

Buy EUR 37.50 (EUR 55.00) Price EUR 17.45 Upside 114.9 %	Value Indicators: EUR DCF: 37.54	Warburg ESG Risk Score: 2.3 ESG Score (MSCI based): 3.0 Balance Sheet Score: 2.8 Market Liquidity Score: 1.0	Description: Service provider for construction of owner-occupied homes and holiday property
	Market Snapshot: EUR m Market cap: 69.8 No. of shares (m): 4.0 EV: 270.1 Freefloat MC: 48.8 Ø Trad. Vol. (30d): 108.28 th	Shareholders: Freefloat 69.90 % Karl-Heinz Maerzke 29.80 % Management board 0.30 %	Key Figures (WRe): 2022e Beta: 1.7 Price / Book: 0.6 x Equity Ratio: 29 % Net Fin. Debt / EBITDA: 24.3 x Net Debt / EBITDA: 24.3 x

Headwind from weak monitoring of construction quality and macro environment

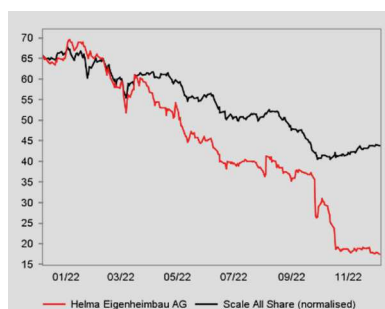
- Helma's second guidance revision within two months was necessary as the new management has taken a more intensive approach to evaluating the additional costs for the insolvency of the core general contractor for Helma Ferienimmobilien GmbH, Natura-Holzbau GmbH. The massive reduction in the EBT guidance in two steps from EUR 30m to a mid-single-digit million was driven by the following factors according to company:
- Firstly, the company has to replace existing contracts with the insolvent general contractor Natura-Hausbau GmbH with new subcontractors or has to negotiate directly with the sub-contractors of the insolvent company. The significance of this insolvency for Helma Ferienimmobilien was more severe than we expected, as the company was responsible for the construction of several additional development projects, such as in Büsum, Tossens and Burhave, as well as Helma's large project in Olpenitz, which has increased Helma's cluster risk in recent years.
- The insolvency of this general contractor will also lead to penalties for the later handover and completion of units already sold (WRe: Olpenitz and Büsum). This was also considered by the company when it lowered its sales guidance for 2022 (to the lower end of the revised guidance range of EUR 300-320m compared to EUR 360m previously) due to expected postponements in the construction process.
- Thirdly, the weaker quality of several house types already built, mainly in Olpenitz, or that are still in the construction process, leads to rising guarantee claims which have to be managed in an intensive review by the new management. Challenging weather conditions at Helma's coastal locations on the North Sea and Baltic Sea might not have been adequately considered which would lead to customer claims based on guarantees.
- Against this background and as new management has not given any details on the breakdown of the possible burden from these drivers, we conducted a plausibility check of Helma's two guidance revisions:

- a) The main reasons for the guidance cut in September (EBT down from EUR 30m to EUR 20m) are expected to have been the higher costs mentioned for the completion of existing projects and, to a smaller degree, the necessary penalty payment for delays in the handover of keys.

Our check: At Helma Ferienimmobilien's core project in Olpenitz, a total of ~1,390 units are planned in a construction period of 7-8 years and 50% of these units have already been completed according the company. Helma has 130 units under construction in Büsum on the North Sea coast, and in Burhave, also on the North Sea, Helma has planned 167 units which are already partly in the marketing phase. We could not find an exact figure for the number of units at Tossens (North Sea) but the project could encompass ~80-100 units. Therefore, the numbers of units in the affected projects should sum up to nearly 1,800.

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Changes in Estimates:						Comment on Changes:	
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	
Sales	304.6	0.0 %	297.0	-12.8 %	343.1	-26.0 %	<ul style="list-style-type: none"> We have reduced our estimates going forward to reflect significantly higher guarantees booked in 2022 and 23 & reduced top-line development. Top-line decline will be driven by a) weaker demand, b) some selective disposals of sites and c) later opportunistic start of marketing phase for several projects (former management indicated in August that the marketing phase for nearly 1k units should start within the next 18 months). Focus will be on cash-flow development as company has to refinance around one-third of its promissory notes in 2023 (WRe: EUR 35.5m).
EBT	19.6	-76.7 %	20.4	-53.1 %	27.5	-44.4 %	
Net income	13.2	-76.9 %	14.0	-53.2 %	18.8	-44.5 %	



Rel. Performance vs Scale All	
1 month:	-6.2 %
6 months:	-39.4 %
Year to date:	-39.6 %
Trailing 12 months:	-41.1 %

Company events:

FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	-8.5 %	253.3	263.2	274.0	331.5	304.6	258.9	253.8
Change Sales yoy		-5.0 %	3.9 %	4.1 %	21.0 %	-8.1 %	-15.0 %	-2.0 %
Gross margin adj.	2.3 %	23.8 %	24.5 %	24.1 %	24.7 %	22.1 %	24.9 %	26.4 %
EBITDA	-14.5 %	23.8	25.2	24.8	30.6	8.3	13.5	19.2
EBIT	-16.3 %	21.8	22.8	22.2	27.9	5.5	10.7	16.4
Margin		8.6 %	8.7 %	8.1 %	8.4 %	1.8 %	4.1 %	6.4 %
EBT		21.2	23.6	22.5	27.3	4.6	9.6	15.3
Net income	-17.8 %	14.5	16.1	15.4	18.8	3.0	6.5	10.4
EPS	-17.7 %	3.62	4.04	3.84	4.69	0.76	1.63	2.61
EPS adj.	-17.7 %	3.62	4.04	3.84	4.69	0.76	1.63	2.61
DPS	-8.9 %	1.30	1.85	1.54	1.72	0.75	1.20	1.30
Dividend Yield		3.5 %	4.9 %	4.2 %	2.9 %	4.3 %	6.9 %	7.4 %
FCF		-0.25	-1.44	-2.99	-0.46	5.48	4.07	2.71
FCF / Market cap		-0.7 %	-3.8 %	-8.1 %	-0.8 %	31.4 %	23.3 %	15.5 %
EV / Sales		1.2 x	1.2 x	1.3 x	1.3 x	0.9 x	1.0 x	1.0 x
EV / EBITDA		12.9 x	13.0 x	14.0 x	14.5 x	32.7 x	19.4 x	13.6 x
EV / EBIT		14.1 x	14.4 x	15.6 x	16.0 x	49.5 x	24.5 x	15.9 x
P / E		10.2 x	9.4 x	9.6 x	12.5 x	23.0 x	10.7 x	6.7 x
P / E adj.		10.2 x	9.4 x	9.6 x	12.5 x	23.0 x	10.7 x	6.7 x
FCF Potential Yield		5.1 %	5.0 %	4.7 %	4.7 %	2.0 %	3.5 %	5.0 %
Net Debt		159.3	175.7	199.1	211.7	200.3	192.0	190.4
ROCE (NOPAT)		6.0 %	5.8 %	5.1 %	5.9 %	1.1 %	2.3 %	3.5 %
Guidance:	2022: Sales lower end of EUR 300-320m, EBT EUR mid-single digit m;							

According to the management ~250 units (Olpenitz and North Sea projects) were in the construction phase at the point of insolvency of its general contractor Natura-Holzbau. Assuming the same average selling-price estimate for Helma Ferienimmobilien GmbH as for Helma's pipeline (EUR ~441k) a sales volume of ~EUR 110m could be affected, which makes the guidance cut of EUR 40-60m for the sales volume comprehensible.

For the units sold by Helma Ferienimmobilien, the average gross margin should be at least ~30% (WRe), which is higher than the Helma Group figure of 24.7% (2021), and would lead to construction costs of EUR 77m for the mentioned EUR 110m sales volume. As the affected units (~250) were already in the construction process, the remaining construction costs should be lower (WRe: 40-60%). Assuming a 20% cost-increase for the work necessary to complete the construction, this leads to additional costs of EUR 7.7m (WRe). In combination with the expected penalties (WRe: EUR 1.25m or EUR 5k per unit) for the later handover and completion of sold units, some sales deferral into 2023 and a modest management buffer, the magnitude of the guidance cut in September was plausible, in our view. Furthermore, the headwind for order intake might also have been included in the first guidance but was not quantified.

- b) The second EBT cut by an additional EUR 15m in November should have rather been driven by guarantees for units already completed and the repair of units in the current construction phase (WRe: total ~1k) which would be a clear indication of shortcomings in quality-monitoring by Helma Ferienimmobilien. Assuming necessary guarantees for roughly two-thirds (~650) of the relevant units, we derive an estimated burden of EUR 23k per unit or ~5-7% of the selling price. This looks manageable at first glance and management might take a conservative approach (kitchen sinking) towards the evaluation of a possible burden.

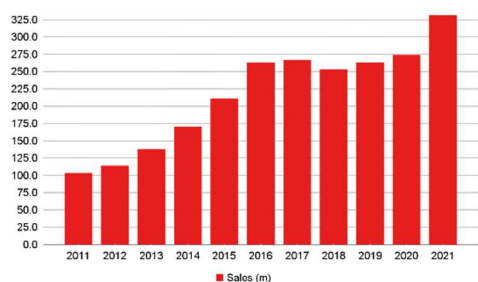
Nevertheless, management has not given any details or a breakdown of the burden. Furthermore, the impact of the deterioration of the market environment is not visible, which reduces the transparency of the adjusted operating performance. For this reason, we include an additional burden of EUR 5m in 2023 for additional guarantee costs.

- Helma's cash position of EUR 20m at end of H1/22 and its equity ratio of 30% are solid balance-sheet figures. Nevertheless, Helma's focus should be on cash-flow development as the company has to refinance around one-third of its promissory notes in 2023 (WRe: EUR 35.5m). It would thus make sense to sell some sites opportunistically to strengthen the cash position or reduce debt, which would be favourable, especially before the necessary refinancing of mentioned promissory notes with a volume of EUR 35.5m in H2/2023. Furthermore, Helma's estimated hidden reserve (WRe: EUR 120-150m) in the existing site portfolio is not reflected in the current market cap of only EUR 72m. A disposal, even at reduced market values, should enable a meaningful book gain as these sites have been on Helma's balance sheet for an average of five years at acquisition cost.

Conclusion: Our updated assumptions result in a fair value of EUR 37.50 per share based on our DCF model. The reduction from EUR 55 was driven by a) significant reduction in estimates, b) higher beta of 1.7 (previously 1.6) due to lower transparency and c) higher calculated cost of debt. Nevertheless, we assume that the Helma Group will remain profitable, given the meaningful hidden reserves in Helma's site portfolio. With upside of more than 100% to our estimated fair value we consequently reiterate our Buy recommendation.

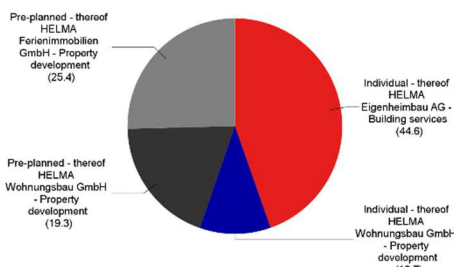
The equity ratio of 30% looks rock-solid compared with competitors. As the underlying construction quality in Helma's other subsidiaries Helma Eigenheimbau and Helma Wohnungsbau was not affected by the problems at Helma Ferienimmobilien, Helma should benefit from a sound order book of EUR 383m (H1/22) in H2 and 2023 and 2024. A rigorous and swift solution to the existing quality problems at Helma Ferienimmobilien should put Helma back on its profitable growth path, also supported by a recovery of macro-economic data and the start of announced government support for the financing costs of new-builds.

Sales development
in EUR m



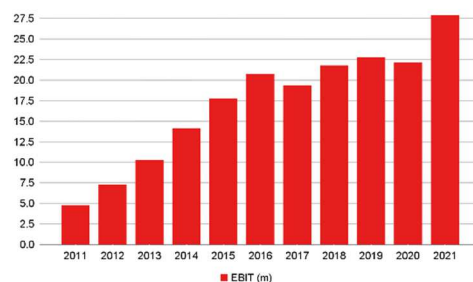
Source: Warburg Research

Order intake by segments
2021; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

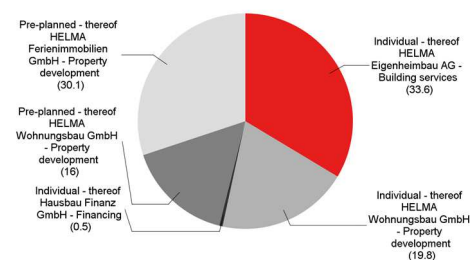
Company Background

- Provider of construction services for brick-built homes that can be adapted to individual preference.
- Focus on product development, sale, planning and building administration. Construction is outsourced to subcontractors.
- HELMA in its role as a developer (HELMA Wohnungsbau GmbH), acquires larger areas zoned for residential construction with up to 250 building sites. Regional focus is on cities like Berlin, Hamburg, Hanover or Munich.
- Since early 2011 the company's subsidiary HELMA Ferienimmobilien has been developing and selling holiday properties on the North Sea and Baltic Sea coasts as well as in attractive lakeside and mountainous locations.

Competitive Quality

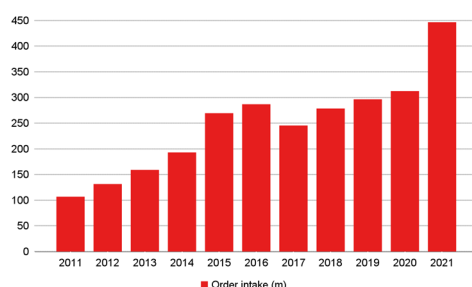
- Individualisation without additional costs: HELMA's homes are mainly distinguished by the range of individual design options at no extra cost.
- High expertise in the future market for energy-efficient houses: HELMA offers a broad range of energy-efficient houses with the efficiency house 55 EE as a minimum standard.
- Efficient sales concept: HELMA's 35 show houses throughout Germany are used by ca. 80 freelance sales representatives as a point of sale.
- Business model expansion into apartment building completes product range
- Successful advancement of the development business in the holiday property area since 2011. Gradual expansion of the market positioning makes attractive growth possible.

Sales by segments
2021 in %



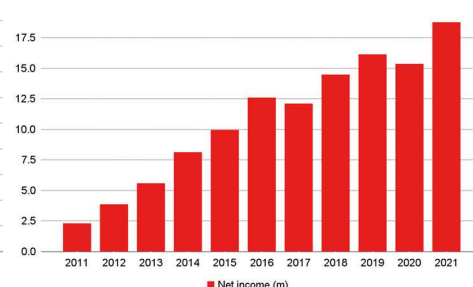
Source: Warburg Research

Order intake
in EUR m



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

	Detailed forecast period			Transitional period										Term. Value
Figures in EUR m	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	304.6	258.9	253.8	274.1	296.0	319.7	338.8	355.8	373.6	384.8	392.5	400.3	408.3	2.0 %
Sales change	-8.1 %	-15.0 %	-2.0 %	8.0 %	8.0 %	8.0 %	6.0 %	5.0 %	5.0 %	3.0 %	2.0 %	2.0 %	2.0 %	
EBIT	5.5	10.7	16.4	19.2	23.7	25.6	27.1	28.5	29.9	30.8	31.4	32.0	32.7	8.0 %
EBIT-margin	1.8 %	4.1 %	6.4 %	7.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
Tax rate (EBT)	32.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	31.5 %	18
NOPAT	3.7	7.3	11.2	13.1	16.2	17.5	18.6	19.5	20.5	21.1	21.5	21.9	22.4	
Depreciation	2.8	2.8	2.8	2.2	2.4	2.6	2.7	2.8	3.0	3.1	3.1	3.2	3.3	258
in % of Sales	0.9 %	1.1 %	1.1 %	0.8 %	0.8 %	0.8 %	0.8 %	0.8 %	0.8 %	0.8 %	0.8 %	0.8 %	0.8 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	71.31 %
Change in Liquidity from														
- Working Capital	-14.0	-6.4	3.0	9.8	12.6	12.4	15.3	15.6	12.5	4.6	0.5	0.3	0.2	10.60 %
- Capex	3.2	3.4	3.4	2.5	2.7	2.9	3.0	3.2	3.4	3.5	3.5	3.6	3.7	
Capex in % of Sales	1.1 %	1.3 %	1.3 %	0.9 %	0.9 %	0.9 %	0.9 %	0.9 %	0.9 %	0.9 %	0.9 %	0.9 %	0.9 %	18.09 %
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	17.3	13.1	7.6	3.1	3.3	4.8	2.9	3.6	7.6	16.1	20.7	21.2	21.8	
PV of FCF	18.2	13.1	7.1	2.7	2.8	3.8	2.2	2.5	5.1	10.2	12.4	12.0	11.7	
share of PVs	10.60 %			18.09 %										

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	70.00 %	Financial Strength	1.50
Cost of debt (after tax)	3.1 %	Liquidity (share)	2.00
Market return	8.25 %	Cyclicality	2.00
Risk free rate	2.75 %	Transparency	1.50
		Others	1.50
WACC	5.79 %	Beta	1.70

Valuation (m)

Present values 2034e	104		
Terminal Value	258		
Financial liabilities	234		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	22	No. of shares (m)	4.0
Equity Value	150	Value per share (EUR)	37.54

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
2.31	6.8 %	11.58	13.46	15.52	17.81	20.34	23.17	26.35	2.31	6.8 %	-0.95	5.30	11.56	17.81	24.06	30.31	36.56
2.00	6.3 %	18.44	20.85	23.52	26.50	29.85	33.64	37.97	2.00	6.3 %	5.66	12.61	19.55	26.50	33.44	40.39	47.33
1.85	6.0 %	22.43	25.17	28.23	31.67	35.56	40.01	45.12	1.85	6.0 %	9.60	16.96	24.31	31.67	39.03	46.38	53.74
1.70	5.8 %	26.87	30.01	33.54	37.54	42.10	47.35	53.47	1.70	5.8 %	14.07	21.89	29.72	37.54	45.36	53.19	61.01
1.55	5.5 %	31.85	35.47	39.57	44.25	49.65	55.93	63.34	1.55	5.5 %	19.19	27.54	35.90	44.25	52.61	60.96	69.32
1.40	5.3 %	37.45	41.66	46.47	52.01	58.45	66.06	75.16	1.40	5.3 %	25.10	34.07	43.04	52.01	60.97	69.94	78.91
1.09	4.8 %	51.09	56.92	63.72	71.74	81.34	93.03	107.60	1.09	4.8 %	40.16	50.69	61.21	71.74	82.27	92.80	103.32

- We increased the Beta to 1.7 (old 1.6) as we lift the Beta for transparency to 1.5 (old: 1.0) due to low visibility.
- We lowered our margin assumption due to headwind from rising costs and lower contribution from HELMA Ferienimmobilien.
- Cost of debt should rise significantly.

Valuation	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	1.5 x	1.4 x	1.3 x	1.8 x	0.6 x	0.5 x	0.5 x
Book value per share ex intangibles	23.65	26.30	28.29	31.48	30.57	31.11	32.36
EV / Sales	1.2 x	1.2 x	1.3 x	1.3 x	0.9 x	1.0 x	1.0 x
EV / EBITDA	12.9 x	13.0 x	14.0 x	14.5 x	32.7 x	19.4 x	13.6 x
EV / EBIT	14.1 x	14.4 x	15.6 x	16.0 x	49.5 x	24.5 x	15.9 x
EV / EBIT adj.*	13.4 x	14.0 x	14.9 x	14.8 x	36.2 x	23.0 x	15.2 x
P / FCF	n.a.	n.a.	n.a.	n.a.	3.2 x	4.3 x	6.4 x
P / E	10.2 x	9.4 x	9.6 x	12.5 x	23.0 x	10.7 x	6.7 x
P / E adj.*	10.2 x	9.4 x	9.6 x	12.5 x	23.0 x	10.7 x	6.7 x
Dividend Yield	3.5 %	4.9 %	4.2 %	2.9 %	4.3 %	6.9 %	7.4 %
FCF Potential Yield (on market EV)	5.1 %	5.0 %	4.7 %	4.7 %	2.0 %	3.5 %	5.0 %
*Adjustments made for: -							

Company Specific Items	2018	2019	2020	2021	2022e	2023e	2024e
Order intake	278.6	296.5	312.5	446.6	329.0	249.9	269.6
Total output	279.0	273.0	310.3	355.7	314.6	268.9	263.8
Material expenses	217.1	207.8	241.7	272.2	247.2	204.6	196.7
Gross margin adj.	23.8 %	24.5 %	24.1 %	24.7 %	22.1 %	24.9 %	26.4 %
Order book	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	253.3	263.2	274.0	331.5	304.6	258.9	253.8
Change Sales yoy	-5.0 %	3.9 %	4.1 %	21.0 %	-8.1 %	-15.0 %	-2.0 %
Increase / decrease in inventory	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Own work capitalised	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total output	279.0	273.0	310.3	355.7	314.6	268.9	263.8
Material expenses	217.1	207.8	241.7	272.2	247.2	204.6	196.7
Gross profit	61.9	65.3	68.6	83.5	67.5	64.4	67.1
Gross profit margin	24.5 %	24.8 %	25.0 %	25.2 %	22.1 %	24.9 %	26.4 %
Personnel expenses	23.9	25.0	26.6	29.0	30.2	29.9	30.9
Other operating income	1.6	2.6	2.7	1.6	2.0	2.0	2.0
Other operating expenses	15.9	17.7	19.9	25.4	31.0	23.0	19.0
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	23.8	25.2	24.8	30.6	8.3	13.5	19.2
Margin	9.4 %	9.6 %	9.0 %	9.2 %	2.7 %	5.2 %	7.6 %
Depreciation of fixed assets	2.0	2.4	2.6	2.7	2.8	2.8	2.8
EBITA	21.8	22.8	22.2	27.9	5.5	10.7	16.4
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	21.8	22.8	22.2	27.9	5.5	10.7	16.4
Margin	8.6 %	8.7 %	8.1 %	8.4 %	1.8 %	4.1 %	6.4 %
EBIT adj.	22.9	23.5	23.2	30.2	7.5	11.4	17.1
Interest income	0.1	1.7	0.9	0.1	0.2	0.2	0.2
Interest expenses	0.7	0.9	0.7	0.7	1.1	1.3	1.3
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	21.2	23.6	22.5	27.3	4.6	9.6	15.3
Margin	8.4 %	9.0 %	8.2 %	8.2 %	1.5 %	3.7 %	6.0 %
Total taxes	6.6	7.4	7.1	8.5	1.5	3.0	4.8
Net income from continuing operations	14.5	16.2	15.4	18.8	3.1	6.6	10.5
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	14.5	16.2	15.4	18.8	3.1	6.6	10.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	14.5	16.1	15.4	18.8	3.0	6.5	10.4
Margin	5.7 %	6.1 %	5.6 %	5.7 %	1.0 %	2.5 %	4.1 %
Number of shares, average	4.0	4.0	4.0	4.0	4.0	4.0	4.0
EPS	3.62	4.04	3.84	4.69	0.76	1.63	2.61
EPS adj.	3.62	4.04	3.84	4.69	0.76	1.63	2.61

*Adjustments made for:

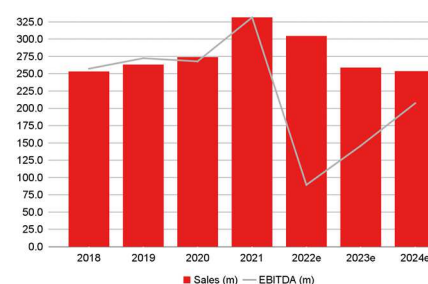
Guidance: 2022: Sales lower end of EUR 300-320m, EBT EUR mid-single digit m;

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	100.8 %	94.2 %	104.2 %	98.1 %	100.6 %	98.7 %	96.4 %
Operating Leverage	-2.5 x	1.2 x	-0.7 x	1.2 x	9.9 x	-6.4 x	-26.5 x
EBITDA / Interest expenses	34.7 x	29.0 x	38.1 x	42.0 x	7.5 x	10.4 x	14.7 x
Tax rate (EBT)	31.4 %	31.4 %	31.5 %	31.1 %	32.5 %	31.5 %	31.5 %
Dividend Payout Ratio	35.8 %	45.7 %	40.0 %	36.6 %	97.5 %	73.1 %	49.7 %
Sales per Employee	779,311	817,525	791,887	952,546	858,222	715,185	687,139

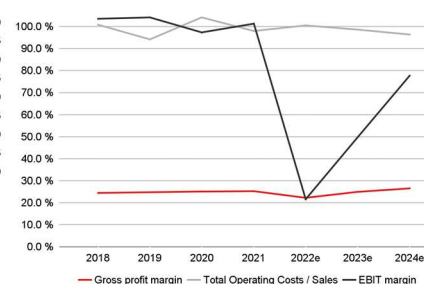
Sales, EBITDA

in EUR m

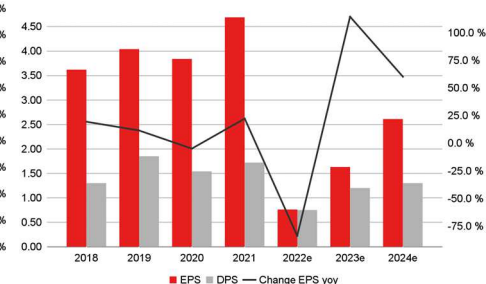


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

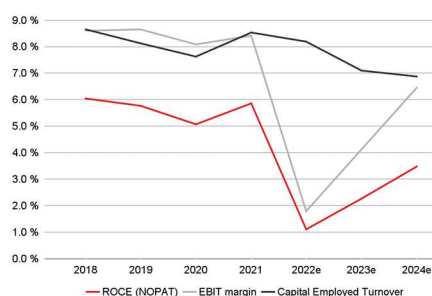
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	3.0	3.3	3.3	3.4	3.7	4.0	4.3
thereof other intangible assets	1.6	1.9	1.9	2.0	2.3	2.6	2.9
thereof Goodwill	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Property, plant and equipment	19.1	19.9	19.5	19.3	19.1	19.2	19.3
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term assets	0.0	4.6	4.6	2.2	2.3	2.4	2.5
Fixed assets	22.2	27.9	27.5	25.0	25.2	25.7	26.2
Inventories	220.2	232.2	281.7	311.0	300.0	305.0	310.0
Accounts receivable	77.2	96.6	87.8	86.3	83.5	70.9	69.5
Liquid assets	16.3	16.7	20.1	21.8	20.0	20.0	32.8
Other short-term assets	5.5	6.8	6.3	7.4	6.3	6.4	6.6
Current assets	319.2	352.3	395.9	426.5	409.8	402.4	418.9
Total Assets	341.4	380.2	423.4	451.4	435.0	428.1	445.1
Liabilities and shareholders' equity							
Subscribed capital	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Capital reserve	41.5	41.5	41.6	41.8	41.8	41.8	41.8
Retained earnings	30.9	36.3	43.7	49.9	46.1	49.6	55.2
Other equity components	21.2	26.7	27.2	33.6	34.1	33.0	32.7
Shareholders' equity	97.6	108.5	116.5	129.3	126.0	128.5	133.8
Minority interest	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total equity	97.7	108.6	116.6	129.5	126.1	128.6	133.9
Provisions	25.5	33.4	33.3	30.8	32.3	33.4	34.2
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	175.6	192.4	219.2	233.5	220.3	212.1	223.2
Short-term financial liabilities	33.0	36.0	36.9	20.6	18.6	20.4	22.5
Accounts payable	9.5	15.0	16.0	16.3	15.0	12.8	12.5
Other liabilities	33.1	30.7	38.4	41.3	41.3	41.3	41.3
Liabilities	243.7	271.6	306.8	321.9	308.9	299.5	311.2
Total liabilities and shareholders' equity	341.4	380.2	423.4	451.4	435.0	428.1	445.1

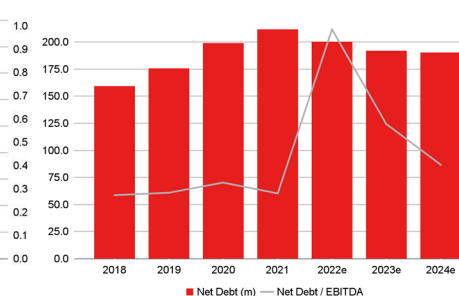
Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	0.8 x	0.8 x	0.7 x	0.8 x	0.8 x	0.7 x	0.7 x
Capital Employed Turnover	1.0 x	0.9 x	0.9 x	1.0 x	0.9 x	0.8 x	0.8 x
ROA	65.1 %	57.9 %	55.9 %	75.2 %	12.1 %	25.4 %	39.8 %
Return on Capital							
ROCE (NOPAT)	6.0 %	5.8 %	5.1 %	5.9 %	1.1 %	2.3 %	3.5 %
ROE	15.6 %	15.7 %	13.7 %	15.3 %	2.4 %	5.1 %	7.9 %
Adj. ROE	15.6 %	15.7 %	13.7 %	15.3 %	2.4 %	5.1 %	7.9 %
Balance sheet quality							
Net Debt	159.3	175.7	199.1	211.7	200.3	192.0	190.4
Net Financial Debt	159.3	175.7	199.1	211.7	200.3	192.0	190.4
Net Gearing	163.0 %	161.8 %	170.8 %	163.5 %	158.8 %	149.3 %	142.2 %
Net Fin. Debt / EBITDA	670.1 %	698.2 %	804.1 %	690.9 %	2425.1 %	1423.6 %	993.5 %
Book Value / Share	24.4	27.1	29.1	32.3	31.5	32.1	33.4
Book value per share ex intangibles	23.7	26.3	28.3	31.5	30.6	31.1	32.4

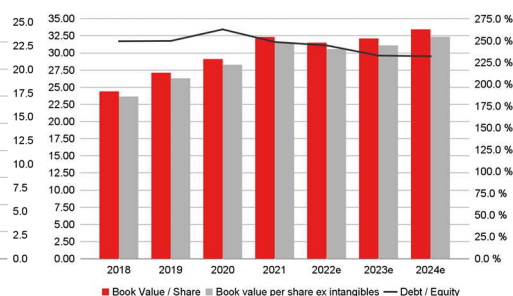
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

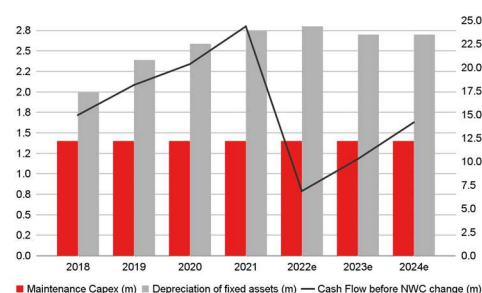
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	14.5	16.2	15.4	18.8	3.1	6.6	10.5
Depreciation of fixed assets	2.0	2.4	2.6	2.7	2.8	2.7	2.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions	0.1	-0.1	0.1	0.3	0.0	0.0	0.0
Other non-cash income and expenses	-1.6	-0.3	2.2	2.5	1.0	1.0	1.0
Cash Flow before NWC change	14.9	18.1	20.4	24.4	6.9	10.3	14.2
Increase / decrease in inventory	-16.9	-8.6	-45.5	-25.3	11.0	-5.0	-5.0
Increase / decrease in accounts receivable	-1.3	-25.0	8.3	2.4	2.8	12.6	1.4
Increase / decrease in accounts payable	-1.0	4.0	7.7	1.9	-1.3	-2.2	-0.3
Increase / decrease in other working capital positions	8.3	8.0	-0.2	-2.8	5.8	4.0	4.0
Increase / decrease in working capital (total)	-10.9	-21.6	-29.7	-23.8	18.3	9.4	0.1
Net cash provided by operating activities [1]	4.1	-3.5	-9.3	0.5	25.1	19.7	14.3
Investments in intangible assets	-0.7	-0.6	-0.5	-0.7	-0.6	-0.6	-0.6
Investments in property, plant and equipment	-4.4	-3.0	-2.3	-2.0	-2.6	-2.8	-2.8
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-0.1	-0.1	-0.2	-0.2	0.0	0.0	0.0
Income from asset disposals	0.5	0.1	0.6	0.2	0.5	0.5	0.5
Net cash provided by investing activities [2]	-4.4	-2.0	-1.9	-2.0	-2.7	-2.9	-2.9
Change in financial liabilities	9.7	15.8	26.9	14.4	-13.3	-8.2	11.1
Dividends paid	-5.6	-5.2	-7.4	-6.2	-6.9	-3.0	-4.8
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-4.1	-4.7	-4.9	-5.1	-4.1	-5.5	-4.9
Net cash provided by financing activities [3]	0.1	5.9	14.6	3.2	-24.2	-16.7	1.4
Change in liquid funds [1]+[2]+[3]	-0.3	0.4	3.4	1.7	-1.8	0.1	12.8
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	16.3	16.7	20.1	21.8	20.0	20.0	32.8

Financial Ratios

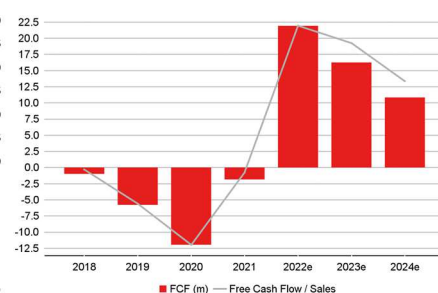
	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	-1.0	-5.8	-12.0	-1.8	21.9	16.3	10.9
Free Cash Flow / Sales	-0.4 %	-2.2 %	-4.4 %	-0.6 %	7.2 %	6.3 %	4.3 %
Free Cash Flow Potential	15.7	16.4	16.3	20.8	5.4	9.1	13.0
Free Cash Flow / Net Profit	-6.8 %	-35.8 %	-77.8 %	-9.8 %	720.1 %	248.9 %	104.1 %
Interest Received / Avg. Cash	0.3 %	10.2 %	5.1 %	0.5 %	1.0 %	1.0 %	0.8 %
Interest Paid / Avg. Debt	0.4 %	0.5 %	0.3 %	0.3 %	0.5 %	0.6 %	0.6 %
Management of Funds							
Investment ratio	2.0 %	1.4 %	1.1 %	0.8 %	1.1 %	1.3 %	1.3 %
Maint. Capex / Sales	0.6 %	0.5 %	0.5 %	0.4 %	0.5 %	0.5 %	0.6 %
Capex / Dep	253.1 %	150.0 %	111.4 %	97.7 %	114.3 %	121.4 %	121.4 %
Avg. Working Capital / Sales	109.8 %	114.3 %	121.8 %	110.8 %	123.0 %	141.3 %	143.9 %
Trade Debtors / Trade Creditors	812.2 %	642.2 %	549.7 %	527.9 %	556.7 %	553.9 %	556.0 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	111	134	117	95	100	100	100
Payables payment period (days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

CAPEX and Cash Flow

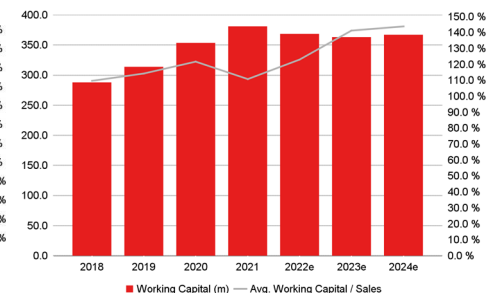
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
HELMA Eigenheimbau	3, 5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A0EQ578.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	162	76
Hold	43	20
Sell	6	3
Rating suspended	3	1
Total	214	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	45	83
Hold	7	13
Sell	1	2
Rating suspended	1	2
Total	54	100

PRICE AND RATING HISTORY HELMA EIGENHEIMBAU AS OF 06.12.2022



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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