

We love to build for your life.



Annual Report 2022



Since 1980, HELMA has been the specialist for individual detached houses and sustainable residential projects built applying the solid construction method. Attractive holiday properties and independent financing and insurance offers round off our product portfolio.

“We love to build for your life” for around 1,000 customers every year in a strong team of several hundred employees.



Contents

To the shareholders

Letter to the shareholders	34
The Management Board	36
Supervisory Board Report	38
The Supervisory Board	42
HELMA share	44

Aggregated management report for HELMA Eigenheimbau AG and the Group

Organisational structure	49
Business activity and strategy	50
Economic environment	59
Group order book position	64
Group earnings	66
Group net assets and financial position	70
Group investments	73
Sustainability – non-financial performance indicators	74
Employees, sales partners and the company's boards	88
Net assets, financial position and earnings of the parent company	89
Risk report	92
Related parties report	97
Report on events subsequent to the reporting date	97
Dividend	97
Strategic orientation of the HELMA Group	97
Medium-term growth strategy	100
Forecast report	101

Consolidated financial statements

Consolidated balance sheet	104
Consolidated statement of total comprehensive income	106
Consolidated cash flow statement	107
Consolidated statement of changes in equity	108
Notes to the consolidated financial statements	109
Independent audit opinion	148

Single entity financial statements of HELMA Eigenheimbau AG	152
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Editorial	154
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The HELMA Group at a glance

Earnings and dividend		2013	2014	2015	2016
Revenue	in k€	138,018	170,497	210,618	263,842
EBITDA	in k€	11,793	15,971	19,494	23,455
Adjusted EBITDA*	in k€	11,843	16,301	20,076	23,949
Operating earnings (EBIT)	in k€	10,286	14,167	17,774	21,662
Adjusted operating earnings (EBIT)*	in k€	10,336	14,497	18,356	22,156
Earnings before taxes (EBT)	in k€	8,271	11,690	14,956	19,568
Net income after minority interests	in k€	5,606	8,132	9,952	13,498
Cash earnings	in k€	11,752	16,302	15,325	20,953
Earnings per share**	in €	1.85	2.43	2.69	3.37
Dividend per share	in €	0.53	0.63	0.79	1.10
Adjusted gross profit margin	in %	24.1	24.4	23.4	21.5
Adjusted EBIT margin*	in %	7.5	8.5	8.7	8.4
EBT margin	in %	6.0	6.9	7.1	7.4
Return on sales (ROS)	in %	4.1	4.8	4.7	5.1

Sales performance		2013	2014	2015	2016
Net new order intake	in k€	158,979	193,005	269,386	286,815

Selected balance sheet items and key figures		12/31/2013	12/31/2014	12/31/2015	12/31/2016
Property, plant and equipment	in k€	15,760	16,139	16,342	16,398
Inventories including land	in k€	78,408	96,054	154,369	173,816
Cash and cash equivalents	in k€	6,821	6,916	12,493	11,331
Equity	in k€	28,033	40,952	69,898	80,236
Net debt	in k€	68,034	79,401	98,581	124,320
Total assets	in k€	136,600	159,947	244,994	278,242
Equity ratio	in %	20.5	25.6	28.5	28.8

Other data		12/31/2013	12/31/2014	12/31/2015	12/31/2016
Number of employees		211	233	254	290

* Adjusted for the disposal of capitalised interest

** Relative to the average number of shares in circulation during the financial year

*** Proposal

2017	2018	2019	2020	2021	2022
267,418	253,276	263,243	273,993	331,486	302,450
22,529	23,776	25,171	24,756	30,647	9,127
24,433	24,883	25,878	25,813	32,910	11,639
20,232	21,784	22,782	22,169	27,904	6,249
22,136	22,891	23,489	23,226	30,167	8,761
19,130	21,153	23,594	22,461	27,286	3,526
12,993	14,487	16,144	15,365	18,772	2,104
17,965	14,983	18,089	20,352	24,481	10,977
3.25	3.62	4.04	3.84	4.69	0.53
1.40	1.30	1.85	1.54	1.72	0.40***
21.0	23.8	24.5	24.1	24.7	20.5
8.3	9.0	8.9	8.5	9.1	2.9
7.2	8.4	9.0	8.2	8.2	1.2
4.9	5.7	6.1	5.6	5.7	0.7

2017	2018	2019	2020	2021	2022
245,393	278,576	296,486	312,459	446,558	255,167

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
16,621	19,065	19,919	19,499	19,299	19,185
199,891	220,152	232,210	281,673	311,024	350,443
16,656	16,328	16,703	20,087	21,787	18,762
88,829	97,716	108,594	116,578	129,481	124,659
149,236	159,312	174,898	198,406	211,134	211,264
317,653	341,440	380,164	423,372	451,430	449,394
28.0	28.6	28.6	27.5	28.7	27.7

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
304	325	322	346	348	362

Trust the test winner

HELMA is EXCELLENT!

FOCUS MONEY

HÖCHSTE KUNDEN-ZUFRIEDEN-HEIT

HELMA

3 weitere Anbieter erhielten die Note Sehr Gut
Im Test: 18 Massivhaus-anbieter in Deutschland

Ausgabe 9/2023

★★★★★

F.A.Z.-INST

Deutschlands Fertig- u Massivhausanbieter 2022

Basis: Anbieter-Reputation
02 | 2022

faz.net/Deutschlands-Fairste

F.A.Z.-INSTITUT

Deutschlands Fairste Fertig- und Massivhaus-Anbieter 2023

Basis: Anbieter-Reputation
02 | 2023

faz.net/Deutschlands-Fairste



BELLEVUE
Best Property
Agents
2023



CrefoZert[®]
Creditreform
Bonitätszertifikat

2023

Gültig bis:
12/2023

**AUSGEZEICHNETE
BONITÄT**

HELMA Eigenheimbau
Aktiengesellschaft
Lehrte



Group & Family

HELMA stands for a strong association of four successful companies active nation-wide. Together, HELMA Eigenheimbau AG as the parent company and the three subsidiaries HELMA Wohnungsbau GmbH, HELMA Ferienimmobilien GmbH and Hausbau Finanz GmbH comprise the HELMA Group. Consequently, they not only stand for a corporate family, but also act as a family business – with their personality and responsibility both internally and externally.

Ever since the inception of our company, the institution of the family has been particularly close to our hearts as a fundamental value and a key target group for the core business of individually planned detached houses. By way of the individual planning of each and every detached house, we assume



responsibility for the successful realisation of the building projects, while at the same time shaping and designing the living space of the future residents. As the HELMA family, we also assume responsibility by advancing and promoting our employees, acting as a fair contractual partner for our builders, home buyers and corporate partners, as well as supporting the formation and strengthening of family values and structures in society through our social commitment.

HELMA – We are one group & one family!

Fairness & Transparency

We perform. Just like in sports, it is not only the result that counts for us, but also the way in which the result is achieved. And just like in sports, we apply the same standards to being successful. We take a targeted and fair approach. Regardless of whether you are a customer or subcontractor, we provide detailed information about the scope and quality of the tasks. Information and answers to questions are easy to obtain from us - for reference on the internet, in printed form, as a reply to an e-mail or in person in conversations. Our cooperation is based on mutual trust.

We provide our services as a team. And just like in sports, teams or specialists cannot perform at their best without the cooperation of coaches, motivators, physiotherapists or assistants. That is why we at HELMA work and perceive ourselves as a team. We have the same focus on achieving a perfect result. Everyone makes their optimal contribution to fulfilling the wishes of the customers in the best possible manner. In this context, challenges are also identified, transparently analysed and worked through. We minimise our weaknesses and push our strengths – across all levels. This creates success in the team and for each and every individual.

HELMA – Simply sporty!





Honesty & Service

We inspire people. We not only build and sell properties, but also provide comprehensive support, assistance and encouragement to all interested parties on the way to their property. Our aim is not only to sell our products. Our intention is that customers judge us and our properties based on quality, performance, price and value, so that they can decide in favour of us with the best of their knowledge and conscience. We explain what we do, why we do it and the course from start to finish. We plan and advise so as to achieve the best possible result for our customers. We do not want to persuade, but to convince instead.



We provide targeted information for contractual partnerships at eye level. The standard of our communication is to inspire prospective buyers without exaggeration, but with a great deal of knowledge about the topics of house building and property purchase. We live competence and experience with and for our interested parties and contractual partners.

HELMA – Simply more know-how!





We love to build for your life!

Planning and construction of individual solid construction detached houses ("brick on brick") for private homeowners.



We offer home ownership on a one-stop-shop basis!

Project management and development of infrastructurally attractive land as all-in packages for private buyers and investors.





We combine quality of life and return on investment!

Development, construction, and sale of holiday properties in popular vacation regions.



We look for the ideal financing arrangement!

Independent search and brokering of financing solutions and insurance services for private homebuilding.

House Lugano - Visualisation



House Berlin - Visualisation





Close to people

HELMA Eigenheimbau AG – All HELMA solid houses are the built dreams of your own home and of protection and security for yourself and your family within your own four walls. And as much as tastes, options and potentials have changed, this one desire has always remained. Creating a home is part of the human DNA. We have been accompanying people with this desire for over 40 years and have incorporated the highly diverse personal characteristics and implementations from tens of thousands of conversations and countless design and floor plan ideas into our respective current, exemplary house proposals.



HELMA – We love to build for your life!

House Valencia - Visualisation





Building with trust

HELMA Eigenheimbau AG – Providing and collecting information, collecting comprehensive information and expertise, taking in the opinions of others – it has never been easier than today. But is that sufficient? We not only provide detailed information, but also actively support the classification and evaluation of data, facts, opinions and new findings. We are the specialist and partner for house building that earns trust based on information, transparency and honesty. We satisfy the thirst for knowledge, offer pragmatic solutions and are the one who knows that our individual house proposal is always exactly the right one for our customers.

HELMA – Let's build honestly!





Energy self-sufficient multi-family houses in Lübben



Energy-saving house in the showhouse park in Lehrte



Sustainable for everyone

Environmental protection and sustainability must not be dependent on individual possibilities and ideas. Therefore, we have made it our task to optimally solve the ecological challenges of energy efficiency and resource consumption for all house proposals and personal wishes. We plan and build energy self-sufficient multi-family houses and classic detached houses with the same know-how.

We develop new technology concepts that are precisely tailored to current and future requirements. Together with our customers, we implement exactly the right measure of sensible and desired sustainability. We face up to our responsibility for people and nature. Completely individual – but always especially efficient.

HELMA – We're here for everyone!







Making things possible

HELMA Wohnungsbau GmbH – We seek out and perceive the opportunities that remain hidden from others. Whether it's expansive open spaces, small gaps or replacing the old with the new - we find such options and use them to develop residential concepts for urban or peri-urban living. We create living space for singles, couples and families, for people with the desire to live in their own four walls.

We participate in the lives of these people for a short but crucial period and gain a glimpse into their future. In many hours of private exchange, we listen attentively and trustingly to achieve the best possible result for each individual wish.

HELMA – Creating the new!



Terraced houses, semi-detached and pre-planned detached houses in Falkensee - Visualisation



Art comes from skill and expertise

HELMA Wohnungsbau GmbH – Perceiving and acknowledging the overall situation, fulfilling needs, preserving beauty, creating attractive offers - it's all an art. And art has to please. Not everyone, but to those who are genuinely interested. We develop our projects with all this in mind. They must fit spatially, correspond to the concepts of the respective cities and municipalities, but above all they must meet the demand for housing and represent desirable objects. We do not create art for this, but we have mastered the art of creating what is meaningful and expedient.

HELMA – We can make it happen!





Holiday properties • OstseeResort Olpenitz • Visualisation



Holiday park • OstseeResort Olpenitz





Places of desire and yearning

HELMA Ferienimmobilien GmbH – The escape from everyday life, the desire for freedom and just wanting to let go are the recurring motives for time-outs, holidays or short trips. We create the perfect spaces for precisely these moments.

And in the right places for exactly these moments. With a view of the water, situated in the midst of verdant nature or with a sporty experience-oriented character, for people with just this desire for such places or for visionaries with a flair for such people. After all, yearning knows no bounds.

HELMA – We fulfil desires!



Good things are so close at hand

HELMA Ferienimmobilien GmbH – Beauty begins right outside your own front door. You just have to recognise it. We certainly can. Germany is not only culturally diverse, but also has particularly varied landscapes. Mountains and forests, lakes, streams and rivers and wide-open spaces – and yet all easily accessible. Stress-free accessibility is already part and parcel of recreation as we see things.

We find just such places in the most beautiful regions and make them just a little bit better. With more comfort and a touch of luxury, but always with a focus on their original character. And all this right here, on our own doorstep.

HELMA – So much to enjoy for so little effort!









Just the right thing

Hausbau Finanz GmbH – When the decision for the right property has been made, we look for the perfect financing solutions. We bring together what belongs together. The data of the house, flat or holiday property and individual requirements combined with our institution-independent contacts result in an optimal selection of possibilities. There is no single institute that can offer that.

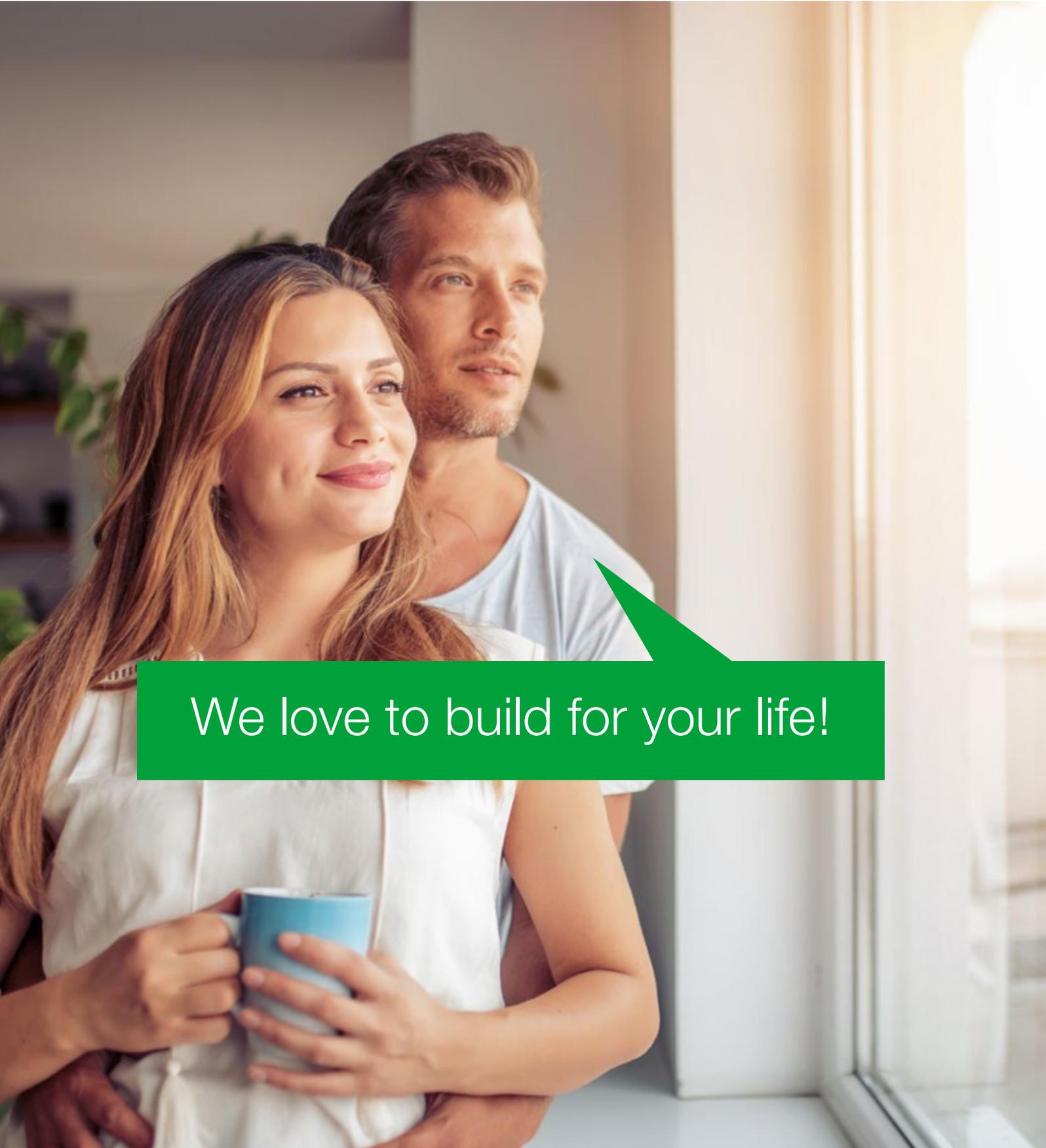
Service, advice and the explanation of financing offerings perfectly round off the full-service portfolio for purchasing real estate. It goes without saying that the entire service for HELMA building owners and customers is completely without obligation. And that is the way it should be.

Hausbau Finanz – This is how it's done!



Individual HELMA house

Our vision



We love to build for your life!

HELMA Group
Annual Report 2022



Letter to the shareholders

Dear shareholders,

We look back on an extraordinary and intensive 2022 financial year for HELMA, which was characterised by shortages of supplies and materials, higher energy prices as well as the consequences of the coronavirus pandemic and the Ukraine war. These factors had a sustained negative impact on the construction sector. In addition to these extraordinary macroeconomic factors, interest rates rose significantly within a very short period of time, and construction costs posted further significant increases.

We are working intensively on the strategic adjustment of the HELMA Group in order to counter the currently prevailing market environment as optimally as possible and to face 2023 from a position of strength. Key cornerstones of this strategic adjustment include the acceleration of profitable corporate growth, the sustainable optimisation of the organisational structure, and the harmonisation, standardisation and digitalisation of the process organisation. In addition to the necessary impetus for sales, we will also implement extensive cost efficiency measures, including a reduction in the number of employees. Governance, compliance and sustainability are also moving further into focus. In this context, HELMA benefits from a solid financial position, which is characterised by a balanced financing structure with a comfortable liquidity position and an above-average equity ratio.

Apart from the currently prevailing macroeconomic and sector-specific challenges, unchanged high demand for around 400,000 new housing units per year is immense. Added to this are the aspects of new energy-efficient construction, higher inflation and the flight to secure capital investments, rising rents that offer good yield prospects, the unchanged dream of owning one's own property, and a home ownership rate in Germany that stands below the European average. By making adjustments in the aforementioned tactical and strategic areas of action, we are creating the conditions within the company to benefit from a stabilisation of demand within an improved market environment and to achieve continuous revenue growth again in the medium term while achieving attractive margins.

For this reason, we would like to express our sincere thanks to all those involved, whose great commitment and personal dedication make it possible to adjust the company's strategic direction in these challenging times. Likewise, we would like to thank the members of the Supervisory Board for their trusting and constructive collaboration, and you, our shareholders, customers and business partners, for the confidence you have placed in us.

We are pleased that you will continue to accompany us on our journey and be part of the HELMA family.

Kind regards

Signed Andrea Sander
CEO

Signed André Müller
Management Board member



The Management Board

Andrea Sander, MBA



Ms. Andrea Sander was born in Leipzig (Germany) in 1976. After studying European Business Administration, she graduated with an MBA from the NIMBAS Graduate School of Management in 2000. She started her career in 2000 in the audit area at PwC. In 2004, Ms. Sander moved to the Düsseldorf operations of the world's leading personnel service provider, the listed Adecco Group, where she was initially responsible for the Finance Consulting division before becoming Head of Audit & Compliance for the Germany, Austria and Switzerland region from 2006 to 2022, as well as Head of Audit & Compliance for the whole of the European region at Alba Group, where her focus areas comprised audit, governance, process optimisation, risk and compliance. Ms. Sander has extensive experience in organisational development, process optimisation, restructuring and change management projects.

Ms. Sander has been CEO of HELMA Eigenheimbau AG since November 1, 2022. She is responsible for the personnel, legal, sales, marketing, corporate development, public relations and compliance, and has also assumed temporary responsibility for the finance and controlling, IT and investor relations areas. Ms. Sander's current term of office as CEO of HELMA Eigenheimbau AG runs until October 31, 2025.

In addition, Ms. Sander is managing director of the subsidiaries HELMA Wohnungsbau GmbH, HELMA Ferienimmobilien GmbH and Hausbau Finanz GmbH. Ms. Sander does not hold any mandates on statutory supervisory boards or comparable domestic or foreign supervisory bodies.

Dipl.-Ing. André Müller



Mr. Müller was born in Kaiserslautern (Germany) in 1974. After graduating in construction engineering from the University of Kaiserslautern, he worked for Deutsche Reihenhauser AG from 2001 until June 2018, where he held Management Board responsibility for the production area from January 2011. Mr. Müller has been a member of the Management Board of HELMA Eigenheimbau AG since July 1, 2018, and is responsible especially for the areas of project development, technology and energy self-sufficient houses.

Mr. Müller's current period of office as Management Board member of HELMA Eigenheimbau AG runs until June 30, 2025.

Mr. Müller is also Managing Director of the subsidiaries HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH. Furthermore, Mr. Müller holds company officer powers for the subsidiary Hausbau Finanz GmbH. Mr. Müller does not hold any mandates on statutory supervisory boards or comparable domestic or foreign supervisory bodies.

Supervisory Board Report

Karl-Heinz Maerzke
Chairman of the Supervisory Board



Dear shareholders,

In the 2022 reporting year, the Supervisory Board performed the tasks incumbent upon it according to statutory requirements, the company's articles of incorporation, and procedural rules. The Supervisory Board consulted regularly with the company's Management Board, and supervised its activity.

The Supervisory Board was directly included in all decisions of fundamental significance for the company.

The Management Board informed the Supervisory Board regularly, comprehensively, in both written and verbal reports, about corporate planning, particularly financial, liquidity, investment, and personnel planning, business progress, strategic further development, as well as the Group's current position, including the risk position and risk management.

The Supervisory Board convened for a total of six meetings in the 2022 reporting year, which were attended by the Supervisory Board members as follows:

	03/16/2022	05/09/2022	08/26/2022	10/17/2022	11/03/2022	12/07/2022
Karl-Heinz Maerzke	x	x	x	x	x	x
Sven Aßmann	-	x	x	x	x	x
Dr. Peter Plathe	x	x	x	x	x	x
Paul Heinrich Morzynski	x	x	-	-	x	x

The Management Board members attended the Supervisory Board meetings. The Supervisory Board also held regular meetings before and after the joint meetings with the Management Board, without the participation of the Management Board members.

The Supervisory Board passed the resolutions required by law, the company's articles of incorporation, or procedural rules. Following thorough review and consultation, decisions were made on the basis of the reporting and the Management Board's proposals for resolutions.

The Supervisory Board was also rapidly informed outside the scope of meetings about projects and transactions of particular significance or urgency. The Supervisory Board passed corresponding resolutions.

Above and beyond this, the Supervisory Board Chairman was in regular contact with the Management Board, thereby enabling events of extraordinary significance for the position and progress of the company and the Group to be discussed immediately.

Given the Supervisory Board's size in the 2022 financial year, the Board refrained from forming committees.

Award of the audit mandate to Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hanover

At the Ordinary Shareholders' General Meeting on July 1, 2022, shareholders elected Ebner Stolz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hanover, as the auditor of the separate and consolidated financial statements for the 2022 financial year. The Supervisory Board subsequently awarded the audit mandate and, in doing so, agreed clear rules relating to the specifics of the mandate, and the cooperation between the Supervisory Board and the auditor. The auditor informed the Supervisory Board that no circumstances existed that would give rise to concern about its impartiality. It also provided information about the services it had rendered in addition to the auditing of the financial statements.

Supervisory Board accounts meeting on March 21, 2023

The separate annual financial statements of HELMA Eigenheimbau AG prepared by the Management Board according to the regulations of the German Commercial Code (HGB) and the consolidated financial statements prepared according to International Financial Reporting Standards (IFRS) for the 2022 financial year, as well as the aggregated management report for HELMA Eigenheimbau AG and the Group, were audited in the light of the financial bookkeeping by Ebner Stolz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hanover. The auditor awarded unqualified audit opinions. The documents relating to the separate and consolidated financial statements, and the audit reports, were discussed in detail together with the Management Board and the auditor at the Supervisory Board accounts meeting on March 21, 2023. The auditor reported on the findings of the audits, and was available to provide further information to the Supervisory Board. The requisite documents were made available in good time before the Supervisory Board accounts meeting, which allowed sufficient time for them to be inspected. The Supervisory Board concurred with the results of the audit by the external auditor on the basis of its own review of the separate annual financial statements, the consolidated financial statements, and the aggregated management report for HELMA Eigenheimbau AG and the Group. The Supervisory Board approved the separate and consolidated financial statements without reservations; the separate financial statements have been adopted as a consequence.

The auditor awarded the following unqualified audit opinion on the related parties report pursuant to Section 312 of the German Stock Corporation Act (AktG), which was prepared by the Management Board, and audited by the auditor:

"In accordance with the audit duties incumbent on us, and in our assessment, we confirm that

1. the actual disclosures of the reports are correct,
2. in the case of the legal transactions listed in the report, the considerations rendered by the company were not inappropriately high,
3. in the case of the measures listed in the report, no circumstances suggest an assessment significantly different from that of the Management Board."

The Supervisory Board also examined the related parties report itself, and discussed it with the Management Board and the auditor at the accounts meeting. Having conclusively ended its review, it has no objections to the final declaration of the Management Board, and concurs with the result of the external audit.

On the basis of dividend-entitled share capital of € 4,000,000.00, divided into 4,000,000 ordinary shares, the Supervisory Board, following its own review, concurred with the Management Board's proposal relating to the application of unappropriated retained earnings. For this reason, together with the Management Board, the Supervisory Board proposes to the Shareholders' General Meeting that it distribute from the unappropriated retained earnings according to the accounting standards of the German Commercial Code (HGB) of € 3,475,005.79 an amount of € 1,600,000.00 as a dividend – corresponding to a dividend of € 0.40 per dividend-entitled ordinary share – and to carry forward the remaining amount of € 1,875,005.79 to the other revenue reserves.

Changes in the Management Board of HELMA Eigenheimbau AG

At its meeting on October 17, 2022, the Supervisory Board recalled Mr. Gerrit Janssen from office as CEO with immediate effect. Ms. Andrea Sander was appointed as CEO as of November 1, 2022. Ms. Sander is responsible for the areas of Personnel, Legal, Corporate Development, Public Relations and Compliance. Until a successor is appointed, Ms. Sander has temporarily assumed responsibility for the Finance and Controlling, IT and Investor Relations areas. In addition, on February 20, 2023, Mr. Max Bode stepped down from his position as a member of the Management Board of HELMA Eigenheimbau AG at his own request and on an amicable basis with the Supervisory Board prior to the expiration of his Management Board contract on June 30, 2023. Furthermore, the Supervisory Board passed a resolution to extend the contract of Mr. André Müller as a member of the Management Board of HELMA Eigenheimbau AG by another two years until June 30, 2025.

The Supervisory Board would like to thank the Management Board members and all Group company staff for their outstanding work during this special period. With great commitment they have contributed to mastering as optimally as possible the challenges in the current market environment.

Lehrte, March 21, 2023

On behalf of the Supervisory Board

Signed Karl-Heinz Maerzke

- Chairman -



HELMA[®]
Eigenheimbau AG

HELMA[®]
Eigenheimbau AG

The Supervisory Board

Karl-Heinz Maerzke

Mr. Maerzke was born in Hamburg (Germany) in 1952. After training as a banker, he was first employed at Deutsche Bank AG, Brunswick, between 1971 and 1973, before moving to building society Bausparkasse Wüstenrot, Ludwigsburg, between 1973 and 1975. In 1975, he switched to housebuilder Neldel GmbH & Co. KG, Hanover, where he performed a sales role, before becoming Hanover branch manager for Bauteam Massivhaus GmbH, Langenhagen, between 1976 and 1980.

Karl-Heinz Maerzke founded HELMA Eigenheimbau GmbH in 1980, and at first became the company's Managing Director. By the time the company converted to public stock corporation HELMA Eigenheimbau AG in March 2005, Mr. Maerzke took over the chairmanship of the company's Management Board. In July 2018, Mr. Maerzke switched from the Management Board to the Supervisory Board of HELMA Eigenheimbau AG, since when he has been its Supervisory Board Chairman. The current period of office ends with the conclusion of the Shareholders' General Meeting that passes a resolution concerning the discharge of Supervisory Board members for the 2023 financial year.

Furthermore, Mr. Maerzke is also an honorary member of the BFW State Association of Independent Real Estate and Housing Enterprises of Lower Saxony/Bremen.

Mr. Maerzke holds the following additional mandate on statutory supervisory boards or comparable domestic or foreign supervisory bodies: Member of the Supervisory Board, LEWO AG, Leipzig, not listed.

Sven Aßmann

Mr. Aßmann was born in Plön (Germany) in 1961. After completing law studies at the University of Hamburg in 1994, he initially practiced as both a generalist lawyer and as a specialist labour law lawyer before being appointed partner at Zimmermann, Scholz & Partners legal practice in Hamburg in 1997, where he worked until resigning in 2015. Since 2006, Sven Aßmann has also been managing shareholder at Avatar Merchandising GmbH, a Hamburg-based company.

Mr. Aßmann was appointed Deputy Supervisory Board Chairman of HELMA Eigenheimbau AG in 2014 and also took over the chairmanship of the Board from November 2017 until July 2018. His current period of office ends with the conclusion of the Shareholders' General Meeting that passes a resolution concerning the discharge of Supervisory Board members for the 2023 financial year.

Mr. Aßmann does not hold any other mandates on statutory supervisory boards or comparable domestic or foreign supervisory bodies.

Paul Heinrich Morzynski

Mr. Morzynski was born in Hanover (Germany) in 1950. He has been a self-employed tax consultant for more than 40 years and has also been an auditor since 1994 in the partnership he founded with further partners. This partnership was dissolved as of January 1, 2021, and merged with M & P GmbH Steuerberatungsgesellschaft. Mr. Morzynski has been managing partner since then.

Mr. Morzynski has also been a shareholder of the tax advisory company PRETAX Steuerberatungsgesellschaft, Hanover, since 2007. He has also been a significant shareholder in Waldersee Treuhand- und Vermögensverwaltungsgesellschaft mbH & Co. KG since it was founded in 1979. Today this company functions as a family holding company with assets including the Grandhotel Heiligendamm, among other investments. Furthermore, Mr. Morzynski is the sole shareholder of DCG Deutsche Confiserie Group GmbH & Co. KG, which was founded in 2021 and holds interests in the companies arko, Hussel and Eilles.

Between 2001 and 2004, Mr. Morzynski held the post of Supervisory Board Chairman of CinemaxX AG, and was active as Supervisory Board Chairman of mediacall AG between 2003 and 2006. Mr. Morzynski also has been Supervisory Board Chairman of Halloren Schokoladenfabrik AG between 2006 and 2017.

Mr. Morzynski has been a member of the Supervisory Board of HELMA Eigenheimbau AG since 2016. His current period of office ends with the conclusion of the Shareholders' General Meeting that passes a resolution concerning the discharge of Supervisory Board members for the 2023 financial year.

Mr. Morzynski does not hold any other mandates on statutory supervisory boards or comparable domestic or foreign supervisory bodies.

Dr. Peter Plathe

Dr. Plathe was born in Rathenow at the Havel (Germany) in 1942 and studied law in Kiel, Marburg and Hamburg. Following his doctorate in commercial law and second state exam, Dr. Plathe commenced judicial service in the labour arbitration court of the State of Schleswig-Holstein in 1972. He moved to the labour arbitration court of the State of Lower Saxony in 1980. From 1981 until retirement in 2007, Dr. Plathe was presiding judge at the labour arbitration court of Lower Saxony. Dr. Plathe was also a trustee for the coverage assets of various insurance companies between 2005 and 2012. Currently, Dr. Plathe still chairs various redress and arbitration committees, and courts related to collective wage bargaining.

Dr. Plathe has been a member of the Supervisory Board of HELMA Eigenheimbau AG since 2009. His current period of office ends with the conclusion of the Shareholders' General Meeting that passes a resolution concerning the discharge of Supervisory Board members for the 2023 financial year.

Dr. Plathe does not hold any other mandates on statutory supervisory boards or comparable domestic or foreign supervisory bodies.

HELMA share

Performance of the HELMA share in 2022

The HELMA share started the 2022 stock market year at a price of € 66.60. Although we reported a few days later on the record level of new order intake achieved in 2021, the HELMA share suffered significant price losses that took it to below € 40 in the first half of the year. After a third quarter characterised by a sideways trend, the ongoing Ukraine war, high energy prices, high inflation and interest rate increases unprecedented in the history of the German economy, as well as the company's announcements about the adjusted guidance and the change to the Management Board of HELMA Eigenheimbau AG, had a significant impact on the HELMA share in the fourth quarter. The closing price of the HELMA share in XETRA trading on December 30, 2022, was at € 14.30.

Performance of the HELMA share in 2022



Analyst coverage

The HELMA Group and the share of HELMA Eigenheimbau AG are covered by the analysts Cosmin Filker (GBC Research), Patrick Speck (Montega) and Andreas Pläsier (Warburg Research).

Research Company	Date	Stock price target	Recommendation
 GBC AG <small>Research für den Mittelstand</small>	03/15/2023	€ 29.40	Buy
 montega	03/09/2023	€ 27.00	Buy
 WARBURG RESEARCH	03/08/2023	€ 37.50	Buy

With price targets between € 27.00 and € 37.50, GBC, Montega and Warburg recommend HELMA shares as a buy. The analysts' recommendations, authorised for publication, can always be viewed on the investor relations website, within the Share area.

Dividend

In its single-entity financial statements prepared according to the accounting standards of the German Commercial Code (HGB), HELMA Eigenheimbau AG reports unappropriated retained earnings of € 3,475,005.79 for the 2022 financial year on net income of € 3,475,005.79. The Management and Supervisory boards will propose to the Shareholders' General Meeting to be held on July 7, 2023, that it approves the distribution of a dividend of € 0.40 (previous year: € 1.72) per dividend-entitled ordinary share, consequently € 1,600,000.00, and that the remaining amount of € 1,875,005.79 be transferred to the other revenue reserves. The total amount of dividends and the amount to be transferred to the other revenue reserves in the aforementioned resolution proposal for the application of unappropriated retained earnings is based on dividend-entitled share capital of € 4,000,000.00, divided into 4,000,000 ordinary shares.

The dividend policy of HELMA Eigenheimbau AG is oriented to a high degree of continuity. Based on the earnings trend over the past years, as well as on the continuation of a sound liquidity position, this policy also envisages a future payout ratio from 25 % up to 50 % of the net income generated by the parent company according to the accounting standards of the German Commercial Code (HGB). On the one hand, the shareholders should participate in the company's success and, on the other hand, at least half of the profits should be invested in the company, thereby strengthening its equity.

Investor relations activities

In light of the precautionary measures and travel restrictions relating to the pandemic, we participated in investor conferences in Hamburg, Frankfurt and Munich and one virtual conference last year, and held two virtual roadshows. At these, the company and the strategy were presented comprehensively to a large number of analysts and investors.

HELMA will continue its intensive investor relations work in 2023. To this end, it is planned to participate in investor conferences and to hold roadshows. All dates can be found in the financial calendar on the inside back cover of this annual report and on the investor relations website.

Key data

Class	Nil-par ordinary bearer shares
ISIN	DE000A0EQ578
Ticker symbol	H5E
Share capital	€4,000,000
Initial listing	September 19, 2006
Market segment	Scale
Designated Sponsor	M.M.Warburg & CO KGaA

	2018	2019	2020	2021	2022
Number of shares at year-end	4.00 million	4.00 million	4.00 million	4.00 million	4.00 million
Market capitalisation at year-end	€ 135.4 million	€ 168.0 million	€ 165.6 million	€ 260.0 million	€ 57.2 million
Year-end share price	€ 33.85	€ 42.00	€ 41.40	€ 65.00	€ 14.30
Earnings per share	€ 3.62	€ 4.04	€ 3.84	€ 4.69	€ 0.53
Dividend per share	€ 1.30	€ 1.85	€ 1.54	€ 1.72	€ 0.40*

* Proposal

Five-year overview of the share price performance



Listing of the HELMA share in the Scale SME growth market

Since its introduction in March 2017, HELMA Eigenheimbau AG has been listed in Deutsche Börse's Scale SME Growth Market segment. The HELMA share is traded on the German regional stock exchanges as well as in electronic trading systems such as XETRA and Tradegate.

Listing in the NISAX20

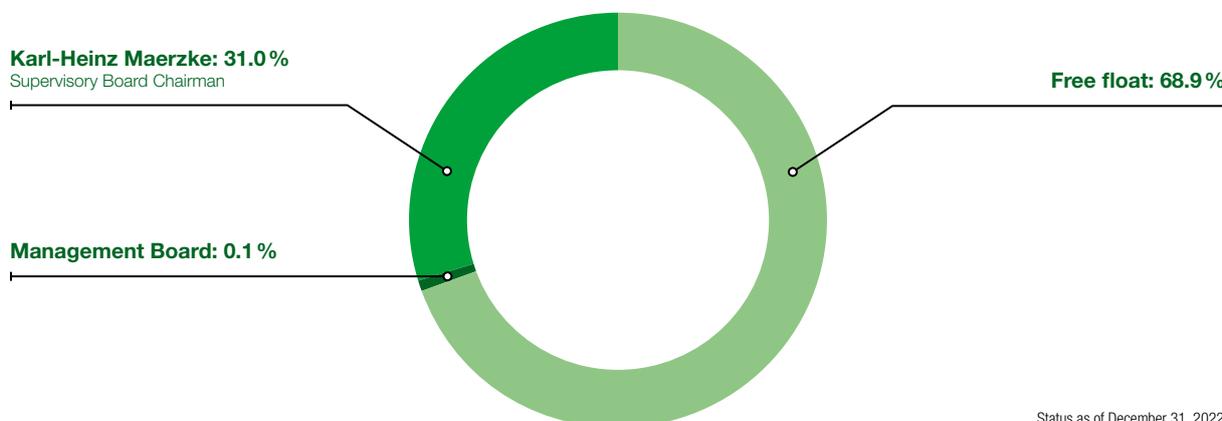
NORD/LB launched the NISAX20 Lower Saxony equity index in 2002. This regional index reflects the share price performance of the twenty largest listed companies in Lower Saxony, Germany. Along with internationally significant corporations such as Volkswagen, Continental, Salzgitter, Hannover Re, and TUI, this index also includes a number of small and medium-sized companies. Its composition is determined by the market capitalisation of the free floats of the respective companies. HELMA Eigenheimbau AG was included in the Lower Saxony equity index as of September 21, 2015, where it has remained up to the current date.

Listing in the Scale 30 Index

After establishing its Scale market segment for small and medium-sized enterprises (SMEs) in March 2017, Deutsche Börse set up its selective Scale 30 Index in February 2018. This index measures the price performance of the thirty most liquid shares listed in the Scale SME market segment. Inclusion in the index is based on order book turnover on both the XETRA Exchange and the Frankfurt Stock Exchange. Weighting of stocks in the Scale 30 Index is by market capitalisation and is adjusted quarterly. HELMA Eigenheimbau AG has been listed in the Scale 30 Index since its launch.

Shareholder structure

Company founder and Chairman of the Supervisory Board of HELMA Eigenheimbau AG Karl-Heinz Maerzke holds an approximately 31.0 % interest in the company as of December 31, 2022, thereby the largest shareholder in HELMA. Furthermore, the Management Board members hold around 0.1 % of the company's shares. The free float stands at around 68.9 %.



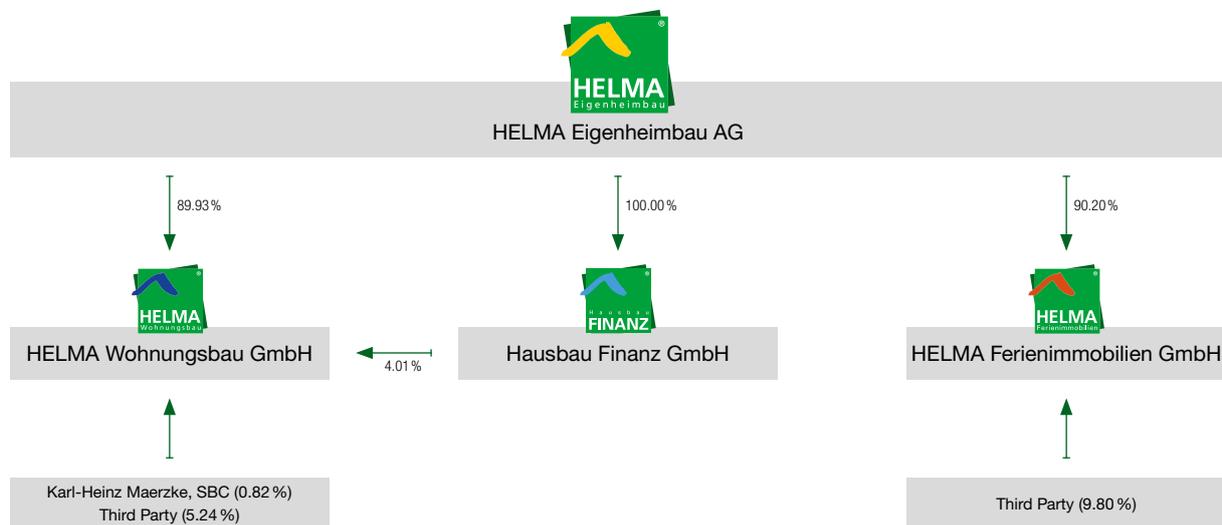
Contents

Organisational structure.....	49
Business activity and strategy.....	50
Economic environment.....	59
Group order book position.....	64
Group earnings.....	66
Group net assets and financial position.....	70
Group investments.....	73
Sustainability – non-financial performance indicators.....	74
Employees, sales partners and the company's boards.....	88
Net assets, financial position and earnings of the parent company.....	89
Risk report.....	92
Related parties report.....	97
Report on events subsequent to the reporting date.....	97
Dividend.....	97
Strategic orientation of the HELMA Group.....	97
Medium-term growth strategy.....	100
Forecast report.....	101

Organisational structure

HELMA Eigenheimbau AG is the parent company of the HELMA Group, and is also operationally active as a customer-oriented building services provider. The company also provides services connected with the management, planning, and execution of construction projects on the basis of a non-gratuitous contract for services or work for its subsidiaries **HELMA Wohnungsbau GmbH** and **HELMA Ferienimmobilien GmbH**, which operate in the business of developing residential and holiday properties. As a financial advisory company and building insurance broker, the subsidiary **Hausbau Finanz GmbH** rounds out the HELMA Group's product range.

Organisational chart of the HELMA Group



SBC = Supervisory Board Chairman of HELMA Eigenheimbau AG

Status as of December 31, 2022

Fiscal units for corporation tax and VAT purposes

For tax optimisation purposes, in the 2013 and 2014 financial years HELMA Eigenheimbau AG concluded a profit-and-loss transfer agreement with HELMA Wohnungsbau GmbH, and control-and-profit-and-loss transfer agreements with HELMA Ferienimmobilien GmbH and Hausbau Finanz GmbH. After deduction of minority interests' share of earnings that are not attributable to the HELMA Group, amounting to a total of around k€ 35.6 per year, all of the annual net results generated by the subsidiaries accrue to HELMA Eigenheimbau AG. As a consequence, almost all of the results generated at the subsidiaries are reported within HELMA Eigenheimbau AG.

Business activity and strategy

Business areas

Individual segment

Individually planned detached houses excluding land plots



- **HELMA Eigenheimbau AG** develops, plans and sells turnkey detached houses and takes over coordination and control of the construction process
- Extensive full-service offering includes individual planning without extra costs, a high level of service orientation as well as pronounced expertise in the area of energy-efficient construction methods and innovative technologies
- Valuable solid construction houses built by subcontractors on customers' properties in a large number of high-growth metropolitan regions
- One of the most experienced companies in the solid construction house industry with several thousand detached houses built since 1980

Individually planned energy self-sufficient houses excluding land plots



- **HELMA Eigenheimbau AG** develops, plans and sells energy self-sufficient terraced and multi-family houses that are largely self-sufficient in terms of solar electricity and heating
- Construction is carried out on customers' properties by subcontractors
- A solid construction method that offers stable value and the greatest possible independence from electricity and heating suppliers enable investors to achieve a sustainable return that is easy to plan

Individually planned detached houses including land plots



- **HELMA Wohnungsbau GmbH** buys and develops land plots for the construction of individually planned detached houses in high-growth metropolitan regions as well as in various major cities and their suburbs
- Project sizes vary from just a few units through to spaces of up to 250 building plots
- Valuable solid construction houses realised by subcontractors
- Extensive track record since 1984 with a large number of successfully realised projects

Pre-planned segment

Pre-planned residential units in semi-detached, terraced and multi-family houses including land plots



- **HELMA Wohnungsbau GmbH** acquires attractive land plots for the project planning of pre-planned residential units in semi-detached, terraced and multi-family houses, each including a land plot, in various major cities as well as in their suburbs
- Projects range from just a few units to a hundred apartments
- High-quality solid construction building projects realised by subcontractors or general contractors

Pre-planned holiday houses and apartments including land plots



- Land purchase, project development and sale of holiday houses and apartments at locations with good infrastructure development, predominantly on Germany's North Sea and Baltic coasts, as well as at attractive locations on lakes, rivers and in low mountain regions in Germany
- The property offering of **HELMA Ferienimmobilien GmbH** is addressed mainly to private customers for their own use or as a capital investment
- Attractive all-inclusive package through involvement of strong partners for the further management of properties in the areas of renting, administration and caretaker services
- Active in the market since 2011 and meanwhile the leading provider of holiday properties in Germany

Individual and Pre-planned segments*

Financing and building insurance brokerage

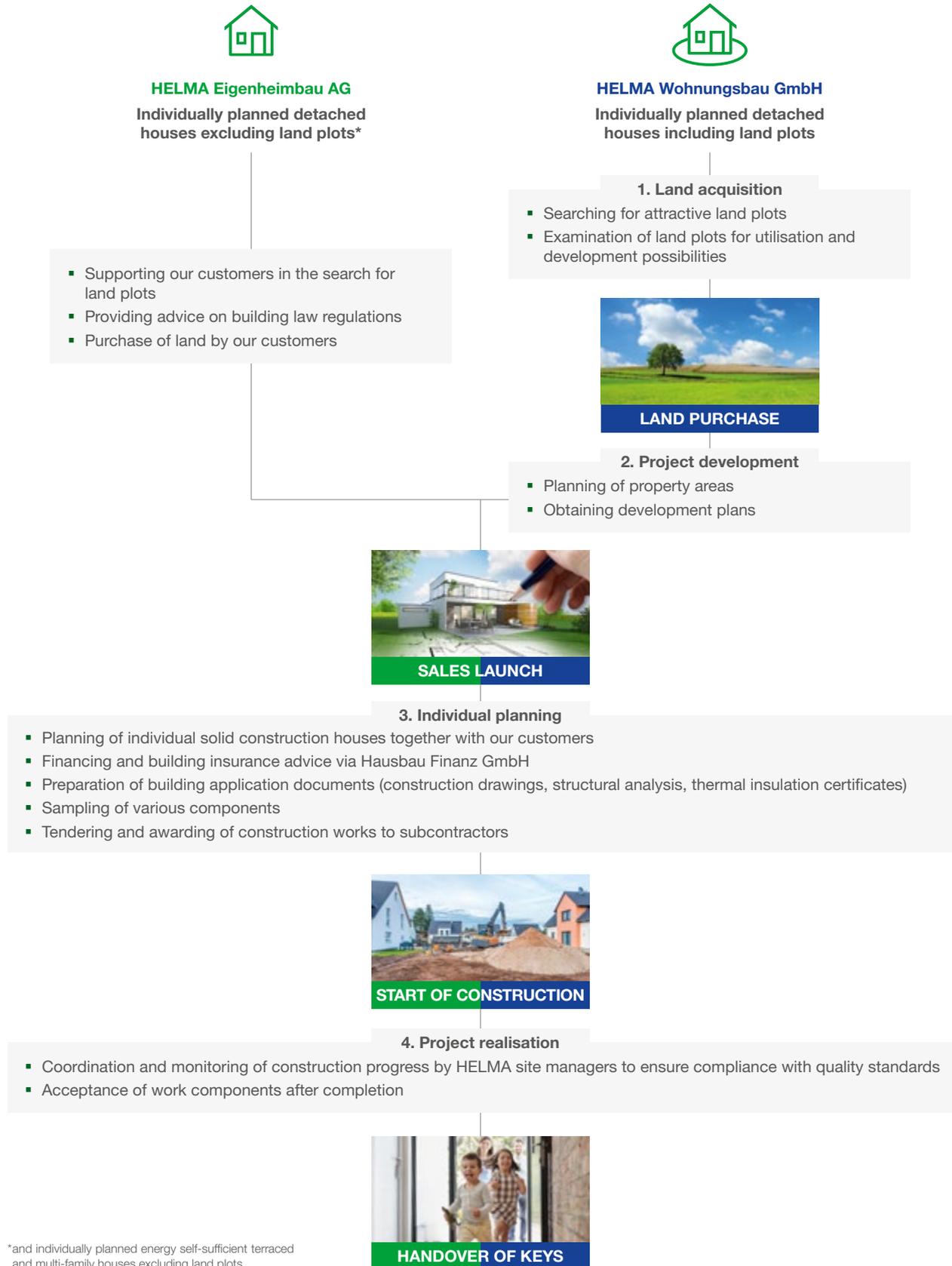


- In-house consulting and brokerage of financing and building insurance as an additional service via **Hausbau Finanz GmbH** since 2010
- Cooperation with numerous local and national banks, savings banks and building societies
- Continuously growing customer base reflecting attractive borrowing conditions independent of banks

*In the segment information in the management report and in the notes to the financial statements, Hausbau Finanz GmbH is allocated in its entirety to the Individual segment for reasons of simplification, as the significantly greater proportion of services is rendered in this segment.

Value chains

Individual segment



Pre-planned segment



HELMA Wohnungsbau GmbH

Pre-planned residential units in semi-detached, terraced and multi-family houses including land plots



HELMA Ferienimmobilien GmbH

Pre-planned holiday properties and apartments including land plots

1. Land acquisition

- Searching for attractive land plots
- Examination of land plots for utilisation and development possibilities



LAND PURCHASE

2. Project development

- Planning of property areas
- Obtaining planning permission
- Tendering and awarding of components to sub- or generalcontractors



SALES LAUNCH

3. Sale

- Marketing to private customers and investors before the start of construction and during the construction phase
- Financing and building insurance advice via Hausbau Finanz GmbH



START OF CONSTRUCTION

4. Project realisation

- Coordination and monitoring of construction progress by HELMA site managers to ensure compliance with quality standards
- Acceptance of work components after completion



HANDOVER OF KEYS

- **Optional all-inclusive package for holiday properties:** rental, administration, and caretaker service through integrating partner companies

Sales markets

Customers and sales regions in the Individual segment

HELMA's target group in the Individual segment consists mainly of private individuals and families from middle and higher income brackets. Families in the 25 to 55 year age range form the largest customer group. The range of energy self-sufficient terraced houses and multi-family houses, by contrast, is aimed particularly at investors who attach importance to an investment that can be planned well and is sustainable at the same time.

In the building services business, the sales market of HELMA Eigenheimbau AG for individually planned detached houses, which are built on the purchasers' land, covers large parts of Germany. In light of the continuing trend towards living in high-growth metropolitan regions coupled with the desire for residential properties with their own garden, HELMA Wohnungsbau GmbH is focusing on high-growth metropolitan regions and their direct and extended periphery with its individually planned detached houses, which are sold including a plot of land. This currently includes the major cities of Hanover, Berlin, Potsdam and Leipzig, as well as the Rhine-Main and Rhine-Ruhr regions.

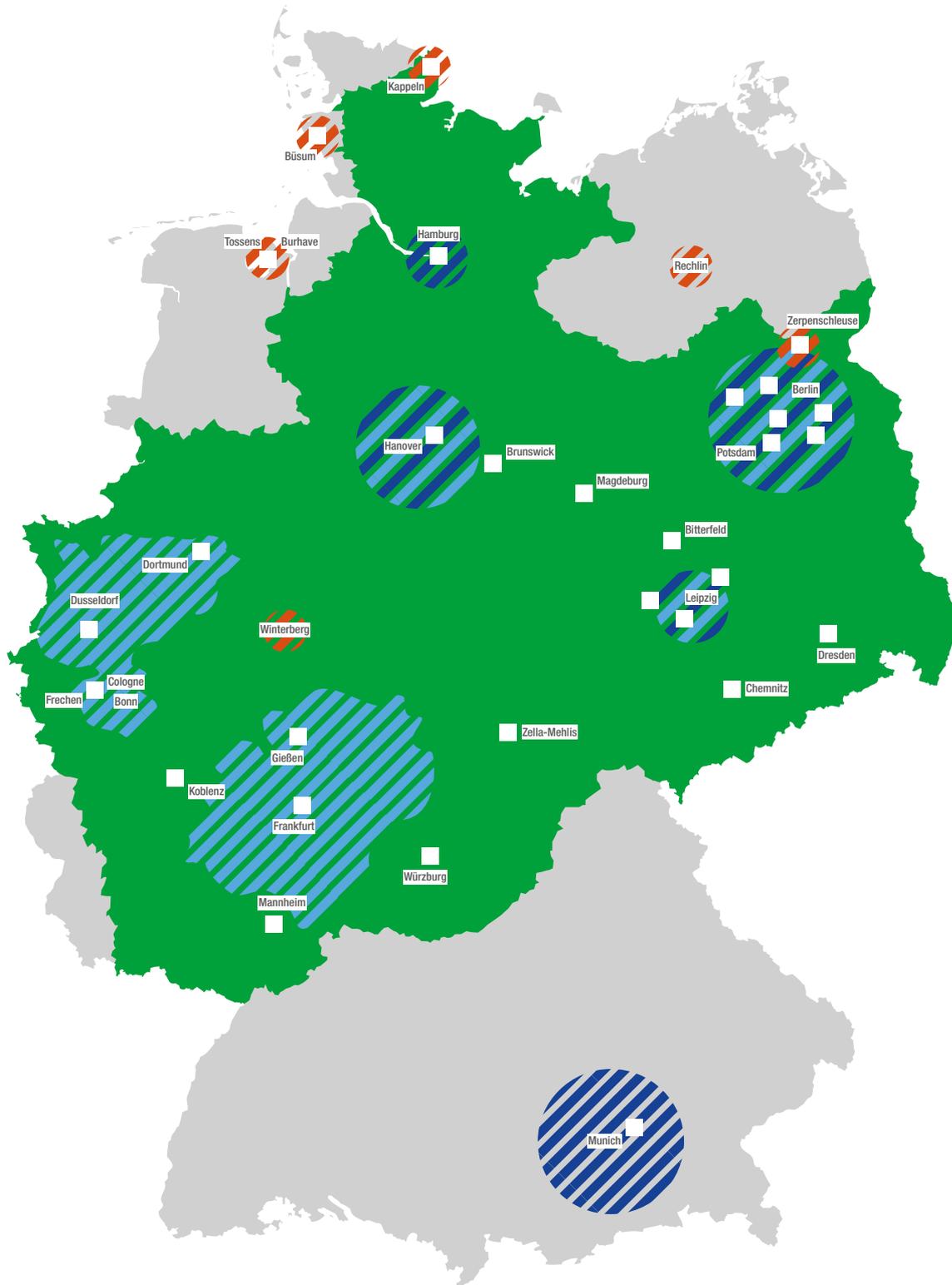
Customers and sales regions in the Pre-planned segment

The range of semi-detached and terraced houses in the Pre-planned segment is aimed at a similar target group to that in the Individual segment. The multi-family houses and vacation properties area addresses not only private individuals and families but also high net worth individuals and investors. Compared to owner-occupiers, the latter pursue the goal of a long-term solid capital investment that offers a high return.

With its pre-planned residential units in semi-detached, terraced and apartment buildings, HELMA is also focusing in this segment on the aforementioned major cities and their immediate and extended peripheries. Furthermore, the sales territory in this segment includes the regions of Hamburg and Munich.

As a sales market for its pre-planned holiday properties, HELMA focuses on well-developed locations, primarily on the North Sea and Baltic Sea as well as at attractive lake and river locations and in the low mountain ranges in Germany.

HELMA Group sales regions



- Sales location
- Individual segment:
 - Individual detached houses excluding land plots (core region HELMA Eigenheimbau AG)
 - ▨ Individual detached houses including land plots (core region HELMA Wohnungsbau GmbH)
- Pre-planned segment:
 - ▨ Pre-planned residential units in semi-detached, terraced and multi-family houses, all including land plots (core region HELMA Wohnungsbau GmbH)
 - ▨ Pre-planned holiday properties and apartments including land plots (project region HELMA Ferienimmobilien GmbH)

Sales strategy

Sales strategy in the Individual segment

The showhouses form the cornerstones of the sales concept in the Individual segment. Located across the whole sales region and built applying the solid construction method, they serve both as points-of-sale and as office for the regional site managers. At the various locations, the company also works together with independent specialist advisors on a commission basis. In the construction sector, these advisors are mainly working exclusively for HELMA and are often the first point of contact for interested parties and potential customers. The financing consultants from Hausbau Finanz GmbH are also available to provide personalised building finance advice to the future home owners at the various sales locations.

As of the end of the year under review, 26 showhouses are in operation in the Individual segment, most of which are located in showhouse exhibitions, and close to conurbations at busy transportation points. On a market comparison, HELMA enjoys one of the most up-to-date showhouse portfolios, and consequently a decisive competitive advantage. Furthermore, HELMA utilises numerous completed building projects as reference projects in order to showcase its skills and the quality of its work. The successfully realised large-scale projects, which comprise several hundred individual detached houses and are consequently regarded as Germany's largest unofficial showhouse park, deserve particular mention in this context.

Sales strategy in the Pre-planned segment

In the Pre-planned segment, HELMA works with independent sales representatives in the sales regions on a commission basis. These representatives also essentially work exclusively for HELMA and are consequently very familiar with the projects. Depending on requirements, selected real estate agencies are also available to provide support for selected projects. Where corresponding interest exists, buyers of pre-planned residential and holiday properties can also benefit from professional financing advice provided by the experts at Hausbau Finanz GmbH.

In addition to the sales representatives' local presence, HELMA's management deploys its extensive network of contacts to address investors in a targeted manner. Further components of the sales concept include project-related showhouses and apartments. However, these are only of a short-term nature and are sold immediately once the respective project has been successfully completed.

Competitive strengths

Competitive strengths in the Individual segment

Advice and customer service: With its comprehensive range of services, HELMA accompanies its customers holistically from the initial idea of their own four walls, all the way through to moving into their individual dream houses. As a consequence, in addition to individual consulting and planning of detached houses, the comprehensive consulting and support approach also includes arranging construction financing and insurance. Furthermore, HELMA provides customers with advice on building law matters, and coordination with authorities and agencies. During the entire construction phase, the HELMA site manager responsible for the project monitors and controls the quality and timely execution of individual work performed by craftsmen, and is also always available as a contact person for customers.

Individuality: In the Individual segment, HELMA offers its customers the greatest possible design latitude with the option of individual planning without incurring extra cost. Individual life circumstances, personal wishes as well as budget form the basis for the planning of the individual detached houses. Customers do not incur additional costs for architects' services.

Value retention: HELMA builds turnkey solid construction houses of lasting value using traditional craftsmanship ("stone on stone") and attaches great importance to sustainability and the circular economy. The solid construction of vertically perforated clay bricks ensures efficient thermal insulation and also provides natural climate regulation and the best possible sound insulation. The solid construction method employed in the buildings and the use of high-quality building materials ensure high value stability.

Access to attractive land plots: In major cities and their surrounding areas, potential private buyers mostly encounter a limited supply of land plots suitable for new constructions. As an experienced project developer, HELMA Wohnungsbau GmbH buys and develops land plots and areas for the construction of individually planned detached houses.

Central sampling world: At the HELMA sampling centre at the Group headquarters in Lehrte, customers that have purchased an individual detached house are offered an extensive selection of standard and special fittings from highly various trades over 350 m² of interior exhibition area and the 200 m² exhibition area in the neighbouring HELMA sampling park comprising eight showhouses. This offering has been supplemented by a sampling web shop with around 700 particularly popular products. Here, builders and purchasers of individual houses have the opportunity to prepare for their sampling in Lehrte from the comfort of their own homes, without obligation. Both digitally and on site at Lehrte, the exhibitions present products from numerous well-known manufacturers, ranging from front steps, modern front doors, roof tiles, clinker and plaster variations as well as bathroom fittings through to smart home systems. With individual consultation by qualified HELMA specialists, the sampling process can be conducted efficiently and on a targeted basis on site in the interests of the building owners. This enables sampling for the entire house and all components to be carried out "from a single source" according to the customer's individual needs.

Innovative strength: HELMA draws on many years of experience in the area of innovative energy-saving houses and efficient heating systems. In addition to an attractive cost-benefit relationship for the customer, energy concepts are always developed according to the principle of sustainability. For example, the HELMA standard already includes energy-efficient heat pump solutions, which can be supplemented with photovoltaic systems as well as controlled ventilation systems depending on the customer's needs. The goal of the best possible, future-oriented, sustainable and environmentally compatible investment in the house and heating system

is of fundamental importance to HELMA. Improved materials, optimised working equipment and more efficient construction technologies are carefully assessed and appraised for practicability and the benefits of their use before they are deployed in building projects, so that the harnessing of innovations always generates added value or efficiency enhancements for customers.

Security: As a listed stock corporation with a strong credit rating, HELMA Eigenheimbau AG stands for the greatest possible transparency and reliability. It acts as direct contractual partners to its customers, and is directly responsible to them. Comprehensive security packages adjusted to the projects' circumstances form part of its service scope. The fixed price guarantee for individually planned detached houses in the building services business, for example, automatically includes the HELMA BauSchutzBrief construction warranty and insurance upon conclusion of the contract, offering extensive security for construction projects and owners. In addition to the necessary building insurance, the security package includes a contract performance guarantee in twice the legally required amount, an independent DEKRA inspection, and a construction time guarantee.

Competitive strengths in the Pre-planned segment

Sustainable construction methods that offer stable value: While the pre-planned residential units in semi-detached, terraced and apartment buildings, like the individually planned detached houses, are built using solid construction methods that retain their value, a large proportion of the holiday properties are also built using modern and proven timber frame construction methods, which are particularly sustainable due to the use of wood as a renewable raw material. The natural breathability of the wooden components also filters the air in the room, regulates humidity and thereby creates an all-round healthy living climate.

Access to attractive land plots: Due to its comprehensive knowledge of the market as well as its established, broad network of contacts, HELMA is ideally placed to identify attractive land plots for the implementation of pre-planned residential and holiday real estate projects. For the residential construction projects, land plots are acquired in established residential areas and areas close to the city in prime locations, for which modern development concepts are subsequently developed. The holiday real estate properties are realised mainly at the North Sea and Baltic Sea as well as at attractive lake and river locations and low mountain ranges in Germany.

Interior design and services: The purchasers of a pre-planned residential unit, like the customers in the Individual segment, receive all the advantages that come with sampling accompanied by trained specialist personnel. Customised to the respective project, customers receive such advice directly on-site at the respective locations. Buyers of a holiday property also benefit from suitable furniture packages that have been created with partner companies especially for holiday houses and apartments. The furniture packages they order are accompanied by complete interior designs, including accessories. Furthermore, purchasers of holiday properties are offered an all-inclusive package via long-standing and reliable partners. Such packages include, for example, the complete management of the holiday complex (maintenance of outdoor areas, waste disposal, winter service) and complete rental management (occupancy of the holiday house, handing over of keys, cleaning).

Rental investment returns: Many private investors pursue the goal of a long-term sustainable capital investment with a high return. Depending on the investment strategy, apartments in sought-after urban and suburban locations as well as holiday houses and apartments in attractive holiday resorts are often considered for this purpose. Regardless of whether the buyer prefers residential properties in major cities or holiday properties in locations with well-developed infrastructures, both options offer high potential to generate attractive rental returns.

Economic environment

German economy remains robust

Gross domestic product (GDP) in Germany expanded by 1.9 % in 2022 on a price-adjusted basis, according to preliminary data from the Federal Statistical Office. The German economy thereby remained on a growth course despite the war in Ukraine and the related energy price crisis. The main reasons for the positive trend included catch-up effects in private consumption and production following the coronavirus slump, as well as easing supply shortages over the course of the year. Similarly, price-adjusted gross value added increased by 1.8 % compared with the previous year, although developments in individual economic sectors varied greatly. Construction, which had come through the COVID-19 pandemic well, posted a 2.3 % decrease in gross value added. This was particularly due to shortages of materials, further increases in construction costs and the continuing shortage of skilled workers.

Economic output in the reporting year was generated by 45.6 million employed individuals, reflecting a year-on-year increase of 1.3 %, or 589 thousand more individuals. This exceeded the previous high from 2019 (45.3 million employed). With an average unemployment rate of 5.3 % (5.7 % in 2021), the labour market as a whole continues to be robust, with effects due to geopolitical or economic uncertainties still not discernible. The number of individuals employed in the construction industry also increased slightly by 0.5 % year-on-year despite the shortage of skilled workers. Accordingly, the previous years' positive employment trend continued in this segment.

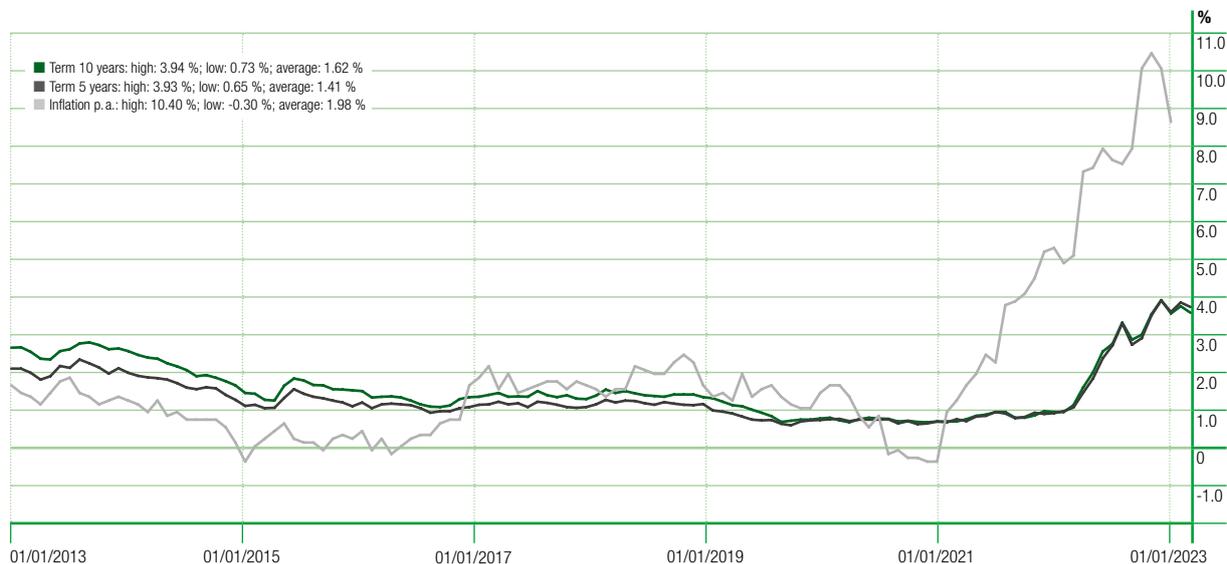
Given the war in Ukraine and the rise in energy prices, economic research institutes are forecasting a moderate to recessionary trend for the German economy. Accordingly, for 2023, the Hamburg Institute of International Economics and the Kiel Institute for the World Economy forecast a decrease of 0.5 % and a slight increase of 0.3 % respectively. As far as inflation is concerned, the two institutes assume an average inflation rate of 5.4 % and 6.5 % respectively in 2023.

Jump in inflation and construction interest rates

The unexpected extent of the rise in inflation as well as the extreme increase in construction interest rates within a very short period of time characterised the market environment over the course of 2022, with the year-on-year inflation rate in December 2022 standing at 8.6 %. Due to the December emergency aid, where the German government assumes the costs of the December discount for gas and heat, the inflation rate was thereby significantly lower than in previous months. This amounted to 10.4 % and 10.0 % in October and November respectively. Accordingly, the average inflation rate for 2022 was 7.9 %.

In order to counter high inflation in the European Union, the European Central Bank (ECB) raised its key interest rate in July 2022 for the first time in eleven years. Further increases followed at comparatively short intervals. The resultant historically sharp rise in interest rates is exerting a significant effect on the affordability of real estate and is also contributing to the generally prevailing uncertainty in the real estate market. Interest rates for private construction financing, for example, quadrupled over the course of 2022 and currently stand at a level of just under 4 % for fixed interest rates for five and ten years. The rapid and substantial rise in interest rates has led to year-on-year sharply higher interest and financing costs for prospective buyers, prompting a significant reluctance to invest on the part of buyers and prospective buyers.

Homebuilding interest rate trends* 2013–2023



*The presentation of the interest rate trend is based on interest rates included in terms offered by Interhyp AG as part of brokered lending arrangements.

After the ECB raised the key interest rate by a further 0.5 percentage points in February 2023 to its current level of 3.0 %, a further key interest rate increase of probably 0.5 percentage points is expected for March 2023. Future developments are still uncertain at present. While some economists believe that interest rates could be cut as early as the second half of 2023, most ECB Council members currently expect the key rate to remain unchanged at its current level for the time being.

Prospect of new state funding measures

Especially the promotion of energy-efficient construction methods has recently formed the focus of funding programs. For example, the German government subsidy for efficient buildings (BEG) for the Efficiency House Level 55 proved to be particularly popular. With the expiration of the Efficiency House Level 55 subsidy in January 2022, high government subsidies in the newbuild sector have been eliminated without replacement with an unexpectedly short lead time, making it even more difficult for HELMA customers to finance their projects.

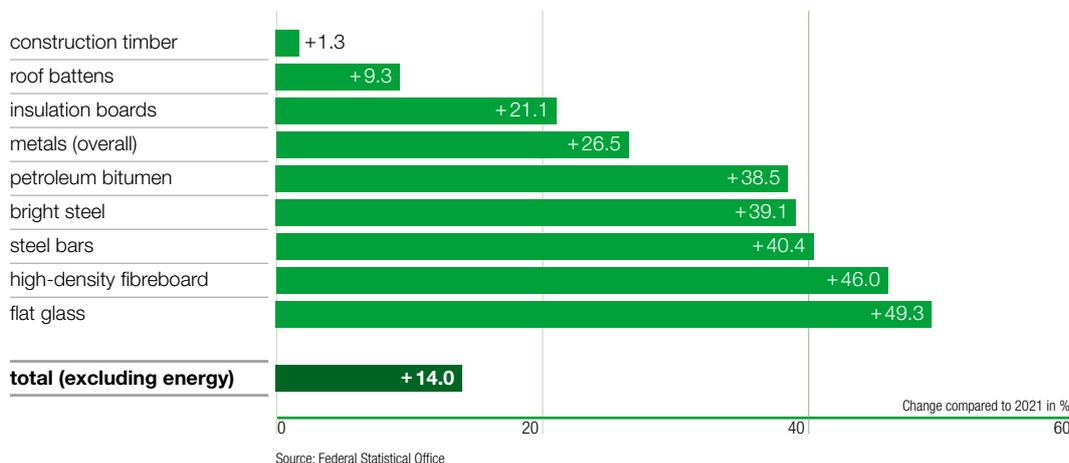
On March 1, 2023, the German Federal Ministry of Transport, Building and Urban Affairs launched the new “Climate-compatible New Construction” funding program, which will support the construction of new buildings and the initial purchase of newly constructed climate-compatible and energy-efficient residential and non-residential buildings. All new buildings that fall below specific limits for greenhouse gas emissions during their life cycle and meet the energy standard of an Efficiency House Level 40 are eligible. Funding is provided in the form of low-interest loans up to a maximum funding amount of € 100,000. If the Sustainable Building Quality Seal is achieved, the maximum grant or loan amount rises to € 150,000. HELMA has many years of experience in the area of innovative energy-saving houses and energy-efficient technologies and is currently working with industry partners to develop eligible house products.

Following on from the child building allowance (Baukindergeld), which expired at the end of 2022, the German government has also announced a further subsidy program for families with maximum taxable annual income of € 60,000 plus € 10,000 per child, enabling them to take out low-interest loans from June 2023. As HELMA primarily targets families from the middle and higher income segments, this subsidy program will be of secondary importance with regard to income limits.

Further significant price increases for construction materials in 2022

The COVID-19 pandemic and the war in Ukraine have significantly impacted construction costs and material availability. Excluding price increases in the energy sector, producer prices recorded an overall increase of 14.0 % compared with the 2021 annual average. In particular, energy-intensive construction materials such as steel, steel products and flat glass posted significant price increases. A significant rise in prices was also evident for petroleum-based construction materials such as bitumen, which is used to seal roofs, buildings and foundations against water penetration. By contrast, prices for wooden building materials recorded a mixed trend. While high-density fibreboard (HDF), for example, has become 46.0 % more expensive on average, the prices for lumber or roof battens rose by 1.3 % and 9.3 % respectively.

Producer price indices of selected construction materials in 2022



Population growth in Germany

Germany's population stood at 84.3 million at the end of 2022, according to the Federal Statistical Office. Compared with the end of 2021, this corresponds to an increase in the population of 1.1 million individuals. The reason for this strong growth was record net immigration (net balance of inflows and outflows). In addition to the high immigration of war refugees from Ukraine, the immigration of individuals of other nationalities has also risen significantly. As far as the German housing market is concerned, current estimates suggest that around 600,000 households will require housing by the end of 2023 due to recent refugee movements alone.

Owing to rising rents and purchase prices in major German cities, peripheral areas, in particular, continue to be popular. In addition to people seeking houses with gardens, the increasing acceptance of working from home offices and the reduction in the number of days spent working from employers' offices is playing a decisive role. Accordingly, longer commuting times are increasingly being accepted and locations that can be reached by public transport or private car in around one hour are becoming more attractive.

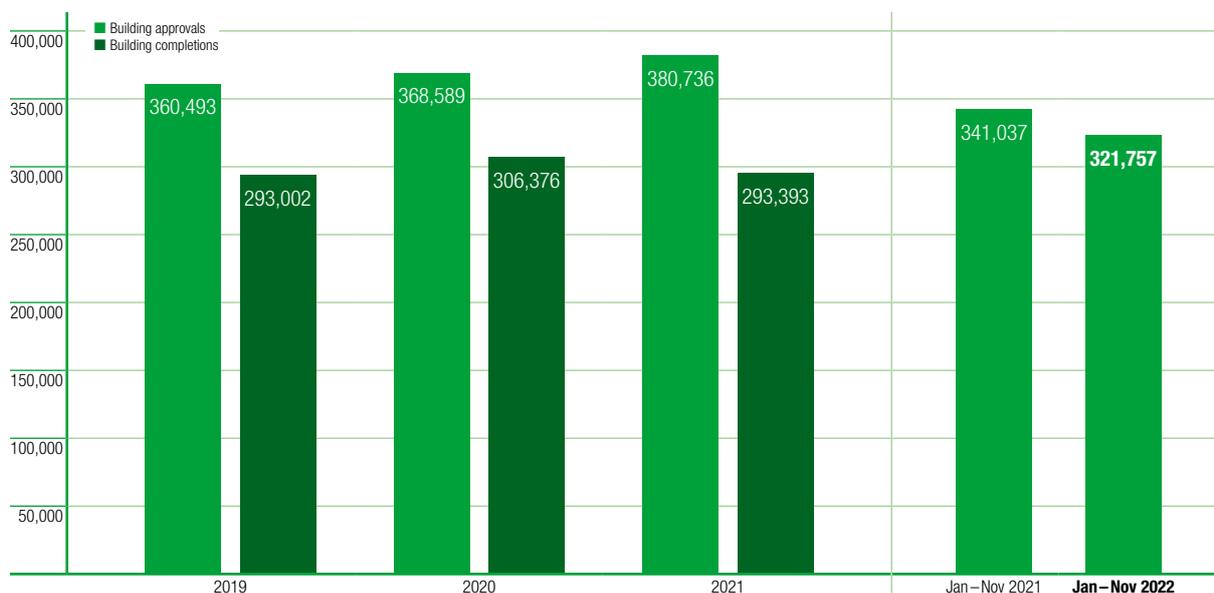
Demand for new residential construction in Germany remains at high level

Although demand for new residential construction in Germany remains high and is likely to intensify further due to high immigration rates, the target of 400,000 new homes built per year in 2022 and 2023 is unlikely to be achieved. Accordingly, the German government is currently formulating the goal of approaching this figure in 2024 and 2025 if possible.

A look at building completions illustrates this trend. Between 2019 and 2021, around 300,000 buildings were completed. For 2022 and 2023, the ifo Institute forecasts annual building completions of 310,000 units each year. However, building completions are continuing to fall significantly short of the German government's target of 400,000 new homes per year.

A similar trend can be seen in the number of residential building approvals. From January to November 2022, around 322,000 housing units were approved. Compared with the same period of the previous year, this corresponds to a decrease of around 19 thousand buildings, or 5.7 %. Significantly more housing permits are needed to build 400,000 new homes annually.

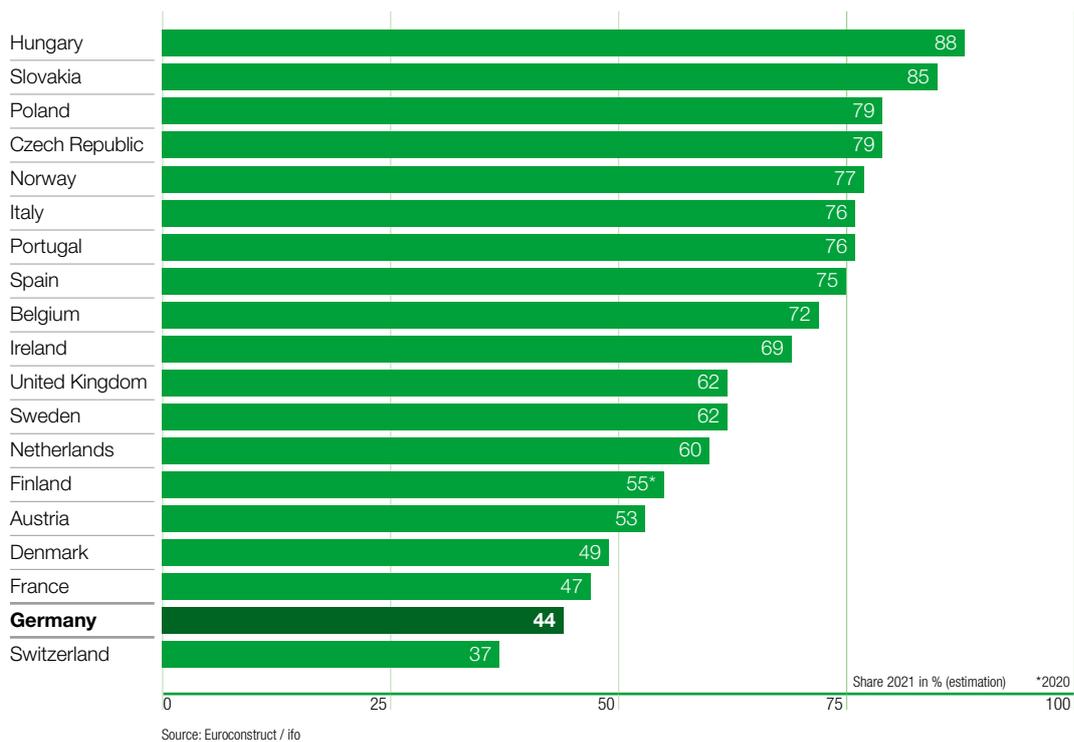
Residential building approvals and completions in Germany



Source: Federal Statistical Office / ifo

Homeownership ratio in Europe

The existing growth potential is also clear when examining the homeownership ratio in Europe, where Germany remains among the lowest rankings with an estimated 44 % rate.



Sustainability is increasingly shaping the German real estate market

Particularly in light of the significant rise in energy prices, homeowners and purchasers are increasingly seeking climate-compatible and sustainable construction methods when choosing properties. Criteria such as thermal insulation, overall energy requirements and heating technology are increasingly being factored into the decision-making process. Furthermore, renovating old buildings is often only an option to a limited extent, as the building fabric usually sets limits on energy-saving efforts. In addition to the strong focus on energy efficiency and sustainable construction methods, and taking into consideration the sharp rise in financing costs, the focus is on making houses more compact again and making available space flexible to use. This can reduce living space and, as a consequence, construction costs.

The holiday property sector is also shaped by sustainability aspects. After demand for holiday properties in Germany had already increased significantly in recent years, holidaying in one's own country has become even more attractive owing to greater interest in sustainable tourism. Close-to-nature locations on the North Sea and Baltic Sea, at lake- and riverside locations and in Germany's minor mountain ranges are particularly sought after. With a share of 8.6 %, the German Baltic Sea coast will remain the most popular vacation destination for Germans in 2022, followed by Bavaria with 5.9 %, the North Sea coast with 5.7 % and Austria with 5.2 %.

Summary of opportunities and challenges in the current market environment

The market for residential and holiday properties is currently subject to immense macroeconomic challenges, particularly due to the rapid and sharp rise in interest rates and further increases in construction costs. The resultant strong reluctance to buy that is evident in the residential and holiday properties market is also affecting HELMA.

By contrast, promising and sustainable opportunities exist that offer attractive potential for the HELMA Group in a market environment that is once again intact and strong:



Group order book position

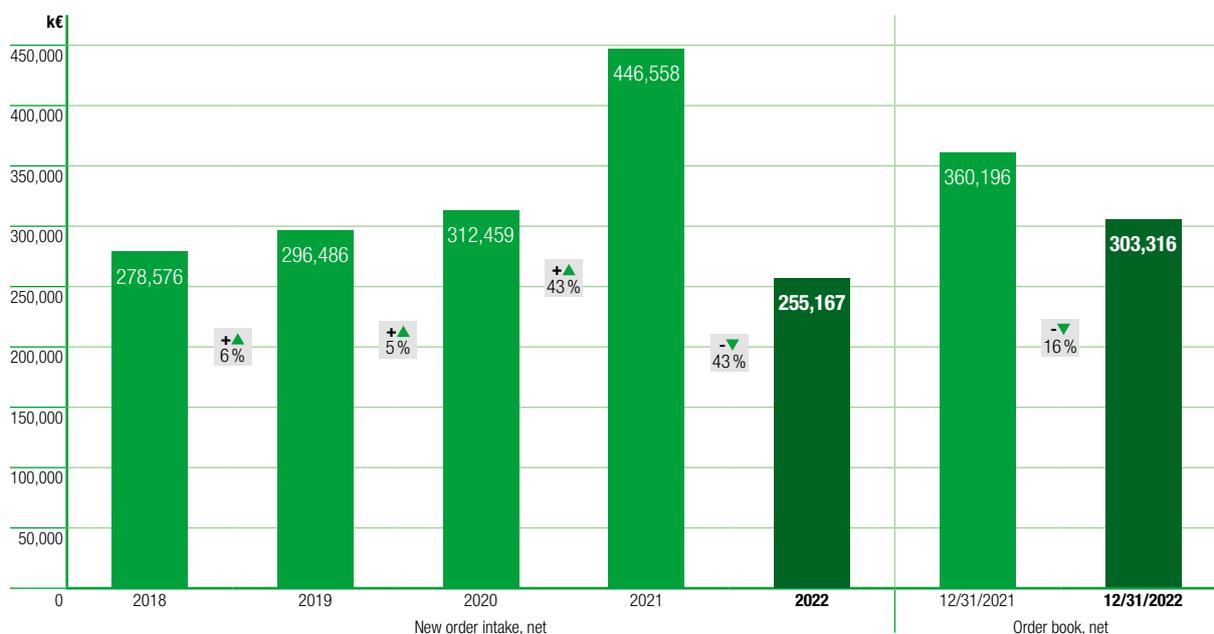
After a strong first half-year during which sales even slightly exceeded the previous year's record level, uncertainty intensified over the course of 2022 due to the challenging macroeconomic environment and the sharp rise in interest rates and construction costs. Over the year as a whole, the HELMA Group thereby posted a significant decrease in new order intake of 42.9 % to € 255.2 million in the 2022 financial year. In the Individual segment, new order intake amounted to € 119.9 million (previous year: € 247.1 million), of which € 103.9 million (previous year: € 199.4 million) was attributable to the building services business of HELMA Eigenheimbau AG and € 16.0 million (previous year: € 47.7 million) to the individual property development business of HELMA Wohnungsbau GmbH. In the Pre-planned segment, the order volume in 2022 amounted to € 135.3 million (previous year: € 199.5 million), with HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH accounting for approximately equal shares.

Consolidated new order intake by segment

in k€	2021	Share in %	2022	Share in %
Individual	247,110	55.3	119,910	47.0
- of which HELMA Eigenheimbau AG	199,377		103,888	
- of which HELMA Wohnungsbau GmbH	47,733		16,022	
Pre-planned	199,448	44.7	135,257	53.0
- of which HELMA Wohnungsbau GmbH	85,997		67,273	
- of which HELMA Ferienimmobilien GmbH	113,451		67,984	
Total	446,558	100.0	255,167	100.0

The HELMA Group's order book position as per IFRS amounted to € 303.3 million as of December 31, 2022, around 16 % below the previous year's level (December 31, 2021: € 360.2 million). The aforementioned figure no longer includes € 198.4 million of revenues from current building projects already recognised proportionally pursuant to IFRS (December 31, 2021: € 205.3 million).

HELMA Group new order intake and order book position (according to IFRS)



Group earnings

Revenue trends

The HELMA Group generated revenue of € 302.5 million in the 2022 financial year (previous year € 331.5 million). Despite a difficult market environment, particularly in the second half of 2022, revenue was at the lower end of the revenue guidance as revised on September 26, 2022, which envisaged a range of between € 300 million and € 320 million.

Final invoices were issued for 751 units in the year under review (previous year: 804 units). Of the final invoices, 359 houses were attributable to HELMA Eigenheimbau AG, 258 units to HELMA Wohnungsbau GmbH, and 134 units to HELMA Ferienimmobilien GmbH. The two latter figures include the completion of one housing unit that was sold to a customer together with a land plot, with each of these being included as only one unit.

Consolidated revenue by segment (according to IFRS)

in k€	2021	Share in %	2022	Share in %
Individual	178,656	53.9	151,699	50.2
- of which HELMA Eigenheimbau AG	111,373		112,861	
- of which HELMA Wohnungsbau GmbH	65,672		37,457	
- of which Hausbau Finanz GmbH	1,611		1,381	
Pre-planned	152,830	46.1	150,751	49.8
- of which HELMA Wohnungsbau GmbH	52,977		77,783	
- of which HELMA Ferienimmobilien GmbH	99,853		72,968	
Total	331,486	100.0	302,450	100.0

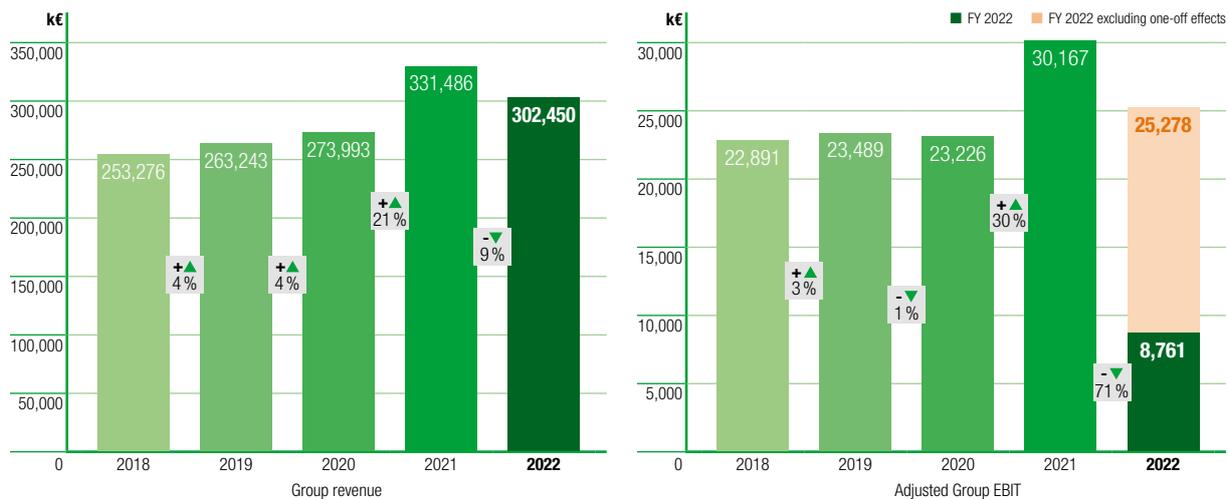
Earnings trends

In contrast to the statement of comprehensive income, consolidated EBIT below is adjusted for the disposal of capitalised interest to facilitate an optimal comparison of the earnings trends of the HELMA Group, independent of potential influences from changes in the general interest-rate level. Interest costs that can be directly attributed to a project are to be capitalised. Once the respective projects are realised, the capitalised interest payments are deducted from inventories and recognised directly in comprehensive income as inventory-reducing transactions.

Starting from the Group revenue of € 302.5 million generated in the year under review (previous year: € 331.5 million), unadjusted Group EBIT amounted to € 6.2 million (previous year: € 27.9 million). This includes extraordinary expenses in connection with the insolvency of Natura-Holzbau GmbH, a former general contractor of HELMA Ferienimmobilien GmbH, in the amount of € 15.3 million, expenses for personnel measures in the amount of € 3.6 million, and income from the partial release of liabilities in the amount of € 2.4 million. In addition, expenses of € 1.2 million were incurred in the 2022 financial year in connection with potential default damages, and partial write-downs of € 0.3 million. Unadjusted Group EBIT also includes the derecognition of capitalised interest

payments in a volume of € 2.5 million (previous year: € 2.3 million). Group EBIT adjusted for the disposal of capitalised interest payments consequently amounted to € 8.8 million in the reporting year (previous year: € 30.2 million).

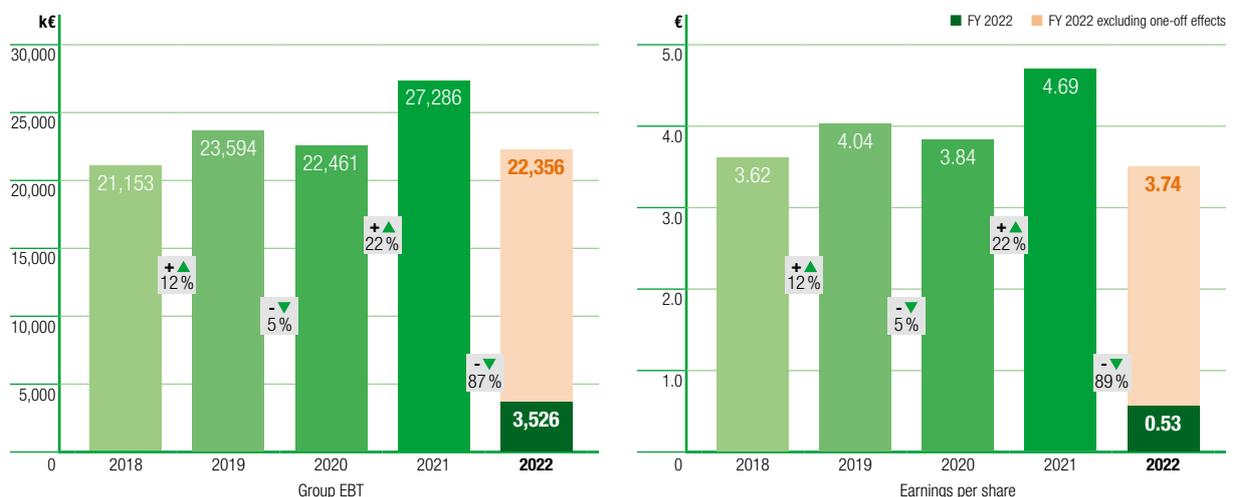
Group revenue and adjusted Group EBIT (according to IFRS)



With a net financial result of € -2.7 million (previous year: € -0.6 million), which takes into consideration the write-off of a subordinated loan to Natura-Holzbau GmbH in the amount of € 2.3 million, earnings before taxes (EBT) amounted to € 3.5 million (previous year: € 27.3 million) and were thereby in line with the adjusted EBT guidance issued on November 24, 2022. No further loan relationships exist with other subcontractors or general contractors. Excluding these one-off effects, which had a net negative impact of around € 18.8 million on the HELMA Group's earnings in the year under review, consolidated EBT would have stood at around € 22.4 million, a satisfactory level within a very challenging market environment.

Consolidated net income after deduction of income taxes and minority interests amounted to € 2.1 million. This led to IFRS earnings per share of € 0.53 (previous year: € 4.69).

Group EBT and earnings per share (according to IFRS)



Business progress at the HELMA Group (according to IFRS)

in k€	2021	2022	One-off effects in 2022		2022 excl. one-off effects
Revenue	331,486	302,450			302,450
- of which revenue from long-term construction orders (PoC method)	39,925	-6,984			-6,984
Adjusted changes in stocks of finished goods and work in progress*	26,475	40,699			40,699
Adjusted total output*	357,961	343,149			343,149
Other operating income	1,607	3,639	2,371	Partial release of liabilities	1,268
Expense for materials and third-party services	-272,197	-275,754	-15,250	HELMA FI	-260,504
Personnel expense	-29,030	-33,458	-3,638	Restructuring	-29,820
Other operating expenses	-25,431	-25,937			-25,937
Adjusted EBITDA*	32,910	11,639			28,156
Depreciation / amortisation	-2,743	-2,878			-2,878
Adjusted EBIT*	30,167	8,761			25,278
Disposal of capitalised interest	-2,263	-2,512			-2,512
Net financial result	-618	-2,723	-2,313	Loan to Natura-Holzbau GmbH	-410
Earnings before taxes (EBT)	27,286	3,526			22,356
Income tax	-8,478	-1,386			-7,377**
Net income before minority interests	18,808	2,140			14,978
Minority interests' share of earnings	-36	-36			-36
Net income after minority interests	18,772	2,104			14,942
Earnings per share in €	4.69	0.53			3.74

* Adjusted for the disposal of capitalised interest

** Assumed tax rate: 33 %

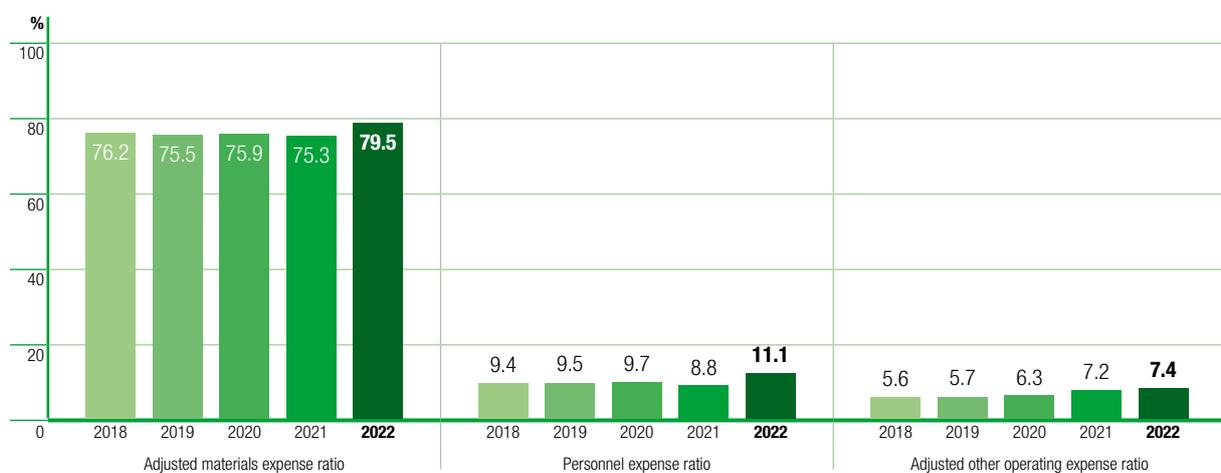
Trends in cost ratios and margins

The adjusted materials expense ratio amounted to 79.5 % in the year under review (previous year: 75.3 %), with the increase being mainly attributable to the rise in construction costs and the extraordinary expenses in connection with the insolvency of Natura-Holzbau GmbH. In order to ensure optimum comparability, the adjusted materials expense ratio has been adjusted to reflect those material expenses that are not offset by any revenues.

The personal expense ratio in relation to revenue amounted to 11.1 % in the reporting year (previous year: 8.8 %). The reason for the increase compared with the previous year was the reduction in revenue accompanied by higher expenses for personnel measures implemented as part of the restructuring. Negotiations concerning personnel measures have already begun and are to be concluded and implemented in the near future.

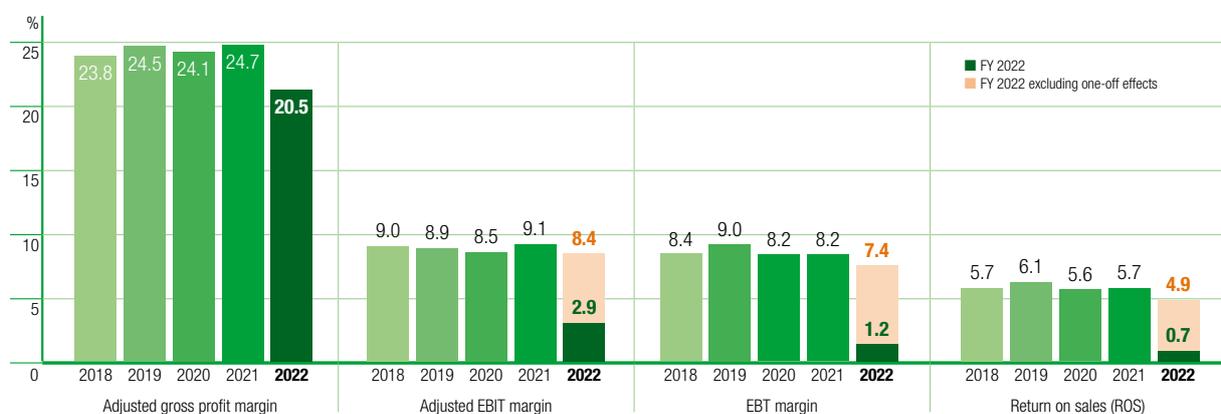
The adjusted other operating expense ratio, which is derived by dividing the net balance of other operating income and expenses by revenue, rose to 7.4 % in the 2022 financial year.

Trends in cost ratios to revenue (according to IFRS)



The lower level of revenue in conjunction with the special effects described above also impacted the key earnings figures. The adjusted gross profit margin in the year under review was 20.5 %, well below the previous year's level (24.7 %). The adjusted EBIT margin also decreased to 2.9 % in the past financial year (previous year: 9.1 %). Similarly, the EBT margin and the return on sales decreased to 1.2 % and 0.7 %, respectively, which also reflect the write-down of the aforementioned subordinated loan.

Trends in profit margins to revenue (according to IFRS)



Group net assets and financial position

Assets

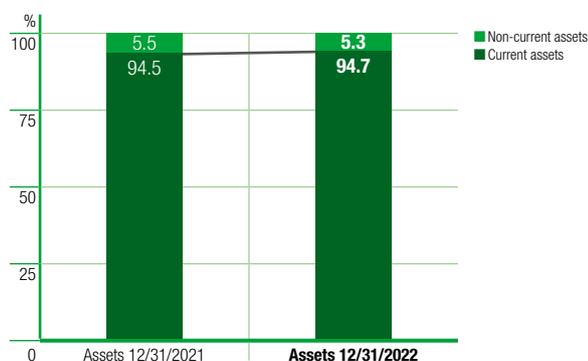
The total assets of the HELMA Group amounted to € 449.4 million as of the end of the financial year under review (December 31, 2021: € 451.4 million). Non-current assets of € 23.6 million as of the balance sheet date were slightly below the previous year's level (December 31, 2021: € 25.0 million). The slight decrease resulted mainly from a reduction in other non-current assets, which includes the loan to Natura-Holzbau GmbH which was fully written down in the 2022 financial year.

Current assets also decreased slightly to € 425.8 million (December 31, 2021: € 426.5 million). The largest items, which also form the basis for the attractive project business, are the project properties valued at the lower of cost or market in the amount of € 259.6 million (December 31, 2021: € 230.5 million), for which an average period of around four and a half years has elapsed from the respective notarisation date to the balance sheet date, and unfinished building shells in the amount of € 73.5 million (December 31, 2021: € 65.4 million); in each case without capitalised interest.

At € 18.8 million, cash and cash equivalents as of the reporting date were around € 3.0 million below the previous year's level (December 31, 2021: € 21.8 million).

Group balance sheet structure: assets (according to IFRS)

in k€	12/31/2021	Share in %	12/31/2022	Share in %
Non-current assets	24,966	5.5	23,618	5.3
- of which property, plant and equipment	19,299	4.3	19,185	4.3
Current assets	426,464	94.5	425,776	94.7
- of which inventories including land	311,024	68.9	350,443	78.0
- of which cash and cash equivalents	21,787	4.8	18,762	4.2
Total assets	451,430	100.0	449,394	100.0



Equity and liabilities

On the equity and liabilities side, equity decreased from € 129.5 million to € 124.7 million as of the balance sheet date. The decrease is due to the consolidated net income of € 2.1 million generated in the 2022 financial year, less the dividend payment of € 6.9 million for the 2021 financial year, which was disbursed in July 2022. This is reflected in an equity ratio to 27.7 % as of the balance sheet date (December 31, 2021: 28.7 %), well remains well above the average sector level.

Non-current liabilities decreased from € 228.5 million to € 195.1 million in the reporting period, which is particularly attributable to the reduction in non-current financial liabilities from € 212.3 million to € 171.7 million. The decrease arises from, among other factors, two promissory note loans which were repaid in 2022. In addition, further promissory note loans maturing in 2023 were reclassified to current financial liabilities. Their renewal is

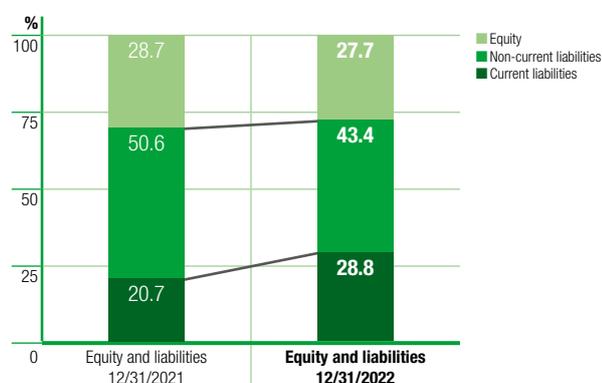
targeted for the first half of 2023. HELMA is already in joint coordination and communication regarding the renewal. In addition, non-current liabilities include provisions for extraordinary costs for warranties deriving from the insolvency of Natura-Holzbau GmbH in the amount of € 7.3 million. Accordingly, non-current liabilities amounted to a total of 43.4 % of total equity and liabilities as of December 31, 2022 (December 31, 2021: 50.6 %).

Compliance with covenants was contractually agreed in the promissory note contracts and for the KfW loans. As of December 31, 2022, the HELMA Group meets the required equity ratio of at least 15.0 %. In addition, in 2021 the HELMA Group entered for the first time into an adjusted dividend restriction under which dividends may only be paid to its shareholders up to a maximum of 50 % of the net income for the year, as reported in the separate financial statements of HELMA Eigenheimbau AG prepared in accordance with German Commercial Code (HGB), if the IFRS consolidated equity is less than € 100.0 million as of the balance sheet date of the financial year to which a proposal for the appropriation of profits relates. For the loans and contracts concluded before 2021, the aforementioned dividend restriction continues to apply regardless of the amount of consolidated equity.

The remaining 28.8 % share of total equity and liabilities was attributable to current liabilities (December 31, 2021: 20.7 %), which at € 129.6 million were around € 36.2 million above the previous year's level (December 31, 2021: € 93.4 million). The increase was mainly due to the reclassification of the promissory note loans maturing in 2023. In addition, this item includes provisions for extraordinary costs for warranties resulting from the insolvency of Natura-Holzbau GmbH in the amount of € 8.0 million and provisions for personnel measures as part of restructuring in the amount of € 3.6 million.

Group balance sheet structure: equity and liabilities (according to IFRS)

in k€	12/31/2021	Share in %	12/31/2022	Share in %
Equity	129,481	28.7	124,659	27.7
Non-current liabilities	228,532	50.6	195,089	43.4
- of which non-current financial liabilities	212,288	47.0	171,686	38.2
Current liabilities	93,417	20.7	129,646	28.8
- of which current financial liabilities	20,633	4.6	58,340	13.0
Total equity and liabilities	451,430	100.0	449,394	100.0



At € 211.3 million, the HELMA Group's net debt was approximately at the previous year's level (December 31, 2021: € 211.1 million). Equity decreased to € 124.7 million as of December 31, 2022 (December 31, 2021: € 129.5 million). The HELMA Group continues to command a very healthy capital structure with net debt comprising 47.0 % of total assets (December 31, 2021: 46.8 %), and a 27.7 % equity ratio (December 31, 2021: 28.7 %).

Due to the good credit rating and equity base of the HELMA Group, the average interest rate on the HELMA Group's financial liabilities as of December 31, 2022 amounted to approximately 2.71 % p. a. (December 31, 2021: 2.09 % p. a.), which lay clearly below the average financing costs of the company's competitors. The fact that the increase in the average interest rate for HELMA is still moderate compared with the general interest rate trend is because most of the financing is subject to fixed interest rates.

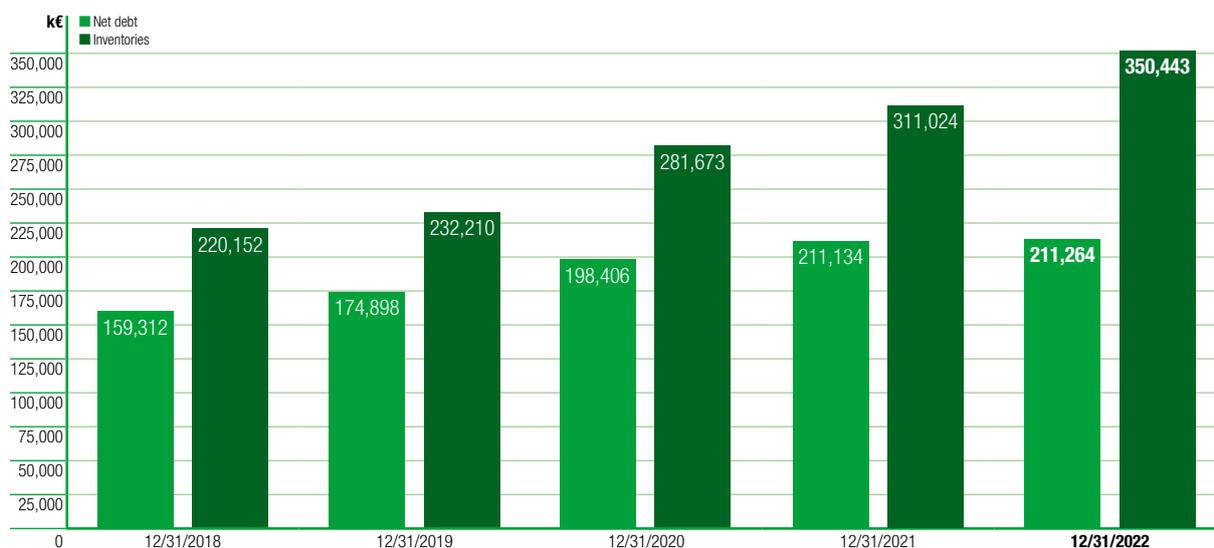
Changes in net debt and equity (according to IFRS)

in k€	12/31/2018	Share in %	12/31/2019	Share in %	12/31/2020	Share in %	12/31/2021	Share in %	12/31/2022	Share in %
Financial liabilities*	175,640		191,601		218,493		232,921		230,026	
Cash and cash equivalents	-16,328		-16,703		-20,087		-21,787		-18,762	
Net debt	159,312	46.7	174,898	46.0	198,406	46.9	211,134	46.8	211,264	47.0
Equity	97,716	28.6	108,594	28.6	116,578	27.5	129,481	28.7	124,659	27.7
Total equity and liabilities	341,440	100.0	380,164	100.0	423,372	100.0	451,430	100.0	449,394	100.0

*The financial liabilities do not include lease liabilities under IFRS 16.

With net debt remaining more or less unchanged at € 211.3 million compared with the previous year (December 31, 2021: € 211.1 million), the inventory position rose from € 311.0 million to € 350.4 million. The € 259.6 million (December 31, 2021: € 230.5 million) of project land included in this figure, together with the other contractually secured land with a purchase price volume of € 57.3 million as of December 31, 2022, form an excellent basis to expand the high-margin property development business. Inventories thereby significantly exceeded net financial liabilities by € 139.2 million as of the balance sheet date (December 31, 2021: € 99.9 million).

Changes in net debt and inventories (according to IFRS)



Cash flow statement

The HELMA Group's positive operating profit generated in the period under review is clearly evident when observing the cash earnings item in cash flows from operating activities, which amounted to € 11.0 million. Moreover, despite a further increase in inventories, working capital decreased by a total of € 4.6 million, mainly due to a tangible reduction in receivables compared with the end of the 2021 financial year. Cash flow from operating activities thereby amounted to € 15.5 million in the year under review (previous year: € 0.5 million).

Due to year-on-year higher investments in intangible assets as well as in land and buildings (see the Group investments section), cash flow from investing activities amounted to € -3.2 million in the reporting year (previous year: € -2.0 million).

Cash flow from financing activities amounted to € -15.4 million in the 2022 financial year (previous year: € 3.2 million) and derived mainly from the repayment of two promissory note loans, the dividend and interest payments.

The HELMA Group had € 18.8 million of cash and cash equivalents as of the balance sheet date. The financial position of the HELMA Group continues to be very solid as a consequence.

Group cash flow statement (according to IFRS)

in k€	2018	2019	2020	2021	2022
Cash flow from operating activities	4,061	-3,499	-9,298	549	15,515
- of which cash earnings	14,983	18,089	20,352	24,481	10,977
- of which change in working capital	-10,877	-21,628	-29,658	-23,830	4,593
- of which gain / loss on disposal of fixed assets	-16	-29	8	-102	-55
Cash flow from investing activities	-4,445	-2,005	-1,872	-2,019	-3,157
Cash flow from financing activities	56	5,879	14,554	3,170	-15,383
Cash and cash equivalents at the end of the period	16,328	16,703	20,087	21,787	18,762

Group investments

HELMA invested a total of € 3.4 million in property, plant and equipment, and in intangible assets in 2022 (previous year: € 2.4 million). Of this amount, € 0.5 million (previous year: € 0.1 million) was invested in land and buildings (including prepayments), mainly for a new showhouse in Berlin. In the area of intangible assets, € 1.6 million (previous year: € 0.7 million) was invested primarily in software and digitalisation projects. Investments in office and operating equipment amounted to € 1.3 million in 2022 (previous year: € 1.6 million) and were mainly used for new vehicles, IT equipment and office furnishings.

Investments in property, plant and equipment, and intangible assets

in k€	2021	2022
Land and buildings	143	450
Intangible assets	673	1,607
Office and operating equipment	1,576	1,300
Total	2,392	3,357

Sustainability – non-financial performance indicators¹

Sustainability in the HELMA Group

HELMA is one of the most successful providers of residential and holiday properties in Germany. In order to secure this position in the long term, the sustainability of its own actions and business model has long been of outstanding importance to HELMA, in addition to commercial success.

With the increasing importance of ecological, social and societal aspects, HELMA identifies a key responsibility in realising largely climate-neutral residential and holiday properties, thereby supporting the sustainability goals of the United Nations and the German government.

Sustainability management

The sustainability topic is assigned to the investor relations division, for which in turn the CEO bears responsibility. In particular, taking into account the EU Sustainable Finance Taxonomy (EU Taxonomy) and the resultant extension of reporting requirements, specialist departments such as personnel, project development and technology, in addition to the accounting and controlling departments, are being involved to a further extent in discussions and the implementation of sustainability-related measures.

Sustainability strategy

With a view to focusing on the area of energy-efficient construction methods at an early stage, it is desirable for HELMA to be a leading developer of climate-neutral residential and holiday properties in Germany. For the 2023 financial year, HELMA has set itself the goal of driving forward the development of a sustainability strategy and its implementation. As part of this process, specific objectives must be defined. Similarly, the aspects necessary to achieve sustainability targets are to be increasingly integrated into decision-making processes and measures are to be derived from these targets. The company also plans to further optimise its current sustainability management and to expand its reporting system in order to be able to monitor and control the achievement of its sustainability targets as optimally as possible.

As a consequence, non-financial reporting will gradually gain in importance, with a focus on publications about environmental, social and governance (ESG) factors.

According to our current understanding, the topic of sustainability at HELMA encompasses the following dimensions, in particular:

Environment E	Customers, employees and social responsibility S	Governance G
<ul style="list-style-type: none"> ■ Energy-efficient construction methods and sustainable energy concepts ■ Improving energy efficiency ■ Consideration of environmental factors in the context of land purchases ■ Biodiversity ■ Use of already sealed areas ■ Requirements for subcontractors and general contractors ■ Energy supply and energy-related measures for company's own buildings <div style="text-align: center;"></div>	<ul style="list-style-type: none"> ■ Customer satisfaction ■ Attractive working environment ■ Work-life balance ■ Education and training ■ Occupational safety and health protection ■ Diversity and equal opportunities ■ Social commitment <div style="text-align: center;"></div>	<ul style="list-style-type: none"> ■ Ensuring compliance with applicable laws and regulations ■ Protection of whistleblowers ■ Open dialogue with relevant stakeholders <div style="text-align: center;"></div>

Environment²

HELMA is aware of its responsibility and has been making valuable contributions to environmental and climate protection for many years by developing energy-efficient construction methods and sustainable energy concepts. In this sphere of activity, HELMA also deals with measures for the resource-conserving utilisation of materials and the protection of biodiversity.

Energy-efficient construction methods

Due to an early focus on the area of energy-efficient construction methods, HELMA has not only created a significant competitive advantage over the past approximately twenty years, but has also made an important contribution to cutting resource consumption and CO₂ emissions.

Both individually planned detached houses as well as pre-planned semi-detached, terraced and multi-family houses are built by HELMA utilising solid construction methods designed to safeguard the properties' value. Above average lifespan and long-term value retention are of particular importance in terms of the net ecological impact of a solid construction house. Natural raw materials and building materials that can be maintained and repaired with little effort are deployed to a large extent. Furthermore, the masonry and concrete ceilings of solid construction houses offer the very beneficial property of absorbing heat energy and successively releasing it

² Not part of the statutory audit of the consolidated financial statements

back into the environment. This effect, known as phase shift, warms the rooms in winter through sunlight entering during the day, with the stored energy being released at night. In summer, the walls that have cooled down overnight keep out much of the heat during the day.

Moreover, predominantly heat pumps and increasingly photovoltaic systems are being installed in residential properties. Especially in combination, these are extremely environmentally compatible and emit less CO₂ compared to gas and oil heating systems.

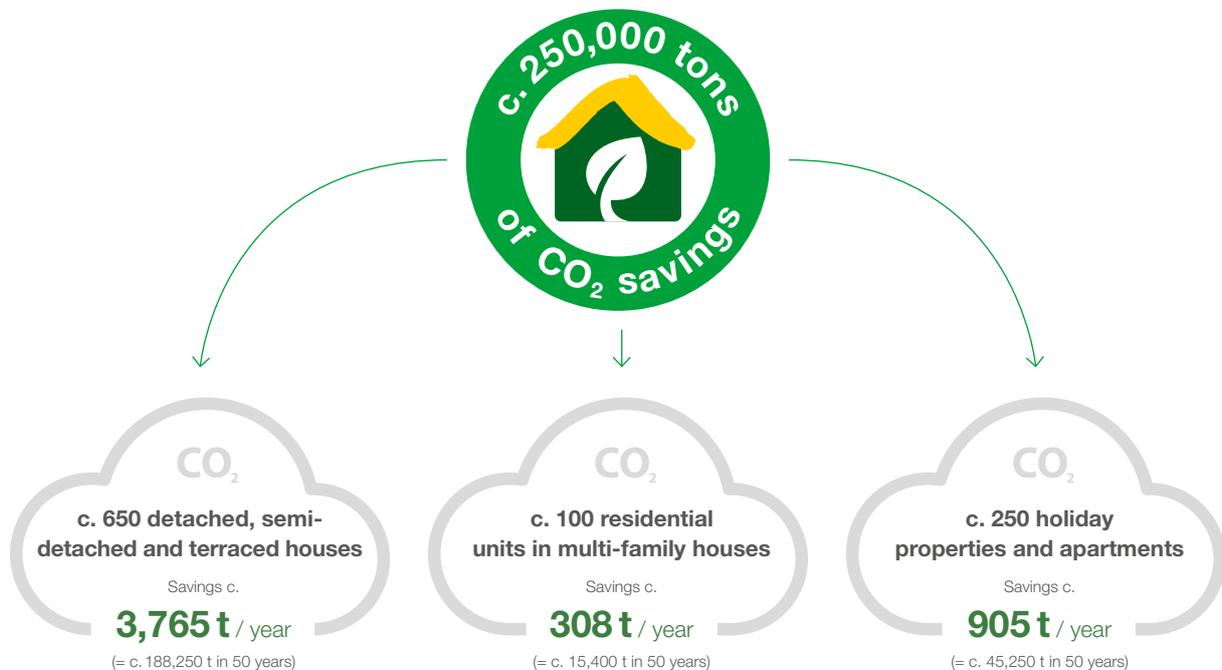
Improving energy efficiency

According to an evaluation by the Federal Environment Agency, the building sector was responsible for a 16 % share of German greenhouse gas emissions in 2020, ranking fourth behind the energy sector, industry and transport. In particular, residential buildings with the two worst efficiency classes or performance in Germany account for around 31 % of all residential buildings, which in turn account for half of the greenhouse gas emissions of all residential buildings. If these alone were renovated to become Efficiency 55 houses, greenhouse gas emissions from residential buildings would be reduced by up to 49 %. In order to achieve the German government's target of near-zero greenhouse gas emissions by 2050, it is consequently necessary for the entire building sector to cut greenhouse gas emissions by at least 80 % compared with 1990 levels. Accordingly, it is essential that newly built properties offer the best possible energy efficiency. A key sustainability goal for HELMA is to support the climate targets of the German government and, as a consequence, to reduce CO₂ emissions. For example, HELMA currently offers all standard residential properties as Efficiency 55 houses. These deliver very high energy efficiency through the combination of efficient heating technology and insulation of the building envelope and require only 55 % of the primary energy compared to the reference building of the Building Energy Act (GEG). As a consequence, in the individually planned detached houses segment, all construction projects in 2022 were planned with the Efficiency House Level 55 energy standard or the even more demanding Efficiency House Level 40 energy standard. With a view to the German government's new "Climate-compatible New Construction" subsidy, which started from March 1, 2023, HELMA is also comprehensively examining the extent to which the energy efficiency standard for residential properties can be optimised taking ecological and economic aspects into consideration.

CO₂ savings of houses and apartments realised by HELMA compared with the average housing stock

In terms of technical progress, the possibilities for energy improvements have expanded steadily over the years, and especially in comparison with 1990, the year of construction of the average housing stock in Germany. While CO₂ emissions of the existing building stock amount to around 46.0 kg/(m²a), buildings constructed by HELMA emit an average of 9.8 kg/(m²a) of CO₂. With approximately 1,000 houses and apartments being built by HELMA each year on average, this will save around 5,000 tons of CO₂ emissions per year compared to the average housing stock. On the basis of a useful life analogous to a building depreciation period of fifty years, the houses and apartments realised annually by HELMA thereby achieve CO₂ savings of around 250,000 tons compared to the average housing stock.

CO₂ savings of houses and apartments realised by HELMA compared with the average housing stock

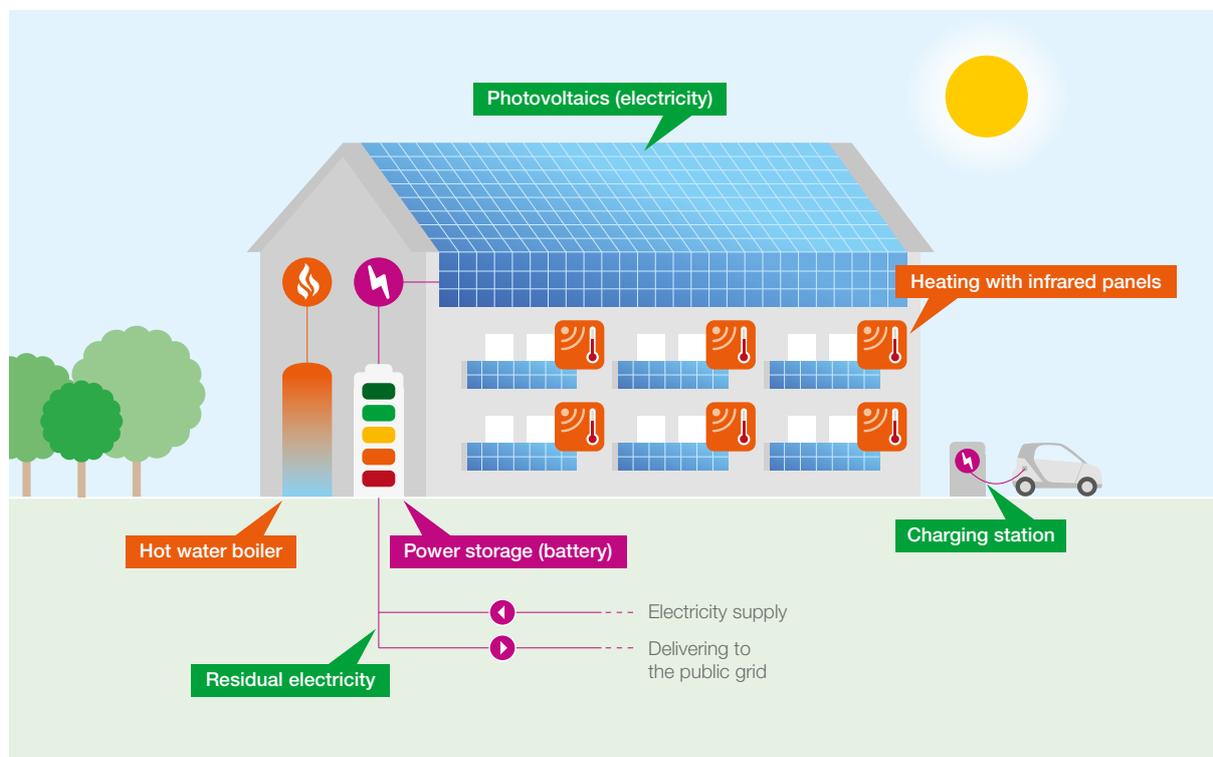


Energy-efficient construction methods

HELMA is a pioneer in the development of sustainable energy concepts. Starting with the basic concept of the solar house, its energy concepts are continuously optimised and have been applied in the construction of energy self-sufficient terraced houses and multi-family houses since 2018. A major focus in the meantime has been on de-technicalising houses in order to reduce planning and construction costs and to make them less maintenance-dependent.

The photovoltaic modules integrated into the houses' architecture on roof surfaces and balcony parapets absorb solar energy and convert it into electricity. In addition to the conventional use of classic electrical appliances, the electricity is also harnessed for heating production, both to heat water in boilers and to heat living spaces using infrared panels. The surplus electricity not required by the residents for everyday use flows into a storage unit integrated into the house, where it is stored temporarily. This makes it possible to live as far as possible self-sufficiently from external suppliers, including during months with less sunshine. Furthermore, the electricity generated is not only suitable for household appliances and plant technology, but is also available for electromobility and electrical garden equipment. Moreover, the houses are connected to the public grid in order to feed in surplus electricity or to purchase it from external energy suppliers as needed.

Functionality of energy self-sufficient terraced houses and multi-family houses



Projects with energy self-sufficient houses

With the construction of six largely energy self-sufficient multi-family houses, HELMA has created projects that showcase structural change. The tenants of the multi-family houses in Cottbus, Oranienburg and Lützen for example, benefit from a fixed flat-rate rent and an energy flat rate for five years due to the high degree of energy self-sufficiency.

Following the successful completion of these projects, HELMA has started to implement further energy self-sufficient houses. These terraced houses and apartment buildings with a total of 43 residential units are being built in Unna and Magdeburg and will also help to meet the challenges of climate change in the future. The construction of additional energy self-sufficient row houses and apartment buildings is currently being planned.



Energy self-sufficient multi-family houses in Oranienburg

Outlook and development potential of sustainable energy concepts

Despite the already high efficiency of its energy concepts, HELMA is continuously working on optimising them and on advancing the process of de-technicalisation. For example, the extent to which ventilation systems can be improved or dispensed with by making further adjustments is being examined. With further efficiency enhancement, not only are material and energy requirements reduced, but investment costs are also lowered. Moreover, the aim is to make the building as maintenance-free as possible during operation.

In addition to reducing the number of technical components, HELMA is also pushing ahead with the development of concept houses, which can be built identically at different locations, with the aim of reducing construction costs and enabling more efficient planning and construction processes.

Consideration of environmental factors in the context of land purchases

In addition to the examination of land areas for utilisation and development possibilities, due diligence in the context of the land acquisition for areas to be acquired by HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH includes a detailed consideration of relevant environmental issues. Such factors include:

- Subsoil
- Groundwater
- Infiltration
- Contaminated sites
- Explosive ordnance
- Immission (noise and light)
- Archaeology
- Nature conservation concerns

By considering the aforementioned issues, HELMA gains a comprehensive overview of project-specific environmental concerns as well as any necessary site preparation measures, and can adequately take these into consideration when submitting a bid. Any contamination resulting from, for example, previous industrial use,

is removed prior to project implementation in compliance with applicable regulations and standards, and the remediation of contaminated sites is notified to the respective environmental agency by means of a so-called clearance notification.

Biodiversity

The preservation and promotion of biodiversity form an essential element of the project planning of land plots with residential and holiday properties. In order to protect biodiversity in its natural environment as best as possible, in development plan procedures HELMA regularly works in partnership with experts and specialists such as environmental authorities, landscape planners and nature conservation associations. The common goal is to develop concepts for the preservation and maintenance of natural areas and biodiversity as part of these development plan procedures, depending on the project-specific requirements, in order to realise residential and holiday properties in harmony with ecological concerns. If protected animals' habitats are affected by construction projects, such creatures are relocated to protected areas in compliance with stipulated measures (e.g. in development plans, urban development contracts and building permits), or replacement habitats are created in the immediate vicinity of the planned development that offer the necessary settlement characteristics. Similarly, animals in the immediate vicinity of the planned development are taken into consideration in project and construction scheduling, so that development and construction measures generally take place outside breeding seasons and the creatures' active phases.

To compensate for natural areas, HELMA also supports reforestation in native forests if project-specific necessities exist, in order to compensate for the clearing of the tree population required for the project. Alternatively, it creates near-natural compensation areas in order to offset the impact of creating impervious surfaces. The implementation of consolidation measures in order to create more living space while preserving as much natural area as possible also forms an essential part of project planning.

Use of already sealed areas

Sustainable land use is becoming increasingly important in order to increase resilience to climate change and to support biodiversity. For this reason, cities and municipalities regularly modify land usage for sites formerly used for industrial, traffic and military purposes, in order to avoid new sealing by buildings or to largely protect natural soils and areas. HELMA supports this goal and also acquires land areas that are already sealed. The "Villa Thyssen" project in Hennickendorf and the "Immergrün" project in Teltow, on which a total of around 210 residential units will be built, represent two examples of projects currently in the planning stage. The land plots on which halls, greenhouses and structures formerly used for industrial purposes are, or were, located will be processed after demolition and reused for the creation of residential space in attractive locations.

Requirements for subcontractors and general contractors

By accepting the general terms and conditions of contract, or agreeing to individual contractual provisions, the subcontractors and general contractors HELMA commissions undertake to deploy only materials, building materials and products that are furnished with the appropriate approvals and meet statutory requirements. Moreover, construction work must be carried out in accordance with applicable regulations, standards and directives, and manufacturers' instructions must be complied with during construction processing. The companies carrying out building work are also obligated to leave construction sites free of material residues, construction debris and waste. As far as disposal is concerned, applicable statutory provisions for waste reduction and for environmentally compatible recycling and landfilling are to be complied with by the subcontractors and general contractors commissioned.

When utilising building materials, care is also to be taken to ensure that these enable home owners to live in a healthy environment, and are produced in as environmentally compatible manner as possible. The selection of the materials used is based on modern standards and stringent quality specifications in relation to safety, health and environmental compatibility.

Energy supply and energy-related measures for the company's own buildings

HELMA has been purchasing electricity exclusively from renewable sources from external energy suppliers for its corporate headquarters in Lehrte since January 1, 2023. Furthermore, electricity is generated via the company's own photovoltaic system on the roof of the administration building, which is almost entirely utilised by the company itself. In addition, charging stations for e-vehicles are available to visitors to the showhouse park in Lehrte.

With the regard to an optimal energy utilisation, the administration building is also equipped with concrete core activation. This is heated or cooled efficiently and in an environmentally compatible manner via various air heat pump systems. Supplementary heating via gas condensing boiler technology is only necessary if the thermal activation of building structures is no longer sufficient in the event of excessive cold, and peak demands have to be offset.

Customers, employees and social responsibility³

The HELMA Group's business success is based on customer satisfaction. In addition to a high level of customer satisfaction, the motivation and commitment of HELMA's employees are essential for achieving the company's objectives. In addition to focusing on commercial success, HELMA consequently also regards sustainability as the assumption of responsibility through social commitment.

Customer satisfaction

HELMA's commercial activities focus on customers and their needs. Their satisfaction and appreciation for the products and services are directly related to the HELMA Group's long-term success. Satisfied customers recommend HELMA to others and are consequently of great importance for the company's targeted growth. In order to ensure a high level of customer satisfaction on an ongoing basis and to identify changing needs at an early stage, HELMA regularly conducts customer surveys, taking the results into targeted consideration in the further development of its existing product and service range. HELMA has already received several awards for the very high level its customers' satisfaction.



³ Not part of the statutory audit of the consolidated financial statements

Attractive working environment

The HELMA Group's success is largely driven by motivated and well-trained employees. The great commitment and inventiveness of its employees enable HELMA to continuously develop its products and processes. For this reason, HELMA has set itself the objective of acting as an attractive and responsible employer in the long term and providing appropriate working conditions for its employees.

HELMA's diverse range of employee development programs includes:

- Possibilities for professional training and further education
- Teambuilding measures
- Social skills seminars to promote personal development
- Healthcare
- Company sports

Work-life balance

HELMA offers a wide range of employment opportunities with full-time and part-time models to promote the compatibility of work and personal life. This has also included the widely used option of working on a mobile basis for up to three days a week if desired, taking operational requirements into consideration. The corresponding technical and organisational measures have already been successfully implemented and are being continuously further developed.

As a family-friendly company, HELMA also offers a wide range of options for returning to work after parental leave and for combining career and family. In 2022, 25 employees (previous year: 25) took parental leave, of whom 20 were women and 5 men. The percentage of part-time employees was 16.9 % as of December 31, 2022 (December 31, 2021: 17.2 %).

Education and training

HELMA regards the training of young, motivated people as an important part of its personnel policy. This is intended not only to meet the challenges of demographic change but also to cover the ongoing need for qualified junior staff on a pro rata basis. At present, 4 apprentices are being trained at the company (previous year: 4).

Furthermore, HELMA reflects on workplace conditions and experiences at annual meetings between employees and managers, and utilises this information in order to determine respective individual requirements for professional and personal training. Based on the wishes and requirements that are identified, a comprehensive training offer is then created. This ranges from in-house group seminars to refresh knowledge of PC programs used on a daily basis, through to specific further training and individual competency development for individual employees in external training courses lasting several days.

In order to promote junior staff, HELMA also regularly employs interns and working students who gain a wide range of insights into the professional world by working in various departments. In 2022, 16 interns and working student (previous year: 17) were given the opportunity to contribute their knowledge and skills and to benefit from the experience of the company's employees.

Participation opportunities for employees

HELMA actively involves its employees in decision-making processes and promotes their participation in the continuous development of the product range. Via IDEEN@HELMA, HELMA employees can submit their ideas to boost efficiency, improve competitiveness and enhance customer satisfaction and, depending on the extent of utilization and significance of the idea for the company, benefit from attractive rewards.

HELMA's Works Council also safeguards employees' interests. The Management Board and the Works Council regularly engage in trusting dialogue and have, for example, jointly concluded the HELMA company agreement on mobile working. This promotes work-life balance and thereby also employee satisfaction.

Employee satisfaction

Determining employee satisfaction forms a further part of annual meetings between employees and managers. To compare employee satisfaction, employees rate their satisfaction on a scale of 1 to 6, with 1 ranking the highest and 6 the lowest. The employee appraisals conducted at the turn of the year 2022/2023 reflected an average satisfaction rating of 2.25 (previous year: 2.17). The goal is to establish employee satisfaction at a level of around 2.0 or better in the medium term.

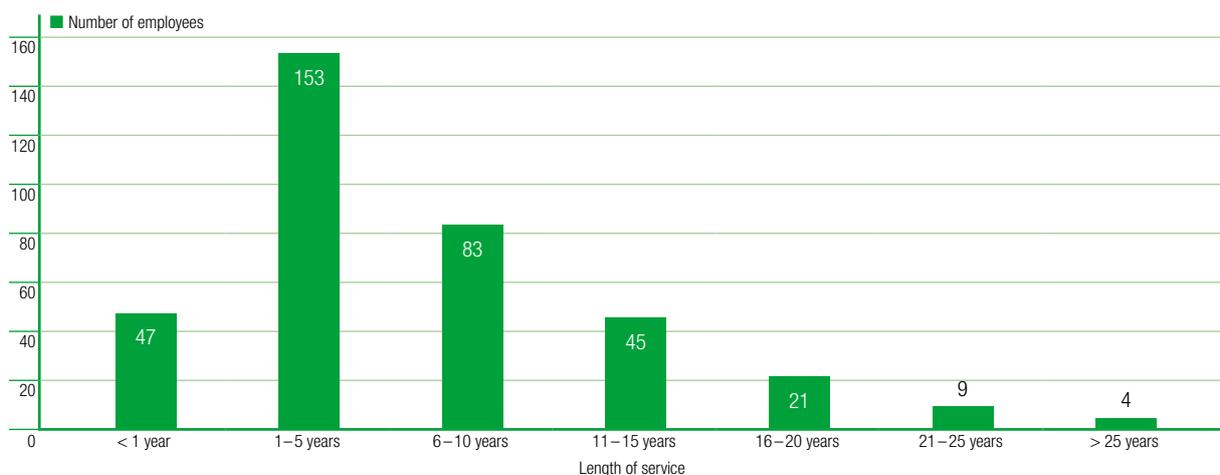
Furthermore, the company's management is in regular contact with employee representatives such as the Works Council in order to discuss overarching aspects of employee working conditions and potential improvements. In order to create a good basis for this, it is important for HELMA to provide timely information on the company's further progress and development, and to involve relevant employees and representatives in order to find solutions and leverage their potential for success.

Length of service and staff turnover rate

Length of service comprises a further indicator of employee satisfaction. For example, the average length of service of all employees on December 31, 2022 stands at around 6.8 years. In addition, around 45 % of all employees have been with HELMA for more than 5 years and around 22 % of all employees have been with the company for more than 10 years. Accordingly, HELMA benefits from experienced and well-trained employees who possess extensive information and knowledge about construction-related topics.

Moreover, long-serving employees are very familiar with the company's internal processes, which they have often helped to shape themselves. HELMA also benefits from the influx of knowledge from new employees bringing fresh and innovative ideas to the company.

Length of service on December 31, 2022



The staff turnover rate also reflects the extent to which employees are satisfied with HELMA and whether HELMA is perceived as an attractive and responsible employer in the long term. As in previous years, the staff turnover rate of around 9.4 % (previous year: 6.3 %) remained at a low level and thereby within the sustainable target range of a single-digit percentage rate.

Occupational safety and health protection

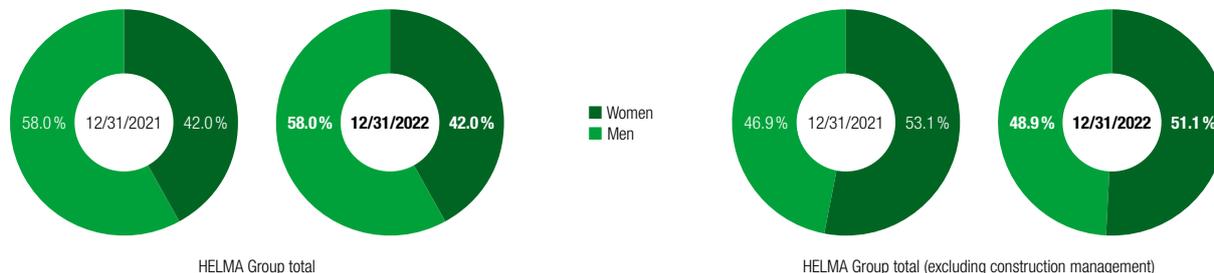
The necessary measures relating to occupational safety and health protection on HELMA construction sites are defined, coordinated and controlled by safety and health protection coordinators (SiGeKo). Compliance with them is monitored. Depending on project-specific conditions, HELMA secures construction sites with construction fences, for example, and equips scaffolding with protective nets, covered walkways and signage in order to minimise safety risks.

Furthermore, HELMA endeavours to promote employee health as part of company healthcare and by optimally designing the workplace, such as with height-adjustable desks. Nevertheless, it is not impossible for employees to be temporarily unable to work due to illness. In 2022, the sickness leave rate in the HELMA Group amounted to 6.94 % (previous year: 5.11 %).

Diversity and equal opportunities

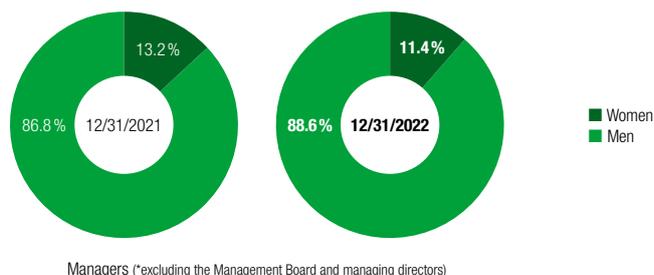
As of December 31, 2022, the HELMA Group employed a total of 362 employees (December 31, 2021: 348 employees). The proportion of female employees as of the reporting date was 42.0 % (December 31, 2021: 42.0 %). Here it should be noted that the professional group of construction managers, in particular, typically includes a very high proportion of male employees. Excluding employees in construction management, the proportion of female employees as of the reporting date is 51.1 % (December 31, 2021: 53.1 %).

Diversity ratio (total)



As of December 31, 2022, the HELMA Group's managerial staff consisted of 31 men as well as 4 women (December 31, 2021: 33 men and 5 women). Taking applicants' individual skills into consideration, HELMA sees potential to increase the proportion of women in management positions in the coming years.

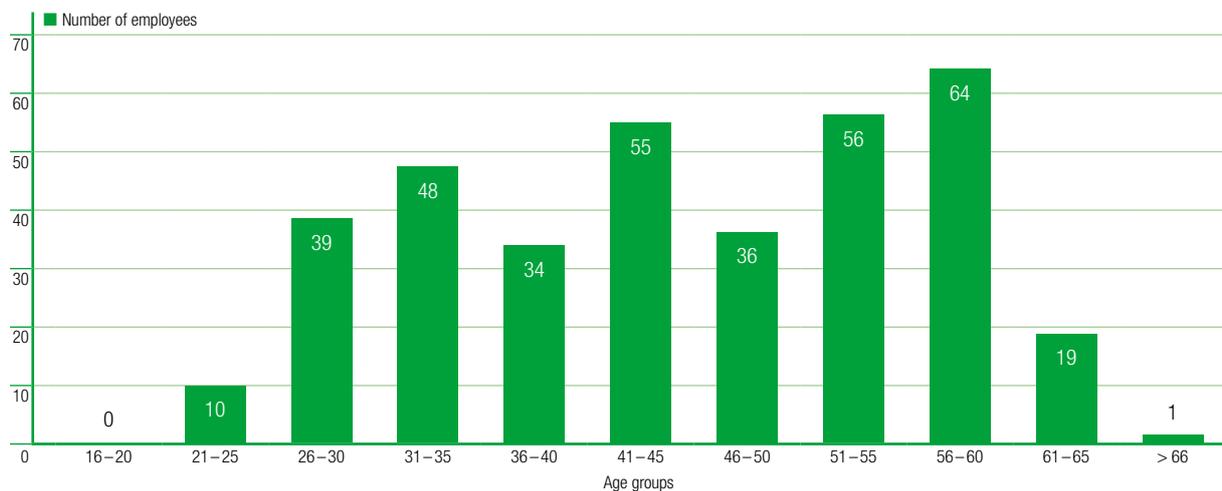
Diversity ratio (managers*)



With Ms. Andrea Sander, a woman has been on the Management Board of HELMA Eigenheimbau AG for the first time since November 1, 2022. As a medium-sized company, HELMA aims to keep the number of members in its corporate bodies manageable in the future. Should positions on the Supervisory, Management or other company boards need to be filled in the coming years, both women and men will be given equal opportunities, taking their respective expertise into consideration.

The age structure of HELMA employees exhibits an even distribution. With this balanced composition of its workforce, the HELMA Group also benefits from the wealth of experience of older employees, and the continuous inflow of new knowledge that young, well-trained employees bring to the company. Moreover, this future-oriented personnel structure enables the proactive replacement of employees who leave the HELMA Group when they retire.

Age structure as per December 31, 2022



Social commitment

The company's special concern in this context is to support, with appropriate measures, the development of children in different life stages and situations. HELMA supports projects and organisations in Lehrte, in the Hanover region and nationwide.

At HELMA, company-specific events are not only seen as enjoyable business events, and as raffles on social media, but also as opportunities to pass on and share enjoyment. This occurs through financial as well as material support at regional level for deliberately selected projects and target groups such as kindergartens and day care centres.

HELMA also supports facilities that assist traumatised children as well as children with physical or mental disabilities, and that provide therapeutic care within a protected environment. Furthermore, HELMA has been sponsoring a violence prevention project for primary school children for many years in order to enhance problem resolution skills.

Governance⁴

Governance within the HELMA Group refers to action in accordance with the principles of legal and statutory as well as ethical and responsible corporate management. Taking into consideration the guiding principles set out in the HELMA code of values, the Management Board manages the company at its own responsibility. The Supervisory Board, in turn, monitors and advises the Management Board on strategic development, among other matters. Strategic development is increasingly characterised by sustainability aspects such as reducing CO₂ emissions through energy-efficient new construction. Furthermore, the governance topic at the HELMA Group comprises the topics presented below.

Ensuring compliance with applicable laws and regulations

Lawful conduct is a basic requirement for good and responsible corporate governance. Accordingly, the processes and structures defined for the individual divisions within the HELMA Group are designed to ensure consistent compliance with applicable laws and regulations.

Moreover, subcontractors and general contractors commissioned by HELMA undertake, by accepting the general terms and conditions of contract, or agreeing on individual contractual provisions, to comply with the statutory provisions on combating undeclared work, laws on the secondment and hiring out of employees, as well as German social security legislation concerning the payment and deduction of contributions, and the payment of at least minimum wages as stipulated by law or collective bargaining agreements.

Compliance with relevant tax laws

The HELMA Group generates its revenue exclusively in Germany. Accordingly, the Group's earnings in Germany are also taken as the basis for corporate income tax purposes and these are subject to relevant taxation. Taking this into consideration, HELMA also attaches great importance to compliance with relevant tax laws. Tax declarations are always submitted in accordance with the applicable laws of the relevant jurisdiction. To this end, HELMA is in regular contact with the respective tax authorities, and ensures a comprehensive review by tax authorities of the tax administration through cooperative and transparent collaboration with tax offices. Where tax law options exist, these are utilised within the framework of legal requirements, taking financial and business consequences into consideration in the interests of the company.

Protection of whistleblowers

Information, complaints and similar information from purchasers and builders received in person or by telephone, e-mail or mail are forwarded promptly and confidentially to the relevant departments. Furthermore, employees have the option at any time to contact their supervisors directly with information regarding matters that do not comply with the law. After careful examination of the information received, appropriate measures are initiated as required. Moreover, an electronic or Internet-based whistleblower system is currently being prepared within the HELMA Group, which will be introduced in the course of 2023 and is available for use by anyone. Employees, customers, builders and contractors, for example, can utilise this channel in order to provide information in connection with violations of laws or guidelines. In addition, every whistleblower is given the opportunity to report on an anonymous basis and to contact the relevant department. The whistleblower system also has a secure mailbox via which the whistleblower and whistleblower processor can communicate confidentially.

The whistleblower system serves, in particular, to obtain valuable information regarding bribery, corruption, fraud, discrimination and comparable conflicts of interest. Accordingly, all reports are examined intensively, and appropriate measures are initiated in order to protect the whistleblower and to clarify the facts reported. As a consequence, the overriding objective is to become aware of possible violations at an early stage in order to minimise or avoid risks for HELMA.

Identification of builders, purchasers and contractors

For HELMA, it is also a matter of course to prevent money laundering as best as possible. For this reason, builders, purchasers and contractors are examined within the scope of legal possibilities before the company enters into a contractual relationship with them.

Transparency about memberships and political influence

In addition to various chambers of industry and commerce and chambers of architects and engineers, HELMA, as one of the largest developers of residential and holiday properties in Germany, is a member of the following associations and interest groups, among others:



As a matter of principle, HELMA does not make donations to political parties, politicians or governments. Furthermore, HELMA Group companies are not included in lobby lists. Equally, HELMA did not participate in any submissions to legislative procedures in the 2022 financial year.

Open dialogue with relevant stakeholders

HELMA's business activities are shaped by various influences from both internal and external stakeholders. In order to learn about the views and concerns of the relevant stakeholders, the relevant parties are identified and approached in a targeted manner, both in relation to the project and to overarching issues. HELMA organises both regular and ad hoc events and formats for specific target groups, in order to ensure open dialogue with relevant stakeholders. This includes the following individuals and stakeholders:



Through cooperation with the aforementioned stakeholders, HELMA generates ideas and forward-looking processes with a view to sustainable corporate development.

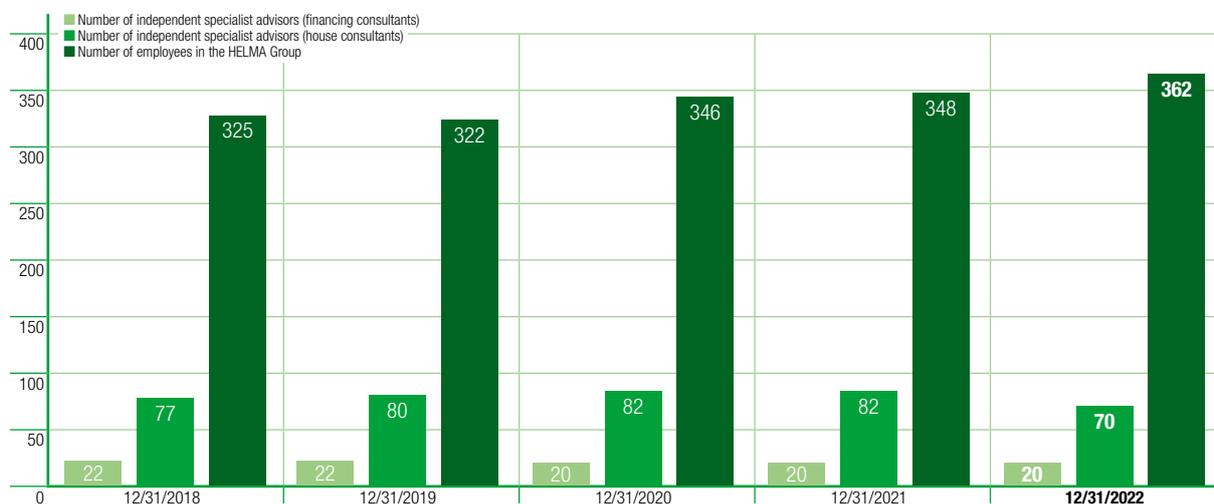
Employees, sales partners and the company's boards

Development of staff and specialist advisors in the HELMA Group

The number of employees increased from 348 to 362 as of December 31, 2022. Besides this, the HELMA Group employed 6 individuals on a minor part-time basis as of the reporting date (December 31, 2021: 8).

In the house consulting area, the number of independent specialist advisors with whom HELMA works together in the sales area on a commission basis at various locations reduced to 70. The number of independent financial advisors was 20, unchanged from the previous year.

Number of employees and independent specialist advisors in the HELMA Group



The company's boards

On October 17, 2022, the Supervisory Board of HELMA Eigenheimbau AG recalled from office CEO Mr. Gerrit Janssen with immediate effect. In order to ensure continuity and the further development of the core business, Andrea Sander was appointed as the new CEO as of November 1, 2022. Ms. Sander is responsible for the areas of Personnel, Legal, Corporate Development, Public Relations and Compliance. Until a successor is appointed, Ms. Sander has temporarily assumed responsibility for the Finance and Controlling, IT and Investor Relations areas. She has been appointed to the company's Management Board until October 31, 2025. Jannik Bayat, Partner and International Business Leader Consulting at management consultancy Baker Tilly, has been assisting the Managing Board since November 1, 2022. His activities include, in particular, the areas assumed by Ms. Sander on an interim basis.

In the year under review, the Management Board of HELMA Eigenheimbau AG also comprised Max Bode and André Müller. On February 20, 2023, Max Bode stepped down from the Management Board with immediate effect. André Müller's contract was extended by two more years and runs until June 30, 2025.

In the 2022 financial year, the company's Supervisory Board included Karl-Heinz Maerzke (Chairman), Sven Aßmann (Deputy Chairman), Dr. Peter Plathe and Paul Heinrich Morzynski. The Supervisory Board members' period of office ends with the conclusion of the AGM that approves the discharge of the Supervisory Board members for the 2023 financial year.

Net assets, financial position and earnings of the parent company

The separate development of the parent company is presented below by way of supplementary information to the Group report. The separate annual financial statements of HELMA Eigenheimbau AG are prepared according to the regulations of the German Commercial Code (HGB), and the German Stock Corporation Act (AktG). Pursuant to § 315 (5) of the German Commercial Code, the management report for HELMA Eigenheimbau AG is aggregated with that of the HELMA Group.

Net assets and financial position

The total assets of HELMA Eigenheimbau AG amounted to € 142.1 million as of December 31, 2022 (December 31, 2021: € 142.2 million). Non-current assets rose slightly from € 18.2 million to € 19.3 million, mainly due to an increase in intangible assets. Current assets decreased slightly from € 123.7 million to € 122.5 million, which particularly reflected a reduction in cash and cash equivalents from € 10.7 million to € 9.1 million.

Balance sheet structure of HELMA Eigenheimbau AG: assets (according to HGB)

in k€	12/31/2021	12/31/2022
Non-current assets	18,238	19,283
Current assets	123,698	122,475
- of which cash and cash equivalents	10,716	9,116
Prepayments and accrued income	282	360
Total assets	142,218	142,118

On the equity and liabilities side, equity decreased from € 107.3 million to € 103.8 million on a year-on-year balance sheet date comparison. The reduction derived from the consolidated net income of € 3.5 million generated in the 2022 financial year, less the dividend payment of € 6.9 million for the 2021 financial year, which was disbursed in July 2022. The equity ratio amounted to 73.1 % as of the balance sheet date (December 31, 2021: 75.4 %), well above the average for the building services sector. Provisions increased to € 13.0 million as of the end of the 2022 financial year (December 31, 2021: € 7.3 million), which were mainly formed for personnel measures in the amount of € 3.0 million. Liabilities reduced to a total of € 25.3 million as of December 31, 2022, slightly below the previous year's level of € 27.6 million. The decrease is attributable to the partial reversal of liabilities in the amount of € 2.4 million.

Balance sheet structure of HELMA Eigenheimbau AG: equity and liabilities (according to HGB)

in k€	12/31/2021	12/31/2022
Equity	107,254	103,849
Provisions	7,330	12,959
Liabilities	27,634	25,310
Total equity and liabilities	142,218	142,118

Earnings performance

The revenue of € 127.9 million (previous year: € 118.5 million) and changes in stocks of finished goods and work in progress of € 9.1 million (previous year € 8.2 million) led to an increase in total output to € 137.0 million (previous year: € 126.7 million).

Total output of HELMA Eigenheimbau AG (according to HGB)

in k€	2021	2022
Revenue	118,536	127,906
Changes in stocks of finished goods and work in progress	8,167	9,127
Total output	126,703	137,033

Gross profit amounted to € 42.9 million (previous year: € 41.0 million), equivalent to an approximately 31.3 % gross profit margin in relation to total output (previous year: 32.4 %). It should be noted in this context that the revenue of HELMA Eigenheimbau AG also includes payments from the subsidiaries for business procurements, which are not offset by any notable materials expense.

With earnings before interest and tax (EBIT) of € 9.6 million (previous year: € 10.5 million) and a net financial result of € -4.5 million (previous year: € 9.5 million), HELMA Eigenheimbau AG generated net income of € 3.5 million in the 2022 financial year (previous year: € 13.8 million). This figure includes extraordinary expenses for personnel measures amounting to € 3.0 million and income from the partial reversal of liabilities amounting to € 2.4 million.

On the basis of the current order book position, HELMA expects revenue in 2023, as reported in the separate financial statements of HELMA Eigenheimbau AG prepared according to the financial accounting principles of the German Commercial Code (HGB), to be moderately above the previous year's level. Earnings before tax (EBT) are expected to be significantly higher than in 2022, provided that no market-related measures become necessary at HELMA Eigenheimbau AG or its subsidiaries.

Business progress of HELMA Eigenheimbau AG (according to HGB)

in k€	2021	Share in %	2022	Share in %
Total output	126,703	100.0	137,033	100.0
Materials expense	-85,691	-67.6	-94,113	-68.7
Gross profit	41,012	32.4	42,920	31.3
Other operating income	837	0.7	3,189	2.3
Personnel expense	-18,988	-15.0	-22,315	-16.3
Depreciation / amortisation	-1,952	-1.5	-2,039	-1.5
Other operating expenses	-10,379	-8.2	-12,142	-8.9
EBIT	10,530	8.3	9,613	7.0
Net financial result	9,502	7.5	-4,503	-3.3
Earnings before income tax	20,032	15.8	5,110	3.7
Income tax	-6,258	-4.9	-1,635	-1.2
Unappropriated retained earnings / net income	13,774	10.9	3,475	2.5

Risk report

Risk management

HELMA is naturally exposed to various risks in the course of its corporate activity. Risks are only entered into where they both offer the opportunity of appropriate value-enhancement and where such risks can be managed within the organisation applying recognised methods and measures. As part of the risk management system, HELMA continuously monitors and evaluates identified risks in order to control and manage them, and to transparently present related opportunities.

To this end, the risk-relevant factors in the areas of land acquisition, sales, contract management, technology, finance, project development, personnel, and legal affairs are continuously reviewed, taking into consideration the expected event probabilities, damage levels, and interactions, in order to identify negative developments at an early juncture. This is accompanied by an ongoing review of all internal policies and guidelines, which aims to ensure not only a standardised and efficient workflow, but also a structured approach to risk management. This provides the factors required for the Management Board – particularly as part of monthly reporting – to reach decisions that allow them to introduce prompt and appropriate measures. The Management Board is informed regularly about any potential excess beyond fixed risk limits.

Relevant risk factors

Macroeconomic risk

In response to high inflation in the European Union, the ECB raised its key interest rate several times at comparatively short intervals from July 2022 onwards. The resultant historically sharp rises in interest rates in quick succession is significantly reducing the affordability of real estate for potential buyers and is also contributing to the generally prevailing uncertainty in the real estate market. Given persistently high inflation, further interest rate hikes are also to be expected, which could have a further dampening effect on demand for real estate unless the current costly regulations and levies are reduced or mitigated by subsidies or tax incentives. HELMA currently assesses the potential impact of macroeconomic risks on the real estate industry as relevant.

Business-specific regulatory and legal risks

Legal and tax law regulations define the regulatory framework for the real estate sector, and affect the business activities of companies operating in this environment. In order to identify changes in the legal framework at an early stage, HELMA regularly monitors legislative processes and current court rulings so that appropriate measures can be initiated promptly if necessary.

Furthermore, greater intervention by the German federal government as well as cities and municipalities in the real estate market is evident, for example by setting high quotas for subsidised housing construction or legally standardised maximum prices for rents. In addition, cities and municipalities are increasingly intervening in the preparation of development plans, which is slowing down project planning to a considerable extent in some cases, and extensive requirements are contributing to higher costs. If delays or additional costs exceed the selected safety buffer, this can lead to a significant shift in revenue and earnings into following periods, or to lower earnings.

By exercising the statutory right of first refusal, the realisation of individual projects can also be prevented altogether by the relevant city or municipality entering into the respective purchase agreement within the legally stipulated period after the purchase agreement has been signed, thereby preventing HELMA from purchasing the land plot.

Project risks

The operating activities of HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH regularly require new land plots for development and sale following project management. In this context, great store is set by a sufficient diversification of projects in terms of number, size, type of structure, and location in various German metropolitan regions, thereby achieving a significant reduction in the overall risks deriving from the project business.

In the acquisition phase, the development potential and earnings prospects of the properties to be acquired are carefully examined and evaluated. In this context, possible risks relating to the building ground, such as contaminated sites, archaeological monuments, valuable soils and reduced load-bearing capacity, as well as possible special planning law issues are also taken into consideration. Despite this, for the most varied reasons it cannot be excluded that unexpected cost increases and/or revenue reductions in individual projects occur compared with calculated values. In these cases, such a project would be concluded with lower-than-expected income, which would exert a correspondingly negative effect on the HELMA Group's earnings. To manage this risk as best as possible, HELMA ensures that it always has extensive expertise in the property development and land business, as well as in the marketing of the respective units, in the target regions concerned.

In addition, capacity shortages at market participants and government institutions involved in project planning can have a negative impact on the project in question and, depending on the extent to which they occur, can lead to significant delays in the project schedule. In particular, HELMA has only very limited influence over processing times at building and land registry authorities. Processing times are evaluated continuously to model the risk entailed in delays to planning and are reflected in corresponding time windows when preparing project schedules. Any delays extending beyond the selected safety buffers can lead to tangible revenue and earnings shifts into following periods, however.

In the case of individually planned detached houses, HELMA only purchases the land in advance, and does not commence with specific building projects until the customer has signed a corresponding notarised purchase agreement, and the customer's financing has been confirmed. By contrast, when building pre-planned semi-detached, terraced and multi-family houses, construction in its project business starts already after it has received predetermined pre-sales quotas, so that such projects entail a higher level of sales risk, despite intensive analysis of market potential.

Purchasing risks

Supply shortages for construction services and materials can arise from supply chains that are not intact. Through long-term partnerships, HELMA has established a large network of partner firms over the past decades to which frequent recourse is made when purchasing building services. The network is also being constantly expanded to include new subcontractors and general contractors with relevant track records. All subcontractors and general contractors are regularly inspected, both when the contract is initiated and during the course of the business relationship.

Due to the insolvency of Natura-Holzbau GmbH, which was a major general contractor of HELMA Ferienimmobilien GmbH, audit processes were analysed and further developed. In this context, no other subcontractors or general contractors were identified which from a current perspective face a going concern risk. In addition, no other subcontractor or general contractor works for HELMA to an extent that is comparable to Natura-Holzbau GmbH.

Materials cost risk

Expected changes in materials prices are also assessed and included in calculations as part of ongoing planning. Owing to the war in Ukraine and associated high and possibly further rising energy and logistics costs, which are encountering a continued very high level of order books in the market, the construction industry is currently facing sharp material price increases and supply shortages for various construction materials.

In the Pre-planned segment, HELMA is counteracting this material cost risk by completing the awarding of key trades works to subcontractors or general contractors before the respective project enters the sales phase. Furthermore, the contract is usually awarded at a fixed price. This approach provides the relatively high level of certainty that the respective project can generally be realised at the calculated costs, as well as the possibility of responding to current market conditions with regard to the prices of the units that have not yet been sold.

In the Individual segment, the calculation of house prices is based on decades of experience, agreements concluded with industrial and trade partners, and taking into consideration expected rises in prices of materials. In addition, the risk of rising commodity prices in the house contracts of HELMA Eigenheimbau AG is mitigated by corresponding price adjustment clauses, which are linked to the trend in the construction price index and come into effect when fixed prices expire.

Should HELMA not succeed in passing on additional costs in the form of higher sales prices to purchasers in the segment of pre-planned residential units and holiday properties, or should the actual trends in materials prices exceed the assumed price increases in the area of individually planned detached houses, this could have a negative impact on the results of operations. This would not be unlikely, especially if market momentum were to slow down significantly. Delivery bottlenecks and associated delays could also lead to delays in the project schedule, and also temporarily negatively affect the results of operations.

Investment risks

Following the company's successful expansion, investments in new showhouses and locations have been reduced to a moderate level over the past years. HELMA will nevertheless continue to proceed with the greatest possible care when considering the potential creation of individual locations or replacement investments, in order to minimise the risk of a misinvestment as far as possible.

Personnel risks

HELMA monitors personnel risks with a high degree of attention, and counter such risks using numerous personnel development measures. The focus in this context is on the qualification of employees, maintaining a low staff turnover rate, and the long-term loyalisation of managers to the company. Employee expertise plays a crucial role in the high quality of services. Employees and specialist advisors are provided with a broad range of introductory, qualification, and further training programs in order to secure such quality. These programs continued to attract very enthusiastic interest in the 2022 financial year.

COVID-19 pandemic risks

Since the beginning of 2020, the COVID-19 virus has affected the global economy as well as the overall economic situation in Germany. However, given the significant decrease in the number of infections and the milder courses of the disease, most of the governmental restrictions on day-to-day activities have been lifted again in recent months. In addition, the Robert Koch Institute has downgraded the current risk posed by the COVID-19 virus to the health of the population in Germany from "high" to "moderate." In this respect, the current overall

situation indicates that the COVID-19 pandemic is largely over and that no significant effects on the social and economic situation are currently to be expected. Nevertheless, HELMA monitors and analyses current market circumstances in order to be optimally prepared to meet future trends, and to rapidly implement measures necessitated by the relevant situation.

Reputation risk

Negative media reporting on projects or business activities can negatively affect the reputation of the HELMA Group. The Internet and social media can disseminate such information and opinions quickly and far afield. Through targeted and sustained reputation management, HELMA consequently plans, manages, and controls its reputation in relation to all relevant stakeholders in the best possible way.

Risks from new technologies

Innovations in the house construction area arising from technological progress are constantly analysed, and then integrated into the product portfolio following an assessment of their suitability. Close contact and the exchange of experience with the most varied types of manufacturers, associations, and business partners, as well as visits to specialist trade fairs and conferences, promotes the company's innovative spirit in this respect. The product portfolio has been expanded recently to include promising innovations, particularly in the energy-efficient construction method area. Here, the company endeavours to ensure that the opportunities connected with innovations significantly outweigh related risks, and that start-up costs bear a reasonable relationship to sales potential.

IT risks

HELMA relies on the reliability and functionality of its IT systems in order to conduct its business activities. These may fail due to technical malfunctions, or be disrupted by external events such as computer viruses, malware and cyber-attacks, which HELMA may be able to avert to only a limited extent. Possible effects of such external attacks include unauthorised access and data loss.

In the 2022 reporting year, the HELMA Group was the victim of a cyber-attack, although the original business activities and construction activities were not significantly and sustainably affected. Full IT recovery will continue in the 2023 financial year and will continue to be driven forward on a structured basis. The investigation of this incident included a dedicated review of the security measures that are in place. The defence systems' protective effect and robustness were further improved in collaboration with external cybersecurity experts (especially forensics and IT recovery).

HELMA invests continuously in a modern hardware and software infrastructure as well as custom-fit security concepts and backup solutions in order to prevent external attacks in the future as optimally as possible, and to ensure the constant availability of its IT systems. Products from leading manufacturers are deployed, and applicable safety guidelines are continuously adapted to the latest technical developments.

Legal risks

Legal risks arise with any private sector agreement such as the construction or sale of real estate. In order to manage and avoid legal issues, HELMA has established itself accordingly in personnel terms, and makes recourse to external legal advice in individual cases. If risks from litigation are identified, they are taken into account to an appropriate extent by forming appropriate provisions. Although the final outcome of individual proceedings may affect the company's earnings, from today's perspective no legal risks are discernible that could have a significant impact on its net assets and financial position.

Financial risks

HELMA monitors financial risks, including liquidity, interest, and default risks, using tried and tested controlling and steering tools, which facilitate prompt and transparent reporting. The Group reporting system ensures the regular recording, analysis, measurement, and steering of financial risks.

Liquidity risks are monitored and managed centrally within the Group, based on rolling liquidity planning. The Group's sourcing of liquidity is ensured through sufficient cash holdings and free credit lines to exclude the occurrence of liquidity bottlenecks as good as possible. It is expected that the required credit lines granted will also be continued within the planning period.

Legal regulations and contractual agreements with purchasers or sub- and general contractors require the HELMA Group to provide security in the form of guarantees both in its building services business and in its property development business. The HELMA Group guarantees the availability of the requisite collateral by maintaining a sufficient number of free guarantee credit lines with guarantee insurers and banks. Issued guarantees are monitored continuously and returned promptly in accordance with legal requirements and contractual agreements.

As the HELMA Group has committed itself to complying with covenants as part of the promissory notes, these covenants are checked regularly. A failure to comply with the covenants as of the year-end comprises a reason for extraordinary termination. It is expected that the covenants complied with until December 31, 2022 will continue to be complied with during the planning period. This risk is gauged as low as a consequence.

HELMA finances itself through a mix of debt and equity financing. The level of interest rates, which is now rising, entails higher financing costs for floating-rate liabilities and for financing facilities that are to be newly arranged or extended. To this extent, HELMA considers the potential impact of the interest rate risk on the results of operations to be relevant. Interest rate derivatives are not deployed.

As a consequence of the business model, and the tried and tested form of partnership with subcontractors and general contractors, the risk arising from receivables defaults and non-transferable warranty claims may continue to be regarded as relatively low in relation to the level of revenue. The costs incurred due to the insolvency of Natura-Holzbau GmbH, a former key general contractor of HELMA Ferienimmobilien GmbH, were recognised in profit or loss in the 2022 financial statements. This relates, in particular, to provisions for warranties and claims for damages. No further risks are discernible at present.

No exchange rate risks exist as HELMA Group companies operate exclusively in Germany, and all annual financial statements are denominated in euros.

Overall assessment

The overall risk situation at the HELMA Group is analysed and managed as part of the risk management system presented above. In the financial year elapsed, no specific risks were identified that might jeopardise the company as a going-concern, whether individually or in their entirety. An effect on business performance and earnings trends cannot be excluded in the event of unforeseeable and extraordinary risks. No risks are identified from today's position that might jeopardise the HELMA Group as a going-concern, either individually or in combination.

Related parties report

Pursuant to § 312 of the German Stock Corporation Act (AktG), the Management Board has prepared a related parties report, which contains the following concluding statement: "In the case of the legal transactions and measures listed in the related parties report, and according to the circumstances known to the Management Board at the time when legal transactions were performed, or measures were taken or not taken, HELMA Eigenheimbau Aktiengesellschaft received an appropriate consideration for each legal transaction, and has not been disadvantaged by the fact that measures were taken, or not taken."

Report on events subsequent to the reporting date

No events of particular significance occurred after the balance sheet date.

Dividend

In its single-entity financial statements prepared according to the accounting principles of the German Commercial Code (HGB), HELMA Eigenheimbau AG reports unappropriated retained earnings of € 3,475,005.79 for the 2022 financial year. As part of adopting the separate annual financial statements as part of the Supervisory Board meeting on March 21, 2023, the Management Board proposes to the Supervisory Board that it proposes to the Shareholders' General Meeting on July 7, 2023 that it distributes a dividend of € 0.40 per dividend-entitled ordinary share, consequently € 1,600,000.00, and to transfer the remaining amount of € 1,875,005.79 to the other revenue reserves. The total dividend amount and the amount to be transferred to the other revenue reserves in this proposed resolution relating to the application of unappropriated retained earnings is based on dividend-entitled share capital of € 4,000,000.00, which is divided into 4,000,000 ordinary shares.

The annual financial statements of HELMA Eigenheimbau AG prepared according to the regulations of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG), as well as the combined management report, are published in the company register.

Strategic orientation of the HELMA Group

The German real estate market and construction industry are currently facing immense macroeconomic challenges. In particular, the significant rise in interest rates within a very short period of time as well as persistently high construction costs require a strategic adjustment of the HELMA Group in order to counter the currently prevailing market environment as optimally as possible and to also operate from a position of strength in 2023. In this context, HELMA benefits from a solid financial position, which is characterised by a balanced financing structure with a comfortable liquidity position and an above-average equity ratio.

The HELMA Group has defined the following strategic action areas as the main cornerstones of its strategic adjustment:



Acceleration of profitable corporate growth

In the current market environment, which is characterised by an imbalance between supply and demand, HELMA is focusing on stabilising profitable corporate growth. Extensive activities and measures have been defined for this purpose and have already been implemented, or will be initiated in the near future. Examples include sales promotions via selective price adjustments or the assumption of selected ancillary purchase costs.

Given the steadily increasing importance of energy-efficient construction methods and sustainable energy concepts, HELMA also attaches great importance to sustainable construction. For a detailed presentation of activities in connection with sustainable construction, please see the comments in the Sustainability Report.

As the basis for its property development business, the HELMA Group also has an extensive portfolio of contractually secured land (see the section “Medium-term growth strategy”), whereby the realisation of the related projects will largely extend over a period of around seven years. HELMA is currently subjecting these project properties to active portfolio management in relation to the relevant implementation parameters, the underlying timelines and the respective expected marketability. Taking into consideration the significant rise in interest rates and associated increase in financing costs for the HELMA Group, the resale of individual selected project properties without realisation of the planned development is also conceivable. Similarly, HELMA is aiming for an accentuated, demand-driven acquisition of new project properties.

Sustainable optimisation of the organisational structure

HELMA has historically evolved structures in many business areas. Taking the current market environment into consideration, the aim is to disclose prevailing inefficiencies and eliminate organisational divergences in order to optimise the organisational structure and thereby achieve a significant increase in cost efficiency and effectiveness. The particular focus here is on strengthening strategic purchasing with the aim of reducing construction costs and of anchoring integrated cost management, as well as measures to restructure personnel resources and to release personnel.

Standardisation and digitisation of the process organisation

With the aim of enhancing speed and efficiency, HELMA is driving forward the harmonisation, standardisation and digitisation of planning, sales and project management processes. To this end, the value chains extending from land acquisition through to project development and planning, as well as sales and construction management, are viewed holistically (“end-to-end processes”) and a diverse package of measures is being developed.

Given persistently high construction costs, HELMA is currently examining modular construction methods. Here, three-dimensional room modules, which are produced under industrial conditions, are assembled as prefabricated components on the construction site according to the modular principle in order to form a building. This construction method, in which individual components of the building are mass produced, can significantly shorten construction times without compromising quality, and reduce construction costs by realising economies of scale.

In addition to the detailed examination of the direct corporate divisions, HELMA Group’s indirect and administrative divisions are equally in focus. The objective in these areas is to advance the digitisation of work processes and the consistent establishment of “smart working” in order to sustainably enhance process efficiency and improve quality.

Adaptation of governance and compliance

Existing internal reporting processes are aligned with the current corporate strategy and its catalogue of measures. In conjunction with the optimisation of the organisational structure and workflows, management processes are being further adapted. The aim of this further development is to enable more efficient management of the financing structure and thereby reduce financing costs.

Establishment of a sustainability strategy

By focusing on energy-efficient construction methods and sustainable energy concepts at an early stage, HELMA has already been making an important contribution to reducing resource consumption and cutting CO₂ emissions for over twenty years. HELMA aims to implement a sustainability strategy in the 2023 financial year. For more information on this topic, please see the section “Sustainability – non-financial performance indicators”.

Medium-term growth strategy

The current macroeconomic challenges have had a tangibly negative impact on demand for residential and holiday properties. Apart from the currently prevailing macroeconomic and sector-specific challenges, unchanged high demand for around 400,000 new housing units per year is immense. In the medium and long term, in a market environment that is once again intact, the HELMA Group anticipates continuous revenue growth while achieving attractive margins, for which access to project land is of fundamental importance for the HELMA Group's property development business.

Attractive project pipeline as the basis for the property development business

In recent years, HELMA Wohnungsbau GmbH has successfully acquired a large number of attractive land plots for the construction of individually planned detached houses as well as pre-planned residential units in semidetached, terraced houses and multi-family houses. The resultant revenue potential amounts to a total of € 1,328.4 million as of December 31, 2022 (December 31, 2021: € 1,439.6 million) and is distributed among the various core regions with a focus on the German capital Berlin. Furthermore, these projects reflect a very balanced diversification in relation to the various business areas of HELMA Wohnungsbau GmbH.

HELMA Ferienimmobilien GmbH also owns very attractive land plots, and consequently commands the best preconditions to sustainably continue the significant success it has achieved over recent years. Due to an increased interest in sustainable tourism, German holiday regions are enjoying great popularity. With the projects located on the North Sea and Baltic Sea, HELMA Ferienimmobilien GmbH offers a diverse range of holiday houses and apartments in the immediate vicinity of the sea. This attractive offering is supplemented by further projects at locations on lakes and rivers and in the low mountain regions in Germany. The revenue potential of the secured land plots at HELMA Ferienimmobilien GmbH stands at € 513.0 million as of the balance sheet date (December 31, 2021: € 518.8 million).

Together, the two property development subsidiaries enjoy revenue potential of € 1,841.4 million (December 31, 2021: € 1,958.4 million). It can be assumed that this can be realised for the most part within a period of approximately seven years in a market environment that is intact again. The company plans to acquire further land plots at both subsidiaries with the future aim of profitable business expansion.

Detailed information on the revenue potential of HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH is presented in the following overview. Information about many current projects at HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH, which are already in the marketing stage, can be downloaded from www.HELMA-WB.de and www.HELMA-FI.de, where they are continuously updated.

Revenue potential from realised land purchases as of December 31, 2022*

	Total		Individually planned detached houses		Preplanned semi-detached and terraced houses and owner-occupied apartments	
	Number of units	Revenue volume in k€	Number of units	Revenue volume in k€	Number of units	Revenue volume in k€
HELMA Wohnungsbau GmbH Berlin/Potsdam region	1,325	741,600	620	368,400	705	373,200
HELMA Wohnungsbau GmbH Hamburg/Hanover region	415	209,400	185	100,200	230	109,200
HELMA Wohnungsbau GmbH Leipzig region	345	167,000	300	141,000	45	26,000
HELMA Wohnungsbau GmbH Munich region	190	177,900	0	0	190	177,900
HELMA Wohnungsbau GmbH Rhine-Main and Rhine-Ruhr region	60	32,500	60	32,500	0	0
Total HELMA Wohnungsbau GmbH	2,335	1,328,400	1,165	642,100	1,170	686,300
Total HELMA Ferienimmobilien GmbH	1,070	513,000	0	0	1,070	513,000
Total HELMA Wohnungsbau GmbH & HELMA Ferienimmobilien GmbH	3,405	1,841,400	1,165	642,100	2,240	1,199,300

* The figures presented above are based on the respective current assumptions relating to potential land utilisation and building law situation and aim to provide a rough overview of the existing revenue potential from land plot purchases the HELMA Group has realised. The actual figures as well as the grouping into the different business areas of HELMA Wohnungsbau GmbH can change during the course of subsequent realisation and differ from the figures presented above. Successful realisation of the respective projects also presupposes an intact market environment as of the realisation date.

Outlook

The successful realisation of the revenue potential outlined in the medium-term growth strategy for the property development business presupposes a corresponding revival in market demand, which does not exist at present. The same applies to the building services business of HELMA Eigenheimbau AG. On the corporate side, HELMA is creating the conditions in the strategic action areas described above in order to benefit from a stabilisation of demand in an improved market environment. However, at present it is unclear when the market demand required for the targeted continuous revenue growth while achieving attractive margins will be achieved again. As a consequence, as announced on August 11, 2022, HELMA continues to refrain from announcing guidance beyond 2023.

Forecast report

Taking the order book position into consideration as well as the project pipeline as of December 31, 2022, and assuming that demand, which remains subdued, steadily improves over the course of 2023, the HELMA Group expects a profitable financial year in 2023 with positive EBT at approximately the previous year's level (previous year: € 3.5 million) and revenue slightly to moderately above the previous year's figure (previous year: € 302.5 million).

Lehrte, March 10, 2023

Signed Andrea Sander
CEO

Signed André Müller
Management Board member

Owner-occupied apartments in Fredersdorf · Visualisation



House Schwerin · Visualisation



Consolidated financial statements

for the period January 1 to December 31, 2022 according to IFRS

Contents

Consolidated balance sheet	104
Consolidated statement of total comprehensive income.....	106
Consolidated cash flow statement	107
Consolidated statement of changes in equity.....	108
Notes to the consolidated financial statements.....	109

EQUITY AND LIABILITIES in k€	Note	12/31/2021	12/31/2022
Equity	(11)		
Issued share capital		4,000	4,000
Capital reserves		41,831	41,785
Revenue reserves		49,893	56,788
Balance sheet profit		33,624	21,953
Equity attributable to HELMA Eigenheimbau AG owners		129,348	124,526
Minority interests		133	133
Total equity		129,481	124,659
Non-current liabilities			
Other non-current provisions	(12)	1,427	9,902
Non-current financial liabilities	(13)	212,288	171,686
Non-current lease liabilities	(14)	607	691
Trade payables	(15)	4,845	3,703
Deferred taxes	(16)	9,365	9,107
Total non-current liabilities		228,532	195,089
Current liabilities			
Other current provisions	(17)	29,391	26,677
Tax liabilities	(18)	1,617	1,638
Current financial liabilities	(19)	20,633	58,340
Current lease liabilities	(20)	381	328
Trade payables	(21)	11,499	6,679
Other current liabilities	(22)	29,896	35,984
Total current liabilities		93,417	129,646
Total equity and liabilities		451,430	449,394

Consolidated statement of total comprehensive income

in k€	Note	2021	2022
Revenue	(23)	331,486	302,450
Changes in stocks of finished goods and work in progress	(24)	24,212	38,187
Other operating income	(25)	1,607	3,639
Expense for materials and third-party services	(26)	-272,197	-275,754
Personnel expense	(27)	-29,030	-33,458
Other operating expenses	(28)	-25,431	-25,937
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		30,647	9,127
Depreciation / amortisation	(29)	-2,743	-2,878
Operating earnings (EBIT)		27,904	6,249
Finance expenses	(30)	-730	-514
Other financial result	(31)	112	-2,209
Earnings before taxes (EBT)		27,286	3,526
Income tax	(32)	-8,478	-1,386
Net income before minority interests		18,808	2,140
Minority interests' share of earnings		-36	-36
Net income after minority interests		18,772	2,104

The company has refrained from presenting a reconciliation between net income for the year and total comprehensive income pursuant to IAS 1.81 ff. since the net income for the year corresponds to the total comprehensive income.

Earnings per share in €	2021	2022
undiluted	4.69	0.53
diluted	4.69	0.53

Consolidated cash flow statement

in k€	2021	2022
1. Earnings after taxes	18,808	2,140
2. +/- Depreciation / amortisation	2,743	2,878
3. +/- Change in non-current provisions	330	8,475
4. +/- Interest expenses / interest income	576	394
5. +/- Income tax expense / income tax income	8,478	1,386
6. +/- Income tax payments	-6,803	-4,231
7. +/- Other income and expenses	349	-65
8. = Cash earnings (sum of 1 to 7)	24,481	10,977
9. -/+ Change in inventories	-25,341	-34,729
10. -/+ Change in receivables and other assets	2,391	39,539
11. +/- Change in current provisions	-2,815	-2,713
12. +/- Change in liabilities (excluding financial liabilities)	1,935	2,496
13. +/- Change in working capital (sum of 9 to 12)	-23,830	4,593
14. -/+ Gain / loss on disposal of assets	-102	-55
15. -/+ Gain / loss on disposal of non-current assets	0	0
16. = Cash flow from operating activities (sum of 8, 13 to 15)	549	15,515
17. + Payments received from disposal of property, plant and equipment	141	80
18. + Payments received from disposal of non-current assets	0	0
19. + Payments received from disposal of minority interests in subsidiaries	61	0
20. - Payments for investments in property, plant and equipment	-1,719	-1,764
21. - Payments for investments in intangible assets	-673	-1,607
22. + Interest received	171	134
23. = Cash flow from investing activities (sum of 17 to 22)	-2,019	-3,157
24. +/- Payments to other shareholders	-36	-36
25. +/- Dividend	-6,160	-6,880
26. +/- Issuing / repayment of promissory notes	13,000	-7,000
27. +/- Drawing down / redemption of other financial liabilities	1,428	4,105
28. - Repayment of lease liabilities	-326	-390
29. - Interest paid	-4,736	-5,182
30. = Cash flow from financing activities (sum of 24 to 29)	3,170	-15,383
31. Net change in cash and cash equivalents (sum of 16, 23 and 30)	1,700	-3,025
32. Cash and cash equivalents at the start of the period	20,087	21,787
33. Cash and cash equivalents at the end of the period	21,787	18,762

Notes to the consolidated financial statements

for the 2022 financial year

1. General information.....	109
2. Key accounting methods.....	112
3. Consolidation.....	118
4. Notes to the consolidated balance sheet.....	119
5. Notes to the consolidated statement of total comprehensive income.....	131
6. Notes to the consolidated statement of changes in equity.....	136
7. Notes to the consolidated cash flow statement.....	136
8. Other notes to the financial statements.....	136

1. General information

1.1. General notes concerning the company, basic information

Group parent company is HELMA Eigenheimbau Aktiengesellschaft (referred to below as HELMA AG), Lehrte, Germany. The company is entered in the commercial register of the local court of Hildesheim under number HRB 201182 with the address "Zum Meersefeld 4, 31275 Lehrte".

HELMA AG's main area activity is the planning and construction management of turnkey detached (focus) and semi-detached houses as well as energy self-sufficient terraced and multi-family houses on the basis of customer orders.

HELMA Wohnungsbau GmbH, Lehrte, a subsidiary of HELMA AG, operates in the classic property development business. Besides building detached, semi-detached, and terraced houses, the area of activity also includes the construction of multi-storey residential buildings. Each individual unit is sold including its related land plot to the respective purchaser.

HELMA Ferienimmobilien GmbH, Lehrte, a subsidiary of HELMA AG, operates in the classic property development business for holiday properties. The product portfolio comprises both freestanding holiday properties as well as holiday apartments. Each individual unit is sold including its related land plot to the respective purchaser.

Hausbau Finanz GmbH, Lehrte, a subsidiary of HELMA AG, operates in the area of building-related financing and insurances.

On January 17, 2013, a control-and-profit-and-loss transfer agreement was concluded between HELMA AG and Hausbau Finanz GmbH, and a profit-and-loss transfer agreement between HELMA AG and HELMA Wohnungsbau GmbH, which were expanded on December 11, 2013 to include a dynamic reference to Section 302 of the German Stock Corporation Act (AktG). The ordinary Shareholders' General Meeting approved both of these agreements on July 5, 2013, and the supplements on July 4, 2014. They were entered in the commercial register, consequently becoming effective the first time for the 2013 financial year.

With a notary agreement dated November 11, 2013, a control-and-profit-and-loss transfer agreement was concluded between HELMA Ferienimmobilien GmbH and HELMA AG. The shareholder meeting of HELMA Ferienimmobilien GmbH unanimously approved this agreement on November 11, 2013. This agreement became effective for the 2014 financial year after it had been approved by the ordinary Shareholders' General Meeting of HELMA Eigenheimbau AG on July 4, 2014, and after it was entered in the commercial register on July 22, 2014.

As the parent company of the HELMA Group, HELMA AG has been listed in the open market of the Frankfurt Securities Exchange (Scale) since September 2006 (ISIN DE000A0EQ578).

The 2022 consolidated financial statements were prepared in euros (€). Unless stated otherwise, all amounts are presented in thousands of euros (k€). Please note that minor differences can occur in the formation of totals due to the commercial rounding of amounts and percentages.

The December 31, 2022 consolidated financial statements of HELMA AG were prepared according to the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, valid as of the financial reporting date, and taking into account the interpretations of the Standing Interpretations Committee (SIC) and of the International Financial Reporting Interpretations Committee (IFRIC), and as applicable in the EU.

All companies included in the consolidated financial statements use the calendar year as their financial year.

The consolidated financial statements include the consolidated balance sheet, consolidated statement of total comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement, and notes to the consolidated financial statements including a consolidated statement of changes in fixed assets and segment reporting.

1.2. Standards and interpretations requiring application in the current financial year

New standards, amendments to existing standards, and new interpretations were approved in 2022.

These include:

a) Published standards and interpretations that require mandatory first-time application for the IFRS financial statements as of December 31, 2022:

■ **Amendments to standards:**

- Amendments to IFRS 3: Reference to the Concept Framework (came into force on January 1, 2022)
- Amendments to IAS 16: Property, Plant and Equipment: Proceeds before Intended Use (came into force on January 1, 2022)

- Amendments to IAS 37: Onerous Contracts: Cost of Fulfilling a Contract (came into force on January 1, 2022)
- Various amendments: IASB 2018-2020 Annual Improvements Project (came into force on January 1, 2022)

■ **New standards:**

- ./.

■ **New interpretations:**

- ./.

b) Published standards and interpretations that do not yet require mandatory first-time application for the IFRS financial statements as of December 31, 2022:

■ **Amendments to standards:**

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current (comes into force on January 1, 2023)*
- Amendments to IAS 1: Disclosure of Accounting Policies (comes into force on January 1, 2023)*
- Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors (comes into force on January 1, 2023)
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (comes into force on January 1, 2023)
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback (comes into force on January 1, 2024)*

■ **New standards:**

- IFRS 17 "Insurance Contracts" (comes into force January 1, 2023)*

■ **New interpretations:**

- ./.

*Not yet endorsed by the EU.

The company has, and will, apply the new standards and interpretations once their application is mandatory within the EU. The new regulations have not led to any significant effects for the balance sheet and income statement, and none are expected. Amendments and extended disclosures arise for mandatory disclosures in the notes.

2. Key accounting methods

These consolidated financial statements have been prepared in compliance with IFRS, as applicable in the EU.

The preparation of consolidated financial statements according to IFRS requires the Management Board to make estimates and assumptions that have effects on the amounts reported in the consolidated balance sheet, as well as on the disclosure of contingent claims and liabilities as of the reporting date, and on the reported income and expenses during the reporting period. The assumptions and estimates reflect assumptions based on the relevant current status of knowledge. Actual outcomes may differ from these estimates and assumptions.

2.1. Assets

Intangible assets

Intangible assets (licenses, IT software, customer relationships) are recognised at cost less amortisation. Amortisation is performed on a straight-line basis over the economic useful life, which amounts to up to five years.

Expected useful lives and amortisation methods are reviewed at the end of the financial year.

The carrying amounts of intangible assets are reviewed at each reporting date in order to determine whether indications exist that impairment has occurred.

Development costs for newly developed building types for which technical and marketing feasibility studies are available are capitalised using their directly and indirectly attributable production costs to the extent that expenses can be clearly allocated, and the newly developed products are viable from both a technical and marketing perspective (IAS 38). It must also be sufficiently likely that such development activities will result in future cash inflows. Borrowing costs that are attributable to the production process are capitalised if they are significant. Amortisation is applied on the basis of the products' planned technical useful life. The useful life amounts to five years. Pursuant to IAS 38, research costs cannot be capitalised, and are consequently expensed directly in the consolidated statement of total comprehensive income.

Goodwill

Goodwill arising on a business combination is recognised as an asset at the time when control is transferred (acquisition date). It corresponds to the amount by which the purchase costs exceed the Group share in the fair value of the identifiable assets, liabilities, and contingent liabilities of the acquired company at the acquisition date.

For the impairment test, goodwill is distributed among all the Group's cash generating units where it is expected that they can generate benefits from the synergies resulting from the merger. Cash generating units to which a portion of goodwill is allocated are tested at least once annually for impairment. These tests are performed more regularly if indications exist that the value of a unit is impaired.

The impairment test is based on a calculation of the recoverable amount. This is derived from the higher of either fair value less costs to sell or value in use. If a cash generating unit's carrying amount exceeds its recoverable amount, IAS 36.104 f. requires the recognition of an impairment loss.

The carrying amount of the cash generating unit comprises its so-called net assets, which are composed of its operating assets, in other words, the assets required for operating activities, plus disclosed hidden reserves (especially goodwill), and less liabilities arising from operating activities.

Whereas the calculation of fair value less costs to sell is based on procedures primarily referring to market prices, the calculation of value in use makes recourse to procedures based on capital values.

The concept of the weighted average cost of capital (post-tax WACC approach) is used for procedures based on capital values.

The following assumptions were made in this context:

- Equity costs are calculated on the basis of the capital asset pricing model, and amount to 9.70 % (previous year: 7.70 %). This interest rate was calculated on the basis of a risk-free rate of 2.00 % (previous year: 0.00 %), a risk premium of 7.00 % (previous year: 7.00 %) and a beta factor of 1.10 (previous year: 1.10).
- The value in use was calculated using the present value of cash flow during two growth phases. Detailed planning that has been approved by the Management Board was used as the basis for the financial years comprising Phase 1 (two years). A perpetual return is used as the basis for Phase 2. The growth assumed in this instance amounts to 1.0 %.

Property, plant and equipment

Property, plant and equipment (with the exception of land) is reported at cost less cumulative depreciation and impairment losses. Besides directly attributable unit costs, cost in this respect also reflects appropriate portions of production-related overhead costs.

Depreciation is performed in such a way that the assets' costs less their residual values are depreciated on a scheduled basis over their useful lives. The expected useful lives, residual values, and depreciation methods are reviewed annually, and all necessary modifications to estimates are taken into account prospectively.

Property, plant and equipment is depreciated on a straight-line basis over the following useful lives:

Prospective useful lives	Years
Showhouses	up to 33
Office buildings	up to 33
Outdoor plant	10 to 35
Other plant, operating and office equipment	1 to 15

Economic useful lives are determined taking into account prospective physical wear and tear, technical obsolescence, and legal and contractual restrictions.

A useful life of up to 33 years is assumed for showhouses situated on the company's own land. Where shorter, rental duration is used as the useful life for showhouses situated on third-party land.

Assets under construction are recognised at cost. Borrowing costs are capitalised if they are significant. Depreciation of these assets commences when they are completed, or when they reach an operationally ready condition.

Depreciation is not applied to land.

Leases with IFRS 16

Leases have been recognised in accordance with IFRS 16 since January 1, 2019. IFRS 16 requires leases and the rights and obligations attaching to them to be recognised on the lessee's balance sheet if the lease term is not less than 12 months or if the asset concerned is not a low-value asset. Lease liabilities for future lease obligations and a corresponding right to utilise the leased asset ("right of use") must be recognised.

Leasing activities in the meaning of IFRS 16 comprise the leasing of showhouse and office space with a term of more than one year.

Some of the leases contain price adjustment clauses as well as extension, purchase, and termination options. Such options are only included in determining a lease term if it can be assumed with reasonable certainty that the option will be exercised. If this leads to a change in the term of the lease during the contractual relationship, or if other significant contractual conditions change, the lease is remeasured.

Lease liabilities are recognised at the present value of the lease payments discounted at the incremental borrowing rate. The weighted average marginal borrowing rate as of the date of initial application was 2.5%.

Rights of use are amortised straight-line method on the basis of the following useful lives, which are uniform throughout the Group:

Useful lives	Years
Showhouses	up to 16
Office buildings	up to 6
Other plant, operating and office equipment	up to 6

Further notes and disclosures are provided in section 4. Notes to the consolidated balance sheet under items (3), (14), (16), and (20) and in section 5. Notes to the consolidated statement of comprehensive income under items (29) and (30).

Investment property

Investment property is property held to generate rent and/or for capital appreciation. Investment property is initially recognised at cost, including transaction costs. Subsequently, investment properties are measured at amortised cost in accordance with the cost model. Depreciation is applied straight-line over a period of up to 50 years.

An investment property is derecognised on disposal or when it is no longer expected to be used and no future economic benefits are expected from its disposal. The gain or loss on disposal is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income in the period of disposal.

Inventories

Inventories are recognised at the lower of individual cost as per IAS 2.23, and net realisable value.

Cost essentially represents services invoiced by subcontractors as well as the costs for land purchases. A premium is allocated to this cost to reflect overhead costs, which are composed of administration costs. Overhead cost premiums are based on actual overhead costs for the period.

Borrowing costs are capitalised if they are significant.

Impairment losses are recognised if the net realisable value of individual assets falls below their carrying amount.

Receivables arising from construction orders

If the result of a construction order can be gauged reliably, the order income and order costs connected with this construction order are reported according to the degree of completion of output as of the reporting date compared to the total order output. Expected losses arising from construction contracts are expensed immediately in their entirety.

Financial assets and liabilities

Financial assets are composed primarily of receivables, and of cash and cash equivalents. Financial assets are recognised on the consolidated balance sheet if the company enjoys a contractual right to receive cash or other financial assets from another party. Normal market purchases and sales of financial assets are generally entered in the balance sheet as of the settlement date. A financial asset is generally initially recognised at fair value plus transaction costs.

Financial assets are derecognised if the contractual rights to payments arising from financial assets expire, or the financial assets are transferred along with all key risks and opportunities.

Financial assets are tested for indicators of impairment at each balance sheet date. Financial assets are deemed to be impaired if, as a consequence of one or several events occurring following first-time recognition of the asset, there is an objective indication that the expected future cash flows from the financial asset have undergone a negative change.

For some categories of financial assets, for example, trade receivables, impairment tests are conducted on a portfolio basis for assets where no impairment is established on an individual basis.

Cash and cash equivalents

Cash is recognised at nominal value.

Cash used to collateralise bank borrowings, and which are not at the company's disposal, are not included in cash and cash equivalents, but are instead reported among other current or non-current assets.

2.2. Equity and liabilities

Equity capital procurement costs

Equity capital procurement costs are deducted from the capital reserves after taking into account any tax that they incur.

Financial liabilities

Financial liabilities are recognised in the consolidated balance sheet if the company is contractually obligated to transfer cash or other financial assets to another party. A primary liability is initially recognised at cost. Financial liabilities are measured at amortised cost in subsequent years.

Other provisions

Other provisions are formed to an appropriate extent for all identifiable risks and uncertain obligations. The precondition for recognition is that utilisation is likely, and the extent of the obligation can be calculated reliably.

Provisions for warranty expenses are recognised at the time of completion of production or the time of sale according to the management's best estimation relating to the Group's satisfaction of the obligation. These assessments are based on assumptions and estimates that reflect the current state of knowledge. Actual outcomes may differ from these estimates and assumptions.

Non-current provisions are mainly recognised at their discounted fulfilment amount as of the balance sheet date.

2.3. Consolidated statement of comprehensive income

The consolidated statement of comprehensive income is structured according to the nature of expense method.

Revenues and other operating income are realised when services are rendered or when claims arise. Interest income and expenses are reported in the periods to which they relate.

If the corresponding requirements of IFRS 15 are met, revenue is recognised for a specific period. This entails reporting costs incurred during the financial year, and revenue attributable to the financial year, through profit or loss according to the degree of completion of construction. The degree of completion of construction is calculated using the ratio of output achieved relative to total output.

2.4. Currency translation

Foreign-currency receivables, cash, and liabilities are measured according to the exchange rate prevailing on the reporting date.

2.5. Income tax

Taxes on income are reported and measured according to IAS 12. Apart from a few exceptions determined in the standard, deferred taxes are formed for all temporary differences between IFRS and fiscal valuations (balancesheetoriented approach). Deferred tax assets based on unutilised tax loss carryforwards are recognised

to the extent permitted by IAS 12. The measurement of deferred taxes is based on tax rates as currently applicable. Impairment losses are applied to deferred tax assets depending on the extent to which they can be realised in the future. Deferred tax assets and deferred tax liabilities are reported on a net basis.

2.6. Share-based payment (Stock Option Plan 2020)

On July 3, 2020, the Annual General Meeting of HELMA AG authorised the Management Board, with the approval of the Supervisory Board, to issue on one or more occasions until July 2, 2025, up to 200,000 options (subscription rights in the meaning of Section 192 (2) No. 3 AktG; “stock options”) to current and future members of the Management Board and to current and future members of the management bodies of current or future affiliated companies in the meaning of Section 15 et seq. AktG as well as to selected current and future executives of HELMA AG and its current or future affiliated companies (collectively “Subscription Beneficiaries”), which entitle the Subscription Beneficiaries to acquire new ordinary bearer shares of HELMA AG in accordance with the option terms and conditions. To the extent that stock options are issued to members of the company’s Management Board (including in their capacity as management bodies of affiliated companies), only the Supervisory Board is authorised to issue them.

The subscription rights may be exercised for the first time after the expiry of a waiting period of four years from the respective issue date. The subscription rights each have a total term of seven years from the issue date, after which they expire without replacement. After expiry of the waiting period, the subscription rights can be exercised if the performance target has been achieved. The performance target is achieved if the closing price of the share in XETRA trading (or a comparable successor system of the Frankfurt Stock Exchange) exceeds the exercise price by at least 30 % in the 10 consecutive trading days prior to the respective exercise. The exercise price in each case corresponds to the average of the closing prices of the share on the 10 consecutive trading days prior to the respective issue date of the options, albeit at least € 1.00.

The stock options can be serviced from the newly created Conditional Capital 2020/II in the amount of k€ 200, or from existing or future approved capital or treasury shares. Alternatively, the beneficiary may at the company’s discretion be granted a cash settlement on exercise of the option.

The company issued all stock options in the 2020 financial year. The value of one option issued was € 4.58 and was determined by applying the Black-Scholes model. The following parameters were applied as a basis: share price on the grant date of € 41.50, dividend yield of 5.0 %, volatility of 27.5 % and a risk-free interest rate of 0.0 %. Volatility was estimated on the basis of historical volatility over a comparable observation period. Furthermore, it was assumed in the valuation as of December 31, 2020 and December 31, 2021, that all options will be exercised. The quantity structure was reassessed in connection with the changes to the Management Board as well as in the management bodies of affiliated companies, as a consequence of which 75,000 stock options were forfeited in 2022 and 40,000 stock options in 2023. As of December 31, 2022, the company expects 85,000 of the 200,000 stock options issued to become exercisable.

The expenses arising from the granting of equity instruments and the corresponding increase in equity are recognised over the period in which the exercise or performance conditions must be fulfilled (so-called vesting period). This period ends on the date of the first exercise option, in other words, the date on which the employee concerned becomes irrevocably entitled to subscribe. The cumulative expense from the granting of equity instruments recognised on each balance sheet date until the vesting date reflects the extent to which the vesting period has expired, and the Group’s best estimate of the number of equity instruments that will ultimately vest. The amount recognised in the income statement reflects the movement in cumulative expenses recognised at the start and end of the reporting period. Consequently, the measurement of personnel expenses for such share-based

payments includes estimates of the fulfilment of the conditions attached to these options, as well as market parameters. No expense is recognised for compensation rights that do not vest. This does not apply to compensation rights for which certain market conditions must be met before they can be exercised. These are considered to vest regardless of whether market conditions are met, provided that all other performance conditions are satisfied.

The dilutive effect of outstanding stock options, if any, is reflected as an additional dilution in the calculation of earnings per share (see 8.2 Notes relating to earnings per share).

3. Consolidation

3.1. Principles of consolidation

The financial statements of the individual companies were prepared according to uniform accounting principles for the purposes of inclusion in the consolidated financial statements. All companies included in the consolidated financial statements use the same reporting date.

Shares in equity attributable to third parties not forming part of the Group are reported as "minority interests" within equity in the consolidated balance sheet. The carrying amount of minority interests is adjusted to reflect equity changes (distributions/capital contributions, and share of earnings) that are attributable to them. The shares of minority interests are attributable to non-controlling shareholders.

All Group-internal business transactions, balances, and results of intra-group transactions are fully eliminated as part of consolidation.

3.2. Scope of consolidation

Besides the HELMA AG parent company, the scope of consolidation includes three fully consolidated associated companies in which the company holds majority interests.

The companies' ownership relationships did not change in the year under review.

The following list of shareholdings shows the scope of consolidation:

Name and head office of the company	Share of capital (indirectly and directly)
Subsidiaries of HELMA AG, Lehrte	
HELMA Wohnungsbau GmbH, Lehrte	93.94 %
HELMA Ferienimmobilien GmbH, Lehrte	90.20 %
Hausbau Finanz GmbH, Lehrte	100.00 %

4. Notes to the consolidated balance sheet

Non-current assets

The consolidated statement of changes in fixed assets shows the changes in intangible assets, property, plant and equipment, and investment property.

Intangible assets

(1) Intangible assets		k€ 3,004
	12/31/2021	k€ 2,040

This balance sheet item changed as follows:

Recognised amount in k€	Additions in k€	Disposals in k€	Reclassifications in k€	Amortisation / write-downs in k€	Recognised amount in k€
01/01/2022	2022	2022	2022	2022	12/31/2022
2,040	1,607	0	0	643	3,004

Intangible assets essentially comprise licenses and IT software.

No indications existed of any impairment.

(2) Goodwill		k€ 1,380
	12/31/2021	k€ 1,380

The reported goodwill results from the acquisition of the interest in HELMA Wohnungsbau GmbH, and is consequently allocated to the "Individual" segment. The IAS 36 impairment test performed as of the reporting date took into account IDW RS HFA 16, and resulted in a reconfirmation of the previous year's valuation.

(3) Property, plant and equipment		k€ 19,185
	12/31/2021	k€ 19,299

This balance sheet item changed as follows:

Recognised amount in k€	Additions in k€	Disposals in k€	Reclassifications in k€	Depreciation / write-downs in k€	Recognised amount in k€
01/01/2022	2022	2022	2022	2022	12/31/2022
19,299	2,136	25	0	2,225	19,185

Property, plant and equipment is composed as follows:

in k€	12/31/2021	12/31/2022
Land rights and equivalent rights, and constructions including constructions on third-party land	16,040	15,426
Prepayments rendered and plant under construction	90	644
Other plant, operating and office equipment	3,169	3,115
Total	19,299	19,185

No indications existed of any impairment.

Land is generally encumbered using mortgages. With the exception of certain debt-financed vehicles, the item "other plant, operating and office equipment" is essentially subject to no access restrictions due to assignment as security or pledging.

The rights of use in the meaning of IFRS 16 reported under land, land rights and buildings, including buildings on third-party land, relate exclusively to buildings, tenant facilities and outdoor facilities and amount to k€ 903 (previous year: k€ 890). This includes additions of k€ 386 (previous year: k€ 287) and disposals with residual carrying amounts of k€ 0 (previous year: k€ 0) in the financial year under review.

(4) Investment properties	k€ 49	
	12/31/2021	k€ 59

In the 2018 financial year, HELMA AG classified as investment property a showhouse no longer utilised by HELMA, as it was initially rented on a long-term basis and the original intention to sell was abandoned as a consequence.

The rental income from the property and the corresponding expenses lie in the low five-digit range in euros. The carrying amount on the balance sheet date corresponds to the fair value.

(5) Other non-current assets	k€ 0	
	12/31/2021	k€ 2,188

Other non-current assets in the previous year included the non-current portion of a loan issued to Natura-Holzbau GmbH in 2021. This loan was fully written down in the reporting year due to the insolvency of the subcontractor.

Non-current assets, total	k€ 23,618	
	12/31/2021	k€ 24,966

Current assets

(6) Inventories		k€ 350,443
	12/31/2021	k€ 311,024

This balance sheet item is composed as follows:

in k€	12/31/2021	12/31/2022
Raw materials and supplies (advertising materials)	44	93
Semifinished services	292,678	335,555
Prepayments rendered for inventories	18,302	14,795
Total	311,024	350,443

Obligations typical for the sector exist with respect to reported inventories.

The reported inventories include land with a value of k€ 259,569 (previous year: k€ 230,468), building and ancillary building costs with a value of k€ 73,459 (previous year: k€ 65,368) and capitalised interest expenses with a value of k€ 17,322 (previous year: k€ 15,145).

Interest expenses of k€ 4,690 were capitalised in the year under review and reported under semifinished services (previous year: k€ 4,010). Reported semifinished services were reduced by k€ 2,512 (previous year: k€ 2,263) due to the disposal of capitalised interest expenses.

(7) Receivables arising from construction orders		k€ 19,723
	12/31/2021	k€ 63,857

This balance sheet item is composed as follows:

in k€	12/31/2021	12/31/2022
Revenue realised on a proportional basis	205,321	198,337
Prepayments received relating to long-term construction order receivables	-141,464	-178,614
Total	63,857	19,723

Receivables arising from construction orders include receivables from the period-based revenue recognition for long-term construction contracts (IFRS 15). They are calculated based on output achieved relative to total output.

Period-based revenue recognition in accordance with IFRS 15 had the following effects on earnings:

in k€	12/31/2021	12/31/2022
Revenue realised on a proportional basis	205,321	198,337
Acquisition and production costs realised on a proportional basis	-175,231	-169,652
Result from application of the PoC method	30,090	28,685

In the case of the tables above, the cumulative value of long-term construction orders existing as of the balance sheet date were reported under the current financial year. The change compared with the previous year's cumulative value is reflected in the current consolidated statement of total comprehensive income.

(8) Trade receivables	k€ 26,357	
	12/31/2021	k€ 22,423

Trade receivables reported are measured at amortised cost.

No impairment losses existed as of the balance sheet date (previous year: k€ 0). No further significant credit risks exist.

Existing trade receivables should be regarded as retaining their full value due to house contracts for which there are financing confirmations provided by financing partners selected by customers. Some of the remaining open amounts are also covered by deposits on notary trust accounts. In both the year under review and in prior years, there were no notable receivables defaults that would have required valuation adjustments to trade receivables extending beyond those already applied.

(9) Other current receivables	k€ 7,884	
	12/31/2021	k€ 7,373

This balance sheet item is composed as follows:

in k€	12/31/2021	12/31/2022
Creditor accounts in debit	342	635
Commissions for commercial representatives	5,487	6,704
Accrued income	330	396
Current loans granted	250	0
Miscellaneous current receivables	964	149
Total	7,373	7,884

In the previous year, the current portion of a loan issued to Natura-Holzbau GmbH in 2021 was reported under current loans granted. This loan was fully written down in the reporting year due to the insolvency of the sub-contractor.

(10) Cash and cash equivalents		k€ 18,762
	12/31/2021	k€ 21,787

This balance sheet item contains cash holdings and bank accounts in credit.

Current assets, total		k€ 425,776
	12/31/2021	k€ 426,464

Total assets		k€ 449,394
	12/31/2021	k€ 451,430

(11) Equity

The change in consolidated equity is presented in detail in the consolidated statement of changes in equity.

Issued share capital		k€ 4,000
	12/31/2021	k€ 4,000

The issued share capital of HELMA AG amounts to k€ 4,000, and is divided among 4,000,000 no par value ordinary shares. The shares are bearer shares. One share grants the right to one vote.

As a consequence of a resolution of the Shareholders' General Meeting of July 3, 2020, the Management Board is authorised, with Supervisory Board assent, to increase the share capital until July 2, 2025, once or on several occasions, by a total of up to k€ 2,000 (Approved Capital 2020).

The Annual General Meeting on July 3, 2020, approved a conditional increase in the share capital by an amount of up to k€ 1,800 (Conditional Capital 2020/I) and by an amount of up to k€ 200 (Conditional Capital 2020/II). The conditional capital serves to grant ordinary bearer shares to holders or creditors of convertible bonds and/or bonds with warrants, profit participation rights and/or profit-sharing bonds, which can be issued on the basis of the authorisation approved by the Shareholders' General Meeting of July 3, 2020.

Capital reserves		k€ 41,785
	12/31/2021	k€ 41,831

The reduction in the capital reserves derives from stock option programs, which were recognized in the income statement under personnel expenses in the amount of k€ 46 (previous year: k€ +230). Further notes and disclosures are presented in section “2.6 Stock options”.

Revenue reserves		k€ 56,788
	12/31/2021	k€ 49,893

Balance sheet profit		k€ 21,953
	12/31/2021	k€ 33,624

Minority interests		k€ 133
	12/31/2021	k€ 133

This balance sheet item changed as follows:

in k€	12/31/2021	12/31/2022
Status as of January 1	121	133
Disposal of a minority interest in HELMA FI	12	0
Sum of distributions/capital contributions	-36	-36
Minority interests' share of earnings	36	36
Status as of December 31	133	133

Equity, total		k€ 124,659
	12/31/2021	k€ 129,481

Economic equity

The targets of the company's capital management lie

- in securing the company's continued existence,
- in ensuring an adequate return on equity, and
- in maintaining an optimal capital structure that keeps capital costs as low as possible.

The capital structure is monitored on the basis of gearing and the equity ratio. The company's strategy consists of entering into a level of gearing that is expedient from the perspective of the company's valuation, and which ensures continued access to debt financing at reasonable costs while retaining a good credit rating. In addition, minimum equity ratios are agreed in part as covenants in the lending agreements that the company has entered into.

in k€	12/31/2021		12/31/2022	
		in relation to total assets in %		in relation to total assets in %
Financial liabilities	232,921		230,026	
Cash and cash equivalents	-21,787		-18,762	
Net debt	211,134	46.8	211,264	47.0
Equity	129,481	28.7	124,659	27.7
Total equity and liabilities	451,430	100.0	449,394	100.0

During the course of the year under review, the company complied with the financial covenants required in the context of its lending agreements.

Non-current liabilities

(12) Other non-current provisions		k€ 9,902
	12/31/2021	k€ 1,427

This balance sheet item changed as follows:

in k€	Status as of 01/01/2022	Utilisation 2022	Addition 2022	Status as of 12/31/2022
Type of provision				
Storage costs for business documents	23	0	0	23
Guarantees	1,396	1,396	9,872	9,872
Other non-current provisions	8	1	0	7
Total	1,427	1,397	9,872	9,902

Due to the opening of insolvency proceedings against the assets of Natura-Holzbau GmbH, extensive investigations of houses already transferred to customers were conducted in the 2022 financial year with the assistance of external appraisers. The company estimates the costs for the necessary elimination of the identified defects and other related costs at k€ 15,250 and has formed a provision for the corresponding amount. The company expects to be able to eliminate a portion of this amount of k€ 8,000 in 2023, so that this portion will be recognised in other current provisions and the remaining portion of k€ 7,250 in other non-current provisions.

On the basis of extensive investigations, the company assumes that this provision covers all remediation costs known as of the time when these financial statements were prepared. Nevertheless, the measurement of provisions is based on numerous estimates and assumptions. Due to the scope, a residual risk remains, which has not been confirmed to date.

(13) Non-current financial liabilities		k€ 171,686
	12/31/2021	k€ 212,288

This balance sheet item changed as follows:

in k€	12/31/2021	12/31/2022
Liabilities to finance partners		
Residual term between 1 and 5 years	107,834	103,021
Residual term > 5 years	3,454	3,165
Promissory note		
Residual term between 1 and 5 years	101,000	65,500
Residual term > 5 years	0	0
Total	212,288	171,686

Liabilities to finance partners relate particularly to the financing of land, showhouses, the administration building in Lehrte, the office in Berlin-Karlshorst, and the vehicle park. Of the non-current and current liabilities to finance partners, an amount of k€ 110,350 (previous year: k€ 105,707) was secured by mortgages and carried interest rates of between 0.0 % and 4.48 % p. a. as of the reporting date.

In July 2016, a promissory note with a volume of k€ 25,500 was issued for HELMA Wohnungsbau GmbH guaranteed by HELMA AG. This promissory note is divided into two fixed interest tranches with a 5-year maturity for k€ 17,500 and a 2.5 % p. a. coupon as well as a 7-year tranche for k€ 8,000 and a 2.915 % p. a. coupon, both of which start on August 1, 2016. The tranche of k€ 17,500 was repaid in full.

In May 2017, a further promissory note with a volume of k€ 27,000 was issued for HELMA Wohnungsbau GmbH guaranteed by HELMA AG. This promissory note is divided into two fixed interest tranches with a 5-year maturity for k€ 20,000 and a 2.5 % p. a. coupon as well as a 7-year tranche for k€ 7,000 and a 3.1 % p. a. coupon. The tranche of k€ 20,000 was repaid in full.

In July 2018, a further promissory note with a volume of k€ 18,000 was issued for HELMA Wohnungsbau GmbH guaranteed by HELMA AG. This promissory note is divided into two fixed interest tranches with a 5-year maturity for k€ 14,500 and a 2.477 % p. a. coupon as well as a 7-year tranche for k€ 3,500 and a 3.051 % p. a. coupon.

In January 2019 and May 2019, HELMA Wohnungsbau GmbH issued further promissory notes with a total volume of k€ 11,500, which were guaranteed by HELMA AG. These were placed with a January 2024 maturity and a 2.5 % p. a. coupon.

In August 2020, a further promissory note with a total volume of k€ 27,500 was issued for HELMA Wohnungsbau GmbH guaranteed by HELMA AG. This promissory note is divided into two fixed interest tranches with a 3-year maturity for k€ 13,000 with a 2.9 % p. a. coupon as well as a 4-year tranche for k€ 14,500 with a 3.1 % p. a. coupon.

In December 2021, a further promissory note with a total volume of k€ 29,000 was issued for HELMA Wohnungsbau GmbH, guaranteed by HELMA AG. This promissory note is divided into two fixed interest tranches with a 4-year maturity for k€ 8,000 with a 1.9 % p. a. coupon as well as a 5-year tranche for k€ 21,000 with a 2.1 % p. a. coupon.

(14) Non-current lease liabilities		k€ 691
	12/31/2021	k€ 607

Existing obligations from leasing as well as rental and tenancy agreements are reported as non-current lease liabilities, insofar as these are to be taken into account in accordance with IFRS 16.

(15) Trade payables		k€ 3,703
	12/31/2021	k€ 4,845

Non-current trade payables represent collateral retentions.

(16) Deferred taxes		k€ 9,107
	12/31/2021	k€ 9,365

Deferred tax liabilities are composed as follows:

in k€	12/31/2021	12/31/2022
HELMA AG		
- relating to semifinished services	-12,635	-15,868
- relating to receivables arising from construction orders	16,587	19,686
- relating to costs for long-term construction orders	-2,812	-2,833
- relating to other assets	-588	-712
- relating to IFRS 16 rights of use	99	150
- relating to IFRS 16 non-current lease liabilities	-77	-126
- relating to IFRS 16 current lease liabilities	-40	-44
HELMA Wohnungsbau GmbH		
- relating to semifinished services	-22,172	-16,933
- relating to receivables arising from construction orders	33,937	22,282
- relating to costs for long-term construction orders	-4,544	-694
- relating to other assets	-610	-411
- relating to capitalised interest	124	76
- relating to IFRS 16 rights of use	48	46
- relating to IFRS 16 non-current lease liabilities	-17	-28
- relating to IFRS 16 current lease liabilities	-36	-25
HELMA Ferienimmobilien GmbH		
- relating to semifinished services	-8,302	-14,608
- relating to receivables arising from construction orders	12,294	20,449
- relating to costs for long-term construction orders	-1,466	-463
- relating to other assets	-482	-868
- relating to capitalised interest	66	40
- relating to IFRS 16 rights of use	124	89
- relating to IFRS 16 non-current lease liabilities	-92	-63
- relating to IFRS 16 current lease liabilities	-41	-35
HELMA Group consolidation		
- relating to capitalised interest	0	0
Total	9,365	9,107

Deferred tax assets and liabilities are offset against each other if the preconditions of IAS 12.74 have been satisfied.

Non-current liabilities, total		k€ 195,089
	12/31/2021	k€ 228,532

Current liabilities

(17) Other current provisions		k€ 23,039
	12/31/2021	k€ 29,391

This balance sheet item changed as follows:

in k€	Status as of 01/01/2022	Utilisation 2022	Release 2022	Addition 2022	Status as of 12/31/2022
Type of provision					
Costs for long-term construction orders/PoC	28,835	28,835	0	12,679	12,679
Personnel	0	0	0	3,638	3,638
Miscellaneous other provisions	556	556	0	10,360	10,360
Total	29,391	29,391	0	26,677	26,677

The provisions for long-term construction order costs contain costs for subcontractors for which the company has not yet been fully invoiced according to the degree of completion.

Due to the opening of insolvency proceedings against the assets of Natura-Holzbau GmbH, extensive investigations of houses already transferred to customers were conducted in the 2022 financial year with the assistance of external appraisers. The company estimates the costs for the necessary elimination of the identified defects and other related costs at k€ 15,250 and has formed a provision for the corresponding amount. The company expects to be able to eliminate a portion of this amount of k€ 8,000 in 2023, so that this portion will be recognised in other current provisions and the remaining portion of k€ 7,250 in other non-current provisions.

Furthermore, the company assumes that the completion of individual projects will be postponed beyond the contractual deadline due to the awarding of new construction contracts necessitated by the insolvency. For this reason, as of December 31, 2022, the company formed a provision (recognised under other provisions) for corresponding claims for damages in the amount of k€ 1,200.

Due to the extensive investigations and the fact that most of the outstanding works have already been re-awarded, the company assumes that all costs will be covered by these provisions. Nevertheless, the measurement of provisions is based on numerous estimates and assumptions by the Management Board, from which the actual result may diverge.

Furthermore, other current provisions include € 3.6 million of severance payments expected to be made to employees in connection with a Group-wide reduction in the number of employees. The Supervisory Board and the Works Council of HELMA AG were informed about this on December 7 and December 12, 2022, respectively. In addition, the provision as of December 31, 2022 reflects any existing claims of the CEO who stepped down from office.

(18) Tax liabilities		k€ 1,638
	12/31/2021	k€ 1,617

This item includes liabilities relating to trade tax, corporation tax, and the solidarity surcharge. Moreover, tax receivables from overpayments in the current year amounting to k€ 2,607 are recognised as assets.

(19) Current financial liabilities		k€ 58,340
	12/31/2021	k€ 20,633

This balance sheet item contains exclusively current liabilities to financial partners.

(20) Current lease liabilities		k€ 328
	12/31/2021	k€ 381

Existing obligations from leasing as well as rental and tenancy agreements are reported as current lease liabilities, insofar as these are to be taken into account in accordance with IFRS 16.

(21) Trade payables		k€ 6,679
	12/31/2021	k€ 11,499

(22) Other current liabilities		k€ 39,622
	12/31/2021	k€ 29,896

This balance sheet item is composed as follows:

in k€	12/31/2021	12/31/2022
Subcontractor invoices outstanding	23,852	31,210
Personnel	1,853	1,464
VAT	0	1,062
Wage and church taxes	638	410
Miscellaneous other liabilities	3,553	1,838
Total	29,896	35,984

The liabilities to personnel result primarily from employee vacation and bonus claims that are still outstanding.

Current liabilities, total		k€ 129,646
	12/31/2021	k€ 93,417

Total equity and liabilities		k€ 449,394
	12/31/2021	k€ 451,430

5. Notes to the consolidated statement of total comprehensive income

(23) Revenue		k€ 302,450
	2021	k€ 331,486

Revenues were generated exclusively in Germany.

(24) Changes in stocks of finished goods and work in progress		k€ 38,187
	2021	k€ 24,212

The changes in stocks of finished goods and work in progress include the disposal of capitalised interest expenses with a value of k€ -2,512 (previous year: k€ -2,263).

(25) Other operating income		k€ 3,639
	2021	k€ 1,607

This item is composed as follows:

in k€	2021	2022
Income relating to the monetary benefit from the use of cars	661	710
Income from the disposal of fixed assets	107	58
Insurance compensation payments	223	164
Income from the derecognition of VAT liabilities in accordance with Section 13b of the German Income Tax Act (UStG) for the years 2011 to 2013	0	2,371
Miscellaneous	616	336
Total	1,607	3,639

With regard to further information on income from the derecognition of VAT liabilities pursuant to Section 13b UStG for the years 2011 to 2013, please see section 8.1 Income opportunities from VAT refund applications.

(26) Expense for materials and third-party services		k€ -275,754
	2021	k€ -272,197

Third-party services represent services procured from subcontractors.

(27) Personnel expense		k€ -33,458
	2021	k€ -29,030

This item is composed as follows:

in k€	2021	2022
Wages and salaries	-24,766	-29,052
Social contributions	-4,264	-4,406
- of which expenses for pensions and benefit	-180	-164
Total	-29,030	-33,458

This item includes income of k€ 45 compared with expenses in the previous year of k€ -230 from the granting of stock options (see section "2.6 Stock options") and expenses for expected employee severance payments of k€ 3,638.

(28) Other operating expenses		k€ -25,937
	2021	k€ -25,431

This item is composed as follows:

in k€	2021	2022
Sales commissions	-14,209	-11,573
Marketing costs, trade fairs, and exhibitions	-2,866	-2,757
Expense for guarantees	-1,868	-3,741
Legal and consultancy expenses	-841	-1,213
Administration costs (telephone, post, office requirements)	-511	-463
Third-party services	-527	-518
Premises costs	-911	-974
Vehicle costs	-724	-894
Operating and repair expenses	-790	-646
Representation and travel costs	-219	-395
Office equipment rental costs	-259	-351
Insurance, fees, contributions	-210	-230
Losses on fixed asset disposals	-5	-3
Miscellaneous expenses	-1,491	-2,179
Total	-25,431	-25,937

Earnings before interest, taxes, depreciation and amortisation (EBITDA)		k€ 9,127
	2021	k€ 30,647

(29) Depreciation / amortisation		k€ -2,878
	2021	k€ -2,743

This item is composed as follows:

in k€	2021	2022
Intangible assets	-565	-643
Buildings, rental plant and outdoor plant	-969	-1,005
Other plant, operating and office equipment	-1,199	-1,220
Investment property	-10	-10
Total	-2,743	-2,878

This item includes the amortisation of rights of use in accordance with IFRS 16 as follows:

in k€	2021	2022
Intangible assets	0	0
Buildings, rental plant and outdoor plant	-312	-373
Other plant, operating and office equipment	0	0
Investment property	0	0
Total	-312	-373

Operating earnings (EBIT)		k€ 6,249
	2021	k€ 27,904

(30) Financing expenses		k€ -513
	2021	k€ -730

Financing expenses in connection with the promissory notes amounted to k€ -3,004 (previous year: k€ -2,788).

Financing expenses include expenses in connection with rights of use in the meaning of IFRS 16 amounting to k€ -35 (previous year: k€ -21).

Financing expenses were offset with the sum of capitalised interest expenses of k€ 4,690 (previous year: k€ 4,010).

(31) Other financial result		k€ -2,210
	2021	k€ 112

The other financial result mainly includes the full write-off of the loan granted to Natura-Holzbau GmbH in the previous year in the amount of k€ 2,313 due to the company's insolvency petition filed in 2022.

Earnings before taxes (EBT)		k€ 3,526
	2021	k€ 27,286

(32) Income tax		k€ -1,386
	2021	k€ -8,478

This item is composed as follows:

in k€	2021	2022
Current income tax	-6,268	-1,645
Deferred taxes	-2,210	259
- of which due to the origination and reversal of temporary differences	-2,210	259
Total	-8,478	-1,386

The following presentation explains the key differences between the arithmetic tax expense arising from corporation tax plus the solidarity surcharge, and trade tax, for the years 2021 and 2022, and actual tax expenditure:

in k€	2021	2022
Earnings before taxes (EBT)	27,286	3,526
Group tax rate	30.60 %	31.47 %
Arithmetic income tax expense	-8,350	-1,110
Increase (decrease) in tax expenditure due to:		
Non-deductible operating expenses	-37	-33
Trade tax additions	-66	-52
Previous years' tax expense	-24	-5
Adjustment of previous year's deferred taxes after increase in Group tax rate		-268
Other non-deductible expenses	0	14
Miscellaneous	-2	68
Income tax	-8,479	-1,386
Effective tax rate	-31.07 %	-39.30 %

Earnings after taxes		k€ 2,140
	2021	k€ 18,808

6. Notes to the consolidated statement of changes in equity

The consolidated statement of changes in equity is presented separately.

7. Notes to the consolidated cash flow statement

The consolidated cash flow statement is presented using the indirect method.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash holdings and bank accounts in credit.

The following table shows the changes in liabilities from financing activities.

in k€	Status as of 01/01/2022	Cash outflows 2022	Payment received 2022	Reclassifications 2022	Status as of 12/31/2022
Non-current financial liabilities	212,288	-6,228	594	-34,968	171,686
Current financial liabilities	20,633	-34,010	36,749	34,968	58,340
Total	232,921	-40,238	37,343	0	230,026

8. Other notes to the financial statements

8.1. Financial risks and opportunities

The HELMA Group has established a centrally oriented risk management system to systematically report and measure risks arising from financial instruments (market risks (currency, interest-rate, and other price risks), liquidity risks, and default risks). This is structured so that risks can be identified at an early stage, and countermeasures be launched. Reporting is conducted on a continuous basis.

Currency risks

No currency risks exist because the HELMA Group operates only within the Eurozone. No currency risks arise since HELMA AG has no subsidiaries whose annual financial statements are denominated in foreign currencies.

Interest-rate risks

HELMA finances itself through a mix of debt and equity financing. The level of interest rates, which is now rising, entails higher financing costs for floating-rate liabilities and new financing facilities. In this respect, HELMA considers the potential impact of the interest rate risk on the results of operations to be relevant, especially given the refinancing of the expiring promissory note loans in the amount of € 35.5 million that will be necessary in 2023. Interest rate derivatives are not deployed.

Pursuant to IFRS 7, interest-rate risks are presented using sensitivity analyses. These present the effects of changes in market interest rates on interest payments, interest income and expenses, other portions of earnings and, if applicable, equity. The sensitivity analyses are based on the following assumptions:

- Changes in market interest rates for primary financial instruments with fixed rates of interest only affect earnings if they are measured at fair value. Consequently, all financial instruments with fixed interest rates that are measured at amortised cost are subject to no interest-rate risks in the meaning of IFRS 7.
- Changes in market interest rates have an impact on the interest result from primary financial instruments with variable rates of interest whose interest payments are not designated as hedged items as part of cash flow hedges against interest-rate changes, and are consequently taken into account in the earnings-related sensitivity calculations.
- Changes in the market interest rates of interest-rate derivatives that are not integrated into a hedging relationship have effects on the interest result, and are consequently reflected in the earnings-related sensitivity calculations.

An increase or decrease in the market interest rate level of 100 basis points in the year under review would have resulted in an approximately k€ 850 higher, respectively lower, interest expenses (previous year: approximately k€ 859 higher or lower respectively).

Other price risks

HELMA AG is not exposed to other price risks such as stock market prices or indices.

Liquidity risk

Liquidity planning is based on a rolling preview of all important monthly planning and earnings quantities. This liquidity planning is discussed in regular conversations with the finance partners that provide funding for the HELMA Group, and serves to secure financing requirements and credit commitments.

Information about capital management within the HELMA Group is presented in the remarks relating to the "Equity" balance sheet item.

The notes concerning the "non-current financial liabilities" balance sheet item contain a term analysis of the financial liabilities with contractually agreed residual maturities.

Default risks

The company's default risks are limited to normal business risk, which is reflected by the formation of valuation adjustments.

The carrying amounts of the financial assets recognised in the consolidated balance sheet essentially reflect maximum default risk. As of the reporting date, there were no key agreements mitigating maximum default risk (such as offset agreements).

None of the receivables in the receivables portfolio exhibit significant payment problems. As in the previous year, no valuation adjustments were required as a consequence.

Concentration of business risks

No concentration of business risks exists. The company has suffered only minor defaults on the part of its individual customers in the past. All Group companies operate active receivables management. Risk management includes the review and monitoring of risks on the basis of liquidity defaults, and the concentration of business risks on both the customer and supplier sides. As a consequence of the insolvency of Natura-Holzbau GmbH, which was a major subcontractor of HELMA Ferienimmobilien GmbH, existing audit processes were analysed and revised. In this context, no other subcontractors or general contractors were identified which from a current perspective are exposed to a going concern risk.

Income opportunities from VAT refund applications

In the assessment periods 2011 to 2013, HELMA Wohnungsbau GmbH paid VAT in accordance with § 13b of the German VAT Act (UStG) to the tax authorities as the recipient of so-called construction services. In its ruling of August 22, 2013 (V R 37/10), the German Federal Fiscal Court (BFH) clarified that a property developer does not provide construction services and consequently cannot be a tax debtor as a recipient of construction services within the meaning of § 13b UStG.

For this reason, HELMA Eigenheimbau AG, as the parent company of HELMA Wohnungsbau GmbH for VAT purposes, has applied for reimbursement of any VAT paid in error in the amount of a high seven-digit amount in euros as well as of related accrued interest in the amount of a low seven-digit amount in euros. The Burgdorf tax office has made a positive decision on the applications and reimbursed the aforementioned amounts in the 2019 financial year. In principle, however, the VAT refunds are offset by claims from subcontractors in the same amount, so that these were essentially either paid to the subcontractors in 2019 or deferred as a liability as of December 31, 2019. In 2022, liabilities in the high six-digit range were paid out to subcontractors and a low seven-digit amount in euros was collected, as no further utilisation is expected in this context. As of December 31, 2022, liabilities amounting to a mid-six-figure amount in euros continue to exist.

8.2. Notes relating to earnings per share

Undiluted earnings per share are calculated by dividing consolidated annual net income by the average number of shares in circulation during the financial year, which amounts to a total of 4,000,000 shares (previous year: 4,000,000 shares).

In calculating diluted earnings per share, the net result attributable to holders of ordinary shares in the parent company is divided by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would arise from the conversion of all dilutive potential options into ordinary shares.

The following table presents the amounts used in the calculation of basic and diluted earnings per share:

in k€, unless otherwise stated	2021	2022
Shares of earnings after tax	18,808	2,140
Minority interests' share of earnings	36	36
Earnings attributable to HELMA AG shareholders	18,772	2,104
Weighted average number of shares outstanding (undiluted)	4,000	4,000
Earnings per share in € (undiluted)	4.69	0.53
Dilution effect due to subscription rights	0	0
Weighted average number of shares outstanding (diluted)	4,000	4,000
Earnings per share in € (diluted)	4.69	0.53

8.3. Segment reporting

The Group has established its operating segment on the basis of the internal management of Group areas where the company's main decision-makers regularly review these business segments' operating results when making decisions concerning the allocation of resources to the segments, and when evaluating their profitability.

No instances exist of revenue generated with an individual customer exceeding 10 % of total revenue.

Please refer to the notes to the consolidated statement of comprehensive income, section (23) Revenue, for information relating to the regional distribution of revenue. The company does not hold assets outside Germany.

Segment reporting:

- Individual: Individually planned housing units
- Pre-planned: Pre-planned housing units, and holiday houses and apartments

Segment reporting will focus on customer orientation and thereby also on the HELMA Group's internal organisational structures. The Individual construction segment includes revenue from the construction services business of HELMA Eigenheimbau AG for detached houses and energy self-sufficient houses, as well as individual detached houses on land owned by HELMA Wohnungsbau GmbH in the property development business. For reasons of simplification, the revenue and costs of Hausbau Finanz GmbH have been allocated in full to the "Individual" segment, as this is where most of its revenue is generated.

The "Pre-planned" segment comprises the property development business for pre-planned semi-detached and terraced houses as well as owner-occupied apartments of HELMA Wohnungsbau GmbH as well as the property development business of HELMA Ferienimmobilien GmbH.

In addition to directly attributable items (revenue, cost, balance sheet items), cross-company items are distributed by applying keys that reflect reality as closely as possible. The agency fee of HELMA Eigenheimbau AG (k€ 23,313; previous year: k€ 15,075) is eliminated accordingly, so that no intersegment revenue arises.

in k€	Individual		Pre-planned		Total	
	2021	2022	2021	2022	2021	2022
Segment revenue (with external customers)	178,656	151,700	152,830	150,750	331,486	302,450
Depreciation and amortisation	1,843	1,577	900	1,301	2,743	2,878
Financial result	-242	-710	-376	-2,013	-618	-2,723
Segment operating earnings (EBT)	13,905	2,961	13,381	565	27,286	3,526
Segment assets*	14,793	13,162	6,605	9,076	21,398	22,238
Additions to segment assets	1,642	2,185	1,037	1,684	2,679	3,869

* Intangible assets (excluding goodwill), property, plant and equipment, investment property.

8.4. Particular events following the reporting date

No transactions of particular significance occurred after the balance sheet date.

8.5. Approval of the financial statements

The Supervisory Board approved the audited consolidated financial statements as of December 31, 2021, on March 16, 2022. The Supervisory Board will approve the audited consolidated financial statements as of December 31, 2022 prospectively on March 21, 2023.

8.6. Other financial liabilities

Other financial liabilities that do not have to be accounted for in accordance with IFRS 16 are composed as follows:

The financial liabilities arising from these agreements amount to the following in total:

in k€	Up to 1 year	1 to 5 years	More than 5 years	Total (previous year)
Obligations from rental and leasing agreements	45	4	0	49 (129)
Obligations arising from operating leases for operating and office equipment	2	7	0	9 (6)
Total	47	11	0	58 (135)

The reported financial liabilities are contracts with a term of up to 12 months and low-value contracts of up to € 5,000.00. The expenses for these contracts recognised in the income statement for the 2022 financial year amount to k€ 89 (previous year: k€ 89).

Contingencies

No liability obligations exist to the benefit of third parties.

Commercial representatives

The company employs various commercial representatives. After their contracts expire, the company could be required to make compensation payments pursuant to Section 89b of the German Commercial Code (HGB).

8.7. Key business transactions with related parties

In March 2022, AKH GmbH, in whose share capital Ms. Albenä Maerzke and Mr. Karl-Heinz Maerzke each holds a 50% interest, purchased an apartment building to be constructed in Wunstorf from HELMA Wohnungsbau GmbH for a purchase price of k€ 5,158. In June 2022, AKH GmbH purchased a holiday apartment to be built in Winterberg from HELMA Ferienimmobilien GmbH for a purchase price of k€ 284.

In March 2022, HINDENBURG Immobilien GmbH & Co. KG, which is attributable to Mr. Karl-Heinz Maerzke, purchased two apartment buildings to be built in Wunstorf from HELMA Wohnungsbau GmbH for a total purchase price of k€ 10,513.

In June 2022, HINDENBURG Immobiliendienstleistungen GmbH, which is also attributable to Mr. Karl-Heinz Maerzke, purchased a holiday apartment to be built in Winterberg from HELMA Ferienimmobilien GmbH for a purchase price of k€ 303.

In December 2022, AKH GmbH purchased 12,250 shares in HELMA Ferienimmobilien GmbH from Mr. Per Barlag Arnholm for a purchase price of k€ 61 by way of a purchase and assignment agreement.

All business transactions with related companies and individuals were performed on standard market terms.

8.8. Management and Supervisory Boards

Management Board

In the 2022 financial year, the management of the company was performed by the Management Board which was composed of the following members:

- Ms. Andrea Sander, Wolfsburg, CEO from November 1, 2022
- Mr. André Müller, Hanover, Management Board member

Mr. Gerrit Janssen, Hanover, was recalled from office as CEO on October 17, 2022.

Mr. Max Bode, Hanover, stepped down from the Management Board on February 20, 2023.

Mr. Jannik Bayat, Partner and International Business Leader Consulting at management consultancy Baker Tilly, has been assisting the Management Board since November 1, 2022. His activities include, in particular, the areas of finance, controlling, IT and investor relations.

On October 17, 2022, the Supervisory Board passed a resolution to appoint Ms. Andrea Sander as CEO of HELMA Eigenheimbau AG from November 1, 2022 until October 31, 2025. Mr. André Müller was appointed to the company's Management Board until June 30, 2025.

If only one Management Board member is appointed, this member represents the company on a sole basis. Where several Management Board members are appointed, the company is represented either by two Management Board members or by one Management Board member together with a company officer.

Mr. Karl-Heinz Maerzke holds 16.5 % of the issued share capital of HELMA Eigenheimbau AG; HINDENBURG Immobilien GmbH & Co. KG, Lehrte, holds a further 14.5 %, which is attributable to Mr. Karl-Heinz Maerzke.

Total remuneration for the Management Board

The total compensation for Management Board amounted to k€ 1,631 in the 2022 financial year (previous year: k€ 2,119). In exercising the option under Section 286 (4) HGB in conjunction with Section 314 (3) HGB, the compensation of former members of the Management Board is not disclosed, as this information enables the remuneration of an individual member of these bodies to be determined.

No receivables were due from the Management Board as of December 31, 2022.

There are no further payments that have been committed to Management Board members in the instance of the termination of their activities.

Supervisory Board

The Supervisory Board was composed as follows as of December 31 of the reporting year:

- Mr. Karl-Heinz Maerzke, Hanover (Chairman), (profession: business executive)
- Mr. Sven Aßmann, Hoisdorf (Deputy Chairman), (profession: lawyer)
- Mr. Paul Heinrich Morzynski, Hanover, (profession: auditor and tax consultant)
- Dr. Peter Plathe, Hanover, (profession: presiding judge – in retirement)

The aforementioned Supervisory Board members' period of office ends with the conclusion of the AGM that approves the discharge of the Supervisory Board members for the 2023 financial year.

Total remuneration for the Supervisory Board

Total remuneration for the Supervisory Board was k€ 177 in the year under review (previous year: k€ 177).

No payments were made to former Supervisory Board members in the period under review.

8.9. Number of employees

The HELMA Group employed an average workforce of 364 employees (previous year: 350) and an average of 7 individuals were employed to a minor extent (previous year: 8).

8.10. List of shareholdings

Name	Headquarters	Shareholding level	Equity as of December 31, 2022	Share capital as of December 31, 2022	Net result before profit-and-loss transfer 2022
HELMA Wohnungsbau GmbH	Lehrte	93.94 %*	€ 1,275,400.00	€ 1,275,400.00	€ 9,615,149.71
HELMA Ferienimmobilien GmbH	Lehrte	90.20 %	€ 250,000.00	€ 250,000.00	€ -17,136,583.29
Hausbau Finanz GmbH	Lehrte	100.00 %	€ 26,000.00	€ 26,000.00	€ 405,092.69

*Of which 4.01 % held indirectly through Hausbau Finanz GmbH

The net result after profit-and-loss transfer amounted to € 0.00 for all companies listed.

8.11. Exemption pursuant to Section 264 (3) of the German Commercial Code (HGB)

The subsidiaries HELMA Wohnungsbau GmbH, HELMA Ferienimmobilien GmbH and Hausbau Finanz GmbH utilise the exemptions contained in Section 264 (3) of the German Commercial Code (HGB) for the 2022 fiscal year.

8.12. Auditor's fee

The auditor's total fee for the reporting year, including the companies included in the consolidated financial statements, amounted to k€ 102. Of this amount, k€ 80 is attributable to services for the auditing of financial statements, k€ 8 is attributable to certification services, and k€ 15 is attributable to tax advisory services.

Lehrte, March 10, 2023

Signed Andrea Sander
CEO

Signed André Müller
Management Board member

Independent audit opinion

To HELMA Eigenheimbau Aktiengesellschaft, Lehrte

Audit results

We have audited the consolidated financial statements of **HELMA Eigenheimbau Aktiengesellschaft, Lehrte**, and its subsidiaries (the Group), consisting of the consolidated balance sheet as of December 31, 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement for the financial year from January 1, 2022 to December 31, 2022, and the notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report of HELMA Eigenheimbau Aktiengesellschaft, Lehrte, for the financial year from January 1, 2022 to December 31, 2022. We have not audited the content of the disclosures in the sections "Sustainability – non-financial performance indicators", "Environment", "Customers, employees and social responsibility", and "Governance" in the combined management report in accordance with German legal requirements.

In our opinion based on the findings of our audit,

- the accompanying consolidated financial statements comply in all material respects with IFRSs as adopted by the EU, the additional requirements of German law pursuant to § 315e (1) of the German Commercial Code (HGB) and give a true and fair view of the net assets and financial position of the Group as of December 31, 2022, and of its results of operations for the financial year from January 1, 2022 to December 31, 2022, in accordance with these requirements, and
- the accompanying aggregated management report provides a suitable understanding of the Group's position as a whole. In all material respects, this aggregated management report is consistent with the consolidated financial statements, complies with German legal requirements, and suitably presents the opportunities and risks pertaining to future development. Our audit opinion on the combined management report does not cover the aforementioned components of the combined management report that were not audited as to their contents.

In accordance with § 322 (3) Clause 1 of the German Commercial Code (HGB), we declare that our audit has not led to any objections to the correctness of the consolidated financial statements and the aggregated management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the aggregated management report in accordance with § 317 of the German Commercial Code (HGB) and German generally accepted standards for the audit of financial statements as promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer [IDW]). Our responsibility under these rules and principles is described further in the section "Auditor's responsibility for the audit of the consolidated financial statements and the aggregated management report" of our audit opinion. We are independent of the Group companies in accordance with German commercial law and professional regulations, and have fulfilled our other German professional obligations in accordance

with such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinions on the consolidated financial statements and the aggregated management report.

Other information

The legal representatives are responsible for other information. The other information includes

- the components of the combined management report referred to in the section “Audit Opinions” that are not audited as to their contents,
- the other parts of the annual report expected to be made available to us after the date of this auditor’s report but not the consolidated financial statements, not the combined management report and not our auditor’s report, and
- the report of the Supervisory Board.

The Supervisory Board is responsible for the Supervisory Board Report. Otherwise, the legal representatives are responsible for the other information.

Our audit opinion on the consolidated financial statements and the combined management report does not extend to the other information, and accordingly we do not express an audit opinion or any other form of audit conclusion on these matters.

In connection with our audit of the consolidated financial statements, we have a responsibility to read the other information and to evaluate whether the other information

- contains material inconsistencies with the consolidated financial statements, the combined management report or the knowledge gained from our audit, or
- appears to be substantially misrepresented elsewhere.

Responsibility of the legal representatives and the Supervisory Board for the consolidated financial statements and the aggregated management report

The legal representatives are responsible for the preparation of the consolidated financial statements corresponding in all significant matters to IFRS as applicable in the EU and the supplementary German statutory regulations pursuant to § 315e (1) of the German Commercial Code (HGB), and for ensuring that the consolidated financial statements in compliance with such regulations convey a true and fair view of the Group’s net assets, financial position, and performance. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error (i.e., fraudulent accounting manipulations and misstatement of assets).

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group’s ability to continue as a going concern. They are also responsible for disclosing matters relating to the company as a going concern, if relevant. In addition, they are responsible for financial accounting under the going concern assumption unless an intention exists to liquidate the Group or to discontinue operations, or no realistic alternative exists.

Furthermore, the legal representatives are responsible for the preparation of the aggregated management report, which as a whole provides a suitable view of the Group's position and is consistent with the consolidated financial statements in all material respects, complies with German legal requirements and suitably presents the opportunities and risks pertaining to future development. Moreover, the legal representatives are responsible for the precautions and measures (systems) they deem necessary to enable the preparation of an aggregated management report in accordance with the applicable German legal provisions and to provide sufficient suitable evidence for the statements in the aggregated management report.

The Supervisory Board is responsible for monitoring the Group's accounting process relating to the preparation of the consolidated financial statements and the aggregated management report.

Auditor's responsibility for the audit of the consolidated financial statements and the aggregated management report

Our objective is to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and whether the combined management report as a whole provides a suitable view of the Group's position and is consistent, in all material respects, with the consolidated financial statements and the findings of our audit, complies with German legal requirements and suitably presents the opportunities and risks of future development, and to express an opinion that includes our audit opinion on the consolidated financial statements and the combined management report.

Sufficient assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with § 317 of the German Commercial Code (HGB) and German generally accepted standards for the auditing of financial statements as promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer [IDW]) will always reveal a material misstatement. Misstatements can result from fraud or error, and are regarded as material if it could reasonably be expected that they would individually or collectively influence the economic decisions of users made on the basis of these consolidated financial statements and the combined management report.

During the audit, we exercise our best judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material misstatement of the consolidated financial statements and the combined management report, whether due to fraud or error, plan and perform audit procedures in response to those risks, and obtain audit evidence sufficient and appropriate to provide a basis for our audit opinions. The risk that material misstatements resulting from fraudulent activities will not be detected is greater than the risk that material misstatements resulting from errors will not be detected, as fraudulent activities may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls.
- we gain an understanding of the internal control system relevant to the audit of the consolidated financial statements and of the procedures and measures relevant to the audit of the aggregated management report in order to plan audit procedures that are appropriate in the circumstances, albeit not for the purpose of expressing an opinion on the effectiveness of those systems.
- we evaluate the appropriateness of the accounting policies applied and the reasonableness of accounting estimates made by the management, as well as the reasonableness of accounting estimates and related disclosures made.

- we draw conclusions concerning the appropriateness of the accounting principles applied by the legal representatives in relation to the company as a going concern and, on the basis of the audit evidence obtained, whether a material uncertainty exists in connection with events or circumstances that could cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to express an opinion on the related consolidated financial statements and on the aggregated management report, or, if the information is inappropriate, to modify our respective audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit opinion. Future events or circumstances may, however, result in the Group no longer being able to continue its business activities.
- we assess the presentation, structure and content of the consolidated financial statements, including the disclosures, as well as whether the consolidated financial statements present the underlying transactions and events in such a way that the consolidated financial statements give a true and fair view of the Group's financial position and performance in accordance with IFRSs as adopted by the EU, and the additional requirements of German law pursuant to § 315e (1) HGB.
- we obtain sufficient suitable audit evidence for the accounting information of the companies or business activities within the Group to express an opinion on the consolidated financial statements and the combined management report. We are responsible for the direction, monitoring and performance of the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- we assess the consistency of the aggregated management report with the consolidated financial statements, its legal pronouncements, and the Group management report as a whole.
- we perform audit procedures on the forward-looking statements presented by the legal representatives in the aggregated management report. On the basis of sufficient and suitable audit evidence, we particularly verify the significant assumptions on which the legal representatives' forward-looking statements are based and assess the proper derivation of the forward-looking statements from these assumptions. We do not express an independent opinion on the forward-looking statements or the underlying assumptions. A significant unavoidable risk exists that future events will differ materially from the forward-looking statements.

We discuss with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hanover, March 15, 2023

Ebner Stolz GmbH & Co. KG

Wirtschaftsprüfungsgesellschaft - Steuerberatungsgesellschaft

Hans-Peter Möller
Auditor

Steffen Südmersen
Auditor

Single entity financial statements of HELMA Eigenheimbau AG

according to HGB (Condensed)*

Income Statement

in k€	2021	2022
Revenue	118,536	127,906
Changes in stocks of finished goods and work in progress	8,167	9,127
Other operating income	837	3,189
Materials expense	-85,691	-94,113
Personnel expense	-18,988	-22,315
Depreciation and amortisation of property, plant and equipment, and intangible assets	-1,952	-2,039
Other operating expenses	-10,379	-12,142
Operating earnings (EBIT)	10,530	9,613
Net financial result	9,502	-4,503
Earnings before income tax	20,032	5,110
Income tax	-6,258	-1,635
Unappropriated retained earnings / net income	13,774	3,475

In its single-entity financial statements prepared according to the accounting principles of the German Commercial Code (HGB), HELMA Eigenheimbau AG reports unappropriated retained earnings of € 3,475,005.79 for the 2022 financial year on net income of € 3,475,005.79.

The Management and Supervisory Boards will propose to the Shareholders' General Meeting to be held on July 7, 2023, that it approves the distribution of a dividend of € 0.40 per dividend-entitled ordinary share, consequently € 1,600,000.00, and that the remaining amount of € 1,875,005.79 be carried forward to the other revenue reserves.

The total amount of dividends and the amount to be transferred to the other revenue reserves in the preceding resolution proposal for the application of unappropriated retained earnings is based on dividend-entitled share capital of € 4,000,000.00, split into 4,000,000 ordinary shares.

*The complete annual financial statements of HELMA Eigenheimbau AG, Lehrte prepared according to the German Commercial Code (HGB), including the unqualified audit opinion, is available in German on the Internet at www.ir.HELMA.de, as well as being published in the companies register.

Balance Sheet – Assets

in k€	12/31/2021	12/31/2022
Non-current assets	18,238	19,283
- of which intangible assets	2,012	2,990
- of which property, plant and equipment	14,245	14,312
- of which financial investments	1,981	1,981
Current assets	123,698	122,475
- of which inventories	31	68
- of which receivables and other assets	112,951	113,291
- of which cash and cash equivalents	10,716	9,116
Prepayments and accrued income	282	360
Total assets	142,218	142,118

Balance Sheet – Equity and liabilities

in k€	12/31/2021	12/31/2022
Equity	107,254	103,849
Provisions	7,330	12,959
Liabilities	27,634	25,310
Total equity and liabilities	142,218	142,118

Editorial

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HELMA Eigenheimbau AG, Lehrte

Comment on forward-looking statements

The information published in this report relating to the future development of HELMA Eigenheimbau AG refers only to forecasts and estimates and thus not to given historic facts. This merely serves for information purposes and may contain words such as "intend", "aim", "expect", "plan", "forecast", "assume" or "appraise". These forward-looking statements rely on the information, facts and expectations available to us at present, and therefore only apply at the point in time of their publishing.

Forward-looking statements are generally prone to uncertainties and risk factors difficult to estimate in their impact. The actual results and development of the company could therefore materially deviate from the forecasts. HELMA Eigenheimbau AG intends to monitor and update the published data at all times. Nevertheless, the company is not responsible for adapting the forward-looking statements to later events and developments. As a result, it is neither expressly nor actually liable for and does not assume any guarantee for the timeliness, accuracy and completeness of this data and information.

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Financial Calendar 2023

March 07, 2023	Preliminary figures for the 2022 financial year
March 22, 2023	Publication Annual Report 2022
July 07, 2023	Annual General Meeting (virtual)
August 10, 2023	Publication Half-Year Report 2023
November 27, 2023	German Equity Forum (Frankfurt am Main)

HELMA code of values

In our code of values – **which guides us in our daily ideas and activities** – we summarise the values that are particularly important to us in how we interact with each other, and with our customers and partners.



CUSTOMER

The customer stands at the centre of our activity. Our customers' satisfaction is what matters to us, and it informs our vision:

„We love to build for your life!“

TEAM

We are HELMA: our expert teams make recourse to a well-founded base of knowledge, and work together constructively – because we aim always to achieve the best results for our customers.

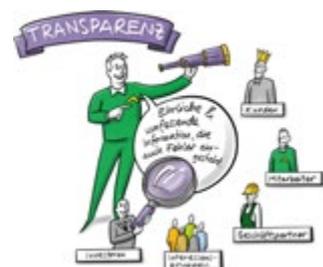


QUALITY

We offer high-quality services to our customers. Our projects are generated together with our customers and business partners within a positive working environment. This, too, comprises quality for us.

TRANSPARENCY

Honesty and forward-looking communication are important to us. We ensure that our customers, employees, business partners, investors and other stakeholder groups are informed comprehensively. This also includes stating openly where we have made errors.



EXPERTISE

Our staff comprise our capital. Their knowledge and ability to engage with our customers and business partners on a personal basis is what drives our business forward. We ensure they always have sufficient opportunities to develop themselves further professionally.



PERFORMANCE

We make (dream) homes become reality. We give our best for this – with our clearly defined working structures, efficient working practices, and in close coordination with our customers and external partners.

SUSTAINABILITY

We take responsibility: A balanced approach to economic, ecological, social and cultural resources forms the basis of our business activity.



SAFETY

Safety comes first. For this reason, we offer our customers an extensive range of additional safety measures. We also invest in occupational safety: with us, our employees enjoy a working environment that offers above-average safety.

RELIABILITY

We keep our promises. Our customers, business partners and colleagues can rely on the fact that the deadlines, qualities and prices to which we agree are mandatory and binding for us. We regard reliability as the basis of our trusting business relationships.



We love to build for your life.



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