



Press release

22 November 2021

Formica Capital becomes new main shareholder in Nock Massiva Trähus

Formica Capital is investing in the fast-growing wooden house manufacturer Nock Massiva Trähus to enable continued expansion. Nock is one of few Swedish suppliers of apartment buildings through industrialized production in solid wood, which provides climate-positive homes of high quality. Nock is Formica's fifth investment in the shift to more sustainable housing. In addition to the founders of Nock, the investment company NEA Partners and the founders of Nordika Fastigheter are among shareholders. In 2021, Nock expects sales of around SEK 170 million, a growth of over 300%.

Nock is a pioneer and market leader in modular production of buildings in cross-laminated timber, CLT. The company was founded and is run by an experienced team, with real estate veteran Olle Knaust as CEO and Örjan Landström the innovator of the unique building system. In 2021, production will quadruple from 2020 with a broad project portfolio, from student housing to exclusive rental and condominiums, so called BRFs.



The cost-effective and flexible construction system has clear advantages. With 96% prefabrication degree in its factory in Älvängen outside Gothenburg the system can halve project times, as the base plate and modules can be built simultaneously. The dimensional stability and precision of the system leads to high quality with low maintenance costs and tenant turnover. The buildings are energy efficient reaching the levels set by Swedish Boverket, to qualify for energy efficiency subsidies. With CO₂ being trapped in the frame, a climate-positive housing is achieved that is possible to build without concrete.

The construction industry accounts for a bit more than 20% of Sweden's emissions. With CLT as frame material, the emissions in the construction phase are significantly reduced and buildings can act as a carbon sinks, as the forest capture CO₂ trees during their growth which is stored in the buildings. By using CLT, the proportion of wood is increased significantly compared with a traditional wood framework with plaster walls. Together with its energy efficiency and responsible forestry, the houses can, according to Formica's calculations, be climate positive both in the short term and over a lifespan of 50 years. CLT houses thus contribute to Sweden's objective of fossil neutrality 2045 and beyond.

With the capital injection the deal entails, Nock can further streamline its building system and expand production capacity to meet the increased demand for its products. The long-term objective is to become a major supplier in the Swedish housing industry.

Olle Knaust, VD, Nock Massiva Trähus:

”With Formica, we get a long-term partner whose experience of building strong companies and knowledge in scaling sustainable solutions will be a great asset for us. Their strong belief in sustainable wooden construction, with a focus on positive impact and responsible entrepreneurship, is in line with our values and our view of the future. With this collaboration, we see great opportunities to realize Nock's full potential”.

Tomas Haglund-Flemström, Head of Impact & Innovation, Formica Capital:

”The ongoing Swedish cement crisis has demonstrated the need for cost-effective alternatives to concrete in the construction industry. Nock uses our local forests to build housings at the right price while storing carbon dioxide. We have for some time been looking for investments in wood-based construction and have in Nock found a unique company with a high degree of innovation and fantastic ability to get things done. Together, we hope to contribute to meeting both climate challenges and the housing crisis with high-quality buildings that people will enjoy living in..”

För ytterligare information, v.v. kontakta:

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Formica Capital

Formica Capital is a Swedish investment company with a long-term ownership strategy. It is owned by the Olsson Eriksson family. Formica Capital creates value by being an active owner in profitable and long-term sustainable companies, that positively impacts society. Formica's purpose is to invest with a purpose and its mission includes partnering with purpose-led management teams.
www.formicacapital.se

Nock

Nock has 25 employees and is expected to reach a turnover of approximately SEK 170 million in 2021. Nock Massiva Trähus delivers climate-smart, prefabricated apartment buildings. Nock builds both condominiums (BRFs) and rental apartments with flexible design up to 8 storeys high. Nock builds modularly in cross-laminated timber from European forests, which provides energy- and cost-efficient houses built from sustainable materials. The houses are produced in our own factory in Älvängen outside Gothenburg and assembled after transport to the final destination. www.nock.nu