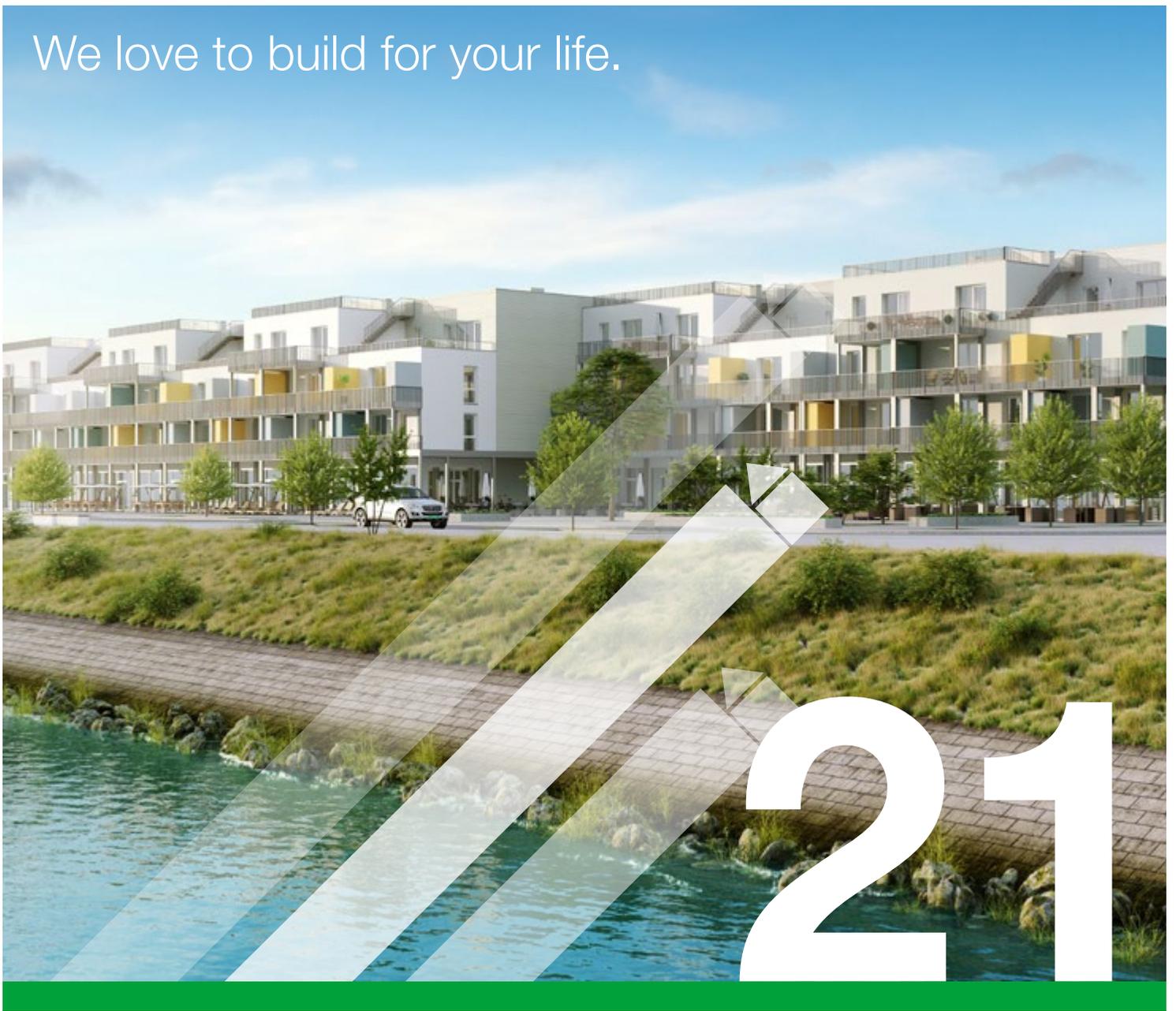


We love to build for your life.



Annual Report 2021



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.



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The HELMA Group at a glance

Earnings and dividend		2012	2013	2014
Revenue	in k€	113,988	138,018	170,497
EBITDA	in k€	8,774	11,793	15,971
Adjusted EBITDA*	in k€	8,774	11,843	16,301
Operating earnings (EBIT)	in k€	7,335	10,286	14,167
Adjusted operating earnings (EBIT)*	in k€	7,335	10,336	14,497
Earnings before taxes (EBT)	in k€	5,755	8,271	11,690
Net income after minority interests	in k€	3,799	5,606	8,132
Cash earnings	in k€	8,524	11,752	16,302
Earnings per share**	in €	1.33	1.85	2.43
Dividend per share	in €	0.35	0.53	0.63
Adjusted gross profit margin	in %	23.7	24.1	24.4
Adjusted EBIT margin*	in %	6.4	7.5	8.5
EBT margin	in %	5.0	6.0	6.9
Return on sales (ROS)	in %	3.4	4.1	4.8
Sales performance		2012	2013	2014
Net new order intake	in k€	131,398	158,979	193,005
Selected balance sheet items and key figures		12/31/2012	12/31/2013	12/31/2014
Property, plant and equipment	in k€	15,022	15,760	16,139
Inventories including land	in k€	35,816	78,408	96,054
Cash and cash equivalents	in k€	1,540	6,821	6,916
Equity	in k€	20,365	28,033	40,952
Net debt	in k€	36,347	68,034	79,401
Total assets	in k€	84,645	136,600	159,947
Equity ratio	in %	24.1	20.5	25.6
Other data		12/31/2012	12/31/2013	12/31/2014
Number of employees		188	211	233

* Adjusted for the disposal of capitalised interest

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

*** Proposal

2015	2016	2017	2018	2019	2020	2021
210,618	263,842	267,418	253,276	263,243	273,993	331,486
19,494	23,455	22,529	23,776	25,171	24,756	30,647
20,076	23,949	24,433	24,883	25,878	25,813	32,910
17,774	21,662	20,232	21,784	22,782	22,169	27,904
18,356	22,156	22,136	22,891	23,489	23,226	30,167
14,956	19,568	19,130	21,153	23,594	22,461	27,286
9,952	13,498	12,993	14,487	16,144	15,365	18,772
15,325	20,953	17,965	14,983	18,089	20,352	24,481
2.69	3.37	3.25	3.62	4.04	3.84	4.69
0.79	1.10	1.40	1.30	1.85	1.54	1.72***
23.4	21.5	21.0	23.8	24.5	24.1	24.7
8.7	8.4	8.3	9.0	8.9	8.5	9.1
7.1	7.4	7.2	8.4	9.0	8.2	8.2
4.7	5.1	4.9	5.7	6.1	5.6	5.7

2015	2016	2017	2018	2019	2020	2021
269,386	286,815	245,393	278,576	296,486	312,459	446,558

12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
16,342	16,398	16,621	19,065	19,919	19,499	19,299
154,369	173,816	199,891	220,152	232,210	281,673	311,024
12,493	11,331	16,656	16,328	16,703	20,087	21,787
69,898	80,236	88,829	97,716	108,594	116,578	129,481
98,581	124,320	149,236	159,312	174,898	198,406	211,134
244,994	278,242	317,653	341,440	380,164	423,372	451,430
28.5	28.8	28.0	28.6	28.6	27.5	28.7

12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
254	290	304	325	322	346	348





**Time for a change?
When if not now?**

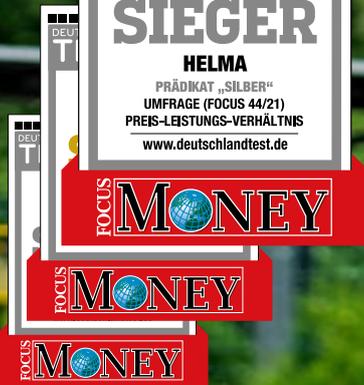
GO FOR

GREEN LIVING

www.HELMA.de/green-living

Trust the test winner

HELMA is EXCELLENT!



11

DtGV | Deutsche Gesellschaft für Verbraucherstudien mbH



1. PLATZ MASSIVHAUS-ANBIETER
KUNDENZUFRIEDENHEIT
Im Vergleich: 15 Unternehmen
Befragung 11/2021, dtgv.de/9135

DtGV | De für Verbrau
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ZUFF
MASSIVHAUSANBIETER
Im Vergleich: 14 Unternehmen
Befragung 10/2019, dtgv.de

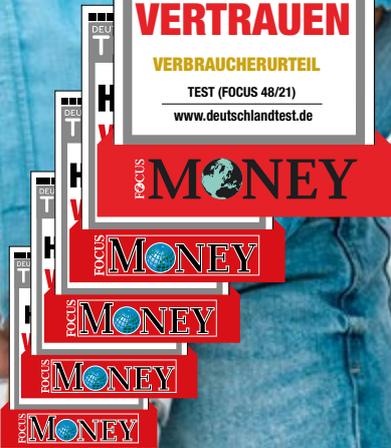
DEUTSCHLAND TEST

HÖCHSTES VERTRAUEN

VERBRAUCHERURTEIL

TEST (FOCUS 48/21)

www.deutschlandtest.de



FOCUS **MONEY**

SEHR HOHER MEHRWert für Kunden

MEHR für IHR Geld

Branche: Massivhausanbieter

3 weitere Anbieter erhielten die Topnote
Im Test: 14 Unternehmen in Deutschland

Ausgabe 16/2021



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.

After more than 40 years, the company's founder Karl-Heinz Maerzke is still strongly associated with the corporate family as Chairman of the Supervisory Board. Likewise, there are many long-serving employees who help in shaping HELMA's family and personal corporate culture and passing on their experience and skills and deepening them together with new, young employees.



This seamless and consistent transfer of knowledge and expertise across generations in working life, together with the core values of honesty, transparency and family, forms the value framework of the HELMA Group. As a family, we take responsibility by promoting our employees, acting as a fair contractual partner for our customers and corporate partners and supporting the formation and strengthening of family values and structures in society with 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 Alicante - Visualisation



House Potsdam - 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 Zürich • Visualisation



House Bremen • Visualisation



House Lille • 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!



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!



Energy-saving houses in the showhouse park in Lehrte





Building technology for the use of solar energy

Owner-occupied apartments in Hamburg · Visualisation



Semi-detached and pre-planned detached houses in Brieselang · Visualisation





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 in Leipzig - Visualisation



Individual detached houses in Laatzen





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!

Owner-occupied apartments and terraced houses in Garbsen - Visualisation





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, short trips or simply getting away from it all. 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!





Holiday houses · Hafendorf Zerpenschleuse

Holiday houses • NordseeResort BÜsum



Holiday houses • NordseeResort Burhave • Visualisation





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

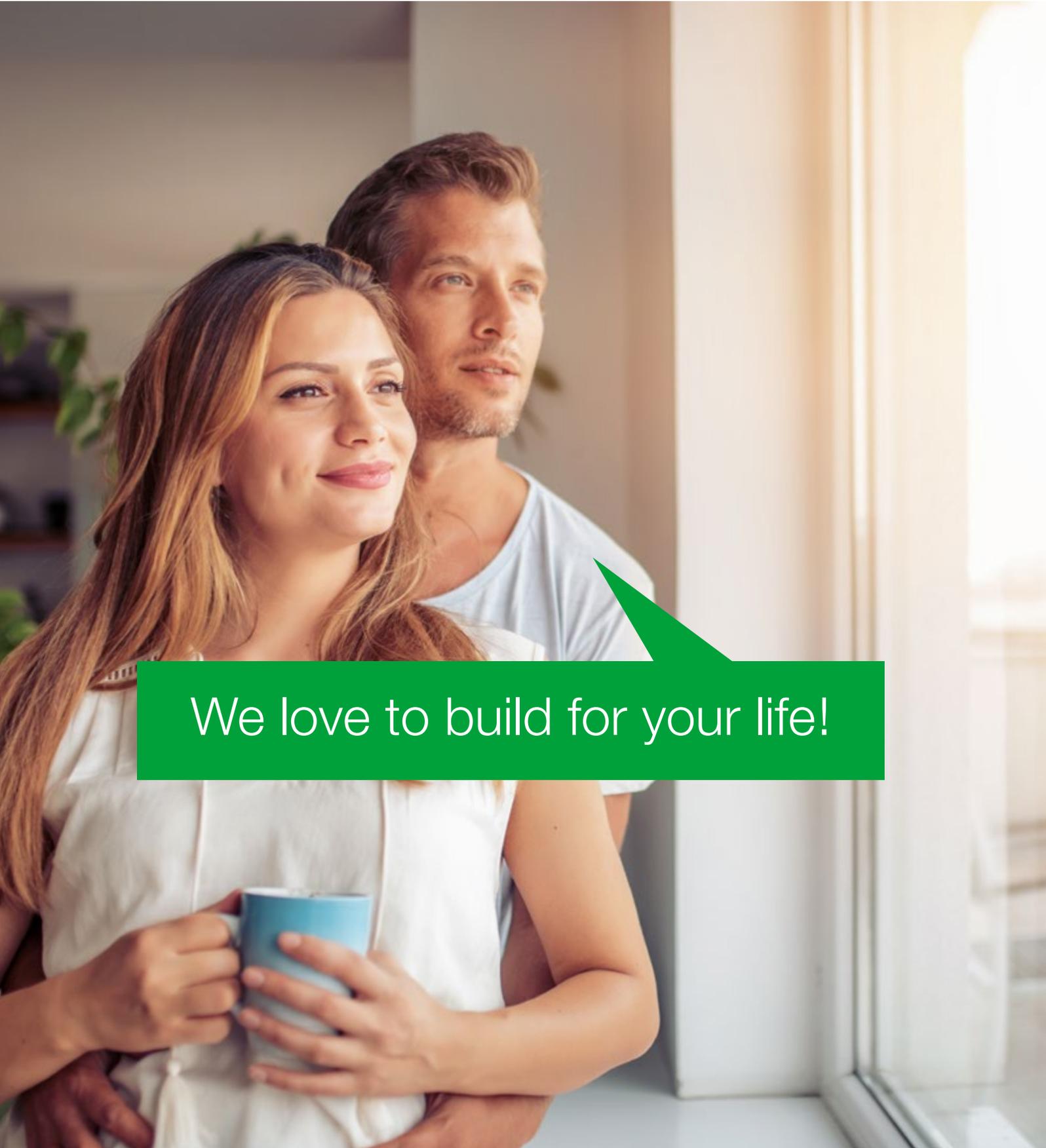
Hausbau Finanz GmbH – When the decision for the right property has been made, we look for the perfect financing solutions. We bring together what belongs together. The data of the house, flat or holiday property and individual requirements combined with our institution-independent contacts result in 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!



Our vision



We love to build for your life!

HELMA Group
Annual Report 2021



Letter to the shareholders

*Dear shareholders,
ladies and gentlemen,*

We are pleased to look back on another successful year and to present you with further record figures – both in terms of new order intake and earnings in 2021. We continue to be impacted by the COVID-19 pandemic, which presents many challenges for our operating business. In this difficult market environment, HELMA employees and specialist advisors have performed excellently and demonstrated strong team spirit and flexibility. In conjunction with the currently prevailing megatrends that are driving the market for residential and holiday properties, we have thereby succeeded once again in setting a sales record. Moreover, based on growth in consolidated revenue of around 21 % to € 331.5 million, record earnings before tax (EBT) of € 27.3 million were generated (previous year: € 22.5 million).

For this reason, we would like to express our sincere thanks to all the people involved here, whose great commitment and personal dedication enabled us to achieve these very pleasing results. Likewise, we would like to thank the members of the Supervisory Board for the continuation of our constructive and trust-based cooperation.

In view of our strong order book position and attractive project pipeline we are very confident that we will continue our dynamic growth in the coming years. Assuming an intact market environment, revenue of well over € 400 million and an EBT margin of over 10 % are to be achieved by the 2024 financial year at the latest, resulting in EBT of well over € 40 million. In addition, the company has the prerequisites in place to continue to grow its earnings dynamically in subsequent years.

In addition to our commercial success, we are also committed to our social responsibility, and we are supporting the German government's ambitious climate protection targets. For example, we already exceed the requirements of the German Building Energy Act and now offer all residential properties as Efficiency 55 houses, and are striving to achieve an even higher average energy efficiency standard for residential buildings in the future. Moreover, we are pioneers in the development and realisation of energy self-sufficient houses.

We will continue along this path in the coming years and we aim to become one of the leading providers of climate-neutral residential and holiday properties in Germany over the long term.

We would like to thank our shareholders, customers and business partners for the trust they have placed in us. We would be delighted if you would continue to accompany us on our journey in the future.

Yours sincerely

Signed Gerrit Janssen
Management Board Chairman

Signed Max Bode
Management Board member

Signed André Müller
Management Board member



The Management Board

Dipl.-Kfm. Gerrit Janssen, CFA



Mr. Janssen was born in Aurich (Germany) in 1979. He studied business administration at the University of Hamburg and Louisiana State University LSUS (USA), successfully concluding his studies in 2005 with a master's degree in business administration. After graduating, Mr. Janssen was active until June 2009 for a Hamburg-based management consultancy specialising in capital market advisory. During this period, Mr. Janssen acted in an advisory capacity for HELMA Eigenheimbau AG for about three years. Mr. Janssen has been a member of the Management Board of HELMA Eigenheimbau AG since July 1, 2009, and assumed the role of the Chairman of the company's Management Board (CEO) on July 6, 2018. In particular, Mr. Janssen is responsible for the areas of corporate organisation and IT, controlling, personnel, accounting, corporate finance, and investor relations as well as the subsidiaries HELMA Ferienimmobilien GmbH and Hausbau Finanz GmbH.

Mr. Janssen's current period of office as a Management Board member with sole power of representation of HELMA Eigenheimbau AG runs until June 30, 2027.

Furthermore, Mr. Janssen is Managing Director of the subsidiaries HELMA Wohnungsbau GmbH, HELMA Ferienimmobilien GmbH, and Hausbau Finanz GmbH, has in each case the authorisation to represent the companies alone, and is exempt from the restrictions of Section 181 of the German Civil Code (BGB).

Mr. Janssen is a Chartered Financial Analyst (CFA) Charterholder, and an active member of the CFA Institute, Charlottesville (USA). Mr. Janssen is also involved as a Management Board member of the German Federal Association of Independent Real Estate and Housing Enterprises (BFW), and as a Management Board member of the BFW State Association of Independent Real Estate and Housing Enterprises of Lower Saxony/Bremen. Furthermore, Mr. Janssen is involved as a member on the Committee for Credit and Finance Questions of the Hanover Chamber of Industry and Commerce, and the advisory board of the University of Applied Sciences and Arts Hildesheim/Holzminden/Göttingen. Mr. Janssen does not hold any mandates on statutory supervisory boards or comparable domestic or foreign supervisory bodies.

Dipl.-Kfm. Max Bode



Mr. Bode was born in Hanover (Germany) in 1982. He studied business administration at the University of Frankfurt am Main, successfully concluding his studies in 2010 with a master's degree. Mr. Bode has been with HELMA since March 8, 2012. Initially, Mr. Bode acted as Management Board Chairman assistant for the former CEO Karl-Heinz Maerzke at HELMA Eigenheimbau AG. Since July 1, 2015 Mr. Bode has been a member of the Management Board of HELMA Eigenheimbau AG, and is responsible especially for the areas of land purchasing, sales, marketing, the administrative office, as well as law and contract management.

Mr. Bode's current period of office as Management Board member of HELMA Eigenheimbau AG runs until June 30, 2023.

Mr. Bode is also Managing Director of the subsidiary HELMA Wohnungsbau GmbH and holds company officer powers for the subsidiaries HELMA Ferienimmobilien GmbH and Hausbau Finanz GmbH. Mr. Bode 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 Reihenhaus 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, 2023.

Mr. Müller is also Managing Director of the subsidiary HELMA Wohnungsbau GmbH and holds company officer powers for the subsidiaries HELMA Ferienimmobilien GmbH and 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 2021 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 2021 reporting year, which were attended by the Supervisory Board members as follows:

	03/17/2021	05/10/2021	07/02/2021	09/10/2021	09/29/2021	11/24/2021
Karl-Heinz Maerzke	x	x	x	x	x	x
Sven Aßmann	x	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, and 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 2021 financial year, the Board refrained from forming committees.

Details of individual Supervisory Board meetings

At the Supervisory Board meeting on March 17, 2021, the separate annual financial statements of HELMA Eigenheimbau AG and the consolidated financial statements for 2020, as well as the aggregated management report for HELMA Eigenheimbau AG and the Group, which had been prepared by the Management Board, were discussed in depth together with the Management Board and the auditor. The same applies to the report on related companies pursuant to Section 312 of the German Stock Corporation Act (AktG) that was prepared by the Management Board and audited by the auditor. The Supervisory Board's examinations resulted in no reservations. The annual financial statements of HELMA Eigenheimbau AG and the consolidated financial statements for the 2020 financial year, each of which had been issued with an unqualified audit opinion, were approved, and the annual financial statements of HELMA Eigenheimbau AG were adopted. In the further course of the meeting, the Management Board reported on the Group companies' sales and revenue trends during the first quarter of 2021. In this context, the Management Board provided the Supervisory Board with comprehensive information about the expected revenue and earnings growth. The Supervisory and Management boards also discussed the forthcoming AGM.

At the Supervisory Board meeting on May 10, 2021, the Management Board provided information about current sales and revenue trends as well as the liquidity situation at the Group companies. Furthermore, the Management Board reported on trends in prices and the availability of tradesmen's services and building materials. The Supervisory Board also received detailed information about the growing relevance of the business area for new energy-efficient house concepts. During the further course of the meeting, the Supervisory and Management boards jointly discussed and approved the agenda for the forthcoming AGM.

At the Supervisory Board meeting on July 2, 2021, the Supervisory Board passed a unanimous resolution to extend the contract of Mr. Gerrit Janssen, Management Board Chairman of the company, by a further five years until June 30, 2027.

At the Supervisory Board meeting on September 10, 2021, the management of HELMA Ferienimmobilien GmbH informed the Supervisory Board about the sales and earnings situation as well as about the outlook for HELMA Ferienimmobilien GmbH. In addition, the management of HELMA Ferienimmobilien GmbH and the Management Board of HELMA Eigenheimbau AG informed the Supervisory Board about the ongoing cooperation with a major contractual partner of HELMA Ferienimmobilien GmbH and the agreements envisaged for this purpose.

At the Supervisory Board meeting on September 29, 2021, the Management Board explained to the Supervisory Board in a detailed report the business trends of the individual Group companies and their short- and medium-term prospects. The Management Board also provided information about the planned strategic optimisation of the sales regions. Moreover, the Management Board presented to the Supervisory Board a land purchase planned at HELMA Wohnungsbau GmbH. In the further course of the meeting, the Supervisory Board was given an insight into the current expectations for office premises requirements and the related investment in a further extension for the company's headquarters in Lehrte.

At the Supervisory Board meeting on November 24, 2021, the Management Board informed the Supervisory Board about the current revenue, earnings, and sales situations, as well as about investment and personnel planning for 2022. Furthermore, the Supervisory Board received detailed information concerning the planned issue of further promissory notes.

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

At the Ordinary Shareholders' General Meeting on July 2, 2021, shareholders elected Ebner Stolz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hanover, as the auditor of the separate and consolidated financial statements for the 2021 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 16, 2022

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 2021 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 16, 2022. 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 € 13,774,396.76 an amount of € 6,880,000.00 as a dividend – corresponding to a dividend of € 1.72 per dividend-entitled ordinary share – and to carry forward the remaining amount of € 6,894,396.76 to the other revenue reserves.

Repeat appointment of the Management Board Chairman (CEO)

On July 2, 2021, the Supervisory Board passed a unanimous resolution to realise an early reappointment of Gerrit Janssen, Chairman of the Management Board, as a member of the company's Management Board for a further five years, and consequently until June 30, 2027.

The Supervisory Board wishes to thank the Management Board members and all Group company staff for their excellent performance. With their outstanding dedication and commitment, they have once again contributed to a successful financial year.

Lehrte, March 16, 2022

On behalf of the Supervisory Board

Signed Karl-Heinz Maerzke

- Chairman -



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 mandates 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 tax advisor for more than 40 years, has acted independently since 1994 as an auditor in a firm he founded together with other partners, and since 2007 has also been a shareholder of PRETAX Steuerberatungsgesellschaft, Hanover. Since 1979, Mr. Morzynski has also been a significant shareholder in Waldersee Treuhand- und Vermögensverwaltungsgesellschaft mbH & Co. KG, which functions today as a family holding company. The holding company's assets also include the Grandhotel Heiligendamm and the majority interest in the arko, Eilles and Hussel Group, Wahlstedt. 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 in Halle 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 2021

The HELMA share started the 2021 stock market year at a price of € 41.50 before continuing the previous quarter's growth trend. Bolstered by capital market announcements concerning the record new order intake achieved in the 2020 financial year and the earnings forecast that had been exceeded, the HELMA share already reached a price of € 52.20 by early February. After a brief correction, the HELMA share picked up significantly with the confirmation of the preliminary results for 2020 and the announcement of the company's growth targets, and climbed above the € 59.00 level in April. After the share price performance was initially characterised by sideways movements until the middle of the year, the HELMA share received fresh impetus from the announcement of the achievement of a further sales record in the first half of 2021 as well as the Management Board's confidence in the growth targeted for the company, with the share reaching a new all-time high of € 69.40 in August. Although the earnings forecast was raised in November due to the positive operating performance and the strong order book position, general uncertainty in connection with the COVID-19 pandemic prevailed at the end of the year, leading to a renewed sideways movement in the share price. The closing price of the HELMA share in XETRA trading on December 31, 2021, amounted to € 65.00. In 2021, the HELMA share thereby recorded a price appreciation of 56.6 %, with the share significantly outperforming the price gains registered by the DAX (+15.7 %) and the SDAX (+10.5 %).

Performance of the HELMA share in 2021



Analyst coverage

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

Research Company	Date	Stock price target	Recommendation
 GBC AG <small>Partners für den Wohnungsbau</small>	03/10/2022	€ 93.75	Buy
 METZLER	03/03/2022	€ 78.50	Buy
 montega	03/02/2022	€ 86.00	Buy
 WARBURG RESEARCH	03/11/2022	€ 88.70	Buy

GBC, Metzler, Montega and Warburg recommend the HELMA share as a Buy with share price targets between € 78.50 and € 93.75. 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 € 13,774,396.76 for the 2021 financial year on net income of € 13,774,396.76. The Management and Supervisory boards will propose to the Shareholders' General Meeting to be held on July 1, 2022, that it approves the distribution of a dividend of € 1.72 (previous year: € 1.54) per dividend-entitled ordinary share, consequently € 6,880,000.00, and that the remaining amount of € 6,894,396.76 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 noticeably in the company's success and, on the other hand, at least half of the profits should be invested in the company's continued growth, thereby strengthening its equity.

Investor relations activities

In light of the precautionary measures and travel restrictions relating to the pandemic, HELMA participated in one investor conference in Hamburg and four virtual conferences 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 2022. To this end, participation in investor conferences is planned in April and November in Frankfurt, in May and September in Munich, and in June and August in Hamburg. HELMA will also hold various roadshows in 2022, with a focus not only on German-speaking

countries, but also especially on France and the UK. Due to the ongoing COVID-19 pandemic and associated precautions and travel restrictions, conferences and roadshows may be rescheduled as virtual events at short notice. 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

	2017	2018	2019	2020	2021
Number of shares at year-end	4.00 million				
Market capitalisation at year-end	€ 176.4 million	€ 135.4 million	€ 168.0 million	€ 165.6 million	€ 260.0 million
Year-end share price	€ 44.10	€ 33.85	€ 42.00	€ 41.40	€ 65.00
Earnings per share	€ 3.25	€ 3.62	€ 4.04	€ 3.84	€ 4.69
Dividend per share	€ 1.40	€ 1.30	€ 1.85	€ 1.54	€ 1.72*

*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

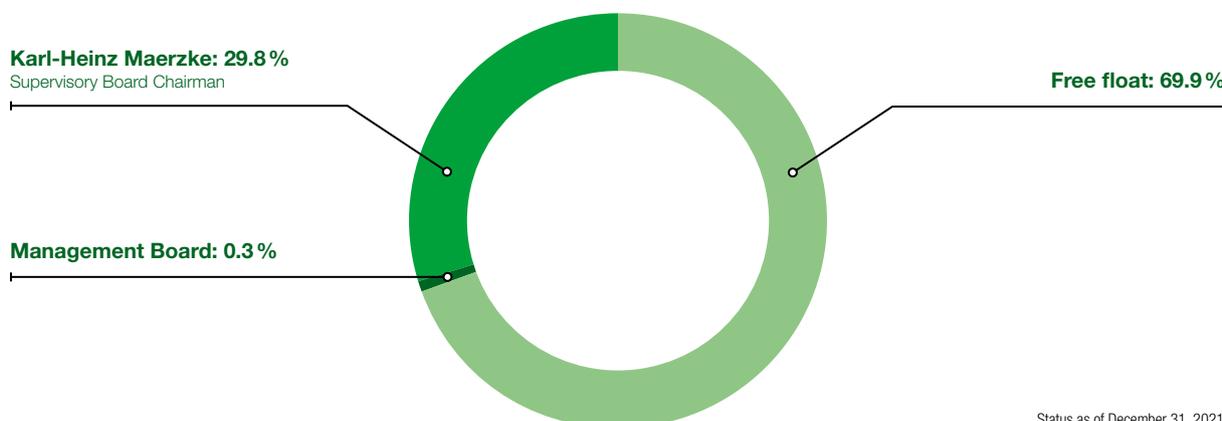
NORD/LB launched the NISAX20 Lower Saxony equity index in 2002. This regional index reflects the share price performance of the twenty largest listed companies in Lower Saxony, Germany. Along with internationally significant corporations such as Volkswagen, Continental, Salzgitter, Hannover Re, and TUI, 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 29.8 % interest in the company as of December 31, 2021, thereby the largest shareholder in HELMA. Furthermore, the Management Board members hold around 0.3 % of the company's shares. The free float stands at around 69.9 %.



Status as of December 31, 2021

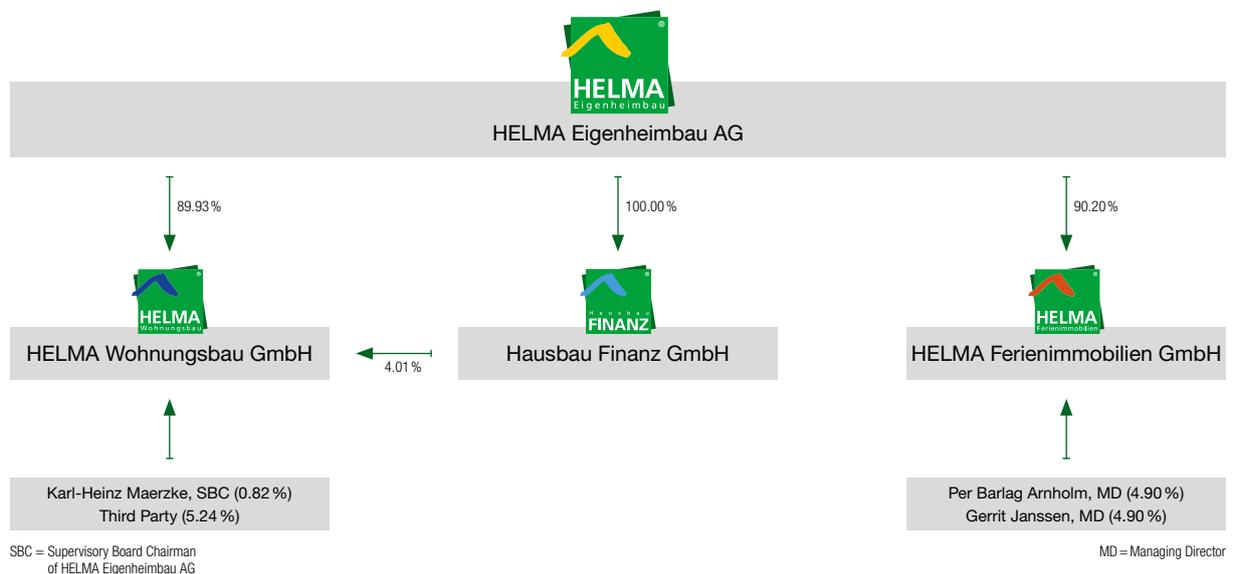
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Organisational structure

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



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 as well as 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

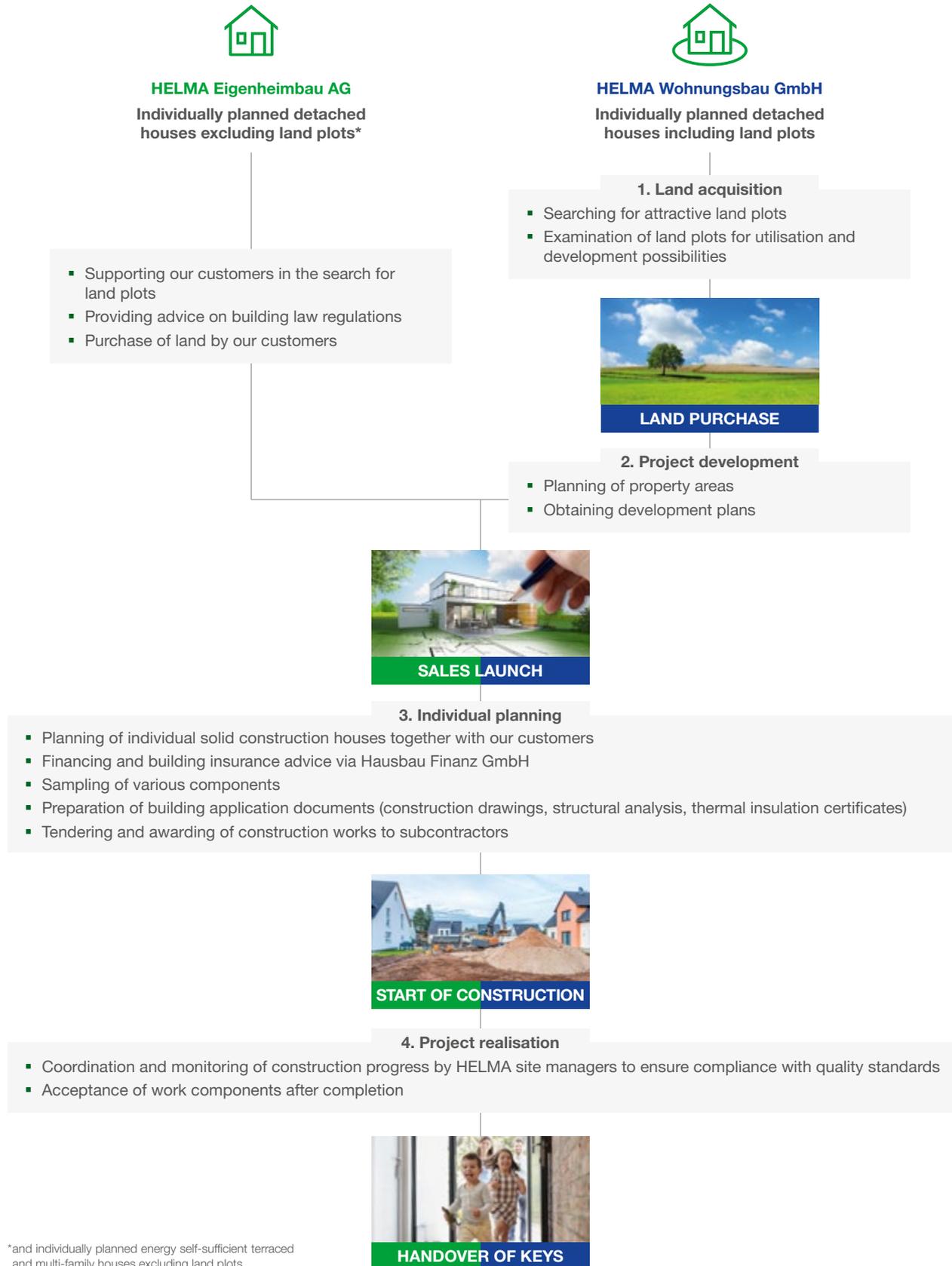


- In-house consulting and brokerage of financing and building insurance as an additional service via **Hausbau Finanz GmbH** since 2010
- Cooperation with numerous local and national banks, savings banks and building societies
- Continuously growing customer base reflecting attractive borrowing conditions 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 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. Individually planned detached houses form a special focus for customers who wish to own their own property with a garden. 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.

Customers in the Pre-planned segment

A large part of the offering in the Pre-planned segment addresses a similar core target group as the Individual segment. In order to fulfil their dream of owning a property with a garden, many private individuals and families with middle and higher incomes opt to purchase a semi-detached house or terraced house in an attractive location. 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.

Sales regions in the Individual segment

The market environment is characterised at present by the continuing trend towards living in high-growth metropolitan regions. As far as sales markets for detached houses are concerned, HELMA is consequently focusing particularly on a large number of such regions as well as on various large cities and their suburbs.

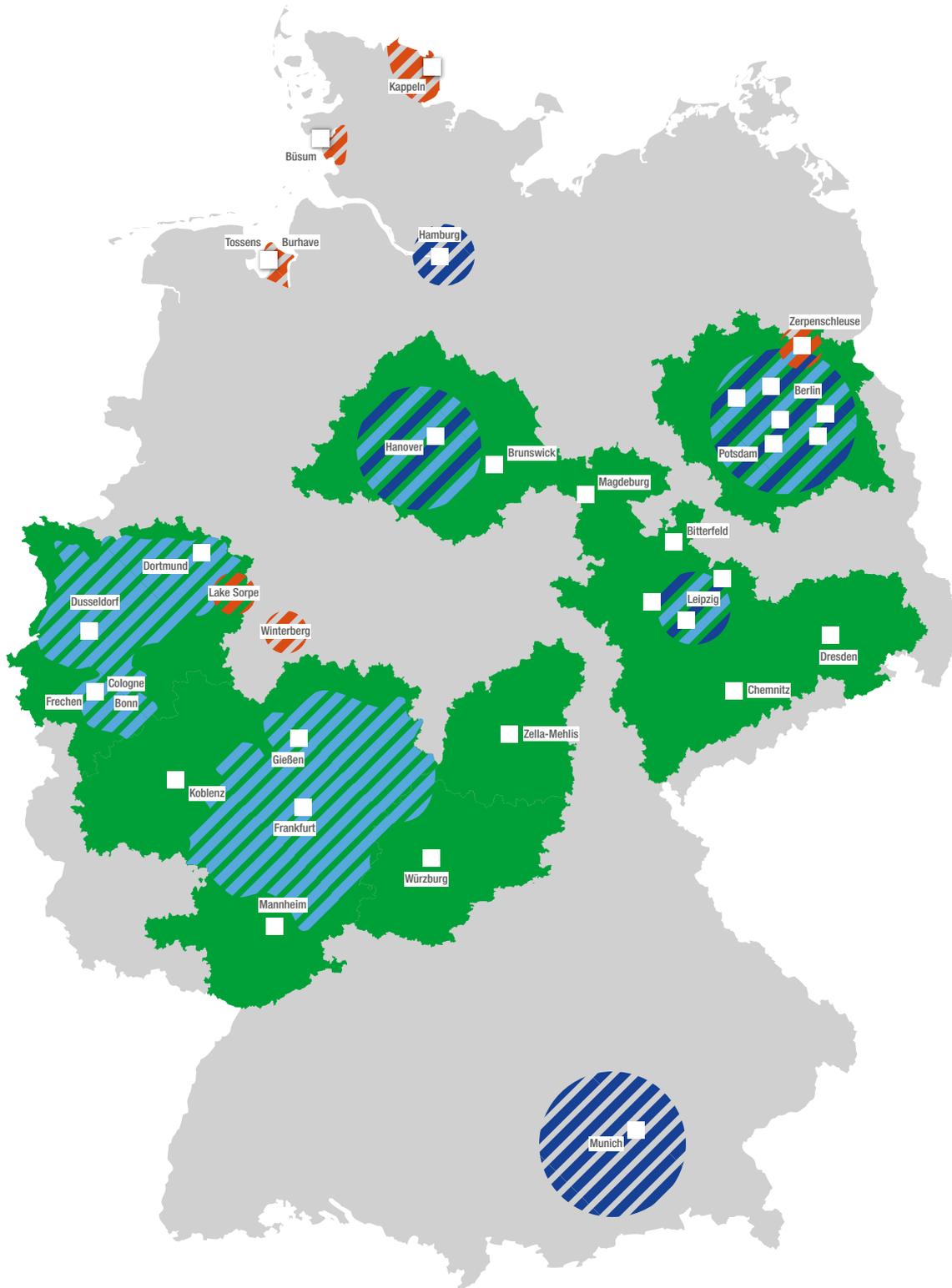
Sales regions in this segment were further optimised in the past financial year with the aim of expanding the company's already established market position and gaining additional market shares while maintaining high resource efficiency. By removing areas with weaker sales where individually planned detached houses without land plots were sold, HELMA Eigenheimbau AG is concentrating even more specifically on the most successful sales locations. Moreover, the Rhine-Main and Rhine-Ruhr sales regions – where HELMA Wohnungsbau GmbH will also build individually planned detached houses including land plots in the future – were positioned accordingly in order to leverage additional sales potential in these regions in the medium term.

Sales regions in the Pre-planned segment

Pre-planned residential units in semi-detached, terraced and multi-family houses are also benefiting from the trend towards living in high-growth metropolitan areas. For this reason, HELMA is also focusing in this area on various major cities and their suburbs.

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 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 capabilities. 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.

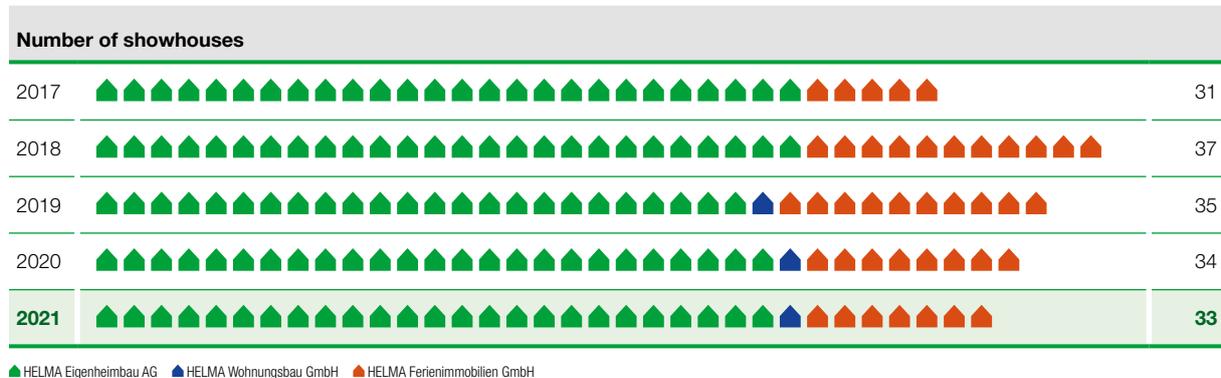
Sales strategy in the Pre-planned segment

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 financing advice on a without-obligation basis provided by the specialist advisors 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. Furthermore, potential buyers are located through advertisements and websites, as well as emails and newsletters to the constantly growing base of potential buyers and customers.

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.

HELMA Group showhouses



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, the comprehensive consulting and support approach includes not only the individual planning of detached houses but also the arrangement of building financing and insurance. Furthermore, HELMA provides customers with advice on building law matters, and coordination with authorities and agencies. During the construction phase, HELMA site managers responsible for the respective projects monitor the quality and timely execution of individual work performed by craftsmen, and are also 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 the available budget serve as the basis for the planning of the individual detached houses. Customers do not incur additional costs for architects' services.

Value retention: HELMA constructs its turnkey solid construction houses in accordance with traditional craftsmanship ("brick on brick"), ensuring that they are of lasting value and aligned with the principle of sustainability. The solid construction method utilising vertical coring clay bricks ensures efficient thermal insulation and also offers natural climate regulation and efficient 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 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. Since last year, this offering has been supplemented by a sampling web shop with almost 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 advice from qualified specialist personnel, the sampling process can be conducted on site so that the customers have no need to make separate visits to specialist building dealers, bathroom fitters and similar specialists in order to make individual selections. It allows the sampling process for the entire house to be conducted quickly, without the need for extensive travel, and nevertheless entirely according to the clients' individual wishes.

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. For HELMA, the aim of making an investment in a household and heating system that is as optimal, forward-looking and environmentally compatible as possible is of great significance in this context. 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. For example, the guaranteed fixed price for detached houses built individually in the building services business automatically includes the HELMA-BauSchutzBrief, offering extensive security for building projects and home 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 multi-family houses, 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 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 promising 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. 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 solid 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

Macroeconomic trends

The COVID-19 pandemic continued to impact on almost all economies in 2021. Nevertheless, the German economy recorded **price-adjusted year-on-year gross domestic product growth of 2.7 %**, with the recovery being particularly attributable to the months during which the pandemic-related restrictions were largely lifted.

Moreover, gross value added increased in 2021 in almost all sectors of the economy. Economic output reported tangible year-on-year growth again in manufacturing, trade and most service sectors. Only in the construction sector, where the COVID-19 pandemic had hardly had any impact in 2020, was economic output down slightly, by 0.4 %, in 2021. Overall, price-adjusted gross value added in all sectors of the economy was up by 2.9 % year-on-year in 2021.

Consumer prices recorded a significant increase of 3.1 % on average in 2021, deriving especially from the drop in prices for petroleum products in the previous year, the temporary reduction in VAT in the second half of 2020, and supply difficulties for key intermediate products caused by the crisis. Equally, **prices for newly constructed residential properties continued to rise and, with an increase of around 8.2 % in the first three quarters, were significantly up year-on-year.**

Economic output in the year under review was generated by 44.9 million employed individuals, approximately the same total number of employed persons as in 2020. It should be noted that marginal part-time workers and the self-employed, in particular, lost their jobs, whereas more people in gainful employment were employed subject to social insurance contributions, and significantly less short-time work was utilised. The labour market thereby stabilised slightly in 2021, in what remained a challenging environment. The construction industry continued its positive employment trend of recent years. The number of people employed in this segment increased by 1.2 % year-on-year.

In anticipation of the inflation rate falling again in the medium term and the absence of general pandemic-related restrictions on entire sectors of the economy, as in previous lockdowns, economic research institutes forecast that the economic recovery will continue in 2022. However, the recovery will initially be dampened by existing

supply bottlenecks, so that the pre-crisis level will not be reached again until the first half of 2022. Accordingly, the Hamburg Institute of International Economics (HWWI) and the Kiel Institute for the World Economy (IfW) forecast year-on-year economic growth of 3.5 % and 4.0 % respectively for 2022.

Despite the economic uncertainties deriving from the COVID-19 pandemic, as well as supply shortages, demand for real estate in 2021 remained at a high level. Assuming that the market environment stabilises, the outlook for the construction industry can consequently be assessed as positive overall.

German real estate market benefits from megatrends

The construction industry continues to benefit from high demand for residential and holiday properties, driven by currently prevailing megatrends.



Consequently, the residential real estate market in Germany continues to be shaped by the **trend towards living in high-growth metropolitan regions**. A comparison of forecast growth rates illustrates this trend. While population growth of no more than 1.2 % is forecast for Germany as a whole over the 2020 to 2035 period, forecast growth rates in metropolitan regions over the same period are significantly higher, for example in Berlin at 6.6 %, in Hamburg at 4.7 % and in Munich at 4.0 %.

With the trend towards living in the high-growth metropolitan regions, their suburbs with good connections and existing infrastructure are becoming increasingly popular, as it is possible to **combine living close to the city with “living in green areas”**. The **importance of having one’s own garden** has risen significantly in recent years, with detached, semi-detached and terraced houses currently enjoying high demand in suburbs surrounding major cities.

Furthermore, customers are increasingly paying attention to **sustainable construction methods** when selecting real estate, with criteria such as thermal insulation, total energy requirements and heating technologies being increasingly reflected in their decision-making processes. HELMA identified this trend at an early stage and benefits from its many years of experience in the area of energy-efficient construction methods.



Teleworking from home offices



Vacationing in Germany



Teleworking from holiday properties

Furthermore, employees are increasingly being enabled to **work flexibly from home**. This partial shift of the workplace into the home is boosting demand for more living space to include sufficient space for a separate home office, which is thereby often prompting the desire to change the living situation. If presence in the office is only required on individual days, lengthier commutes are also accepted, which is leading locations outside major cities becoming more popular.

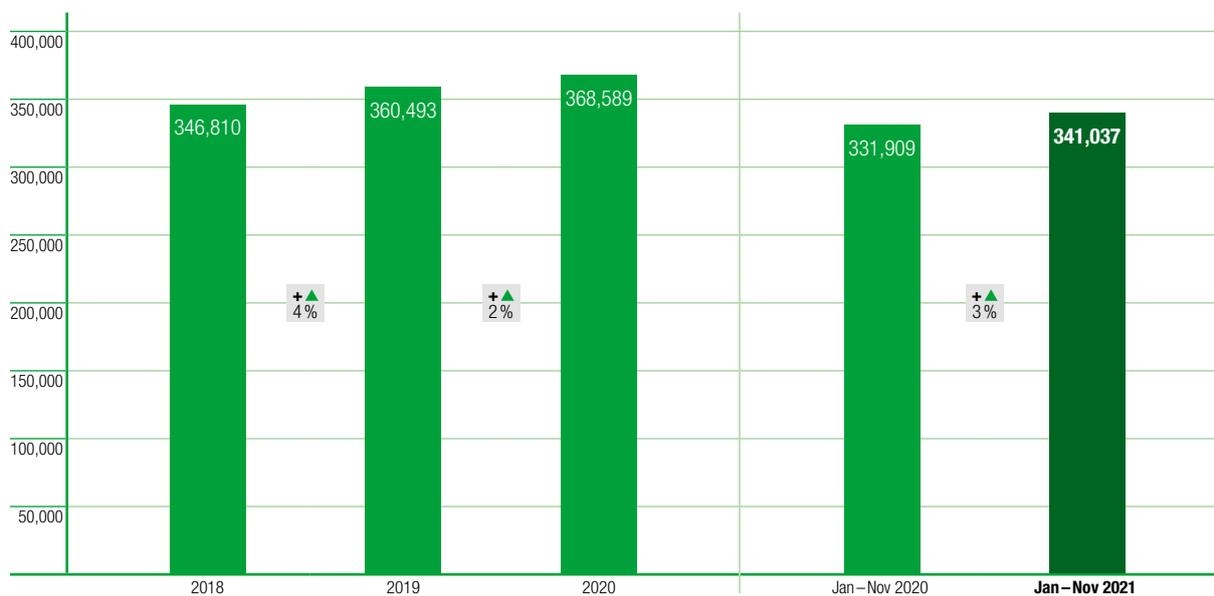
Holiday properties in Germany are also attracting a great deal of interest. After demand for German holiday properties had already increased significantly in recent years, **holidaying in one's own country** has become even more attractive owing to greater interest in sustainable tourism. Near-natural locations on the North Sea and Baltic Sea, on lakes, rivers and in the low mountain regions in Germany are particularly sought after. Moreover, it is evident that **teleworking from holiday properties** is also becoming increasingly popular, with more and more people taking advantage of the option to work from holiday resorts.

At present, the trend in the German housing market is being shaped especially by the shift towards living in high-growth metropolitan regions and by increasing work-from-home activity. In particular, residential properties close to the city in green areas and energy-efficient construction methods have become much more attractive. Furthermore, demand for holiday properties in German resorts has again grown significantly due to a heightened interest in sustainable tourism and teleworking. With the large number of attractive properties already successfully secured for its property development business, HELMA enjoys very good prospects for further significant growth in the coming years.

Residential building approvals in Germany

Despite pandemic-related disruptions at government offices and agencies, which in many cases delayed approval processes for new construction projects, approximately 341 thousand new units were approved between January and November. Compared with the same period of the previous year, this corresponds to an **increase of around nine thousand buildings, or 2.8 %**. In the detached and semi-detached houses area, marked year-on-year growth of 6.2 % was recorded. The rise in the number of building permits for multi-family houses was comparatively moderate at 0.5 %.

Residential building approvals in Germany

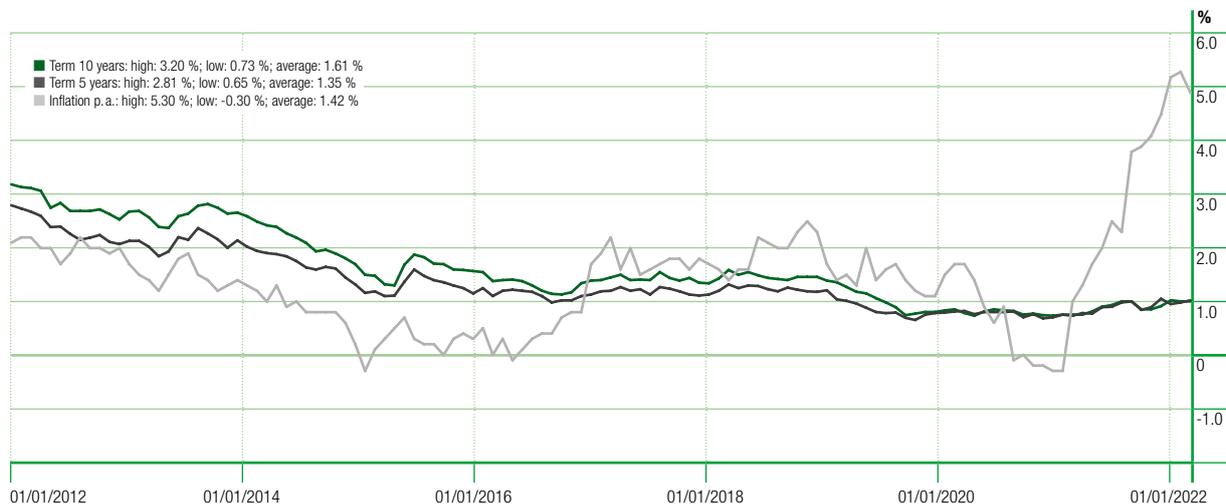


Source: Federal Statistical Office / ifo

Interest rate trends for construction financing

Interest rates on home building finance facilities have remained almost unchanged over the last year and have thereby **stayed at their lowest level for the last thirty years**. Home owners and customers of properties continued to benefit from extremely low-interest construction and property loans as a consequence. However, due to the impact of the COVID-19 pandemic, banks noticeably tightened lending guidelines. This applies especially to borrowers who are professionally active in economic sectors that are particularly affected by the COVID-19 pandemic, as well as to financing projects with little or no equity component. Moreover, some banks have increased the safety discounts in their mortgage lending value calculations, which can lead to restrictions on the total loan amount that can be raised.

Homebuilding interest rate trends* 2012–2022



*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.

Despite average inflation of 3.1 % in 2021 and even of around 5.0 % at the turn of the year of 2021/2022, the ECB decided on February 3, 2022 to leave its benchmark interest rate at 0.0 %, as the sharp rise in inflation was due to temporary special factors, among others. In light of the actions of the central banks of the UK and the USA, which have already raised key interest rates and held out the prospect of further hikes in 2022, it remains to be seen when the ECB will also raise its key interest rate again.

These historically low interest rates enable many HELMA customers to take out construction financing at extremely low interest rates, which partly offset the significant increase in land, construction and ancillary acquisition costs, enabling the dream of owning a house to remain feasible in many cases, including in times of high real estate prices. Home owners and customers with an uncertain income situation due to the pandemic, or with a low level of equity, by contrast, currently face more stringent lending guidelines from banks, which are making construction financing more difficult and/or restricting their financing scope. It is to be expected that the proportion of potential customers who would be affected by this would increase further as interest rates rise. The trend that has been noticeable for some time now, namely that a steadily increasing number of purchasers who cover the purchase price of the property mostly or fully with equity, was also evident in the past financial year.

State support measures

After the child-related construction allowance, which was used to grant state subsidies to lower-income families for the construction or purchase of a house, expired in March 2021, **subsidy programs** during the further course of the year **focused on promoting energy-efficient construction methods**. The increased use of energy-efficient building envelopes and heating technologies in order to save energy costs on a sustainable basis and thereby protect the climate was especially relevant in this context. In particular, the **government subsidy for efficient buildings (BEG) for the Efficiency 55 house**, which is generally implemented in HELMA houses, proved to be very popular. However, this funding also expired in January 2022.

The German government is currently working on introducing a new subsidy for climate-compatible construction, which is to come into force in 2023. Furthermore, the subsidy for the Efficiency 40 house in the newbuild area is to be resumed shortly, limited until December 31, 2022 and capped at € 1.0 billion, although the subsidy amounts are to be halved compared with the previous year.



With the expiration of the Efficiency 55 house subsidy in January 2022, high government subsidies in the newbuild area have been eliminated with an unexpectedly short lead time. At the same time, the Efficiency House 40 subsidy was significantly curtailed, so that the remaining government subsidy measures for the current financial year are only of limited attractiveness. For this reason, it remains to be seen what specific form the subsidy program for climate-compatible construction announced from 2023 will take. HELMA has many years of experience in the area of innovative energy-saving houses and energy-efficient technologies and is consequently confident that, together with its industry partners, it will be able to quickly develop and offer suitable products for the new subsidy program as soon as its key points have been determined.

Group order book position

With new order intake up from € 312.5 million to € 446.6 million, the HELMA Group achieved growth in new order intake of 42.9 % in the 2021 financial year, and thereby significantly exceeding the previous year's record level of new order intake. In this context it is to be noted that, in relation to the Efficiency 55 house, the unexpected discontinuation of the subsidy for newbuilds as of January 2022 has led to marked accelerated purchasing effects on new order intake in the fourth quarter of 2021, which are estimated to amount to up to 10 % of the total new order intake. Even excluding these accelerated purchasing effects, however, new order intake would have stood above the € 400 million level, representing growth of around 30 %. The company's guidance from July 2021 envisaged growth in new order intake for the past financial year in the magnitude of 20–25 %.

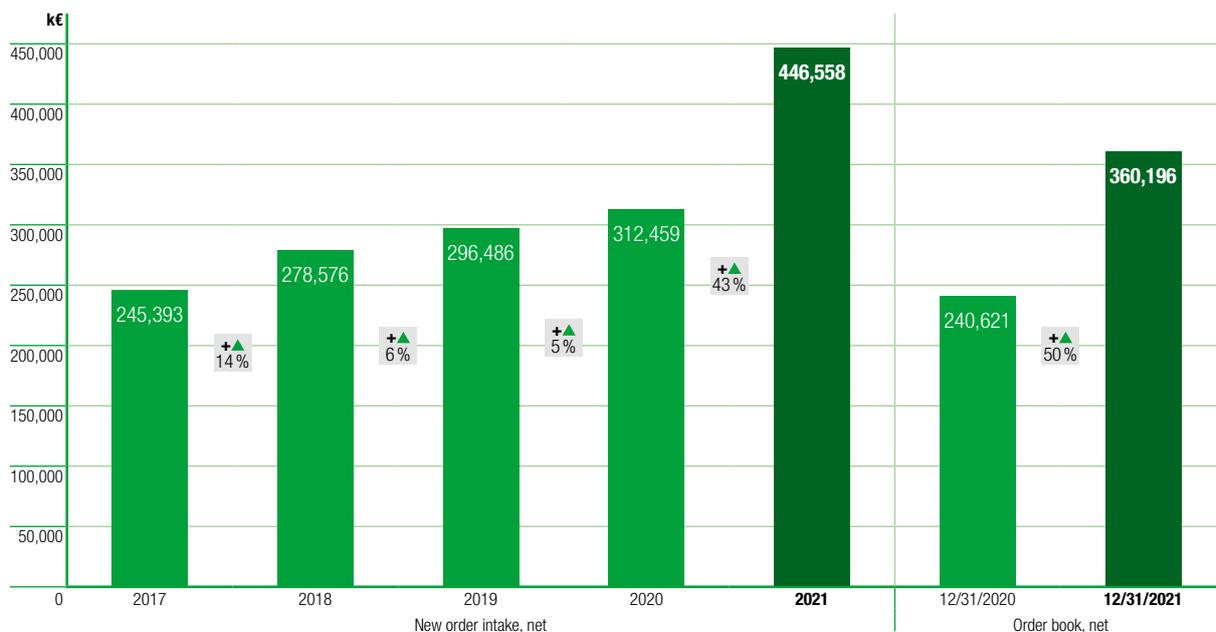
Driven by current megatrends in the residential and holiday property market, all of the HELMA Group's operating segments contributed to this very pleasing sales result. For example, the Individual segment achieved overall growth of 27.5 %, which is attributable to strong new order intake at HELMA Eigenheimbau AG. Growth in new order intake in the Pre-planned segment was even more pronounced at 68.2 %, reflecting high growth rates at HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH.

Consolidated new order intake by segment

in k€	2020	Share in %	2021	Share in %
Individual	193,885	62.1	247,110	55.3
- of which HELMA Eigenheimbau AG	127,283		199,377	
- of which HELMA Wohnungsbau GmbH	66,602		47,733	
Pre-planned	118,574	37.9	199,448	44.7
- of which HELMA Wohnungsbau GmbH	44,090		85,997	
- of which HELMA Ferienimmobilien GmbH	74,484		113,451	
Total	312,459	100.0	446,558	100.0

The IFRS order book position of the HELMA Group amounted to € 360.2 million as of December 31, 2021 and thereby stands around 49.7 % higher than the previous year's level, whereby the aforementioned accelerated purchasing effect must also be taken into consideration here accordingly. The order book position figure no longer includes € 205.3 million of revenue from current building projects already recognised proportionally pursuant to IFRS (December 31, 2020: € 165.4 million).

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



Group earnings

Revenue trends

In the 2021 financial year, the HELMA Group grew its revenue by around 21.0 % year-on-year, from € 274.0 million to € 331.5 million. This exceeded both the original revenue forecast, which envisaged a range of € 300 million to € 310 million, as well as the revenue forecast that was raised by 5 % on November 15, 2021.

Final invoices were issued for 804 units in the year under review (previous year: 726 units). Of the final invoices, 380 houses were attributable to HELMA Eigenheimbau AG, 201 units to HELMA Wohnungsbau GmbH, and 223 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.

All HELMA Group companies generated a pleasing level of revenue in 2021. While revenue in the Individual segment increased by 3.4 %, revenue in the Pre-planned segment was up by as much as 51.0 %. This growth is particularly attributable to HELMA Ferienimmobilien GmbH, which benefited noticeably from sustained high demand for holidaying in Germany.

Consolidated revenue by segment (according to IFRS)

in k€	2020	Share in %	2021	Share in %
Individual	172,760	63.1	178,656	53.9
- of which HELMA Eigenheimbau AG	115,843		111,373	
- of which HELMA Wohnungsbau GmbH	55,420		65,672	
- of which Hausbau Finanz GmbH	1,497		1,611	
Pre-planned	101,233	36.9	152,830	46.1
- of which HELMA Wohnungsbau GmbH	47,251		52,977	
- of which HELMA Ferienimmobilien GmbH	53,982		99,853	
Total	273,993	100.0	331,486	100.0

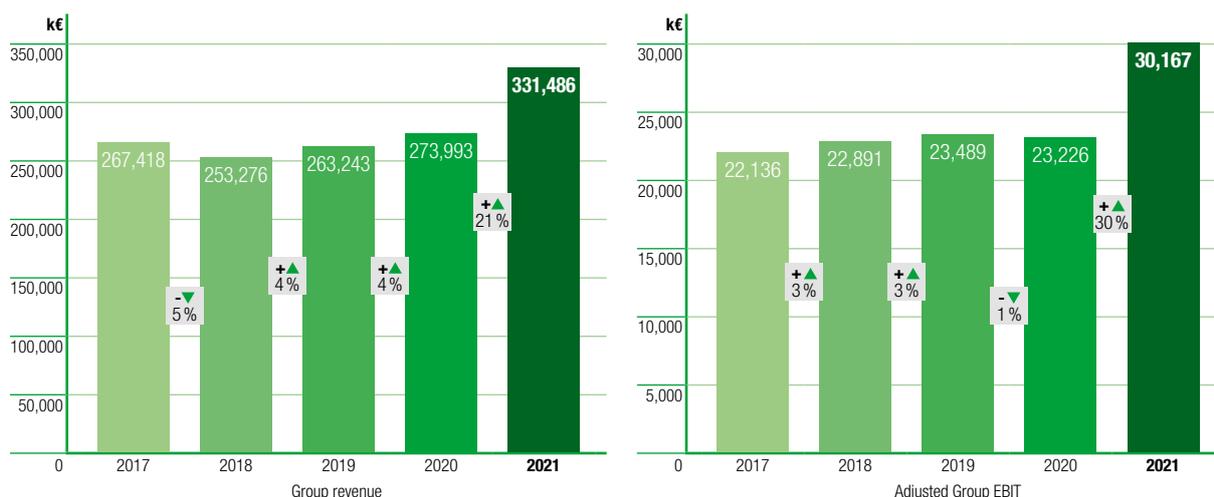
Earnings trends

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 € 331.5 million generated in the year under review (previous year: € 274.0 million), unadjusted Group EBIT amounted to € 27.9 million (previous year: € 22.2 million). This includes the disposal of capitalised interest payments in a volume of € 2.3 million (previous year: € 1.1 million). Group EBIT adjusted

for the disposal of capitalised interest payments consequently amounted to € 30.2 million in the reporting year (previous year: € 23.2 million).

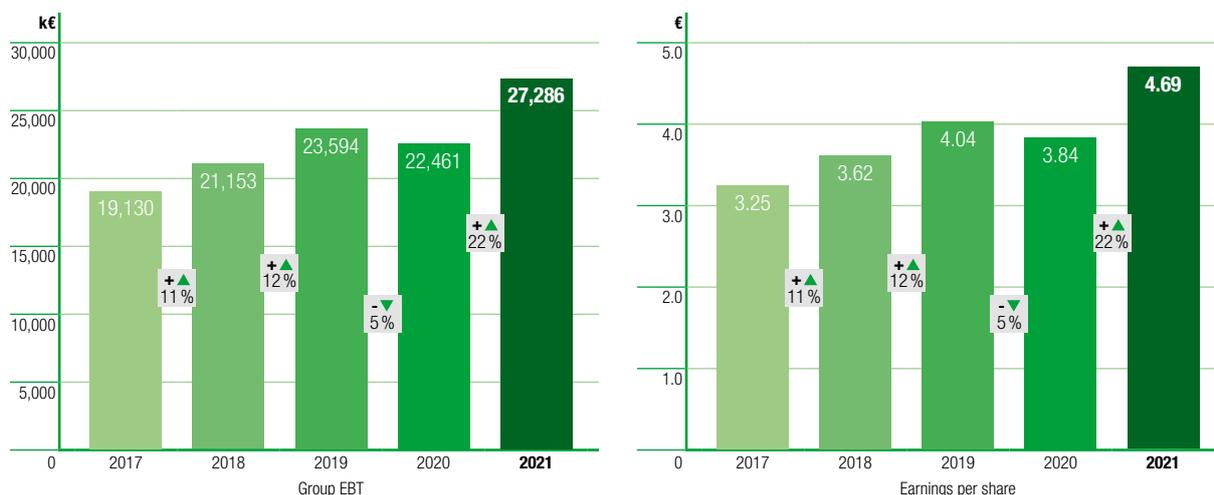
Group revenue and adjusted Group EBIT (according to IFRS)



With a net financial result of € -0.6 million (previous year: € 0.3 million), which in contrast to the previous year no longer included any positive special effects from VAT refund applications, earnings before taxes (EBT) amounted to € 27.3 million (previous year: € 22.5 million). With a significant year-on-year increase of 21.5 %, EBT thereby lay within the target range of the earnings forecast that had been raised on November 15, 2021, and tangibly above the original EBT forecast, which envisaged a range of € 25 million to € 26 million.

Consolidated net income after deduction of income taxes and minority interests amounted to € 18.8 million, an increase of around € 3.4 million compared with the previous year. Overall, new record earnings per share of € 4.69 (previous year € 3.84) were thereby generated, which corresponds to growth of 22.1 % compared with the previous year.

Group EBT and earnings per share (according to IFRS)



Business progress at the HELMA Group (according to IFRS)

in k€	2020	2021
Revenue	273,993	331,486
- of which revenue from long-term construction orders (PoC method)	24,537	39,925
Adjusted changes in stocks of finished goods and work in progress*	37,329	26,475
Adjusted total output*	311,322	357,961
Other operating income	2,721	1,607
Expense for materials and third-party services	-241,685	-272,197
Personnel expense	-26,633	-29,030
Other operating expenses	-19,912	-25,431
Adjusted EBITDA*	25,813	32,910
Depreciation / amortisation	-2,587	-2,743
Adjusted EBIT*	23,226	30,167
Disposal of capitalised interest	-1,057	-2,263
Net financial result	292	-618
Earnings before taxes (EBT)	22,461	27,286
Income tax	-7,065	-8,478
Net income before minority interests	15,396	18,808
Minority interests' share of earnings	-31	-36
Net income after minority interests	15,365	18,772
Earnings per share in €	3.84	4.69

*Adjusted for the disposal of capitalised interest.

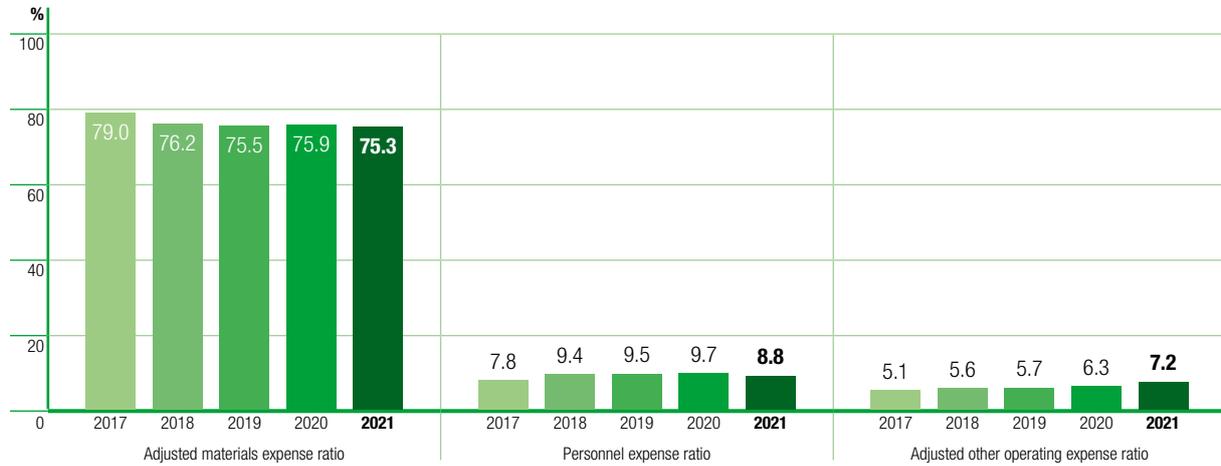
Trends in cost ratios and margins

The adjusted materials expense ratio amounted to 75.3 % in the year under review, down slightly on the previous year's level of 75.9 %. In order to ensure optimum comparability, this figure has been adjusted to reflect those material expenses that are not offset by any revenues.

The personnel expense ratio based on revenue amounted to 8.8 % in the reporting year, an improvement of 0.9 percentage points compared with the previous year. This was due to the revenue growth, which was disproportionately higher than the market-related wage adjustments.

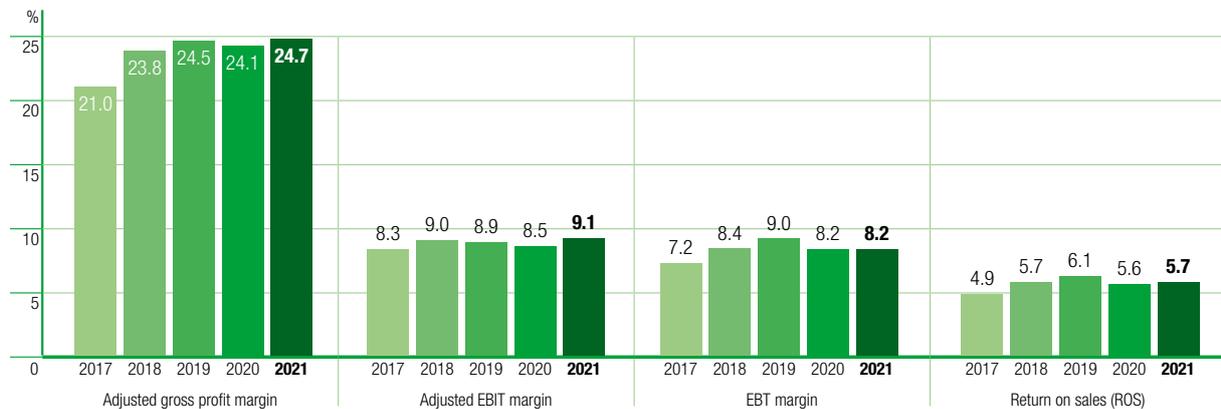
The adjusted other operating expense ratio, which is derived by dividing the net balance of other operating income and expenses by revenue, rose from 6.3 % in the previous year to 7.2 % in the 2021 financial year.

Trends in cost ratios to revenue (according to IFRS)



The adjusted gross profit margin amounted to 24.7 % in the year under review, slightly above the previous year's level (24.1 %). At 9.1 %, the EBIT margin adjusted for the disposal in capitalised interest was again considerably better than in the previous year (8.5 %). At 8.2 % and 5.7 % respectively, the EBT margin and the return on sales were at the level of the previous year or slightly higher.

Trends in profit margins to revenue (according to IFRS)



Group net assets and financial position

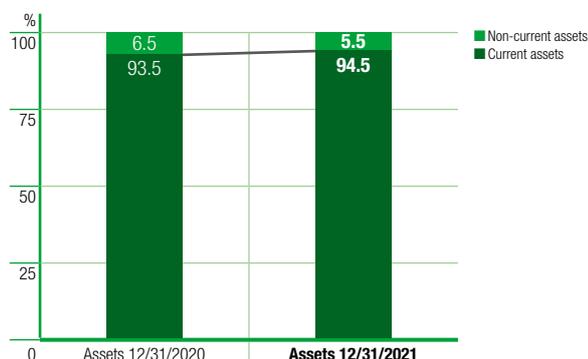
Assets

The total assets of the HELMA Group grew by 6.6 % to € 451.4 million in the period under review (December 31, 2020: € 423.4 million). Non-current assets of € 25.0 million as of the balance sheet date were slightly below the previous year's level (December 31, 2020: € 27.5 million). The decrease mainly reflected a reduction in other non-current assets.

Current assets increased significantly, by € 30.6 million, to € 426.5 million (December 31, 2020: € 395.9 million), mainly as a consequence of a higher level of inventories. The largest items, which also form the basis for continued growth in the project business, are the project properties valued at the lower of cost or market in the amount of € 230.5 million (December 31, 2020: € 220.3 million), for which an average period of around four years has elapsed from the respective notarisation date to the balance sheet date, and unfinished buildings in the amount of € 65.4 million (December 31, 2020: € 47.9 million). At € 21.8 million, cash and cash equivalents as of the balance sheet date were slightly above the previous year's level.

Group balance sheet structure: assets (according to IFRS)

in k€	12/31/2020	Share in %	12/31/2021	Share in %
Non-current assets	27,482	6.5	24,966	5.5
- of which property, plant and equipment	19,499	4.6	19,299	4.3
Current assets	395,890	93.5	426,464	94.5
- of which inventories including land	281,673	66.5	311,024	68.9
- of which cash and cash equivalents	20,087	4.7	21,787	4.8
Total assets	423,372	100.0	451,430	100.0



Equity and liabilities

On the equity and liabilities side, equity increased from € 116.6 million to € 129.5 million as of the balance sheet date. The growth is due to the consolidated net income of € 18.8 million generated in the 2021 financial year, less the dividend payment of € 6.2 million for the 2020 financial year, which was disbursed in July 2021. This is reflected in an equity ratio to 28.7 % as of the balance sheet date (December 31, 2020: 27.5 %), well above the average sector level.

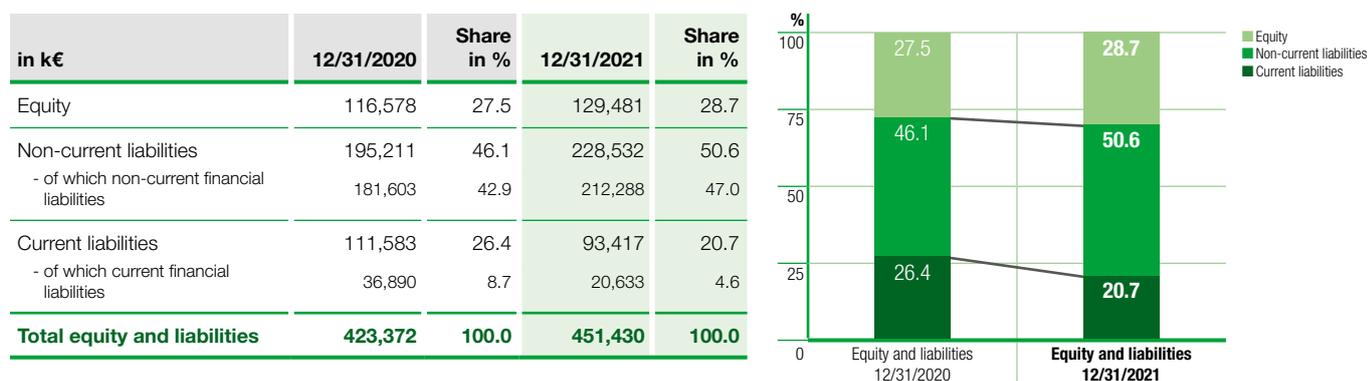
Non-current liabilities increased from € 195.2 million to € 228.5 million in the reporting period, which is particularly attributable to the rise in non-current financial liabilities from € 181.6 million to € 212.3 million. This includes a new promissory note issued in 2021 by HELMA Wohnungsbau GmbH under guarantee of HELMA Eigenheimbau AG with a total volume of € 29.0 million. This promissory note is divided into two fixed-interest tranches with maturities of four years for € 8.0 million at an interest rate of 1.9 % p.a., and of five years for € 21.0 million at an interest rate of 2.1 % p.a. The financing funds from this promissory note were mainly used for the early redemption of a promissory note of HELMA Wohnungsbau GmbH, which was taken out in 2017 and matures in 2022. In addition,

HELMA Wohnungsbau GmbH took out two further KfW loans of € 5.0 million and € 10.0 million in the year under review at interest rates of 1.70 % p.a. and 1.35 % p.a. respectively. Accordingly, non-current liabilities amounted to 50.6 % of total equity and liabilities as of December 31, 2021 (December 31, 2020: 46.1 %).

When the promissory note agreement and the KfW loans were arranged, compliance with covenants was contractually agreed in the same manner as for the promissory notes issued in the 2015 to 2020 financial years and the KfW loan taken out in 2017. As of December 31, 2021, the HELMA Group complies with all covenants (equity of at least € 21 million and an equity ratio of at least 15.0 %). In addition, the HELMA Group has entered 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 law, if the consolidated equity under IFRS 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 20.7 % share of total equity and liabilities was attributable to current liabilities (December 31, 2020: 26.4 %), which at € 93.4 million were around € 18.2 million below the previous year's level (December 31, 2020: € 111.6 million). The decrease was mainly due to a reduction in current financial liabilities, which at € 20.6 million (December 31, 2020: € 36.9 million) were around € 16.3 million lower than in the previous year. These include financing facilities for land and projects, which are repaid through purchase price payments from buyers. As it is to be assumed that these liabilities will be repaid within the next twelve months, they are to be presented as current financial liabilities irrespective of the actual financing term.

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



The net debt of the HELMA Group increased from € 198.4 million to € 211.1 million as of December 31, 2021, particularly as a consequence of the placing of the promissory note and the raising of the KfW loan. Equity also rose from € 116.6 million to € 129.5 million over the same period. The HELMA Group continues to command a very healthy capital structure with net debt comprising 46.8 % of total assets (December 31, 2020: 46.9 %), and a 28.7 % equity ratio (December 31, 2020: 27.5 %).

Due to the very 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, 2021 amounted to approximately 2.09 % p. a. (December 31, 2020: 2.23 % p. a.), which lay very clearly below the average financing costs of the company's competitors.

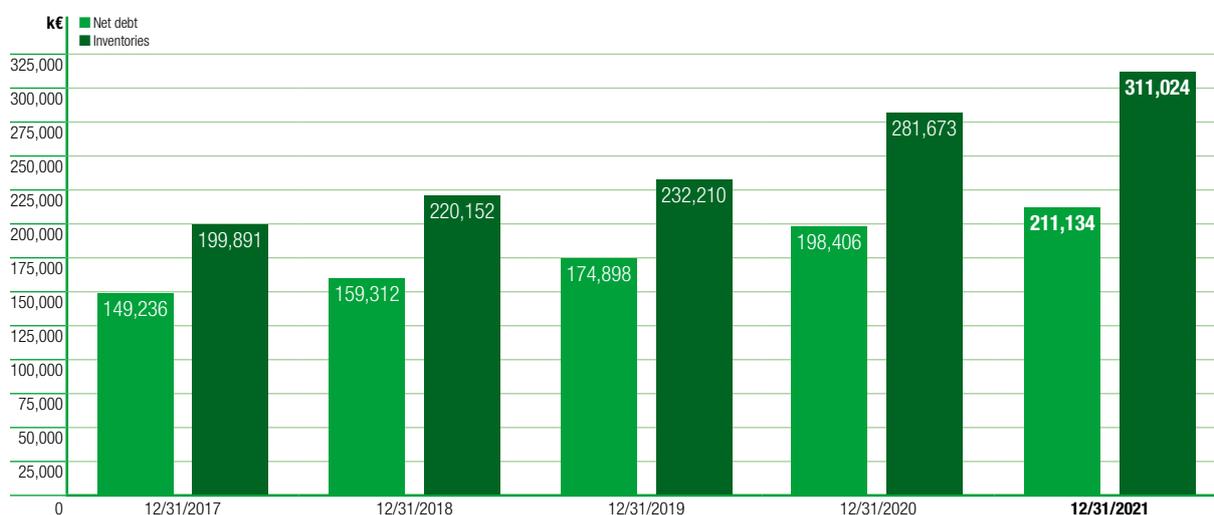
Changes in net debt and equity

in k€	12/31/2017	Share in %	12/31/2018	Share in %	12/31/2019	Share in %	12/31/2020	Share in %	12/31/2021	Share in %
Financial liabilities*	165,892		175,640		191,601		218,493		232,921	
Cash and cash equivalents	-16,656		-16,328		-16,703		-20,087		-21,787	
Net debt	149,236	47.0	159,312	46.7	174,898	46.0	198,406	46.9	211,134	46.8
Equity	88,829	28.0	97,716	28.6	108,594	28.6	116,578	27.5	129,481	28.7
Total equity and liabilities	317,653	100.0	341,440	100.0	380,164	100.0	423,372	100.0	451,430	100.0

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

Along with the rise in net debt from € 198.4 million to € 211.1 million, the inventory position rose from € 281.7 million to € 311.0 million. The € 230.5 million (€ 220.3 million as of December 31, 2020) of project land included in this figure, together with the other contractually secured land with a purchase price volume of € 52.8 million as of December 31, 2021, form an excellent basis to expand the high-margin property development business. Inventories exceeded net debt by € 99.9 million as of the balance sheet date (December 31, 2020: € 83.3 million).

Changes in net debt and inventories



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 € 24.5 million. In addition, the working capital required for the expansion of the property development business increased by € 23.8 million year-on-year through additional land plot purchases. Cash flow from operating activities thereby amounted to € 0.5 million in the year under review (previous year: € -9.3 million).

Cash flow from investing activities amounted to € -2.0 million in the reporting period, slightly above the previous year's level (previous year: € -1.9 million).

Cash flow from financing activities amounted to € 3.2 million in the 2021 financial year (previous year: € 14.6 million) and derived primarily from the aforementioned promissory note and KfW loan transactions.

The HELMA Group had € 21.8 million of financing funds 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€	2017	2018	2019	2020	2021
Cash flow from operating activities	-13,344	4,061	-3,499	-9,298	549
- of which cash earnings	17,965	14,983	18,089	20,352	24,481
- of which change in working capital	-31,278	-10,877	-21,628	-29,658	-23,830
- of which gain / loss on disposal of fixed assets	-31	-16	-29	8	-102
Cash flow from investing activities	-3,298	-4,445	-2,005	-1,872	-2,019
Cash flow from financing activities	21,967	56	5,879	14,554	3,170
Cash and cash equivalents at the end of the period	16,656	16,328	16,703	20,087	21,787

Group investments

HELMA invested a total of € 2.4 million in property, plant and equipment, and in intangible assets in 2021 (previous year: € 2.7 million). Of this amount, € 0.1 million (previous year: € 0.7 million) was invested in land and buildings, mainly in the three new showhouses in Berlin, Bad Vilbel and Lehrte.

In the area of intangible assets, € 0.7 million (previous year: € 0.5 million) was invested primarily in software and digitalisation projects.

Investments in operating and office equipment amounted to € 1.6 million in 2021 (previous year: € 1.4 million) and were mainly used for new vehicles, IT equipment and office furnishings.

Investments in property, plant and equipment, and intangible assets

in k€	2020	2021
Land and buildings	745	143
Intangible assets	548	673
Office and operating equipment	1,360	1,576
Total	2,653	2,392

Sustainability – non-financial performance indicators

Introduction

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.

The ability to make a significant contribution to sustainability is consequently considered a key goal. For this reason, HELMA will integrate sustainability aspects into its corporate strategy to an even greater extent in the coming years. 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 in the best possible manner.

The following sections provide an insight into what has already been implemented and achieved within the HELMA Group in the areas of environment, customers, employees, society and governance, and what is planned beyond this for the future.

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 the expansion of the sustainability report in the last financial year, the strategy process for sustainability was also given even greater priority. Part of this process is to develop a strategic vision within the sustainability team and to derive targets from it, which will serve as a basis for further work on sustainability and will be monitored and expanded in subsequent years. Similarly, the aspects necessary to achieve sustainability targets are increasingly integrated into decision-making processes and measures derived from the targets.

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.

Sustainability targets

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. In order to make HELMA's contribution to sustainable and future-viable development even clearer, the sustainability goals will be summarised in an ESG target catalogue for the first time in the course of 2022.

Environment

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 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.

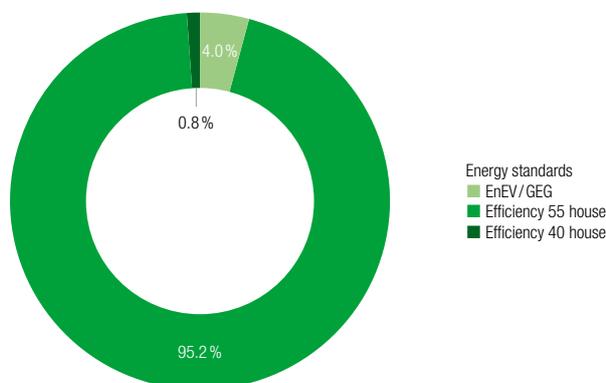
Moreover, predominantly heat pumps and increasingly photovoltaic systems are being installed in residential properties. Especially in combination, these are very environmentally compatible and emit significantly less CO₂ than gas and oil heating systems.

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 already 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). In terms of the new order intake in 2021, the share of the Efficiency 55 house in the detached house segment amounted to around 95 %.

Energy standards of detached houses in the 2021 new order intake



New order intake for detached houses in 2021

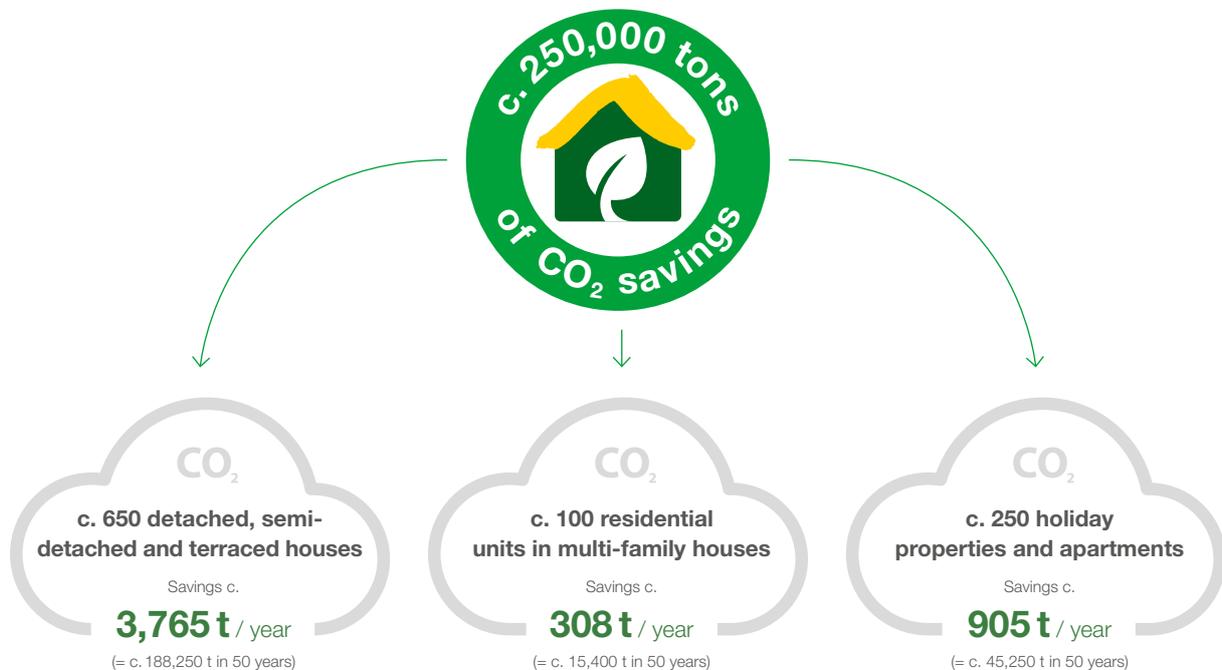
Furthermore, HELMA is striving to achieve an even higher average energy efficiency standard for residential buildings in the future. A specific medium- and long-term target will be set in this regard once the German government presents its updated newbuild funding standards.

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 in the future, this will save around 5,000 tons of CO₂ 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.



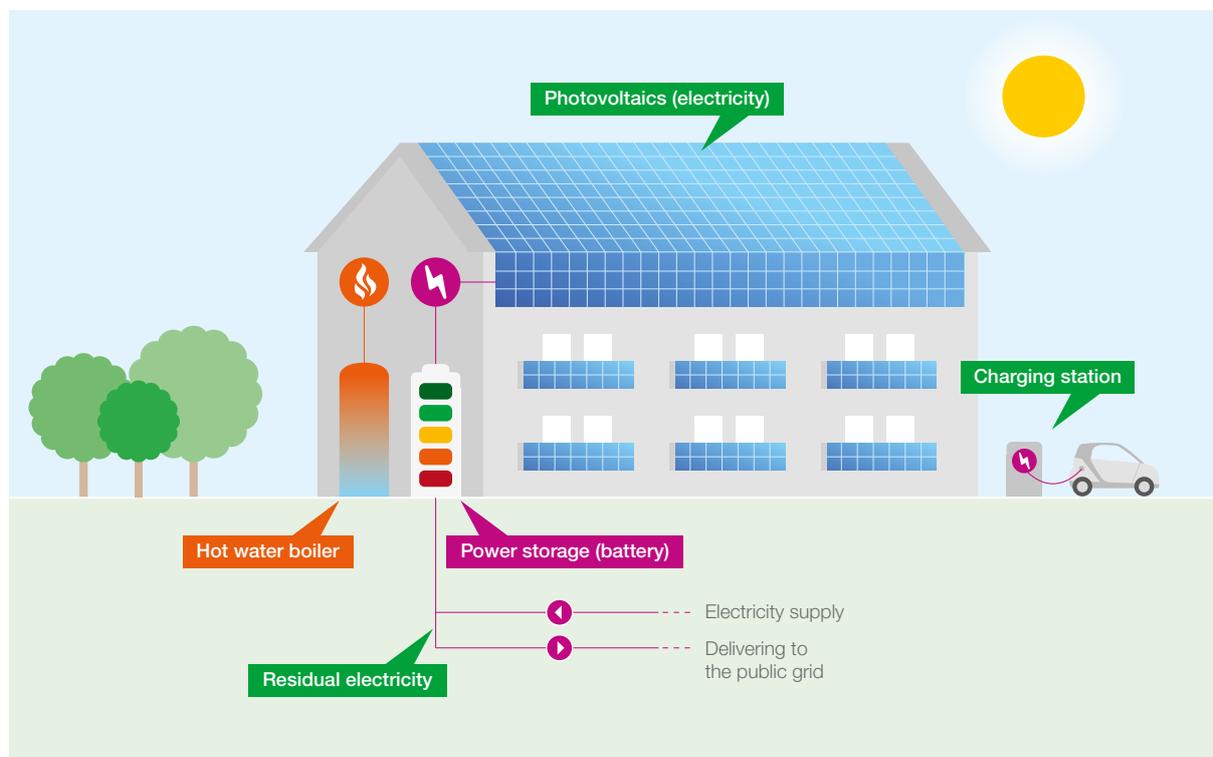
CO₂ savings of houses and apartments realised by HELMA compared with the average housing stock



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 costs and make them less maintenance-dependent. While the first energy self-sufficient multi-family houses in Cottbus and in Oranienburg included both large solar thermal and photovoltaic collectors, the concepts have since been further developed and de-technicalised so that in the future only photovoltaic collectors will be installed and solar thermal collectors will be dispensed with. 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



CO₂ savings of energy self-sufficient terraced houses and multi-family houses realised by HELMA

The realisation of energy self-sufficient terraced houses and multi-family houses not only creates living space, but also supports the reduction of CO₂ emissions. Efficient building insulation and systems engineering ensure that CO₂ emissions are significantly reduced and, depending on the efficiency level, lie below 10.0 kg/(m²a). Due to the self-produced electricity, CO₂ emissions that would be produced with external electricity and heat generation can also be saved.

Projects with energy self-sufficient houses

With the construction of the first four largely energy self-sufficient multi-family houses, HELMA has created further projects that showcase structural change. The tenants of the multi-family houses in Cottbus and Oranienburg, 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 implementation of these projects, HELMA began to build further energy self-sufficient houses in the following years, which, like their role models in Cottbus and Oranienburg, are largely energy self-sufficient. These terraced houses and multi-family houses with a total of 57 residential units are being built in Lübben, Unna and Magdeburg and will also help to meet the challenges of climate change in the future. Inspired by these successful projects, a further energy self-sufficient multi-family house with a total of 11 residential units will be built in Kieselbronn.



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 by the use of fewer and fewer different technical components. A further focus is on the possibility of developing identical houses. These would lead to both a reduction in construction costs and more efficient construction and planning processes, making them even more attractive to investors in this business area.

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.

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 208 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.

Energy supply and energy-related building measures

As far as supplying electricity to the company's own buildings is concerned, HELMA ensures that it utilises electricity in the most energy-conserving manner possible. Accordingly, the company headquarters in Lehrte was supplied by external energy suppliers with electricity from renewable energies at a rate of 66.1 % in the 2021 financial year (previous year: 60.5 %). 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. Including the current electricity contract, which expires on December 31, 2022, HELMA electricity at its administrative headquarters aims to procure entirely from renewable sources from 2023 onwards.

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 responsibility

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 targeted growth. 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.



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 also offers a wide range of employment opportunities with full-time and part-time models to promote the compatibility of work and personal life. Since 2021, this has also included the widely used option of working on a mobile basis for up to two 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 improved.

In addition, 25 employees (previous year: 21) were on parental leave in 2021, of whom 22 were women and three men.

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, four apprentices are being trained at the company (previous year: seven).

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 2021, 17 interns and working student (previous year: 19) 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.

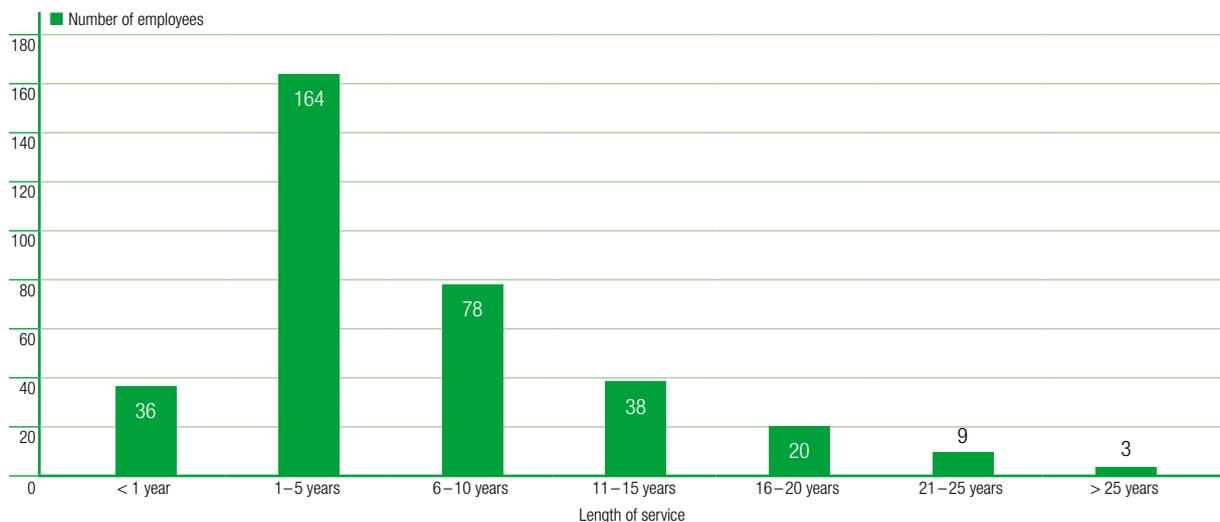
Employee satisfaction

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 2021 / 2022 reflected an average satisfaction rating of 2.17 (previous year: 2.24). 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, 2021 stands at around 6.6 years. In addition, 43 % of all employees have been with HELMA for more than 5 years and around 20 % 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.



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 6.3 % (previous year: 7.0 %) remained at a low level and thereby within the sustainable target range of a single-digit percentage rate.

Occupational safety and health protection

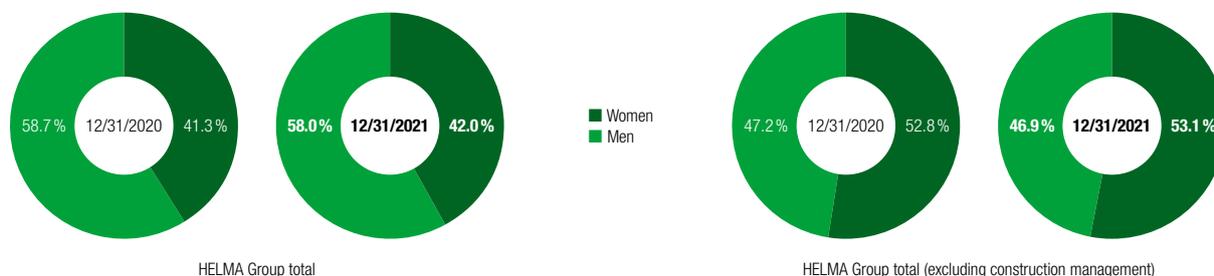
The necessary measures relating to occupational safety and health protection on HELMA construction sites are defined, coordinated and controlled by safety and health protection coordinators (SiGeKo). Compliance with them is monitored. Depending on project-specific conditions, HELMA secures construction 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 the employee health as part of company healthcare and by optimally designing the workplace. Nevertheless, it is not impossible for employees to be temporarily unable to work due to illness. In 2021, the sickness leave rate in the HELMA Group amounted to 5.11 % (previous year: 4.72 %).

Diversity and equal opportunities

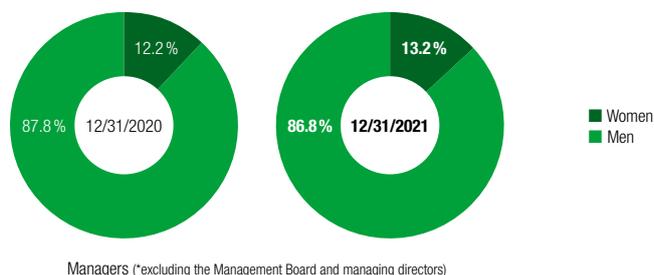
As of December 31, 2021, the HELMA Group employed a total of 348 employees (December 31, 2020: 346 employees). The proportion of female employees as of the reporting date was 42.0 % (December 31, 2020: 41.3 %). Here it should be noted that the professional group of construction managers, in particular, 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 53.1 % (December 31, 2020: 52.8 %).

Diversity ratio (total)



As of December 31, 2021, the HELMA Group's managerial staff consisted of 33 men as well as 5 women (December 31, 2020: 36 men, 5 women). Although the proportion of female managers improved from 12.2 % in the previous year to 13.2 %, HELMA identifies potential to further increase the proportion of women in management positions in the coming years, taking applicant's individual skills into consideration.

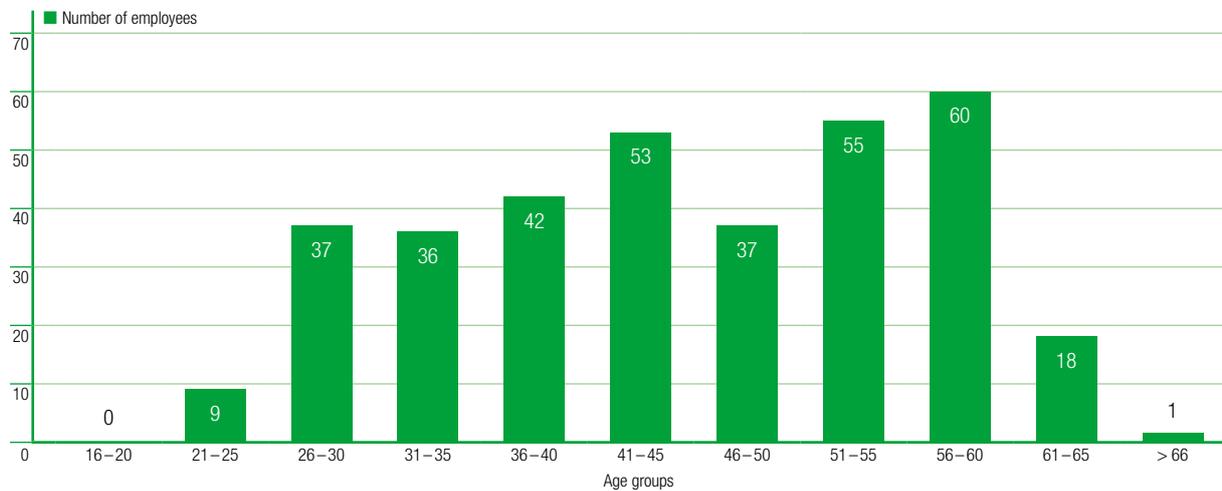
Diversity ratio (managers*)



HELMA's Supervisory Board, Management Board and senior management did not include any women as of December 31, 2021. As a medium-sized company, HELMA aims to keep the number of members in its corporate bodies manageable in the future. Should positions on these bodies 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, 2021



Social commitment

As a service provider for private housebuilding, an essential part of HELMA's daily work is to create shared spaces in which loved ones can live together, as well as new homes for children and their parents. With its social commitment, however, HELMA is consequently also active quite intentionally in and around life's centrepiece – the home. 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 regards company-specific events not only as enjoyable business events, as well as raffles in social media not only as a marketing tool, 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. This project was awarded the Golden Star of Sport in 2020.



Governance

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 total profit in Germany is also taken as the basis for corporate income tax purposes and is subject to relevant taxation (tax rate: approximately 31 %). 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.

Whistleblower

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 2022 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 2021 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.

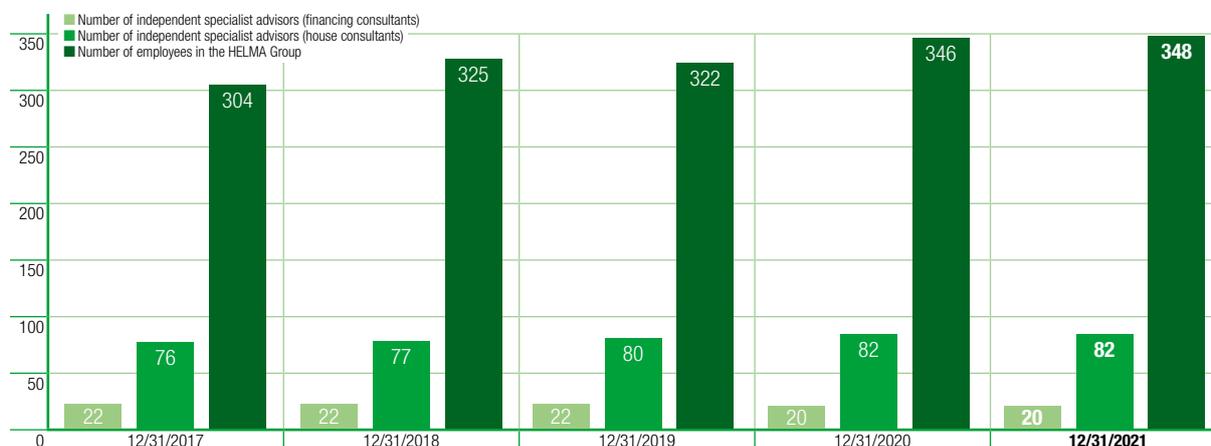
Employees, sales partners and the company's boards

Development of staff and specialist advisors in the HELMA Group

At 348, the number of employees as of December 31, 2021 was recorded at the same level as at the end of the 2020 financial year (December 31, 2020: 346). Besides this, the HELMA Group employed 8 individuals on a minor part-time basis as of the reporting date (December 31, 2020: 7).

In the house consulting area, the number of independent specialist advisors with whom HELMA is working with in the sales area on a commission basis at various locations stood at 82, as in the previous year. The number of independent financing advisors amounted to 20, also unchanged from the previous year.

Number of employees and independent specialist advisors in the HELMA Group



The company's boards

In the year under review, the Management Board of HELMA Eigenheimbau AG included Gerrit Janssen as Chairman (CEO), Max Bode and André Müller. Gerrit Janssen has been appointed to the company's Management Board until June 30, 2027. The contracts of Max Bode and André Müller each run until June 30, 2023.

In the 2021 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 € 142.2 million as of December 31, 2021 (December 31, 2020: € 138.1 million). On the assets side of the balance sheet, the increase arises from a rise in current assets from € 119.4 million to € 123.7 million, which chiefly reflects a € 3.4 million increase in receivables from associated companies. Non-current assets stood at € 18.2 million as of the balance sheet date, slightly below the previous year's € 18.3 million.

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

in k€	12/31/2020	12/31/2021
Non-current assets	18,337	18,238
Current assets	119,423	123,698
- of which cash and cash equivalents	10,282	10,716
Prepayments and accrued income	318	282
Total assets	138,078	142,218

On the equity and liabilities side of the balance sheet, a year-on-year comparison as of the reporting date shows a rise in equity from € 99.6 million to € 107.3 million, especially reflecting the € 13.8 million of net income that was generated (previous year: € 12.4 million). The equity ratio amounted to 75.4 % as of the balance sheet date (December 31, 2020: 72.2 %), well above the average for the building services sector. Provisions amounted to € 7.3 million at the end of the financial year under review (December 31, 2020: € 9.4 million). Liabilities amounted to a total of € 27.6 million as of December 31, 2021, slightly below the previous year's level of € 29.0 million.

For information on the covenants agreed for the promissory notes, please refer to the corresponding comments in the section "Group net assets and financial position". HELMA Eigenheimbau AG commands liquidity of € 10.7 million as of the end of 2021. HELMA Eigenheimbau AG's financial position remains very solid as a consequence.

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

in k€	12/31/2020	12/31/2021
Equity	99,639	107,254
Provisions	9,448	7,330
Liabilities	28,991	27,634
Total equity and liabilities	138,078	142,218

Earnings performance

The revenue of € 118.5 million (previous year: € 120.2 million) and changes in stocks of finished goods and work in progress of € 8.2 million (previous year € 5.2 million) led to a slight increase in total output to € 126.7 million (previous year: € 125.4 million).

Total output of HELMA Eigenheimbau AG (according to HGB)

in k€	2020	2021
Revenue	120,178	118,536
Changes in stocks of finished goods and work in progress	5,194	8,167
Total output	125,372	126,703

Gross profit amounted to € 41.0 million (previous year: € 36.2 million), equivalent to an approximately 32.4 % gross profit margin in relation to total output (previous year: 28.8 %). 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 taxes (EBIT) of € 10.5 million (previous year: € 8.7 million) and a net financial result of € 9.5 million (previous year: € 9.3 million), HELMA Eigenheimbau AG achieved net income of € 13.8 million (previous year: € 12.4 million) in the 2021 financial year, which was in line with the forecast.

For 2022, in the separate financial statements for HELMA Eigenheimbau AG prepared according to German Commercial Code (HGB) accounting standards, HELMA anticipates further high profitability with earnings in the low double-digit range in millions of euros.

Business progress of HELMA Eigenheimbau AG (according to HGB)

in k€	2020	Share in %	2021	Share in %
Total output	125,372	100.0	126,703	100.0
Materials expense	-89,221	-71.2	-85,691	-67.6
Gross profit	36,151	28.8	41,012	32.4
Other operating income	1,822	1.5	837	0.7
Personnel expense	-17,275	-13.8	-18,988	-15.0
Depreciation / amortisation	-1,848	-1.5	-1,952	-1.5
Other operating expenses	-10,154	-8.1	-10,379	-8.2
EBIT	8,696	6.9	10,530	8.3
Net financial result	9,273	7.4	9,502	7.5
Earnings before income tax	17,969	14.3	20,032	15.8
Net income	12,358	9.9	13,774	10.9

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

Since the beginning of 2020, the COVID-19 pandemic has been impacting both the global economy as well as the macroeconomic situation in Germany. Germany continues to be exposed to high economic risks which, were they to materialise, would lead to a marked rise in unemployment figures or a decrease in per capita purchasing power. Furthermore, this could prompt a further tightening of lending conditions for real estate financing facilities. For this reason, a greater risk exists of reduced or delayed demand for real estate, and of falling property prices.

Although the German economy recovered temporarily and sporadically in 2021, in some cases high infection rates and possible lockdowns characterise the generally prevailing uncertainty. For this reason, it is still not possible to fully assess the extent to which macroeconomic development will be held back, and what the consequences will be for the real estate sector. Despite continued high demand for residential and holiday properties at present, HELMA is consequently intensively monitoring and analysing current market circumstances in order to be optimally prepared to meet future trends, and to rapidly implement measures necessitated by the relevant situation.

Risks of the COVID-19 pandemic for sales and construction

Extensive contact restrictions or high infection rates could affect the HELMA Group's sales activities. Given regional regulations and the extent of the restrictions, consultations and house planning are consequently possible to only a limited extent, or not at all during such time windows. Depending on the duration and extent of the impairments, a risk consequently exists of a temporary setback in demand.

Furthermore, employee absences at HELMA or at its subcontractors and general contractors, as well as limited availability and staffing at authorities, could temporarily impede planning and construction progress. Similarly, limited availability of construction materials and legal requirements for compliance with social distancing could

exert a negative effect on construction site operations. The resultant risk of delayed completions would exert a correspondingly negative effect on the HELMA Group's revenue and earnings. Since the outbreak of the pandemic, however, most construction projects have continued without serious restrictions.

In addition to the risks deriving directly from the consequences of the COVID-19 pandemic, the HELMA Group is exposed to many risks associated with the business activities of HELMA Eigenheimbau AG and its subsidiaries, and arising from other external influences.

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.

As the statutory provisions are equally valid for all market participants, no significant risks for the business are generally identifiable from current regulatory conditions.

It should nevertheless be noted that this is only valid without qualification assuming that interest rate levels continue to remain low. For instance, many new or more onerous building regulations, accompanied by an increase in land purchase tax across almost all of Germany over the past years, have made buying newbuild properties considerably more expensive. Moreover, on March 31, 2021, and on January 24, 2022, the "Baukindergeld" (child-related construction allowance) and the German government subsidy program for newbuilds of Efficiency House Level 55 were discontinued. These programs had counteracted the price increase for those eligible for subsidies. For this reason, a significant increase in interest rates could result in a tangible reduction in market demand if the regulations and levies that are currently comprising strong cost-drivers are not reduced again in parallel, or mitigated by further subsidies or tax incentives.

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 time 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, high demand for real estate can trigger capacity bottlenecks for the market participants and government institutions involved in projects. Depending on specific projects, this can lead to project processing delays. 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

High demand for real estate can create supply bottlenecks for building services and materials and for new land plots for the project business.

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. In terms of the availability of qualified subcontractors and general contractors, some bottlenecks can nevertheless occur – especially during periods of high demand for real estate – accompanied by delays and unexpected increases in construction costs, which would exert a correspondingly negative impact on the HELMA Group's results of operations.

HELMA counters the risk of shortages of land through sustained and forward-looking land acquisition, which enables it to draw up plans based on secured land purchases. Furthermore, HELMA spreads its projects over various German metropolitan regions rather than concentrating on a single target region. Such diversification enables a shift into other regions should available supply in specific areas temporarily fail to match requirements.

Materials cost risk

Expected changes in materials prices are also assessed and included in calculations as part of ongoing planning. Due to the pandemic-induced decrease in production capacities of globally traded building materials and high demand driven by the prevailing construction boom, the construction sector is nonetheless currently confronted in some cases with sharp increases in prices of materials, as well as supply bottlenecks for various building materials.

In the business segment of pre-planned residential units in semi-detached, terraced and multi-family houses as well as in the holiday property 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 business segment of individually planned detached houses, 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. As the detached housing sector has much higher turnover than longer-term residential construction projects, material price risks are often of a more short-term nature in an intact market environment. Furthermore, the risk of rising raw material prices is also mitigated in home contracts with corresponding price adjustment clauses, which are linked to changes in the construction price index and which come into force when the fixed price commitment expires.

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, within the scope that is possible at present, to attract very enthusiastic interest in the 2021 financial year.

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.

HELMA invests continuously in modern hardware and software infrastructure and performs frequent data back-ups in order to prevent such events occurring, 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.

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, 2021 will continue to be complied with during the planning period. This risk is gauged as low as a consequence.

Interest-rate risk within the HELMA Group results mainly from variable-rate liabilities. A rise in the interest-rate level would feed through to a worsening of the net financial result. A significant interest-rate risk that could significantly negatively affect the HELMA Group's earnings is nevertheless not apparent given the current level of variable interest-rate liabilities. 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.

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 € 13,774,396.76 for the 2021 financial year. As part of adopting the separate annual financial statements as part of the Supervisory Board meeting on March 16, 2022, the Management Board proposes to the Supervisory Board that it proposes to the Shareholders' General Meeting on July 1, 2022 that it distributes a dividend of € 1.72 per dividend-entitled ordinary share, consequently € 6,880,000.00, and to transfer the remaining amount of € 6,894,396.76 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 aggregated management report, are published in the electronic Federal Gazette (Bundesanzeiger).

Medium-term growth strategy

The HELMA Group's aim is to expand its own market position through further organic growth, and gain additional market shares while maintaining high profitability.

Go for green living with HELMA

Residential properties with their own gardens situated in high-growth metropolitan regions and their suburbs are currently enjoying particularly high demand. HELMA is responding to this megatrend and is focusing on an **appealing, high-quality market profile** when addressing customers. It presents itself as an expert partner for the entire path to the ready-to-move-in dream house – from comprehensive advice and fair and transparent offers through to high-quality implementation – the actual construction of the new home.

At HELMA Eigenheimbau AG, where customers already own a land plot, the focus is not only on attractive positioning, but also on a growing number of new construction projects completed per year. Here it is important to generate an **ever-increasing number of customer recommendations**, which have always been one of the most important factors in acquiring new customers, and thereby representing a crucial competitive advantage.

Secured land plots as the growth engine for the property development business

The extensive portfolio of contractually secured land plots is of fundamental importance for HELMA to benefit from strong megatrends in the residential and holiday property sectors in the property development business, as well as to generate continuous revenue growth medium-term while achieving above-average margins.

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 semi-detached, terraced houses and multi-family houses. **The resultant revenue potential amounts to a total of € 1,439.6 million as of December 31, 2021 (December 31, 2020: € 1,238.6 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. In addition to numerous sites for the construction of individually planned detached houses, potentially worth around € 610.5 million in terms of revenue, the portfolio also includes various land plots for pre-planned residential units in semi-detached, terraced and multi-family houses. The revenue potential from properties secured for this business area amounts to around € 829.1 million as of December 31, 2021.

With this very extensive portfolio of contractually secured land plots, HELMA Wohnungsbau GmbH is benefiting from the **unchanged high attraction of high-growth metropolitan regions**, and will be able to satisfy many people's desire to **own their own property in the countryside** in the coming years.

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. Greater interest in sustainable tourism has led to **German holiday regions becoming increasingly popular**. 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 € 518.8 million as of the balance sheet date (December 31, 2020: € 565.4 million).**

Together, the two property development subsidiaries enjoy revenue potential of € 1,958.4 million (December 31, 2020: € 1,804.0 million). It can be assumed that this can largely be realised within a period of around six years. 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.

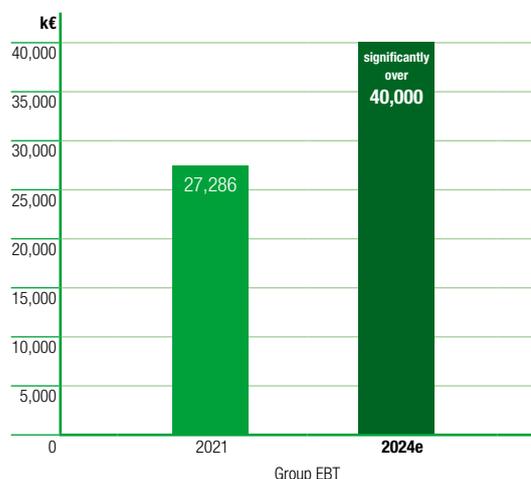
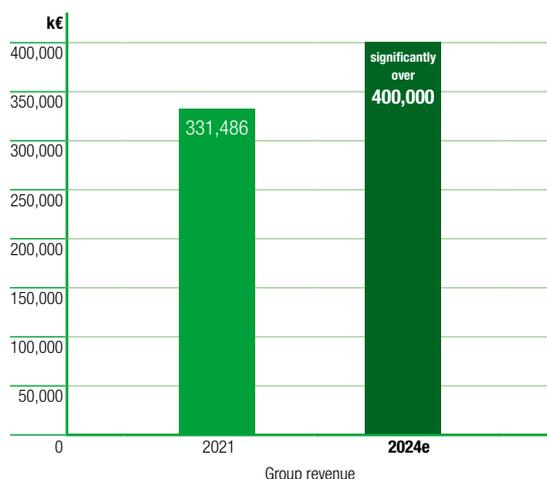
Revenue potential from realised land purchases as of December 31, 2021*

	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	1,445	794,500	645	358,900	800	435,600
HELMA Wohnungsbau GmbH Hamburg/Hanover region	620	292,100	190	102,400	430	189,700
HELMA Wohnungsbau GmbH Leipzig region	300	137,900	250	116,300	50	21,600
HELMA Wohnungsbau GmbH Munich region	195	182,200	0	0	195	182,200
HELMA Wohnungsbau GmbH Rhine-Main and Rhine-Ruhr region	70	32,900	70	32,900	0	0
Total HELMA Wohnungsbau GmbH	2,630	1,439,600	1,155	610,500	1,475	829,100
Total HELMA Ferienimmobilien GmbH	1,295	518,800	0	0	1,295	518,800
Total HELMA Wohnungsbau GmbH & HELMA Ferienimmobilien GmbH	3,925	1,958,400	1,155	610,500	2,770	1,347,900

* 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.

In light of the well-filled project pipeline and promising megatrends in the residential and holiday property markets, the HELMA Group is aiming for a significant increase in revenue while maintaining a high level of profitability. The Group anticipates Group revenue of significantly above € 400 million and an EBT margin of more than 10 % by the 2024 financial year at the latest. Correspondingly, Group EBT of significantly above € 40 million would be achieved for the first time by the 2024 financial at the latest. Assuming that the market environment remains intact, the conditions are also in place for further dynamic earnings growth in subsequent years.

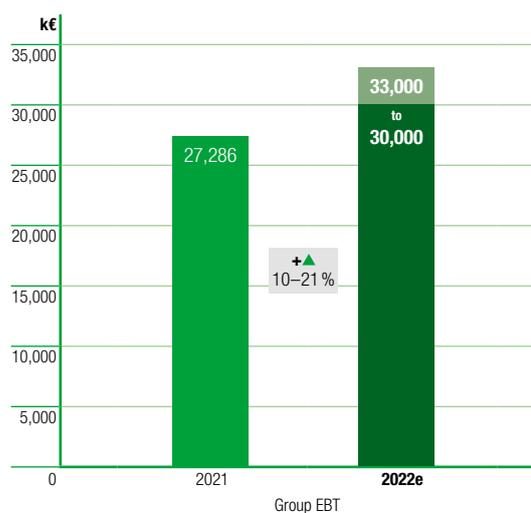
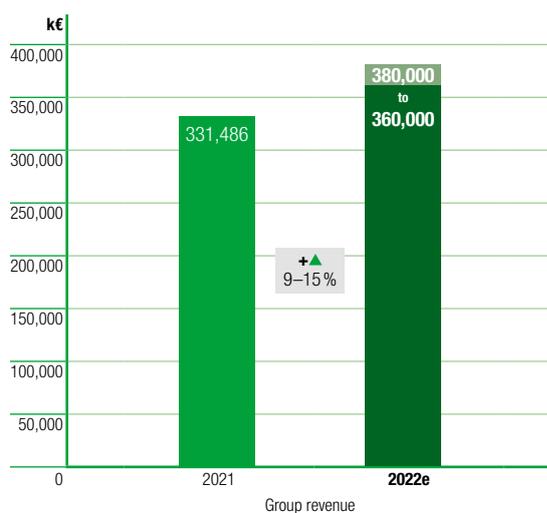
Group revenue and Group EBT 2021 and 2024e (according to IFRS)



Forecast report

In light of the record order book position as of December 31, 2021, the HELMA Group is very confident of also achieving further record revenue and earnings figures in the 2022 financial year. As a consequence, in 2022, revenue in a range between € 360 million and € 380 million and Group EBT of between € 30 million and € 33 million are expected.

Group revenue and Group EBT 2021 and 2022e (according to IFRS)



Lehrte, March 4, 2022

Signed Gerrit Janssen
Management Board Chairman

Signed Max Bode
Management Board member

Signed André Müller
Management Board member



HELMA[®]
Eigenheimbau AG

HELMA[®]
Eigenheimbau AG

House Treviso · Visualisation



Owner-occupied apartments in Berlin-Spandau · Visualisation



Consolidated financial statements

for the period January 1 to December 31, 2021 according to IFRS

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EQUITY AND LIABILITIES in k€	Note	12/31/2020	12/31/2021
Equity	(11)		
Issued share capital		4,000	4,000
Capital reserves		41,552	41,831
Revenue reserves		43,695	49,893
Balance sheet profit		27,210	33,624
Equity attributable to HELMA Eigenheimbau AG owners		116,457	129,348
Minority interests		121	133
Total equity		116,578	129,481
Non-current liabilities			
Pension provisions and similar obligations	(12)	9	0
Other non-current provisions	(13)	1,088	1,427
Non-current financial liabilities	(14)	181,603	212,288
Non-current lease liabilities	(15)	661	607
Trade payables	(16)	4,695	4,845
Deferred taxes	(17)	7,155	9,365
Total non-current liabilities		195,211	228,532
Current liabilities			
Other current provisions	(18)	32,206	29,391
Tax liabilities	(19)	2,532	1,617
Current financial liabilities	(20)	36,890	20,633
Current lease liabilities	(21)	345	381
Trade payables	(22)	11,284	11,499
Other current liabilities	(23)	28,326	29,896
Total current liabilities		111,583	93,417
Total equity and liabilities		423,372	451,430

Consolidated statement of total comprehensive income

in k€	Note	2020	2021
Revenue	(24)	273,993	331,486
Changes in stocks of finished goods and work in progress	(25)	36,272	24,212
Other operating income	(26)	2,721	1,607
Expense for materials and third-party services	(27)	-241,685	-272,197
Personnel expense	(28)	-26,633	-29,030
Other operating expenses	(29)	-19,912	-25,431
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		24,756	30,647
Depreciation / amortisation	(30)	-2,587	-2,743
Operating earnings (EBIT)		22,169	27,904
Finance expenses	(31)	-650	-730
Other financial result	(32)	942	112
Earnings before taxes (EBT)		22,461	27,286
Income tax	(33)	-7,065	-8,478
Net income before minority interests		15,396	18,808
Minority interests' share of earnings		-31	-36
Net income after minority interests		15,365	18,772

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 €	2020	2021
undiluted	3.84	4.69
diluted	3.84	4.69

Consolidated cash flow statement

in k€	2020	2021
1. Earnings after taxes	15,396	18,808
2. +/- Depreciation / amortisation	2,587	2,743
3. +/- Change in non-current provisions	137	330
4. +/- Interest expenses / interest income	508	576
5. +/- Income tax expense / income tax income	7,065	8,478
6. +/- Income tax payments	-5,136	-6,803
7. +/- Other income and expenses	-205	349
8. = Cash earnings (sum of 1 to 7)	20,352	24,481
9. -/+ Change in inventories	-45,528	-25,341
10. -/+ Change in receivables and other assets	8,341	2,391
11. +/- Change in current provisions	-204	-2,815
12. +/- Change in liabilities (excluding financial liabilities)	7,733	1,935
13. +/- Change in working capital (sum of 9 to 12)	-29,658	-23,830
14. -/+ Gain / loss on disposal of assets	8	-102
15. -/+ Gain / loss on disposal of non-current assets	0	0
16. = Cash flow from operating activities (sum of 8, 13 to 15)	-9,298	549
17. + Payments received from disposal of property, plant and equipment	612	141
18. + Payments received from disposal of non-current assets	0	0
19. + Payments received from disposal of minority interests in subsidiaries	0	61
20. - Payments for investments in property, plant and equipment	-2,105	-1,719
21. - Payments for investments in intangible assets	-548	-673
22. + Interest received	169	171
23. = Cash flow from investing activities (sum of 17 to 22)	-1,872	-2,019
24. +/- Payments to other shareholders	-31	-36
25. +/- Dividend	-7,400	-6,160
26. +/- Issuing / repayment of promissory notes	-2,000	13,000
27. +/- Drawing down / redemption of other financial liabilities	28,892	1,428
28. - Repayment of lease liabilities	-319	-326
29. - Interest paid	-4,588	-4,736
30. = Cash flow from financing activities (sum of 24 to 29)	14,554	3,170
31. Net change in cash and cash equivalents (sum of 16, 23 and 30)	3,384	1,700
32. Cash and cash equivalents at the start of the period	16,703	20,087
33. Cash and cash equivalents at the end of the period	20,087	21,787

Notes to the consolidated financial statements

for the 2021 financial year

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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 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 2021 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, 2021 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 2021.

These include:

a) Published standards and interpretations that require mandatory first-time application for the IFRS financial statements as of December 31, 2021:

■ **Amendments to standards:**

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform (came into force on January 1, 2021)
- Amendments to IFRS 16: Extension of COVID-19-Related Rent Concessions (came into force on June 1, 2021)

- **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, 2021:

- **Amendments to standards:**

- Amendments to IFRS 3: Reference to the Concept Framework (comes into force on January 1, 2022)
- Amendments to IAS 16: Property, Plant and Equipment: Proceeds before Intended Use (comes into force on January 1, 2022)
- Amendments to IAS 37: Onerous Contracts: Cost of Fulfilling a Contract (comes into force on January 1, 2022)
- Various amendments: IASB 2018-2020 Annual Improvements Project (comes into force on January 1, 2022)
- 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)

- **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 7.70 % (previous year: 7.70 %). This interest rate was calculated on the basis of a risk-free rate of 0.00 % (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.

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

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.

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), (15), (17), and (21) and in section 5. Notes to the consolidated statement of comprehensive income under items (30) and (31).

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.

Pension provisions

Pension provisions and similar obligations are measured applying the projected unit cost method for pension benefit commitments in line with IAS 19.

Other provisions

Other provisions are formed to an appropriate extent for all identifiable risks and uncertain obligations. The pre-condition 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.

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 (balancesheet-oriented 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. It was also assumed that all options would be exercised.

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 changed solely in relation to HELMA Ferienimmobilien GmbH in the year under review. On November 10, 2021, CEO Mr. Gerrit Janssen acquired 12,250 shares or 4.9 % in HELMA Ferienimmobilien GmbH from HELMA AG for a purchase price of € 61,250.00. The control-and-profit-and-loss transfer agreement between HELMA Eigenheimbau AG and HELMA Ferienimmobilien GmbH mentioned under 1.1. remains valid unchanged, so that Mr. Janssen will receive an annual compensation payment for his aforementioned shareholding in the amount of € 4,287.50.

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€ 2,040
	12/31/2020	k€ 1,932

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€
01/01/2021	2021	2021	2021	2021	12/31/2021
1,932	673	0	0	565	2,040

Intangible assets essentially comprise licenses and IT software.

No indications existed of any impairment.

(2) Goodwill		k€ 1,380
	12/31/2020	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€ 19,299
	12/31/2020	k€ 19,499

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€
01/01/2021	2021	2021	2021	2021	12/31/2021
19,499	2,006	38	0	2,168	19,299

Property, plant and equipment is composed as follows:

in k€	12/31/2020	12/31/2021
Land rights and equivalent rights, and constructions including constructions on third-party land	16,289	16,040
Prepayments rendered and plant under construction	372	90
Other plant, operating and office equipment	2,838	3,169
Total	19,499	19,299

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€ 890 (previous year: k€ 915). This includes additions of k€ 287 (previous year: k€ 228) and disposals with residual carrying amounts of k€ 0 (previous year: k€ 55) in the financial year under review.

(4) Investment properties	k€ 59	
	12/31/2020	k€ 70

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€ 2,188	
	12/31/2020	k€ 4,601

Other non-current assets mainly comprise the non-current portion of a loan issued to a sub-contractor in the reporting year. The loan to a landowner issued in the 2019 financial year was repaid in full in 2021.

Non-current assets, total	k€ 24,966	
	12/31/2020	k€ 27,482

Current assets

(6) Inventories		k€ 311,024
	12/31/2020	k€ 281,673

This balance sheet item is composed as follows:

in k€	12/31/2020	12/31/2021
Raw materials and supplies (advertising materials)	67	44
Semifinished services	264,456	292,678
Prepayments rendered for inventories	17,150	18,302
Total	281,673	311,024

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

The reported inventories include land with a value of k€ 230,468 (previous year: k€ 220,287), building and ancillary building costs with a value of k€ 65,368 (previous year: k€ 47,921) and capitalised interest expenses with a value of k€ 15,145 (previous year: k€ 13,397).

Interest expenses of k€ 4,010 were capitalised in the year under review and reported under semifinished services (previous year: k€ 3,936). Reported semifinished services were reduced by k€ 2,263 (previous year: k€ 1,057) due to the disposal of capitalised interest expenses.

(7) Receivables arising from construction orders		k€ 63,857
	12/31/2020	k€ 66,027

This balance sheet item is composed as follows:

in k€	12/31/2020	12/31/2021
Revenue realised on a proportional basis	165,396	205,321
Prepayments received relating to long-term construction order receivables	-99,369	-141,464
Total	66,027	63,857

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€	12/31/2020	12/31/2021
Revenue realised on a proportional basis	165,396	205,321
Acquisition and production costs realised on a proportional basis	-142,751	-175,231
Result from application of the PoC method	22,645	30,090

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€ 22,423
	12/31/2020	k€ 21,807

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€ 7,373
	12/31/2020	k€ 5,916

This balance sheet item is composed as follows:

in k€	12/31/2020	12/31/2021
Creditor accounts in debit	1,140	342
Commissions for commercial representatives	3,650	5,487
Accrued income	326	330
Current loans granted	0	250
Miscellaneous current receivables	800	964
Total	5,916	7,373

Current loans granted include the current portion of a loan issued to a subcontractor in the reporting year.

(10) Cash and cash equivalents		k€ 21,787
	12/31/2020	k€ 20,087

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

Current assets, total		k€ 426,464
	12/31/2020	k€ 395,890

Total assets		k€ 451,430
	12/31/2020	k€ 423,372

(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
	12/31/2020	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€ 41,831
	12/31/2020	k€ 41,552

The increase in the capital reserves derives, firstly, from stock option programs which were recognised in the income statement under personnel expenses in the amount of k€ 230 (previous year: k€ 19). Secondly, the capital reserves increased by k€ 49 in connection with the disposal of the minority interest in HELMA Ferienimmobilien GmbH (see 3.2.).

Revenue reserves		k€ 49,893
	12/31/2020	k€ 43,695
Balance sheet profit		k€ 33,624
	12/31/2020	k€ 27,210
Minority interests		k€ 133
	12/31/2020	k€ 121

This balance sheet item changed as follows:

in k€	12/31/2020	12/31/2021
Status as of January 1	121	121
Disposal of a minority interest in HELMA FI	0	12
Sum of distributions/capital contributions	-31	-36
Minority interests' share of earnings	31	36
Status as of December 31	121	133

The disposal of a 4.9 % interest in HELMA Ferienimmobilien GmbH (see 3.2.) led to an increase in minority interests to reflect the acquired interest in the company's share capital (k€ 12).

Equity, total		k€ 129,481
	12/31/2020	k€ 116,578

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€	12/31/2020		12/31/2021	
		in relation to total assets in %		in relation to total assets in %
Financial liabilities	218,493		232,921	
Cash and cash equivalents	-20,087		-21,787	
Net debt	198,406	46.9	211,134	46.8
Equity	116,578	27.5	129,481	28.7
Total equity and liabilities	423,372	100.0	451,430	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) Pension provisions and similar obligations		k€ 0
	12/31/2020	k€ 9
(13) Other non-current provisions		k€ 1,427
	12/31/2020	k€ 1,088

This balance sheet item changed as follows:

in k€	Status as of 01/01/2021	Utilisation 2021	Reclassification 2021	Addition 2021	Status as of 12/31/2021
Type of provision					
Storage costs for business documents	23	0	0	0	23
Guarantees	1,065	1,065	0	1,396	1,396
Other non-current provisions	0	0	8	0	8
Total	1,088	1,065	8	1,396	1,427

(14) Non-current financial liabilities		k€ 212.288
	12/31/2020	k€ 181,603

This balance sheet item changed as follows:

in k€	12/31/2020	12/31/2021
Liabilities to finance partners		
Residual term between 1 and 5 years	83,760	107,834
Residual term > 5 years	3,843	3,454
Promissory note		
Residual term between 1 and 5 years	94,000	101,000
Residual term > 5 years	0	0
Total	181,603	212,288

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€ 105,707 (previous year: k€ 94,112) was secured by mortgages and carried interest rates of between 0.0 % and 3.587 % 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. Of the tranche of k€ 17,500, an amount of k€ 16,500 was repaid early in 2020. Of the k€ 17,500 tranche, the remaining amount of k€ 1,000 was repaid on schedule in 2021.

In addition, HELMA Wohnungsbau GmbH already concluded a k€ 10,000 fixed interest KfW financing facility in the second quarter of 2016, with a 5-year maturity up until June 30, 2021 and an interest rate of 2.3 % p. a. This KfW financing facility was repaid on schedule in 2021.

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. Of the k€ 20,000 tranche, an amount of k€ 15,000 was repaid early in 2021.

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.

(15) Non-current lease liabilities		k€ 607
	12/31/2020	k€ 661

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.

(16) Trade payables		k€ 4,845
	12/31/2020	k€ 4,695

Non-current trade payables represent collateral retentions.

(17) Deferred taxes		k€ 9,365
	12/31/2020	k€ 7,155

Deferred tax liabilities are composed as follows:

in k€	12/31/2020	12/31/2021
HELMA AG		
- relating to semifinished services	-10,136	-12,635
- relating to receivables arising from construction orders	14,145	16,587
- relating to costs for long-term construction orders	-2,806	-2,812
- relating to other assets	-497	-588
- relating to IFRS 16 rights of use	127	99
- relating to IFRS 16 non-current lease liabilities	-103	-77
- relating to IFRS 16 current lease liabilities	-42	-40
HELMA Wohnungsbau GmbH		
- relating to semifinished services	-19,609	-22,172
- relating to receivables arising from construction orders	31,746	33,937
- relating to costs for long-term construction orders	-6,909	-4,544
- relating to other assets	-289	-610
- relating to capitalised interest	142	124
- relating to IFRS 16 rights of use	82	48
- relating to IFRS 16 non-current lease liabilities	-52	-17
- relating to IFRS 16 current lease liabilities	-36	-36
HELMA Ferienimmobilien GmbH		
- relating to semifinished services	-3,227	-8,302
- relating to receivables arising from construction orders	4,712	12,294
- relating to costs for long-term construction orders	-43	-1,466
- relating to other assets	-159	-482
- relating to capitalised interest	74	66
- relating to IFRS 16 rights of use	71	124
- relating to IFRS 16 non-current lease liabilities	-47	-92
- relating to IFRS 16 current lease liabilities	-28	-41
HELMA Group consolidation		
- relating to capitalised interest	39	0
Total	7,155	9,365

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€ 228,532
	12/31/2020	k€ 195,211

Current liabilities

(18) Other current provisions		k€ 29,391
	12/31/2020	k€ 32,206

This balance sheet item changed as follows:

in k€	Status as of 01/01/2021	Utilisation 2021	Release 2021	Addition 2021	Status as of 12/31/2021
Type of provision					
Costs for long-term construction orders / PoC	31,893	31,893	0	28,835	28,835
Miscellaneous other provisions	313	313	0	556	556
Total	32,206	32,206	0	29,391	29,391

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.

(19) Tax liabilities		k€ 1,617
	12/31/2020	k€ 2,532

This item includes liabilities relating to trade tax, corporation tax, and the solidarity surcharge.

(20) Current financial liabilities		k€ 20,633
	12/31/2020	k€ 36,890

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

(21) Current lease liabilities		k€ 381
	12/31/2020	k€ 345

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.

(22) Trade payables		k€ 11,499
	12/31/2020	k€ 11,284

(23) Other current liabilities		k€ 29,896
	12/31/2020	k€ 28,326

This balance sheet item is composed as follows:

in k€	12/31/2020	12/31/2021
Subcontractor invoices outstanding	22,991	23,852
Personnel	1,698	1,853
VAT	810	0
Wage and church taxes	437	638
Miscellaneous other liabilities	2,390	3,553
Total	28,326	29,896

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

Current liabilities, total		k€ 93,417
	12/31/2020	k€ 111,583

Total equity and liabilities		k€ 451,430
	12/31/2020	k€ 423,372

5. Notes to the consolidated statement of total comprehensive income

(24) Revenue		k€ 331,486
	2020	k€ 273,993

Revenues were generated exclusively in Germany.

(25) Changes in stocks of finished goods and work in progress		k€ 24,212
	2020	k€ 36,272

The changes in stocks of finished goods and work in progress include the disposal of capitalised interest expenses with a value of k€ -2,263 (previous year: k€ -1,057).

(26) Other operating income		k€ 1,607
	2020	k€ 2,721

This item is composed as follows:

in k€	2020	2021
Income relating to the monetary benefit from the use of cars	637	661
Income from the disposal of fixed assets	110	107
Insurance compensation payments	142	223
Miscellaneous	1,832	616
Total	2,721	1,607

(27) Expense for materials and third-party services		k€ -272,197
	2020	k€ -241,685

Third-party services represent services procured from subcontractors.

(28) Personnel expense		k€ -29,030
	2020	k€ -26,633

This item is composed as follows:

in k€	2020	2021
Wages and salaries	-22,644	-24,766
Social contributions	-3,989	-4,264
- of which expenses for pensions and benefit	-162	-180
Total	-26,633	-29,030

This item includes expenses of k€ 230 (previous year: k€ 19) from the granting of stock options.

(29) Other operating expenses		k€ -25,431
	2020	k€ -19,912

This item is composed as follows:

in k€	2020	2021
Sales commissions	-9,528	-14,209
Marketing costs, trade fairs, and exhibitions	-2,558	-2,866
Expense for guarantees	-978	-1,868
Legal and consultancy expenses	-725	-841
Administration costs (telephone, post, office requirements)	-541	-511
Third-party services	-389	-527
Premises costs	-839	-911
Vehicle costs	-638	-724
Operating and repair expenses	-652	-790
Representation and travel costs	-220	-219
Office equipment rental costs	-196	-259
Insurance, fees, contributions	-194	-210
Losses on fixed asset disposals	-98	-5
Miscellaneous expenses	-2,356	-1,491
Total	-19,912	-25,431

Earnings before interest, taxes, depreciation and amortisation (EBITDA)		k€ 30,647
	2020	k€ 24,756

(30) Depreciation / amortisation		k€ -2,743
	2020	k€ -2,587

This item is composed as follows:

in k€	2020	2021
Intangible assets	-498	-565
Buildings, rental plant and outdoor plant	-959	-969
Other plant, operating and office equipment	-1,120	-1,199
Investment property	-10	-10
Total	-2,587	-2,743

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

in k€	2020	2021
Intangible assets	0	0
Buildings, rental plant and outdoor plant	-291	-312
Other plant, operating and office equipment	-2	0
Investment property	0	0
Total	-293	-312

Operating earnings (EBIT)		k€ 27,904
	2020	k€ 22,169

(31) Financing expenses		k€ -730
	2020	k€ -650

Financing expenses in connection with the promissory notes amounted to k€ -2,788 (previous year: k€ -2,825).

Financing expenses include expenses in connection with rights of use in the meaning of IFRS 16 amounting to k€ -21 (previous year: k€ -25).

Financing expenses were offset with the sum of capitalised interest expenses of k€ 4,010 (previous year: k€ 3,936).

(32) Other financial result		k€ 112
	2020	k€ 942

Earnings before taxes (EBT)		k€ 27,286
	2020	k€ 22,461

(33) Income tax		k€ -8,478
	2020	k€ -7,065

This item is composed as follows:

in k€	2020	2021
Current income tax	-5,620	-6,268
Deferred taxes	-1,445	-2,210
- of which due to the origination and reversal of temporary differences	-1,445	-2,210
Total	-7,065	-8,478

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 2020 and 2021, and actual tax expenditure:

in k€	2020	2021
Earnings before taxes (EBT)	22,461	27,286
Group tax rate	30.60 %	30.60 %
Arithmetic income tax expense	-6,873	-8,350
Increase (decrease) in tax expenditure due to:		
Non-deductible operating expenses	-33	-37
Trade tax additions	-57	-66
Previous years' tax expense	-32	-24
Miscellaneous	-70	-2
Income tax	-7,065	-8,478
Effective tax rate	-31.45 %	-31.01 %
Earnings after taxes		k€ 18,808
	2020	k€ 15,396

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 01/01/2021	Cash outflows 2021	Payment received 2021	Reclassifications 2021	Status as of 12/31/2021
Non-current financial liabilities	181,603	0	76,112	-45,427	212,288
Current financial liabilities	36,890	-64,041	2,357	45,427	20,633
Total	218,493	-68,850	83,278	0	232,921

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

Interest-rate risk within the HELMA Group results from variable-rate liabilities. 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€ 859 higher, respectively lower, interest expenses (previous year: approximately k€ 320 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.

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. The interest refund was recognised in a low seven-digit amount in euros under other financial result in the 2019 financial year, taking into consideration potential liability claims by subcontractors. In the 2020 financial year, a mid-six-figure amount was recognised in other financial result. In

addition, liabilities in the mid-six-figure range were paid to subcontractors and a low seven-figure euro amount was collected for lack of legal enforceability. No significant changes occurred in 2021. As of December 31, 2021, liabilities continue to exist in a small seven-digit amount in euros.

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	2020	2021
Shares of earnings after tax	15,396	18,808
Minority interests' share of earnings	31	36
Earnings attributable to HELMA AG shareholders	15,365	18,772
Weighted average number of shares outstanding (undiluted)	4,000	4,000
Earnings per share in € (undiluted)	3.84	4.69
Dilution effect due to subscription rights	0	0
Weighted average number of shares outstanding (diluted)	4,000	4,000
Earnings per share in € (diluted)	3.84	4.69

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 (24) Revenue, for information relating to the regional distribution of revenue. The company does not hold assets outside Germany.

The HELMA Group changed its segment reporting in the 2021 financial year.

Previous segment reporting:

The information reported to the Management Board of the HELMA Group for decision-making concerning the distribution of resources to the segments, as well as the assessment of their profitability, have related to date to the following main products and services:

- building services business
- property development business
- other

The main area of operations of the building services business lies in the planning and construction management of turnkey detached and semi-detached houses on the basis of customer orders. In the property development business, constructions are realised and marketed on the company's own land. The Other segment comprises the broking business for building-related financing and insurance.

Information relevant for decision-making purposes is reported to the Management Board on IFRS basis.

Revenue generated between segments exists mainly in the building services business segment (k€ 15,075; previous year: k€ 12,496).

HELMA Eigenheimbau Aktiengesellschaft, Lehrte

Segment report for the 2021 financial year

in k€	Building services business		Property development business		Other		Total	
	2020	2021	2020	2021	2020	2021	2020	2021
Segment revenue (with external customers)	115,358	111,372	157,138	218,503	1,497	1,611	273,993	331,486
Depreciation and amortisation	1,952	2,058	624	674	11	11	2,587	2,743
Segment operating earnings (EBIT) including earnings-dependent portion of business procurement**	10,280	9,759	11,472	17,698	417	447	22,169	27,904
Segment operating earnings (EBIT) including earnings-dependent portion of business procurement adjusted for the disposal of capitalised interest*	10,280	9,759	12,529	19,961	417	447	23,226	30,167
Segment assets***	16,760	16,581	4,703	4,789	38	28	21,501	21,398
Additions to segment assets	2,334	1,894	542	784	4	1	2,880	2,679

* Please refer to the marks in the section (6) Inventories for more information about figures adjusted for the disposal of capitalised interest.

** The earnings-based business procurement compensation is measured based on the separate annual financial statements for the company prepared according to German Commercial Code (HGB) accounting standards (the non-consolidated financial statements), which can make it less easy to analyse the operating segments' results of operations, especially in the year-on-year comparison. The earnings-dependent business procurement compensation for the property development segment decreased by k€ 2,334 compared with the previous year.

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

The presentation of segment reporting has been redefined. For this reason, in the 2021 consolidated financial statements, both the preceding presentation is made in the previous form and in the new form explained below.

New segment reporting:

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

Future segment reporting will focus to an even greater extent 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€ 15,075; previous year: k€ 12,496) is eliminated accordingly, so that no intersegment revenue arises.

in k€	Individual		Pre-planned		Total	
	2020	2021	2020	2021	2020	2021
Segment revenue (with external customers)	172,760	178,656	101,233	152,830	273,993	331,486
Depreciation and amortisation	1,735	1,843	852	900	2,587	2,743
Financial result	116	-242	176	-376	292	-618
Segment operating earnings (EBT)	12,069	13,905	10,392	13,381	22,461	27,286
Segment assets***	14,937	14,793	6,564	6,605	21,501	21,398
Additions to segment assets	1,986	1,642	894	1,037	2,880	2,679

*** 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, 2020, on March 17, 2021. The Supervisory Board will approve the audited consolidated financial statements as of December 31, 2021 prospectively on March 16, 2022.

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	82	47	0	129 (85)
Obligations arising from operating leases for operating and office equipment	2	4	0	6 (3)
Total	84	51	0	135 (88)

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 2021 financial year amount to k€ 89 (previous year: k€ 92).

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

AKH GmbH, in whose share capital Ms. Alben Maerzke and Mr. Karl-Heinz Maerzke each holds a 50 % interest, acquired an undeveloped land plot in Naunhof from HELMA Wohnungsbau GmbH in June 2021 for a purchase price of k€ 433. In August 2021, AKH GmbH acquired a further undeveloped land plot in Naunhof for a purchase price of k€ 454 and an apartment building to be constructed in Berlin-Spandau for a purchase price of k€ 2,559 from HELMA Wohnungsbau GmbH.

Hindenburg Immobiliendienstleistungen GmbH, which is attributable to Mr. Karl-Heinz Maerzke, acquired an apartment building to be constructed in Berlin-Spandau from HELMA Wohnungsbau GmbH in August 2021 for a purchase price of k€ 2,565.

In November 2021, Mr. Gerrit Janssen acquired 12,250 shares in HELMA Ferienimmobilien GmbH from HELMA Eigenheimbau AG for a purchase price of k€ 61 by way of a purchase and assignment agreement (see section 3.2).

The audit, tax advisory, legal, and notary practice Morzynski, Löbke, Koenemann, Bauer, Braun GbR, Hanover, in which Mr. Paul Heinrich Morzynski holds an interest, received payments of k€ 119 in 2021 mainly for holding customer payments on notary escrow accounts as well as for services rendered in connection with authentications and powers of attorney.

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

8.8. Management and Supervisory Boards

Management Board

In the 2021 financial year, the management of the company was performed by the Management Board which was composed of the following members:

- Mr. Gerrit Janssen, Hanover, Management Board Chairman
- Mr. Max Bode, Hanover, Management Board member
- Mr. André Müller, Hanover, Management Board member

On July 2, 2021, the Supervisory Board passed a resolution to implement an early extension of the contract of Mr. Gerrit Janssen as Management Board Chairman (CEO) of HELMA Eigenheimbau AG by a further five years until June 30, 2027. Mr. Max Bode and Mr. André Müller have been appointed to company's Management Board until June 30, 2023.

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. Gerrit Janssen is authorised on a sole representation basis to conclude legal transactions on the company's behalf as a third-party representative.

Mr. Karl-Heinz Maerzke holds 15.2 % 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€ 2,119 in the 2021 financial year (previous year: k€ 1,387).

No receivables were due from the Management Board as of December 31, 2021.

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

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

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 350 employees (previous year: 342) and an average of 8 individuals were employed to a minor extent (previous year: 7).

8.10. List of shareholdings

Name	Headquarters	Shareholding level	Equity as of December 31, 2021	Share capital as of December 31, 2021	Net result before profit-and-loss transfer 2021
HELMA Wohnungsbau GmbH	Lehrte	93.94 %*	€ 1,275,400.00	€ 1,275,400.00	€ 4,342,674.26
HELMA Ferienimmobilien GmbH	Lehrte	90.20 %	€ 250,000.00	€ 250,000.00	€ 1,856,782.35
Hausbau Finanz GmbH	Lehrte	100.00 %	€ 26,000.00	€ 26,000.00	€ 467,541.93

*Of which 4.01 % held indirectly through Hausbau Finanz GmbH

Please refer to the disclosures in section 3.2 concerning the changes to shareholdings in HELMA Ferienimmobilien 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 2021 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€ 75 is attributable to services for the auditing of financial statements, k€ 8 is attributable to certification services, and k€ 19 is attributable to tax advisory services.

Lehrte, March 4, 2022

Signed Gerrit Janssen
Management Board Chairman

Signed Max Bode
Management Board member

Signed André Müller
Management Board member

Consolidated statement of changes in fixed assets 2020 (component of notes to the financial statements)

in k€	Cost			
	01/01/2020	Additions	Transfers	Disposals
I. Intangible assets				
1. Concessions, industrial trade rights, customer relationships, and similar rights and assets, and licences to such rights and assets	3,402	268	802	0
2. Internally generated intangible assets	391	0	0	0
3. Goodwill	4,038	0	0	0
4. Prepayments rendered	557	279	-802	0
Total intangible assets	8,388	547	0	0
II. Property, plant and equipment				
1. Land rights and equivalent rights and buildings including buildings on third-party land	24,026	379	487	1,001
2. Other plant, operating and office equipment	7,727	1,311	116	1,882
3. Prepayments rendered and plant under construction	332	643	-603	0
Total property, plant and equipment	32,085	2,333	0	2,883
III. Investment property				
1. Buildings	382	0	0	0
Total investment property	382	0	0	0
Total fixed assets	40,855	2,880	0	2,883

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, 2021, 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 to December 31, 2021, and the notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the aggregated management report of HELMA Eigenheimbau Aktiengesellschaft, Lehrte, for the financial year from January 1 to December 31, 2021.

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, 2021, and of its results of operations for the financial year from January 1 to December 31, 2021, 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.

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 remaining parts of the annual report that are expected to be made available to us after the date of this audit opinion, albeit excluding the following: the consolidated financial statements, the management report information included in the content of the audit, our audit opinion, and the Supervisory Board Report.

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 aggregated management report does not extend to the other information, and accordingly we will not express an audit opinion or any other form of audit conclusion on such matters.

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

- contains material inconsistencies with the consolidated financial statements, the aggregated 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. In addition, the legal representatives are responsible for the internal controls they deem necessary for the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 intentional or unintentional, and whether the aggregated 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, as well as to express an opinion that includes our audit opinion on the consolidated financial statements and the aggregated 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 arise from violations or inaccuracies, 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 aggregated management report.

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

- we identify and evaluate the risks of material misstatement, whether intentional or not, of the consolidated financial statements and the aggregated management report, 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 will not be detected is greater for violations than for inaccuracies, as violations may involve fraudulent collusion, falsification, intentional incompleteness, misrepresentation, or the overriding 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 have assessed the overall presentation, the 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 net assets, financial position, and performance in accordance with IFRSs as adopted by the EU, and the additional requirements of German law pursuant to § 315e (1) of the German Commercial Code (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 aggregated 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.

Among other matters, we discuss the planned scope with those responsible for monitoring and the timing of the audit and significant findings of the audit, including any deficiencies in the internal control system identified during our audit.

Hanover, March 7, 2022

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€	2020	2021
Revenue	120,178	118,536
Changes in stocks of finished goods and work in progress	5,194	8,167
Other operating income	1,822	837
Materials expense	-89,221	-85,691
Personnel expense	-17,275	-18,988
Depreciation and amortisation of property, plant and equipment, and intangible assets	-1,848	-1,952
Other operating expenses	-10,154	-10,379
Operating earnings (EBIT)	8,696	10,530
Net financial result	9,273	9,502
Earnings before income tax	17,969	20,032
Net income	12,358	13,774
Balance sheet profit	12,358	13,774

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 € 13,774,396.76 for the 2021 financial year on net income of € 13,774,396.76.

The Management and Supervisory Boards will propose to the Shareholders' General Meeting to be held on July 1, 2022, that it approves the distribution of a dividend of € 1.72 per dividend-entitled ordinary share, consequently € 6,880,000.00, and that the remaining amount of € 6,894,396.76 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 electronic Federal Gazette, and filed in the companies register.

Balance Sheet – Assets

in k€	12/31/2020	12/31/2021
Non-current assets	18,337	18,238
- of which intangible assets	1,883	2,012
- of which property, plant and equipment	14,461	14,245
- of which financial investments	1,993	1,981
Current assets	119,423	123,698
- of which inventories	50	31
- of which receivables and other assets	109,091	112,951
- of which cash and cash equivalents	10,282	10,716
Prepayments and accrued income	318	282
Total assets	138,078	142,218

Balance Sheet – Equity and liabilities

in k€	12/31/2020	12/31/2021
Equity	99,639	107,254
Provisions	9,448	7,330
Liabilities	28,991	27,634
Total equity and liabilities	138,078	142,218

Editorial

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HELMA Eigenheimbau AG, Lehrte

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HELMA Eigenheimbau AG, Lehrte

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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.

Investor Relations Contact

Phone: +49 (0) 51 32 / 88 50 - 221
Fax: +49 (0) 51 32 / 88 50 - 111
E-mail: ir@HELMA.de



Dipl.-Kfm.
Gerrit Janssen, CFA
Chairman of the Management
Board (CEO)



M.A., M.Sc.
Daniel Weseloh
Investor Relations

Financial Calendar 2022

January 26, 2022	Roadshow ODDO BHF (virtual)
March 02, 2022	Preliminary figures for the 2021 financial year
March 09, 2022	Roadshow M.M.Warburg (virtual)
March 24, 2022	Publication Annual Report 2021
April 07, 2022	Metzler MicroCap Days (Frankfurt am Main)
May 03–04, 2022	Munich Capital Market Conference (Munich)
June 23–24, 2022	Warburg Highlights Conference (Hamburg)
July 01, 2022	Annual General Meeting (Lehrte)
August 11, 2022	Publication Half-Year Report 2022
August 24–25, 2022	Hamburg Investors' Day - HIT (Hamburg)
September 19–21, 2022	Berenberg and Goldman Sachs German Corporate Conference (Munich)
November 28–30, 2022	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.

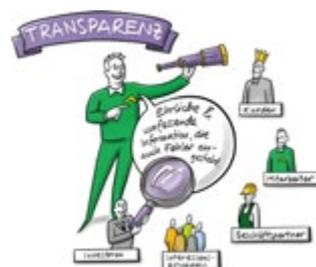


QUALITY

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

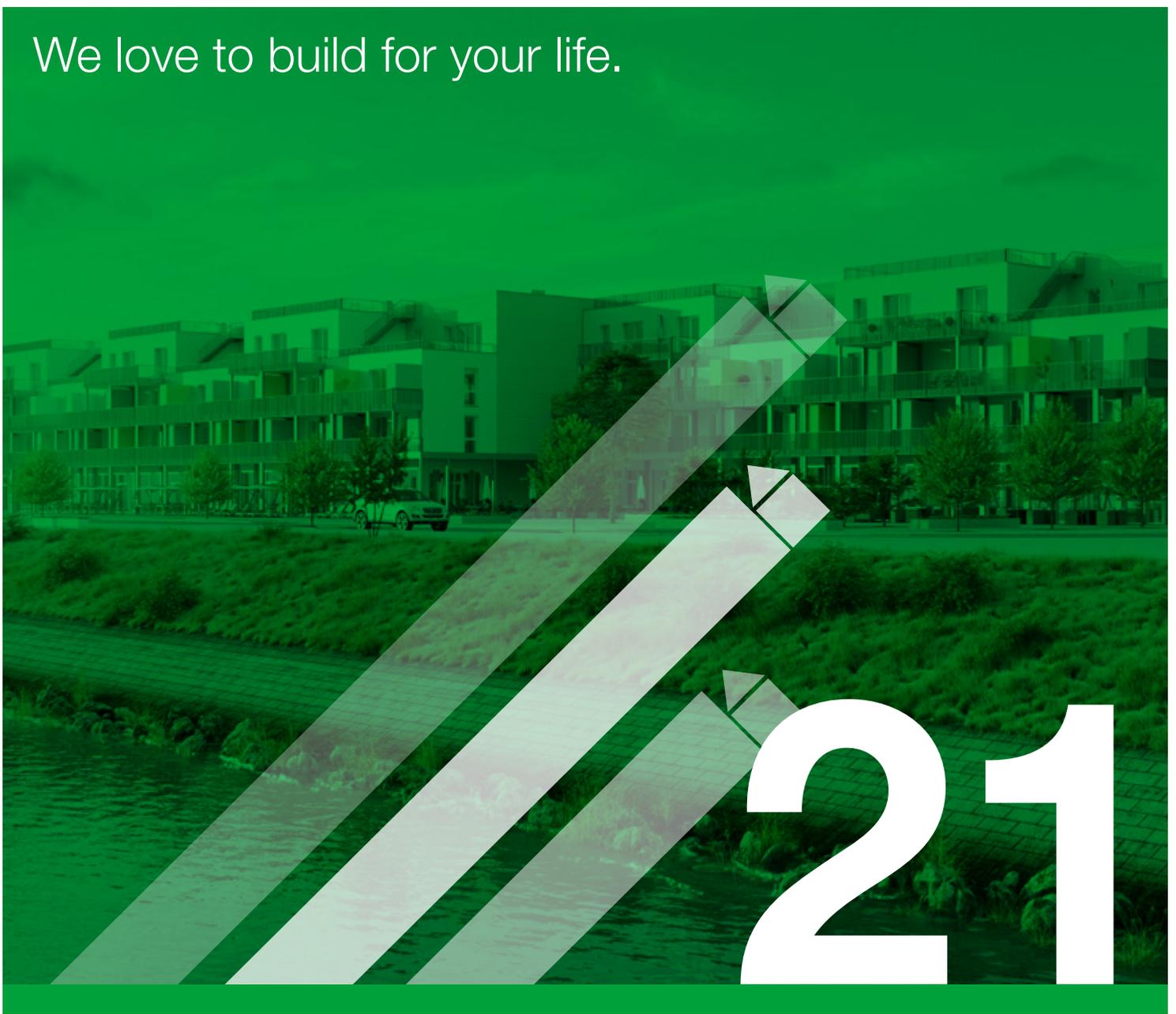
Safety comes first. For this reason, we offer our customers an extensive range of additional safety measures. We also invest in occupational safety: with us, our employees enjoy a working environment that offers above-average safety.

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.



HELMA Eigenheimbau AG

Zum Meersefeld 4
D-31275 Lehrte

Phone: +49(0)51 32/8850-0
Fax: +49(0)51 32/8850-111
E-mail: info@HELMA.de

www.HELMA.de

