

18 August 2021

Company Announcement 13/2021

Interim financial report for the period 1 January – 30 June 2021

Market demand remains high, supporting increased sales rates and deliveries in the period and driving a very strong H1 2021 performance.

With revenue of DKK 2,041 million and EBITDA of DKK 175 million for the first half of 2021, HusCompagniet generated solid growth in revenue and earnings. Margin improvements were underpinned by successful mitigation of cost inflation, especially for raw materials.

“HusCompagniets unique business model and market position proves its value in the current market. Market demand is high, as are cost pressures. We have a well-balanced approach for navigating through this and can continue to deliver strong results,” says CEO Martin Ravn-Nielsen and he continues:

“Our order book has grown by 51% in the period, and despite cost pressures and prolonged processing time for building permits, we have only extended the delivery process by a couple of months, which is relatively short compared to the rest of the market.

Growth in the Swedish segment in the second quarter is a primary reason for the longer duration of the order book. A ramp-up of the organisation has been initiated to support the increased building activity and will primarily contribute in 2022.”

<i>DKKm</i>	Q2 2021	Q2 2020	Change	H1 2021	H1 2020	Change
Houses sold (units)	721	465	55%	1,347	852	58%
Houses delivered (units)	424	384	10%	818	736	11%
Order backlog	3,775	2,505	51%	3,775	2,505	51%
Revenue	1,084	841	29%	2,041	1,692	21%
Gross profit	229	167	37%	419	327	28%
EBITDA (bsi)*	101	70	44%	175	124	41%
EBITA (bsi)*	94	63	49%	161	108	49%
Special items	0	-15	-	0	-15	-
EBIT	90	43	109%	152	82	85%
Gross margin (bsi)*	21.2%	19.8%	1.4 ppt.	20.6%	19.3%	1.3 ppt.
EBITA margin (bsi)*	8.7%	7.5%	1.2 ppt.	7.9%	6.4%	1.5 ppt.
EBIT margin	8.3%	5.1%	3.2 ppt.	7.4%	4.8%	2.6 ppt.
Contract assets, gross	807	660	22%	807	660	22%
Available cash**	475	362	31%	475	362	31%
Net interest-bearing debt	702	945	-26%	702	945	-26%
NIBD/LTM EBITDA (bsi)*	1.8x	-	-	1.8x	-	-

*Before special items

**Available cash includes an RCF facility. Q2 2020 includes a DKK 450m RCF facility. The RCF facility agreement was changed in October 2020 to DKK 400m

Highlights

- H1 2021 revenue increased by 21% year-over-year to DKK 2,041 million, supported by an increase in deliveries totalling 818 houses, up by 82 from 736 houses in H1 2020. Q2 2021 revenue totalled DKK 1,084 million, up 29% from Q2 2020
- Sales grew 58% with high activity in the market. The strong sales rate supports continued growth and increases capacity utilisation in production
- EBITA before special items (bsi) increased 49% to DKK 161 million, up from DKK 108 million in H1 2020. EBITA margin was 7.9% compared to 6.4% in H1 2020. Q2 2021 EBITA margin came out at 8.7%

The improvement was driven by the higher focus on margin improvements partly offset by higher sales commissions due to higher sales rates. A smaller ramp-up of the organisation was initiated in Q2 2021 to meet the increased building activity

- Net debt was DKK 702 million, while the leverage ratio (NIBD/LTM EBITDA) was 1.8x compared to 2.0x at year-end 2020. At 30 June 2021, available cash was DKK 475 million, including a revolver of DKK 400 million
- Due to its strong liquidity, HusCompagniet will consider further options to share Group capital surplus with shareholders through dividends and/or share buyback

Outlook for 2021

We reiterate the full-year 2021 guidance issued in May 2021.

- Revenue is expected to be DKK 4,100 – 4,250 million
- EBITA before special items is expected to be DKK 360 – 370 million
- Operating profit (EBIT) is expected to be DKK 335 – 345 million

HusCompagniet expects a leverage ratio below 2.0x net debt to last twelve months EBITDA before special items at the end of 2021, with the level moving towards 1.5x.

The Danish and Swedish housing markets remain attractive, underpinned by low interest rates. Yet, the current market situation is characterised by high cost inflation on certain raw materials and distressed supply chains are increasing market uncertainty for an overall positive market outlook.

Furthermore, prolonged processing times on building permits have extended the delivery process by a couple of months.

Webcast and conference call

HusCompagniet will host a conference call (in English) for investors and analysts at 10:00 (CEST) today, Wednesday 18 August 2021. The conference call and presentation will be available from HusCompagniet's investor website.

Conference call dial-in numbers for investors and analysts:

UK: +44 3333009262
DK: +45 78150109
US: +18 332498407
DE: +49 69222220380

<https://streams.eventcdn.net/huscompagniet/h1-2021>

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DKK'm	H1 2021	H1 2020	Q2 2021	Q2 2020	2020
Income statement					
Revenue	2.041	1.692	1.084	841	3.598
Gross profit	419	327	229	167	756
EBITDA before special items	175	124	101	70	346
EBITDA after special items	175	108	101	55	268
EBITA before special items	161	108	94	63	317
EBITA after special items	161	93	94	48	238
Operating profit (EBIT) before special items	152	98	90	58	299
Operating profit (EBIT)	152	82	90	43	220
Financial income /expenses, net	-10	-21	-5	-7	-45
Profit for the year (continued operations)	109	28	68	19	159
Profit for the year (discontinued operations)	0	-21	0	12	-66
Profit for the year	109	7	68	31	92
Balance sheet					
Contract assets, net	678	612	678	612	445
Net working capital	528	624	528	624	440
Net interest bearing debt (NIBD)	702	945	702	945	697
Equity	1.909	1.784	1.909	1.784	1.857
Cash flow					
Cash flow from operating activities	72	-129	62	-2	141
Cash flow from investing activities	-7	-4	-3	-7	-31
- Hereof from investment in property, plant and equipment	-4	-4	-2	-7	-20
Cash flow from financing activities	-71	-68	-9	-43	-152
Free cash flow	66	-132	59	-8	110
Key figures					
Revenue growth	21%	-	29%	-	3%
Gross margin	21%	19%	21%	20%	21%
EBITA before special items	8%	6%	9%	7%	9%
EBITA margin after special items	8%	5%	9%	6%	7%
Earnings Per Share (EPS Basic), DKK	5	1	3	1	8
Diluted earnings per share (EPS-D) (DKK)	5	1	3	1	8
Dividend per share, DKK	-	-	-	-	3.00
Share price end of period, DKK	119	-	119	-	125
Market value, DKK billion	2.4	-	2.4	-	2.5
ROCE	6%	4%	3%	2%	8%
NIBD/LTM EBITDA before special items	1.8	-	1.8	-	2.0

Refer to the consolidated financial statements 2020 for definition of key figures

Business Update

HusCompagniet achieved a record number of sales and deliveries in H1 2021, supported by solid demand and a continued efficient completion rate in the building process. Sales amounted to 1,347 houses compared to 852 houses in H1 2020, and deliveries amounted to 818 compared to 736 in H1 2020.

HusCompagniet generated revenue of more than DKK 2 billion in H1 2021, up 21% from H1 2020, supported by good market demand in Denmark and Sweden. HusCompagniet's core market, Danish detached houses, comprised 81% of the revenue, while Semi-detached and Sweden comprised 12% and 7%, respectively. Revenue in Semi-detached was mainly driven by increased work-in-progress.

The building sector has seen increased build cost and supply chain pressure concerning some materials in H1 2021. However, cost inflation was successfully mitigated through continuous price adjustment adapting to the market situation. Further, supply chains were kept intact in the challenging environment as well as supplier and sub-contractor relationships.

EBITA margin before special items grew 1.5%-points, supported by good performance in mainly Detached and the Swedish segment. A strong margin focus also supported the earnings level. Sales provisions increased in the period, and SG&A was impacted by ramping up of the organisation due to the high sales rate.

HusCompagniet successfully maintained the important target of delivering 98% of our houses on time and at agreed cost, backed by HusCompagniets long term relationships with sub-contractors and suppliers and our efforts taken to keep supply chains intact and mitigate cost inflation. Furthermore, our business model and position in the market allow us to quickly adapt to changes in the supply and demand structure and secure competitive offerings.

One of our strategic initiatives is the Semi-detached segment and to seize the B2B opportunity in this market. In H1 2021, we sold 138 units, of which 79 were B2B sales. Based

on realised sales and the current pipeline, we are comfortable with the strategic targets set.

We are pleased to see that customer ratings are kept high and that we continue to have the best rating in the industry, with a satisfaction score of 4.7. out of 5.0 on Trustpilot.

Our digital offering HusOnline have received good interest after the show houses were built in April 2021, and the Group successfully delivered the first HusOnline house in June 2021. HusOnline was launched in November 2020 as a fully digital offering to meet the future digital market demand.

Free cash flow came in at DKK 66 million, and Financial leverage was 1.8x LTM EBITDA bsi at 30 June 2021, reduced from 2.0x at 31 December 2020. The leverage ratio is expected to be reduced further, positively impacted by the EBITDA level.

HusCompagniet is well capitalised, and with a target of below 2.0x, the Group will consider further options to share Group capital surplus with shareholders through dividends and/or share buyback.

A DKK 3 per share dividend, totalling DKK 60 million, was paid out in April 2021 following shareholder approval at the General Meeting.

The dividend policy adopted targets an initial pay-out ratio of at least 50% of the reported profit for the year.

Financial review for the first half of 2021

Revenue

HusCompagniet reported a total revenue of DKK 2,041 million in H1 2021, up 21% from DKK 1,692 million in H1 2020, in line with guidance. The increase was mainly due to an increase in the number of houses delivered totalling of 818 houses and an increased level of contract assets. Average selling price (ASP) was on level with H1 2020, reflecting an underlying geographic mix effect. Total revenue comprised deliveries of DKK 1,687 million, land plots of DKK 83 million, while work in progress was DKK 271 million.

Gross margin

Gross margin was 21%, up from 19% in H1 2020. The positive development was mainly driven by the increased level of work-in-progress and enhanced focus on increasing the margins. Margins in Detached and Sweden increased in the period. Semi-detached had a lower margin compared to H1 2020, mainly due to internal transfer pricing as the majority of production was completed in the detached segment. The transfer pricing effect is expected to reduce over time as the Semi-detached organisation is ramping up.

EBITA before special items

Reported EBITA before special items was DKK 161 million compared with DKK 108 million in H1 2020. This corresponds to an EBITA margin before special items of 7.9% compared to a margin of 6.4% in H1 2020. The increase in gross margin offset by increased level of provision due to the high sales rate and a smaller ramp-up of the organisation impacted SG&A.

Amortisation and depreciation

Amortisation and depreciation amounted to DKK 23 million compared to DKK 26 million in H1 2020. Depreciation amounted to DKK 14 million against DKK 16 million in H1 2020. Amortisation mainly consists of developing projects including ERP system. Depreciation mainly refers to leasing contracts.

Special items

There were no Special items in H1 2021, compared to negative DKK 15 million in H1 2020. Special items in H1 2020 related to organisational adjustments due to restructuring and Covid-19 measures taken.

EBIT

Reported EBIT amounted to DKK 152 million against DKK 82 million in H1 2020. Improved operating profit was driven by increased activity and improved margin focus.

Net financials

Reported net financials was an expense of DKK 10 million compared to an expense of DKK 21 million in H1 2020. The improvement was primarily due refinancing of loan in October 2020 and thereby lower leverage and finance costs.

Profit for the year before tax for continued operations

Profit for the year before tax from the continued operation was DKK 142 million in H1 2021 compared with DKK 61 million in H1 2020.

Taxation

Reported tax for H1 2021 was DKK 32 million against DKK 33 million in H1 2020. The effective tax rate was 23% compared to 54% in H1 2020. The H1 2020 level was affected by tax provisions adjusted for in Q3 2020.

	Q2-2021	Q2-2020	H1-2021	H1-2020
Sales (units)	721	465	1,347	852
Detached	511	389	981	700
Semi detached	56	7	138	36
Sweden	154	69	228	116
Deliveries (units)	424	384	818	736
Detached	348	298	675	576
Semi detached	20	36	31	63
Sweden	56	50	112	97
Order backlog (DKKm)	3,775	2,505	3,775	2,505
Detached	2,867	2,250	2,867	2,250
Semi detached	584	74	584	74
Sweden	324	182	324	182
Share of own land* (%)	20.1%	18.9%	15.9%	23.5%
Detached (%)	17.8%	15.4%	14.2%	18.6%
Semi-detached (%)	60.0%	47.2%	51.6%	68.3%

*Only Denmark

Cash flow

Operating activities

Net cash generated from operating activities was DKK 72 million compared with negative DKK 129 million in H1 2020. Cash flows were supported by the higher operating profit offset by payment of dividend of DKK 60 million in April 2021. H1 2020 was negatively impacted by higher level of trade and other payables accrued for in prior period.

Investing activities

Net investments of DKK 7 million were generated during H1 2021, against DKK 4 million in H1 2020. Net investments mainly related to development projects and property, plant and equipment.

Free cash flow

Free cash flow was DKK 66 million against negative DKK 132 million in H1 2020, mainly driven by operating activities. Cash conversion was 38%.

Financing activities

Financing activities was DKK 71 million, against negative DKK 68 million in H1 2020. The change was the result of a new loan agreement obtained in 2020 and payment of dividend to shareholders in April 2021.

Balance sheet

Financing

Net interest-bearing debt (NIBD) totalled DKK 702 million at 30 June 2021, DKK 697 million at 31 December 2020. The net interest-bearing debt to EBITDA ratio was 1.8x compared to 2.0x at year-end 2020. HusCompagniet entered into a new loan agreement in October 2020 resulting in a down payment of DKK 130 million. At 30 June 2020 NIBD was DKK 945 million.

Equity

The Groups equity increased by DKK 52 million in H1 2021, to stand at DKK 1,909 million. The increase was based on the profit for the period, partly offset by dividend payment of DKK 60 million in April 2021.

Net working capital

Net working capital totalled DKK 528 million at 30 June 2021, down from DKK 624 million at 30 June 2020. The change was mainly caused by an increase in contract assets more than offset by lower level of trade and other payables.

Net working capital increased from DKK 440 million at 31 December 2020. Mainly due to increase in contract assets.

Inventories totalled DKK 314 million at 30 June 2021, down from DKK 381 million at 30 June 2020, mainly due to increased land bank more than offset by lower level of show houses. At 31 December 2020 Inventories totalled DKK 360 million.

Contract assets

Contract assets (gross) amounted to DKK 807 million compared to DKK 660 million in the end of H1 2020. The increased level reflected relative higher building activity, especially in the semi-detached segment. Excluding contract liabilities, contract assets amounted to DKK 678 million against DKK 612 million in H1 2020.

Order backlog

The order backlog as at 30 June 2021 amounted to DKK 3,775 million compared to DKK 2,688 million at 31 December 2020. The higher backlog was due to higher sales in H1 2021 compared to H1 2020. Current backlog comprises around 90% of expected revenue for the year (mid-point of guidance).

Deliveries amounted to 818 houses, which exceeded the H1 2020 figure of 736. In H1 2021, 20.1% of deliveries were houses built on own land. Full-year level is expected to be around 19%.

Land bank

As at 30 June 2021, HusCompagniet's land bank comprised 429 individual land plots (including show houses and project houses) valued at DKK 261 million. As at 31 December 2020, HusCompagniet's land bank comprised 487 individual land plots (including show houses and project houses) valued at DKK 228 million.

The relative higher value per plot was mainly due to acquired land of 57 plot in June 2021.

Discontinued operations

During 2020, the Group closed down its German and Swedish brick house activities finalised in September 2020. Reported loss from discontinued operations was DKK 0 million against a DKK 21 million loss in H1 2020.

Dividend

A dividend of DKK 3.00 per share for the 2020 financial year was distributed following shareholder approval at the Annual General Meeting to be held on 12 April 2021.

HusCompagniet's dividend policy targets initial pay-out ratio of at least 50% of reported profit for the year.

The dividend for 2020 financial year added up to a total dividend payout of approximately DKK 60 million, corresponding to payout ratio of 65% of the consolidated profit after tax. The level of the payout ratio reflected an extraordinary year due to listing and related special items.

Events after the balance sheet date

No events have occurred after the balance sheet date that are expected to have a material effect on HusCompagniet's financial position.

Financial review for the second quarter of 2021

Revenue

HusCompagniet reported total revenue of DKK 1,084 million in Q2 2021 up 29% from DKK 841 million in Q2 2020. Deliveries amounted to 424 million an increase of 10% from 384 in Q2 2020. The increase was positively affected by a higher share of work-in-progress compared to Q2 2020.

EBITA before special items

Reported EBITA before special items was DKK 94 million compared with DKK 63 million in Q2 2020. This corresponds to an EBITA margin before special items of 8.7% compared to a margin of 7.5% in Q2 2020. Gross margin was 21.2% up from 19.8%, while SG&A increased primarily due to increased provision from sales and a smaller ramp-up of the organisation.

Special items

No Special items occurred in Q2 2021, compared to negative DKK 15 million in Q2 2020. The Q2 2020 level was mainly due to organisational adjustment related to restructuring and COVID-19 measures taken.

Profit for the period

Profit for the period from continued operations was DKK 68 million in Q2 2021, up from DKK 19 million in Q2 2020.

Cash flow

Operating activities

Net cash generated from operating activities was DKK 62 million compared with negative DKK 2 million in Q2 2020. Due to operating profit in the period and lower level of changes in working capital.

Investing activities

Net investments of DKK 3 million were made during Q2 2021, against DKK 7 million in Q2 2020.

Free cash flow

Free cash flow was DKK 59 million, against negative DKK 8 million in Q2 2020, mainly

driven by changes in operating activities. Cash conversion was 58%.

Financing activities

Financing activities was DKK 9 million, against negative DKK 43 million in Q2 2020. The financing activities were affected by the repayment of long-term debt and proceeds from a new loan agreement.

Segments

Denmark – detached and semi-detached

Detached

Sales increased 40%, to 981 units, driven by high activity in the housing market. In addition, COVID-19 impacted H1 2020.

Deliveries increased 17% totalling 675 in H1 2021. Production utilisation increased in the period.

Revenue amounted to DKK 1,651 million, up 12% from DKK 1,472 million from H1 2020. The increase was driven by increased deliveries. Share of own land deliveries was 14.2% down from 18.6%.

The gross margin was 20.2% (17.6% y-o-y) with EBITA before special items at DKK 123 million, corresponding to a margin of 7.5%. EBITA bsi increased from 5.8% in H1 2020. Due to the increased sales rates, the detached segment also incurred more in sales provisions.

Average selling price (ASP) was DKK 2.2 million on par with H1 2020, reflecting an underlying geographic mix effect.

The Q2 2021 gross margin came in at 20.9% and an EBITA margin at 8.5%.

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Sales	387	465	540	529	626	721
Deliveries	352	384	365	537	394	424

Semi-detached

Sales increased by 102 units to 138 in H1 2021, of which 79 were B2B sales. At 30 June 2021, the order book was at DKK 584 million. The largest B2B project sold in H1 2021 comprised 22 units.

Revenue amounted to DKK 239 million, up from DKK 77 million in H1 2020. Revenue comprised mainly contacted work in progress (DKK 198 million). Share of own land in deliveries was 51.6%. The development reflected the increased share of B2B projects in the segment.

The gross margin was 11.0% (20.8% y-o-y) and EBITA before special items DKK 17 million, corresponding to a margin of 7.3%. (7.0% y-o-y). Semi-detached had a lower margin compared to H1 2020, mainly due to internal transfer pricing as the majority of production was completed in the detached segment. The transfer pricing effect is expected to reduce over time as the Semi-detached organisation is ramping up and increasing production capacity.

Average selling price (ASP) was DKK 1.3 million, a decrease from DKK 1.8 million y-o-y due to lower share of own land deliveries.

The Q2 2021 gross margin was 10.5% and a EBITA margin at 6.2%.

Sweden

Sales increase 97% to 228 from 116 in H1 2021, driven by high market activity and execution of strategic initiatives. Increase in deliveries from 97 to 112, an increase of 15%.

Revenue amounted to DKK 150 million, up from DKK 143 million in H1 2020. The increase was driven by improved margin and an increase in sales and deliveries. The gross margin was 39.5% with EBITA before special items at DKK 20 million, corresponding to an EBITA margin of 13.4%. Average selling price (ASP) was DKK 1.3 million, a decrease from

DKK 1.5 million in H1 2020 due to change in share of on-site construction projects.

A ramp-up of the organisation is initiated to support the high building activity.

The Q2 2021 gross margin was 37.8%, while the EBITA margin was 13.5%.

Outlook

We reiterate the full-year 2021 guidance issued in May 2021.

- Revenue is expected to be DKK 4,100 – 4,250 million
- EBITA before special items is expected to be DKK 360 – 370 million
- Operating profit (EBIT) is expected to be DKK 335 – 345 million

HusCompagniet expects a leverage ratio below 2.0x net debt to last twelve months EBITDA before special items at the end of 2021, with the level moving towards 1.5x.

	Updated 4 May 2021	Initial Outlook 6 November 2020
DKKm		
Revenue	4,100-4,250	3,800-4,150
EBITA	360-370	350-360
EBIT	335-345	325-335
Leverage ratio (NIBD/LTM EBITDA bsi)	below 2.0x	below 2.0x

Assumptions for the outlook

HusCompagniet's estimates for 2021 are primarily based on its historic execution rate, existing order backlog and current market expectations.

The Danish and Swedish housing markets remain attractive, underpinned by low interest rates. Yet, the current market situation is characterised by high cost inflation on certain raw materials and distressed supply chains are increasing

market uncertainty for an overall positive market outlook. Furthermore, prolonged processing times on building permits have extended the delivery process by a couple of months.

- Current expectation for 2021 sales is between 2,100 and 2,250 houses
- Expected deliveries for the year is between 1,800 houses and 1,900 houses
- Average selling price (ASP) is expected to be positively impacted by price adjustments
- No significant special items are expected for the financial year ending 31 December 2021
- Revenue from semi-detached (Denmark) segment is assumed to be around DKK 500 million for the financial year ending 31 December 2021
- Contract assets are assumed to increase by around DKK 200 million in 2021.

General assumptions

General assumptions comprise assumptions relating to macro-economic conditions, industry considerations, regulatory changes and customer behaviour (particularly in the light of the COVID-19 pandemic). The Group's estimates assume that there will not be any material change in the competitive or regulatory landscape, and no other external actions.

Forward-looking statements

This interim report 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

Risk factors

HusCompagniet is exposed to strategic, operating and financial risks, which are described in the management review and the 2020 Annual Report prepared in accordance with IFRS.

Statement by Management

The Board of Directors and the Executive Board have reviewed and approved the interim condensed consolidated financial statement of the Group for the period 1 January – 30 June 2021. The interim condensed consolidated financial statement, which has not been audited or reviewed by the Company's auditor, has been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the EU, and additional requirements in the Danish Financial Statements Act.

It is our opinion that the interim condensed consolidated financial statement gives a true and fair view of the financial position for the Group at 30 June 2021 and the results of the Group's operations and cash flow for the period 1 January – 30 June 2021.

Further, in our opinion, the Management's review gives a fair view of the development in the Group's activities and financial matters, results of operations, cash flows and financial position as well as a description of material risks and uncertainties that the Group face.

Virum, 18 August 2021

Executive Board:

Martin Ravn-Nielsen
Group CEO

Mads Dehlsen Winther
Group CFO

Board of Directors:

Claus V. Hemmingsen
Chairperson

Anja B. Eriksson
Vice chairperson

Stig Pastwa

Ylva Ekborn

Mads Munkholt Ditlevsen

Bo Rygaard

Interim condensed consolidated Income Statement

DKK'000	Note	H1 2021	H1 2020	Q2 2021	Q2 2020	FY 2020
Revenue	3, 4	2.040.504	1.692.028	1.083.667	841.208	3.598.408
Cost of Sales		-1.621.117	-1.365.352	-854.273	-674.398	2.842.835
Gross profit		419.387	326.676	229.394	166.810	755.573
Staff cost		-185.582	-149.274	-98.535	-74.330	-296.330
Other external expenses		-58.719	-53.926	-29.739	-22.012	-113.114
Other operating income		107	168	76	10	311
Operating profit before depreciation and amortisation (EBITDA) before special items		175.193	123.644	101.196	70.478	346.440
Special items		-1	-15.472	0	-15.130	-78.879
Operating profit before depreciation and amortisation (EBITDA) after special items		175.192	108.172	101.196	55.348	267.561
Depreciation and amortisation		-23.106	-25.709	-11.190	-12.485	-47.357
Operating profit (EBIT)		152.086	82.463	90.006	42.863	220.204
Financial income		12.332	11.498	8.391	6.697	27.897
Financial expenses		-22.573	-32.736	-13.721	-13.962	-73.106
Profit before tax from continuing operations		141.845	61.225	84.676	35.598	174.995
Tax on profit		-32.455	-33.233	-16.767	-16.753	-16.419
Profit for the period from continuing operations		109.390	27.992	67.909	18.845	158.576
Profit/(loss) after tax for the period from discontinued operations	5	-75	-21.282	169	11.875	-66.411
Profit for the period		109.316	6.710	68.078	30.720	92.165
Profits attributable to:						
DKK'000		H1 2021	H1 2020	Q2 2021	Q2 2020	FY 2020
Equity owners of the Company		109.316	6.710	68.078	30.720	92.165
Earnings per share:						
DKK	Note	H1 2021	H1 2020	Q2 2021	Q2 2020	FY 2020
Earnings per share (EPS Basic)		5,5	0,3	3,4	1,5	4,6
Diluted earnings per share (EPS-D)		5,5	0,3	3,4	1,5	4,6
Earnings per share (EPS Basic) continuing operations		5,5	1,4	3,4	0,9	7,9
Diluted earnings per share (EPS-D) continuing operations		5,5	1,4	3,4	0,9	7,9
Earnings per share (EPS) (DKK) from discontinued business		0,0	-1,1	0,0	0,6	-3,3
Diluted earnings per share (EPS-D) (DKK) from discontinued business		0,0	-1,1	0,0	0,6	-3,3

Interim condensed consolidated Statement of Other Comprehensive Income

DKK'000	Note	H1 2021	H1 2020	Q2 2021	Q2 2020	FY 2020
Profit for the year		109.316	6.710	68.078	30.720	92.165
Other comprehensive income						
		0	0	0	0	0
<i>Items that may be reclassified to the income statement in subsequent periods</i>		0	0	0	0	0
<i>Foreign currency translation differences, subsidiary</i>		-462	-448	0	-7	3.236
Other comprehensive income, net of tax		-462	-448	0	-7	3.236
Total comprehensive income for the year		108.854	6.262	68.078	30.713	95.401

Total comprehensive income attributable to:

DKK'000	Note	H1 2021	H1 2020	Q2 2021	Q2 2020	FY 2020
Equity owners of the Company		108.854	6.262	68.078	30.713	95.401

Interim condensed consolidated Balance Sheet

DKK'000	Note	H1 2021	FY 2020	H1 2020
Assets				
Non-current assets				
Goodwill		2.035.014	2.036.580	2.032.450
Intangible assets		40.501	46.472	41.715
Right-of-use assets		95.670	93.717	100.987
Property, plant and equipment		19.993	19.945	20.937
Deferred tax asset		0	4.634	43.226
Total non-current assets		2.191.178	2.201.348	2.239.315
Current assets				
Inventories	6	314.422	359.661	381.085
Contract assets	7	806.791	547.977	660.231
Trade and other receivables		251.116	207.451	286.755
Prepayments		13.063	13.378	10.900
Cash and cash equivalents		75.038	77.916	882.134
Total current assets		1.460.430	1.206.382	2.221.105
Total assets		3.651.608	3.407.730	4.460.420

Interim condensed consolidated Balance Sheet - continued

DKK'000	Note	H1 2021	FY 2020	H1 2020
Equity and liabilities				
Equity				
Share capital		100.000	100.000	14.689
Retained earnings and other reserves		1.809.065	1.757.192	1.768.920
Total equity		1.909.065	1.857.192	1.783.609
Liabilities				
Non-current liabilities				
Borrowings		671.674	671.163	619.250
Lease liabilities		82.005	82.812	90.403
Provisions		8.555	9.520	7.961
Deferred tax liability		10.117	2.966	36.213
Other liabilities		0	0	19.113
Total non-current liabilities		772.351	766.461	772.940
Current liabilities				
Borrowings		0	448	1.096.859
Lease liabilities		23.150	20.563	20.708
Trade and other payables		630.091	402.998	488.198
Contract liabilities	7	129.234	102.501	48.433
Prepayments from customers	7	32.235	13.718	15.342
Provisions		34.222	31.407	30.532
Income tax payable		36.192	35.905	55.246
Other liabilities		85.068	176.538	148.553
Total current liabilities		970.192	784.077	1.903.871
Total liabilities		1.742.543	1.550.538	2.676.811
Total equity and liabilities		3.651.608	3.407.730	4.460.420

Interim condensed consolidated Statement of Cash Flows

DKK'000	Note	H1 2021	H1 2020	FY 2020
Cash flow from operating activities				
Profit before tax from continuing operations		141.846	61.226	174.995
Profit before tax from discontinued operations		-75	-21.282	-16.190
Changes in working capital		-76.052	-206.523	-19.903
Adjustments for non-cash items		37.343	45.341	92.999
Interest received		12.332	11.498	27.897
Interest paid incl. interest on lease payments		-22.573	-21.438	-72.753
Corporation tax paid		-20.384	2.449	-45.758
Net cash generated from operating activities		72.437	-128.729	141.287
Cash flow from investing activities				
Acquisition of assets recognised as property, plant and equipment		-3.883	-3.744	-19.646
Acquisition of assets recognised as intangible assets		-2.854	0	-11.383
Net cash generated from investing activities		-6.737	-3.744	-31.029
Cash flow from financing activities				
Repayment of long-term debt		1.340	-58.185	-805.903
Proceeds from loans		0	0	675.000
Repayment of lease liabilities		-12.399	-9.787	-20.964
Dividend to equity holders		-60.000	0	0
Dividends from own treasury shares		410	0	0
Net cash generated from financing activities		-70.648	-67.972	-151.867
Total cash flows		-4.948	-200.445	-41.609
Cash and cash equivalents at 1 January		77.916	109.610	109.610
Net foreign currency gains or losses		2.070	2.367	9.466
Cash and cash equivalents at 30 June/31 December		75.038	-88.468	77.467
Cash and cash equivalents				
Cash at bank and on hand		75.038	882.134	77.916
Cash and cash equivalents as at 30 June/31 December		75.038	882.134	77.916
Bank overdrafts		0	-970.602	-448
Net cash and cash equivalents as at 30 June/31 December		75.038	-88.468	77.467

Interim condensed consolidated statement of changes in equity

2021					
DKK'000	Share capital	Foreign currency translation reserve	Retained earnings	Proposed dividend	Total
Equity at 1 January	100.000	3.768	1.693.424	60.000	1.857.192
Profit for the period	0	0	109.316	0	109.316
Other comprehensive income:					
Foreign currency translation differences	0	-462	0	0	-462
Total other comprehensive income	0	-462	0	0	-462
Transactions with owners of the Company and other equity transactions:					
Share-based payment	0	0	2.609	0	2.609
Dividends, own shares	0	0	410	0	410
Dividends paid	0	0	0	-60.000	-60.000
Total transactions with owners of the Company and other equity transactions	0	0	3.019	-60.000	-56.981
Equity on 30 June	100.000	3.306	1.805.759	0	1.909.065
2020					
DKK'000	Share capital	Foreign currency translation reserve	Retained earnings	Proposed dividend	Total
Equity at 1 January	14.689	532	1.762.126	0	1.777.347
Profit for the period	0	0	6.710	0	6.710
Other comprehensive income:					
Foreign currency translation differences	0	-448	0	0	-448
Total other comprehensive income	0	-448	0	0	-448
Transactions with owners of the Company and other equity transactions:					
Equity on 30 June	14.689	84	1.768.836	0	1.783.609

Notes

1 Accounting policies

This interim condensed financial report comprises the period 1 January – 30 June 2021.

The interim condensed financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and Danish disclosure requirements for listed companies.

The financial part of the interim condensed financial report has been prepared in accordance with IAS 34 for interim condensed consolidated financial statements.

The accounting policies are unchanged from the 2020 consolidated financial statements, to which reference is made except the changes stated below. A full description of accounting policies is provided in the 2020 consolidated financial statements.

Changes to accounting policies

HusCompagniet A/S has implemented the following new or amended standards and interpretations with effect from 1 January 2021:

- Amendments to IFRS 9, IAS 39, IFRS 7 and IFRS 16 - Interest Rate Benchmark Reform - Phase 2

HusCompagniet A/S has implemented the standards and interpretations that become effective in the EU for 2021. None of these standards or interpretations has affected recognition or measurement in 2021 or is expected to affect the Group.

2 Accounting estimates and judgements

In preparing the interim condensed financial statements, management made various judgements, estimates and assumptions concerning future events that affected the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant estimates made by management applying the Group's accounting policies and the associated significant estimating uncertainties are the same for the preparation of the interim condensed financial statements as for the preparation of the consolidated financial statements for 2020.

3 Segment information

For management purposes, the Group is organised into business units based on its products and services as well as geographical location. The Group has three reportable segments, as follows:

- The detached houses in Denmark segment, which comprise brick houses built on site and plots
- The semi-detached houses in Denmark segment, which comprise brick houses built on site and plots, includes both business-to-business and business-to-consumers
- The Swedish business comprise detached prefab houses

The Group discontinued two reportable segments, Brick Houses in Sweden and the operation in Germany in September 2020. Please refer to Note 5 for further disclosure.

No operating segments have been aggregated to form the above reportable operating segments.

Executive Management is the Chief Operating and Decision Maker and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on gross profit and is measured consistently with the profit or loss in the consolidated financial statements. The Groups operating expenses (including staff costs, other operating expenses and depreciations) are managed on a Group basis and are allocated to operating segments. Assets and Liabilities are not allocated to segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

H1 2021	Denmark						
DKK'000					Brick houses Sweden (Discontinued)	Germany (discontinued)	Total segments
	Detached houses	Semi-detached houses	Swedish business	Total continuing operations			
Revenue							
External customers	1.779.798	110.424	150.282	2.040.504	0	0	2.040.504
Inter-segment	-128.713	128.713	0	0	0	0	0
Total revenue	1.651.085	239.137	150.282	2.040.504	0	0	2.040.504
Income/(expenses)							
Cost of goods	-1.440.987	-89.265	-90.865	-1.621.117	0	0	-1.621.117
Inter-segment	123.564	-123.564	0	0	0	0	0
Segment gross profit	333.663	26.307	59.416	419.387	0	0	419.387
Gross margin	20,2%	11,0%	39,5%	20,6%	0,0%	-	20,6%
Other operating income	107	0	0	107	0	0	107
Staff costs	-157.444	-8.473	-19.666	-185.582	0	-4	-185.586
Other external expenses	-41.590	-458	-16.671	-58.719	304	-149	-58.564
Segment EBITDA	134.737	17.376	23.079	175.192	304	-153	175.344
EBITDA margin	8,2%	7,3%	15,4%	8,6%	0,0%	-	8,6%
Depreciation	-11.310	0	-2.970	-14.281	0	0	-14.281
Segment EBITA before special items	123.426	17.376	20.109	160.911	304	-153	161.063
EBITA margin	7,5%	7,3%	13,4%	7,9%	0,0%	-	7,9%

3 Segment information - Continued

H1 2020 DKK'000	Denmark			Total continuing operations	Brick houses Sweden (Discon- tinued)	Germany (discon- tinued)	Total segments
	Detached houses	Semi- detached houses	Swedish business				
Revenue							
External customers	1,472.047	77.194	142.787	1.692.028	36.315	88.781	1.817.125
Inter-segment	0	0	0	0	0	0	0
Total revenue	1.472.047	77.194	142.787	1.692.028	36.315	88.781	1.817.125
Income/(expenses)							
Cost of goods	-1.212.565	-61.154	-91.634	-1.365.352	-38.416	-81.576	-1.485.345
Segment gross profit	259.483	16.040	51.153	326.676	-2.101	7.205	331.780
Gross margin	17,6%	20,8%	35,8%	19,3%	-5,8%	8,1%	18,3%
Other operating income	168	0	0	168	0	0	168
Staff costs	-125.622	-7.657	-15.995	-149.274	-3.550	-5.360	-158.184
Other external expenses	-37.372	-2.322	-14.232	-53.926	-1.493	-3.712	-59.131
Segment EBITDA	96.657	6.061	20.927	123.644	-7.144	-1.868	114.632
EBITDA margin	6,6%	7,9%	14,7%	7,3%	-19,7%	-2,1%	6,3%
Depreciation	-10.552	-639	-4.906	-16.097	-740	0	-16.838
Segment EBITA before special items	86.105	5.422	16.021	107.547	-7.884	-1.868	97.795
EBITA margin	5,8%	7,0%	11,2%	6,4%	-21,7%	-2,1%	5,4%

Reconciliation of profit

DKK'000	2021 H1	2020 H1
Segment EBITA from continuing operations	160.911	107.547
Segment EBITA from discontinued operations	151	-9.752
Special items	-1	-16.020
Amortizations	-8.825	-12.051
Financial income	12.317	11.498
Financial expenses	-22.783	-41.279
Profit before tax from discontinued operations	75	21.282
Profit before tax from continuing operations	141.845	61.225

4 Revenue

Revenue per segment and category - Contracted Sales

H1 2021							
DKK'000	Denmark		Swedish business	Total continuing operations	Brick houses Sweden (Discontinued)	Germany (discontinued)	Total segments
	Detached houses	Semi-detached houses					
Sales value houses sold on customers building sites	1.319.724	41.771	150.282	1.511.777	0	0	1.511.777
Sales value houses sold on own building sites	180.649	197.366	0	378.015	0	0	378.015
Sales of land plots	83.215	0	0	83.215	0	0	83.215
Other revenue	0	0	0	0	0	0	0
Total Contracted sales	1.583.588	239.137	150.282	1.973.007	0	0	1.973.007

Revenue per segment and category - Non-contracted sales

H1 2021							
DKK'000	Denmark		Swedish business	Total continuing operations	Brick houses Sweden (Discontinued)	Germany (discontinued)	Total segments
	Detached houses	Semi-detached houses					
Show houses	67.497	0	0	67.497	0	0	67.497
Other revenue	0	0	0	0	0	0	0
Total Non-contracted sales	67.497	0	0	67.497	0	0	67.497
Total Revenue	1.651.085	239.137	150.282	2.040.504	0	0	2.040.504

4 Revenue - Continued

H1 2020							
DKK'000	Denmark		Swedish business	Total continuing operations	Brick houses Sweden (Discontinued)	Germany (discontinued)	Total segments
	Detached houses	Semi-detached houses					
Sales value houses sold on customers building sites	1.172.909	20.234	142.787	1.335.930	36.315	88.781	1.461.027
Sales value houses sold on own building sites	239.009	56.960	0	295.969	0	0	295.969
Sales of land plots	59.961	0	0	59.961	0	0	59.961
Other revenue	168	0	0	168	0	0	168
Total Contracted sales	1.472.047	77.194	142.787	1.692.028	36.315	88.781	1.817.125

Revenue per segment and category - Non-contracted sales

H1 2020							
DKK'000	Denmark		Swedish business	Total continuing operations	Brick houses Sweden (Discontinued)	Germany (discontinued)	Total segments
	Detached houses	Semi-detached houses					
Show houses	0	0	0	0	0	0	0
Other revenue	0	0	0	0	0	0	0
Total Non-contracted sales	0	0	0	0	0	0	0
Total Revenue	1.472.047	77.194	142.787	1.692.028	36.315	88.781	1.817.125

Revenue per continuing and discontinued operations

DKK'000	H1 2021	H1 2020
Total revenue from continuing operations	2.040.504	1.692.028
Total revenue from discontinued operations	0	125.096
Total revenue	2.040.504	1.817.125

The Group is engaged in construction and civil works activities in Denmark and Sweden.

The Group's brick house activity in Sweden and the Group's activities in Germany were discontinued in September 2020. Please refer to note 5 for further disclosure hereof.

Non-contracted sales is recognised on delivery (point-in-time). Contracted sales is recognised over time. Payment is typically due at the time of final delivery of the construction, however a small deposit is paid upon contract negotiation. The Group receives a bank guarantee in connection with the start-up of each contract, and is entitled to payment for work performed, including profit during the project. Construction contracts with professional investors may also include payments on account.

Contracted sales comprise sale of houses constructed on the customers land, or houses sold on own land that are covered by a customer contract before construction is started. Conversely, non-contracted sales comprise sale of houses constructed on own land to which no customer contract has been entered before construction starts.

5 Discontinued operations

In 2019, the Group decided to close down its German activities and to focus on its original core market segments. The decision was driven by the difficulty of establishing a network of suppliers to support its business and of establishing significant brand recognition in a new large market. Also in 2019, the Group decided to cease its Swedish brick-house business activities due to the substantial differences in the supply and sales process in Sweden as compared to Denmark and due to Swedish customer preferences for wood rather than brick houses. The German and Swedish brick house activities were closed down during September 2020.

DKK'000	H1 2021	H1 2020
Revenue	0	125.096
Expenses	151	-134.656
Impairment	0	-3.179
Operating income	151	-12.739
Finance Costs	-226	-8.543
Profit/(loss) before tax from discontinued operations	-75	-21.282
Tax on profit/(loss)	0	0
Profit/(loss) after tax for the period from discontinued operations	-75	-21.282

The net cash flows generated /(incurred) by the business segments brick houses in Sweden and the operations in Germany are, as follows:

DKK'000	H1 2021	H1 2020
Operating	-75	-21.282
Investing	0	0
Financing	0	0
Net cash inflow/(outflow)	-75	-21.282

6 Inventories

DKK'000	H1 2021	H1 2020	FY 2020
Raw materials	7.063	18.704	7.152
Show-houses and semi-detached houses (non-contracted)	141.697	133.978	118.097
Land	170.662	233.403	239.912
Write-down inventories	-5.000	-5.000	-5.500
Total inventories	314.422	381.085	359.661

7 Contract assets

DKK'000	H1 2021	H1 2020	FY 2020
Selling price of contract assets	838.614	709.112	566.969
Prepayments from customers	-161.057	-97.314	-121.493
	677.557	611.798	445.476

Calculated as follows:

Contract assets	806.791	660.231	547.977
Contract liabilities	-129.234	-48.433	-102.501
	677.557	611.798	445.476

Prepayments from customers regarding construction contracts not yet started	32.235	15.342	13.718
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Delivery obligations	H1 2021	H1 2020	FY 2020
Within one year	3.760.575	2.440.210	2.442.900
After one year	53.567	95.124	245.106

Construction contracts (assets/liabilities)

Contract assets comprise the selling price of work performed where the Group does not yet have an unconditional right to payment, as the work performed has not yet been approved by the customer.

Contract liabilities comprise agreed, unconditional payments received on account for work yet to be performed. During H1 2021, the entire contract liability recognized at the beginning of the period has been recognized as revenue.

Payment is typically due at the time of final delivery of the construction, however a small deposit is paid upon contract negotiation. The Group receives a bank guarantee in connection with the start-up of each contract, and is entitled to payment for work performed, including profit during the project.