKK 370 - 410 million (previously DKK 420 – 450 million)
- EBIT is expected to be DKK 320 - 360 million (previously DKK 370 – 400 million)
- Leverage ratio below 2.25x NIBD/EBITDA before special items (previously 2.0x)

Assumptions for the outlook

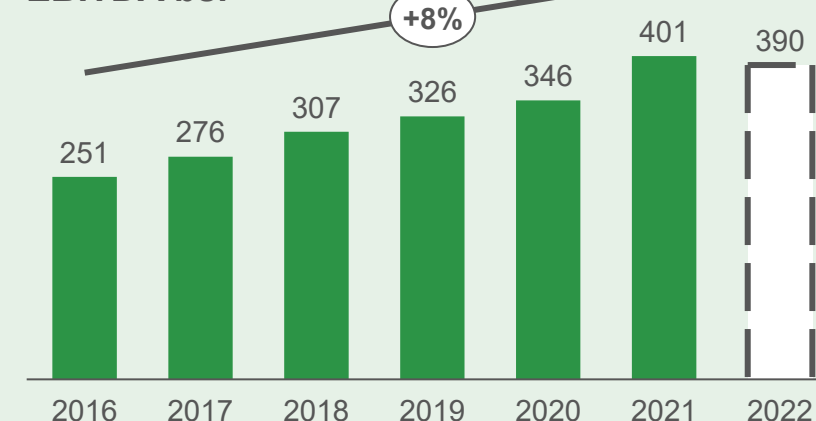
The 2022 guidance is based on no severe disruption of supply chains emerging and on raw material prices not significantly exceeding current levels.

- Current expectations for 2022 sales are between 1,700 and 2,100 houses. (previously 1,900 and 2,100)
- Current expectations for 2022 deliveries are between 1,950 and 2,100 houses (previously 2,020 – 2,160)
- Revenue from the semi-detached segment is assumed to be around DKK 500 million.
- Share of deliveries on own land is expected to be below 10% due to the current size of the land bank. Long-term target remains at around 20%.
- Current expectations for capital expenditures are DKK 40–60m and comprise investments in digitalisation, automation, B2B and sustainability.
- Full year cash conversion (free cash flow to EBITDA) is expected to be at least 50% despite the increased capex level. (previously at least 60%)
- Special items of DKK 2-5 million is expected (previously no significant special items)
- The newly acquired factory is expected to generate around DKK 100 million in revenue and break-even EBITDA result.

Revenue



EBITDA bsi



Around DKK 400m in dividend and share buyback since listing

Share buyback

HusCompagniet completed a **share buyback of DKK 36.8 million in Q1 2022**, corresponding to 316,931 shares

Share buyback of DKK 180 million completed in August 2021.

Cancellation of 1,790,000 was approved at the AGM on 8 April 2022, reducing the entire share capital to 18,210,000.

Dividends

A dividend of DKK 132 million was paid in April 2022, corresponding to **DKK 7.35 per share**. No dividend was paid out on treasury shares

A dividend of DKK 60 million was paid in April 2021, corresponding to **DKK 3.00 per share**.

Total distribution to shareholders of around DKK 400 million since listing

DKK 60m dividend DKK 180m share buyback DKK 36.8m share buyback DKK 132m dividend





Q&A