

We love to build for your life!



2023 half-year report



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.

Since it was founded in 1980, HELMA has transferred well over 10,000 attractive residential and holiday properties to satisfied customers. HELMA — We love to build for your life.



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Note: The English version of the half-year report of HELMA Eigenheimbau AG at hand is a non-binding translation of the German version. Should any deviations between the English and German versions be found, only the German version applies.

The HELMA Group at a glance

Earnings

in k€	H1 2022	H1 2023	H1 2023 excl. one-off effects**
Revenue	169,214	125,686	125,686
EBITDA	15,378	-22,113	-6,741
Adjusted EBITDA*	16,837	-18,946	-3,574
Operating earnings (EBIT)	13,990	-23,640	-8,268
Adjusted operating earnings (EBIT)*	15,449	-20,473	-5,101
Earnings before taxes (EBT)	13,460	-24,751	-9,379
Net income after minority interests	8,901	-17,017	-6,483

* Adjusted for the disposal of capitalised interest.

** Apart from revenue, the figures presented include extraordinary expenses totalling k€ 15,372 for inventory write-downs and for legal and consulting services.

Sales performance

in k€	H1 2022	H1 2023
Net new order intake	197,390	60,773

Selected balance sheet items and key figures

		12/31/2022	06/30/2023
Property, plant and equipment	in k€	19,185	17,981
Inventories including land	in k€	350,443	340,710
Cash and cash equivalents	in k€	18,762	27,112
Equity	in k€	124,659	107,673
Net debt	in k€	211,264	206,350
Total assets	in k€	449,394	438,636
Equity ratio	in %	27.7	24.5

Other data

	12/31/2022	06/30/2023
Number of employees	362	337

HELMA share

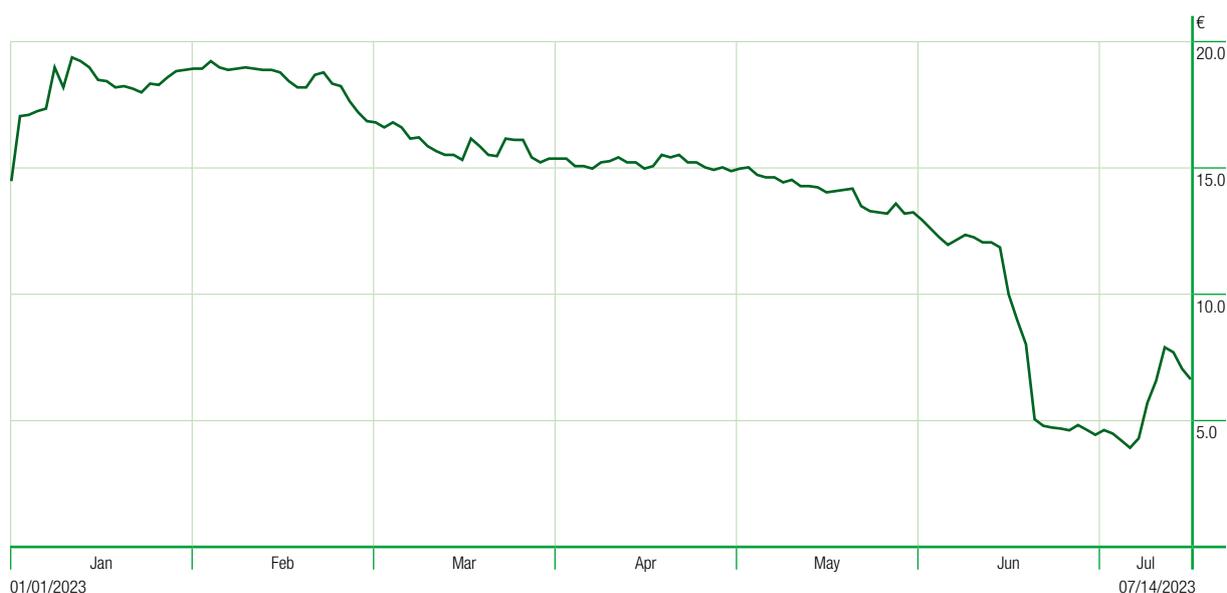
Key data

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

Performance of the HELMA share

The HELMA share started the 2023 stock market year at a price of € 14.50. Particularly given capital market news over the course of the first half of 2023 concerning the continuing macroeconomic challenges and the adjustment of the guidance, the share price incurred further losses. The closing price of the HELMA share in XETRA trading on June 30, 2023 amounted to € 4.49. Following the announcement on July 7, 2023 that HELMA had succeeded in reaching a joint understanding with its main financing partners and guarantors on the financial restructuring, the HELMA share price recorded a significant upward trend, rising to € 7.80 in the meantime.

Performance of the HELMA share



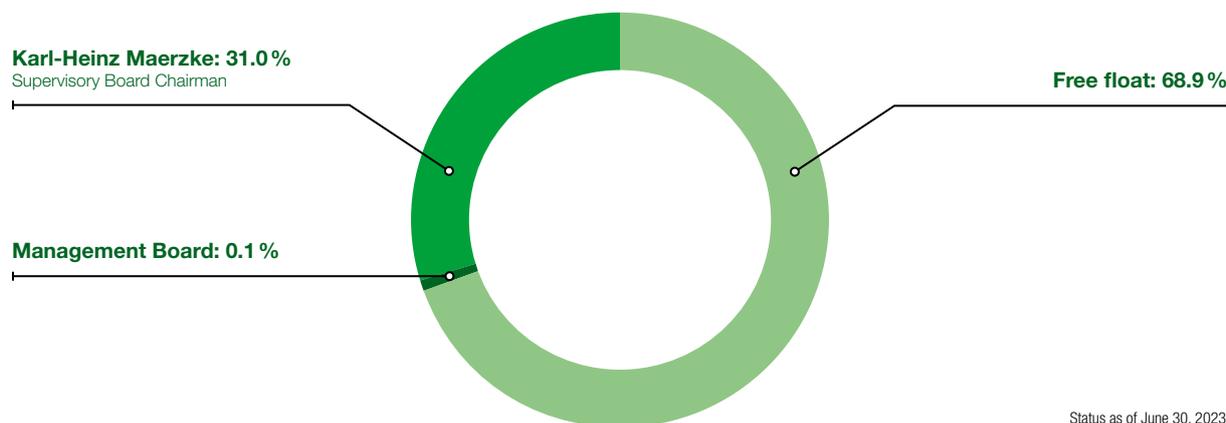
Analyst coverage

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

The analysts' recommendations, authorised for publication, can always be viewed on the investor relations website, within the Share area.

Shareholder structure

Company founder and Chairman of the Supervisory Board of HELMA Eigenheimbau AG Karl-Heinz Maerzke holds an approximately 31.0 % interest in the company as of June 30, 2023, thereby the largest shareholder in HELMA. Furthermore, one member of the Management Board holds around 0.1 % of the company's shares. The free float stands at around 68.9 %.



HELMA is EXCELLENT!

FOCUS MONEY

HÖCHSTE KUNDENZUFRIEDENHEIT

HELMA

3 weitere Anbieter erhielten die Note Sehr Gut
Im Test: 18 Massivhausanbieter in Deutschland

Ausgabe 9/2023

★★★★★

E.A.Z.-INSTITUT

Deutschlands Fertige und Massivhausanbieter 2022

Basis: Anbieter-Reputation 02 | 2022

faz.net/Deutschlands-Fairste

E.A.Z.-INSTITUT

Deutschlands Fairste Fertige und Massivhausanbieter 2023

Basis: Anbieter-Reputation 02 | 2023

faz.net/Deutschlands-Fairste

BELLEVUE

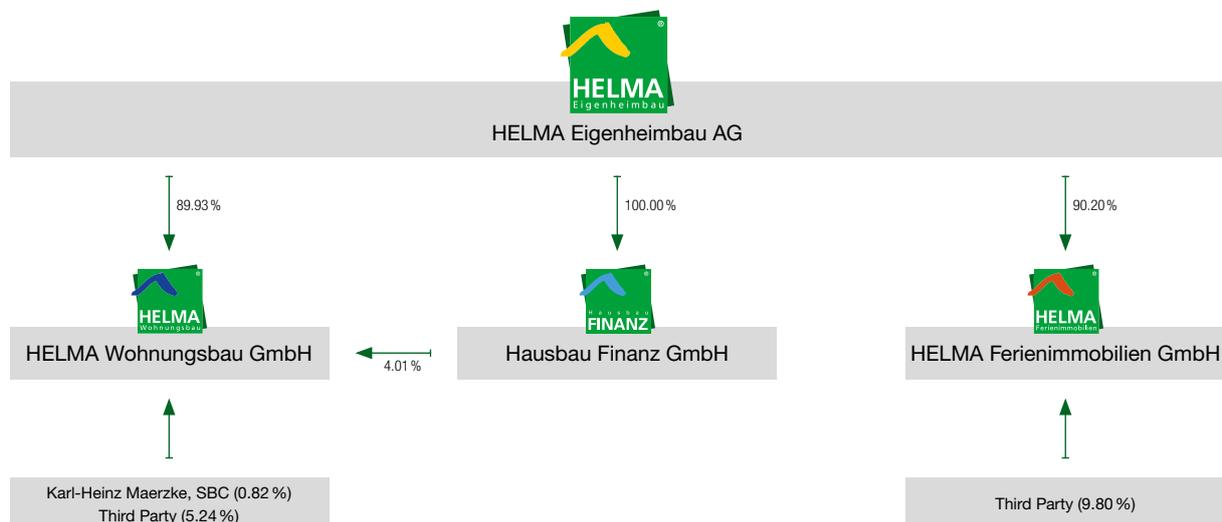
Best Property Agents 2023

Interim Group management report

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 approximately € 35.6 thousand annually or € 17.8 thousand pro rata for the first half of the year, the net results for the year generated in the subsidiaries accrue in full to HELMA Eigenheimbau AG, or the losses for the year are offset in full by HELMA Eigenheimbau AG. As a consequence, almost all of the earnings generated and losses incurred at the subsidiaries are reported within HELMA Eigenheimbau AG.

Business areas

Individual segment

Individually planned detached houses excluding land plots



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

Individually planned energy self-sufficient houses excluding land plots



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

Individually planned detached houses including land plots



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

Pre-planned segment

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



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

Pre-planned holiday houses and apartments including land plots



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

Individual and Pre-planned segments*

Financing and building insurance brokerage

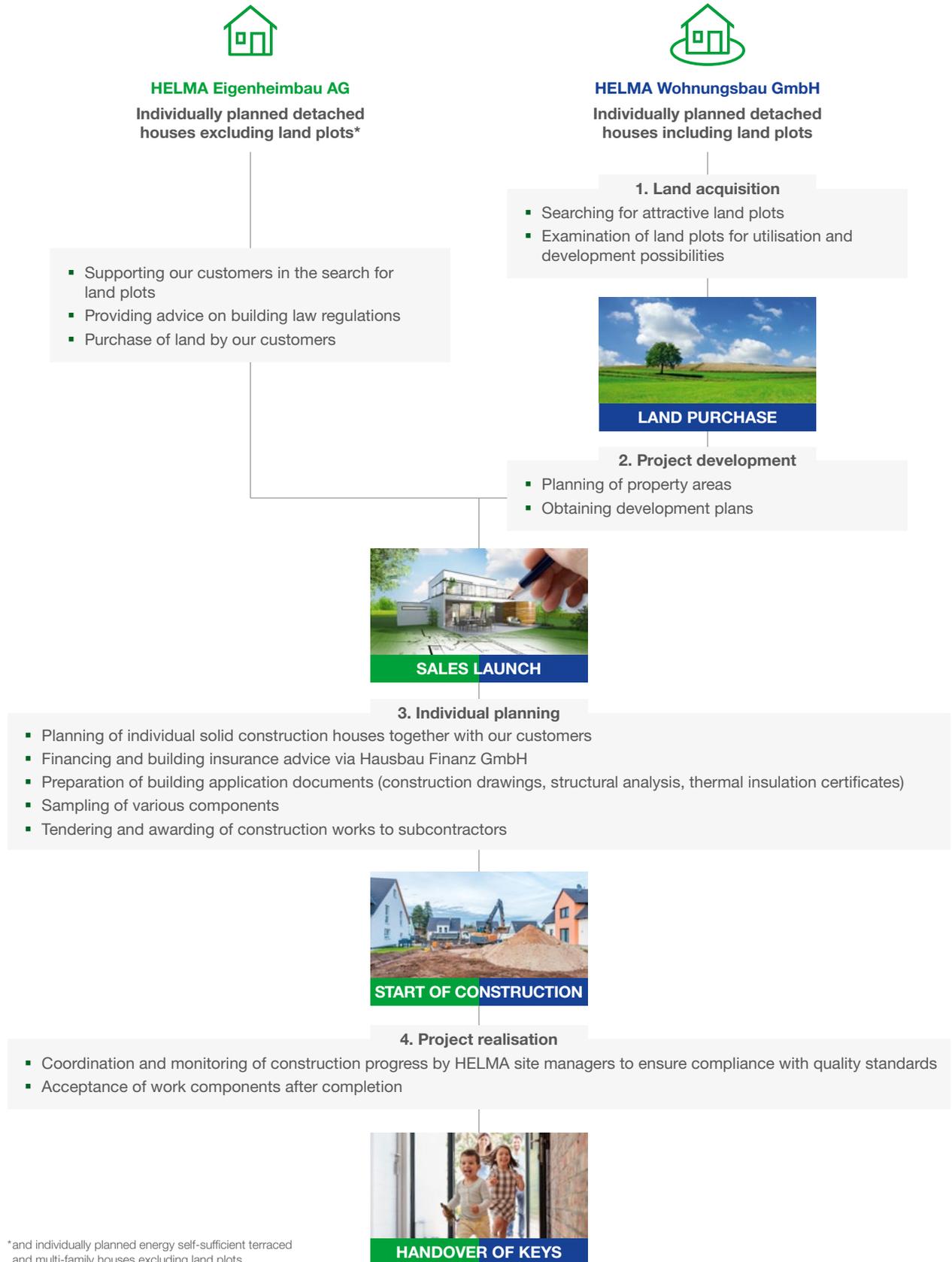


- In-house consulting and brokerage of financing and building insurance as an additional service via **Hausbau Finanz GmbH** since 2010
- Cooperation with numerous local and national banks, savings banks and building societies
- Continuously growing customer base reflecting attractive borrowing conditions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



*and individually planned energy self-sufficient terraced and multi-family houses excluding land plots

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

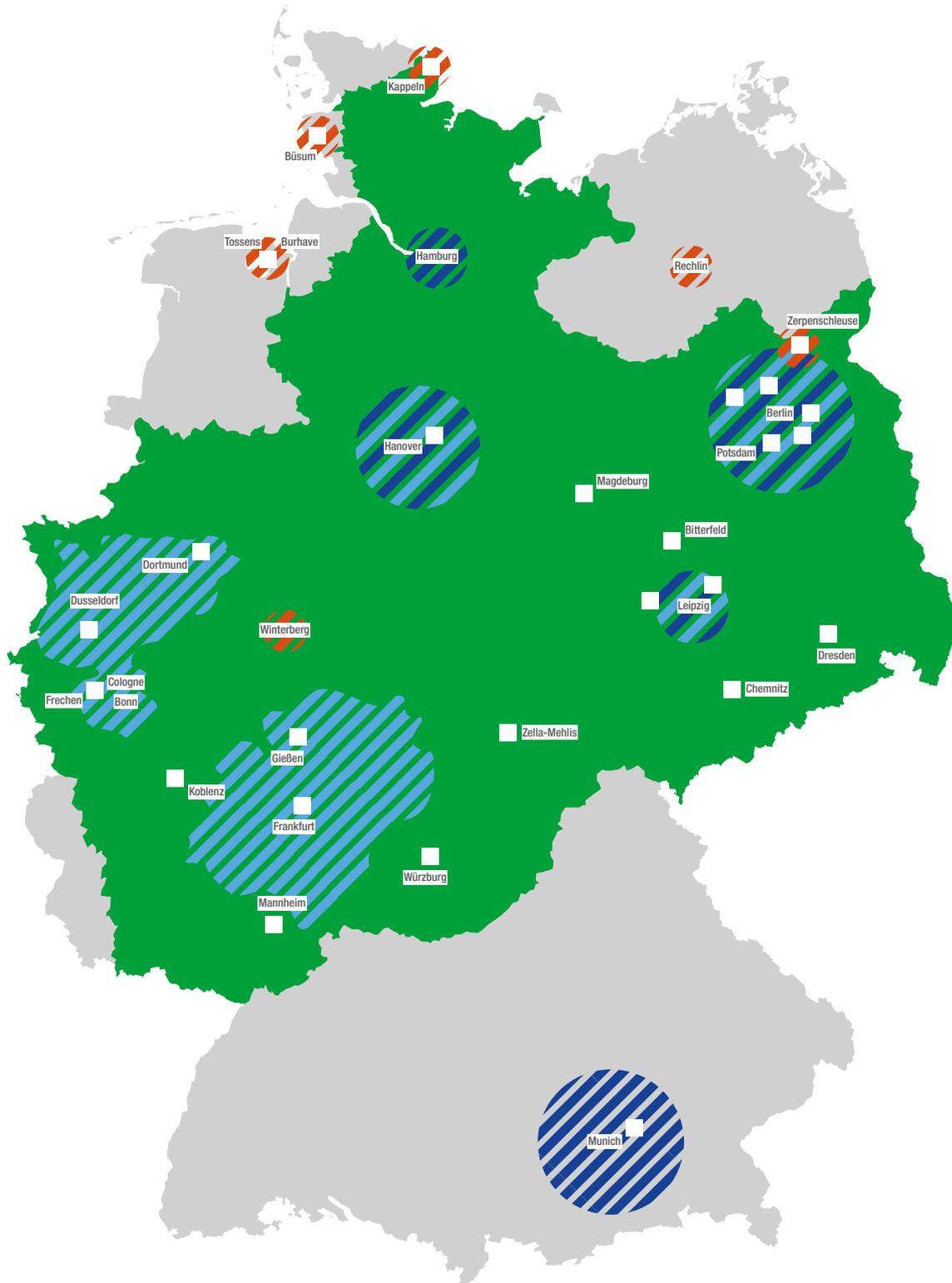
- Coordination and monitoring of construction progress by HELMA site managers to ensure compliance with quality standards
- Acceptance of work components after completion



HANDOVER OF KEYS

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

HELMA Group sales regions



- 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)

Economic environment

The construction industry continued to face a challenging macroeconomic market environment in the first half of 2023. Sharp rises in energy prices, international supply chain problems and high demand for building materials led to soaring upswings in construction costs and more frequent materials shortages. Despite initial price reductions for individual raw materials, construction costs remain at a high level. In addition, interest rates for construction financing have continued to hover around the 4 % level since the start of the year following a leap in 2022. A weak economic environment coupled with high interest rates and financing costs are continuing to result in marked purchasing reticence on the part of both private purchasers and institutional investors in the residential and holiday property sector.

By contrast, promising and sustainable opportunities exist that offer attractive potential for the HELMA Group in a market environment that is once again intact and strong. An expansion of the housing stock remains essential to meet demand for newbuilds, which is particularly pronounced in high-growth metropolitan regions. Combined with the continued low level of home ownership in Germany, this translates as high growth potential. Moreover, property ownership still ranks as a very important aspiration in Germany, with the fulfilment of a lifelong dream often representing the most important motivating factor. Real estate, however, is also interesting for broad sections of the population as a form of saving for retirement or as a capital investment that offers integrated inflation protection. The German housing market continues to be shaped particularly by the trend towards favouring residence in the areas surrounding major German cities and metropolitan regions. Given rising energy costs, the focus is increasingly on climate-compatible construction methods. In addition, holiday properties in German resorts are very attractive due to greater interest in sustainable tourism.

Order book position

New order intake

HELMA Eigenheimbau AG generated consolidated new order intake of € 60.8 million in the first half of 2023. Thus, the order intake increased compared to the second half of 2022 (H2 2022: € 57.8 million). However, due to the still very challenging market environment, which is characterised by persistently high inflation, high interest rates and unchanged high construction costs, the consolidated order intake is at a low level. In the Individual segment, new order intake amounted to € 32.3 million, with HELMA Eigenheimbau AG accounting for the greater part at € 30.6 million. In the Pre-planned segment, new order intake volume amounted to € 28.4 million, of which € 19.7 million was attributable to HELMA Wohnungsbau GmbH and € 8.8 million to HELMA Ferienimmobilien GmbH.

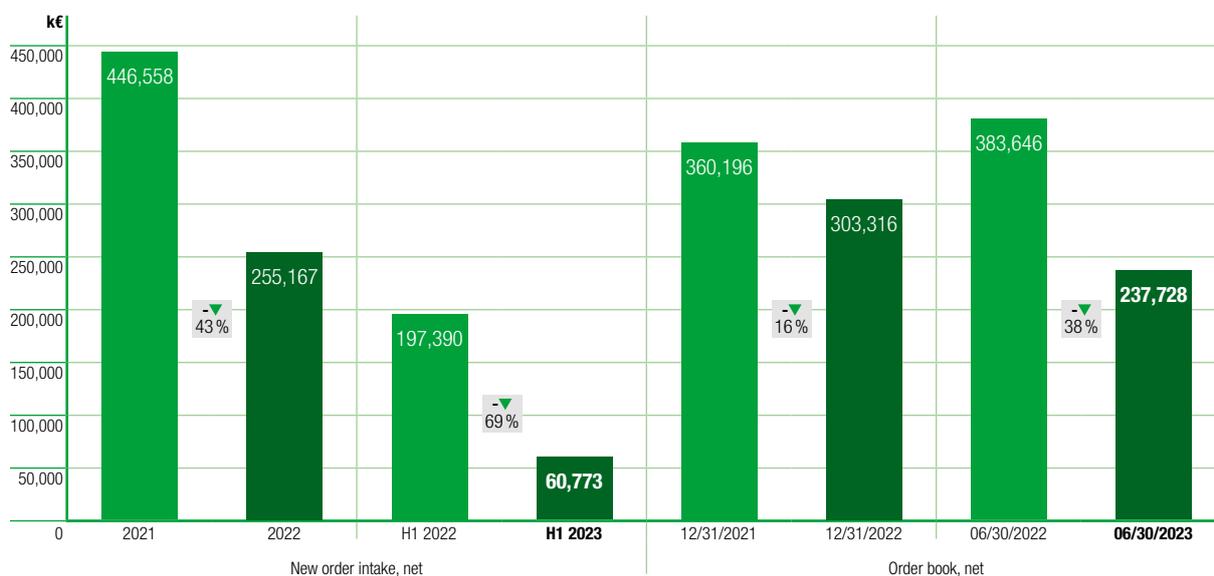
Consolidated new order intake by segment

in k€	H1 2022	Share in %	H1 2023	Share in %
Individual	105,643	53.5	32,327	53.2
- of which HELMA Eigenheimbau AG	92,774		30,612	
- of which HELMA Wohnungsbau GmbH	12,869		1,715	
Pre-planned	91,747	46.5	28,446	46.8
- of which HELMA Wohnungsbau GmbH	58,023		19,693	
- of which HELMA Ferienimmobilien GmbH	33,724		8,753	
Total	197,390	100.0	60,773	100.0

Order book position

The HELMA Group's order book position as per IFRS amounts to € 237.7 million as of June 30, 2023 (June 30, 2022: € 383.6 million). The aforementioned figure no longer includes € 179.1 million of revenues from current building projects already recognised proportionally pursuant to IFRS (June 30, 2022: € 223.4 million).

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



Business trends and profitability

Revenue trends

The HELMA Group generated revenue of € 125.7 million in the first half of 2023 (H1 2022: € 169.2 million), with the Individual segment generating revenue of € 81.6 million (H1 2022: € 82.8 million), almost at the previous year's level. This reflects significant year-on-year revenue growth at HELMA Eigenheimbau AG, from € 55.0 million to € 71.3 million. This growth was offset by a reduction in revenue in the Pre-planned segment to a level of € 44.1 million.

Consolidated revenue by segment (according to IFRS)

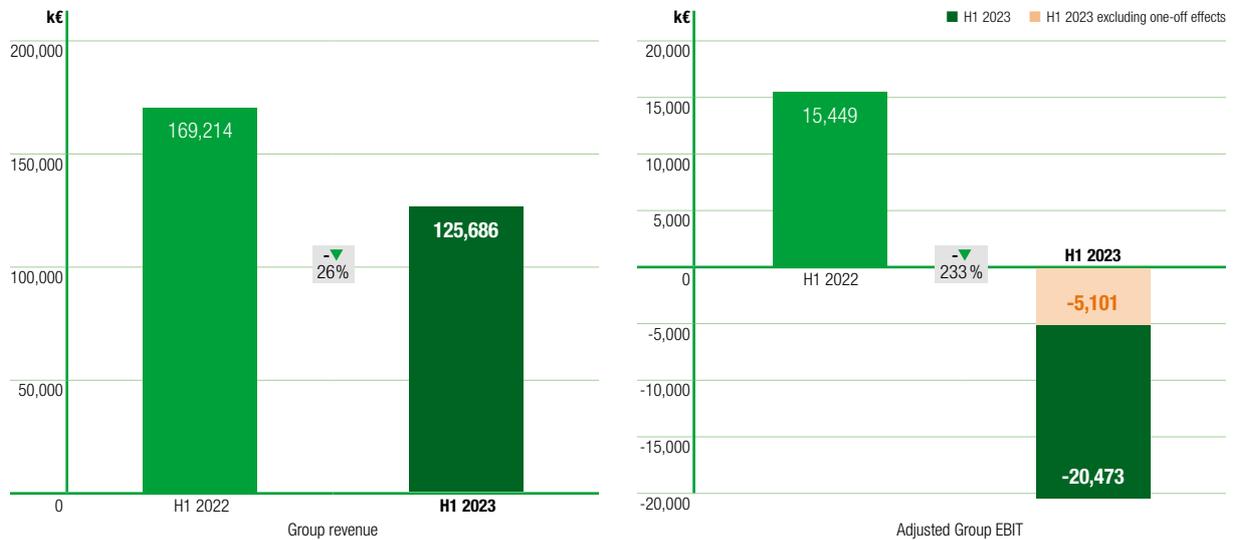
in k€	H1 2022	Share in %	H1 2023	Share in %
Individual	82,810	48.9	81,616	64.9
- of which HELMA Eigenheimbau AG	54,978		71,308	
- of which HELMA Wohnungsbau GmbH	27,002		9,583	
- of which Hausbau Finanz GmbH	830		725	
Pre-planned	86,404	51.1	44,070	35.1
- of which HELMA Wohnungsbau GmbH	51,148		24,083	
- of which HELMA Ferienimmobilien GmbH	35,256		19,987	
Total	169,214	100.0	125,686	100.0

Earnings trends

Below, by way of divergence from the statement of comprehensive income, the consolidated earnings are presented after adjusting for the disposal of capitalised interest. 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. The adjusted presentation of the consolidated earnings thereby enables optimal comparability of the HELMA Group's earnings performance that is independent of potential influences from the general interest rate trend.

Starting from the consolidated revenue of € 125.7 million generated in the first half of 2023 (H1 2022: € 169.2 million), unadjusted consolidated EBIT amounted to € -23.6 million (H1 2022: € 14.0 million). This figure includes extraordinary expenses for inventory write-downs amounting to € 13.5 million and for legal and consulting services amounting to € 1.9 million. Unadjusted Group EBIT also includes the derecognition of € 3.2 million of capitalised interest payments (H1 2022: € 1.5 million). Consolidated EBIT adjusted for the derecognition of capitalised interest consequently amounted to € -20.5 million in the reporting period (H1 2022: € 15.4 million).

Group revenue and adjusted Group EBIT (according to IFRS)



Given a net financial result of € -1.1 million (H1 2022: € -0.5 million), earnings before taxes (EBIT) stood at € -24.8 million in the first half of 2023 (H1 2022: € 13.5 million). The consolidated net loss after tax and minority interests amounted to € -17.0 million (H1 2022: € 8.9 million). This is equivalent to a loss per share of € -4.25 for the first half of 2023 (H1 2022: € 2.23).

Group EBT and earnings per share (according to IFRS)



Business progress at the HELMA Group (according to IFRS)

in k€	H1 2022	H1 2023	One-off effects H1 2023		H1 2023 excl. one-off effects
Revenue	169,214	125,686			125,686
- of which revenue from long-term construction orders (PoC-method)	18,097	-19,275			-19,275
Adjusted changes in stocks of finished goods and work in progress*	8,437	-9,202	-13,500	Inventory write-downs	4,298
Adjusted total output*	177,651	116,484			129,984
Other operating income	709	1,067			1,067
Expense for materials and third-party services	-133,756	-111,346			-111,346
Personnel expense	-15,269	-13,696			-13,696
Other operating expenses	-12,498	-11,455	-1,872	Consulting services	-9,583
Adjusted EBITDA*	16,837	-18,946			-3,574
Depreciation / amortisation	-1,388	-1,527			-1,527
Adjusted EBIT*	15,449	-20,473			-5,101
Disposal of capitalised interest	-1,459	-3,167			-3,167
Net financial result	-530	-1,111			-1,111
Earnings before taxes (EBT)	13,460	-24,751			-9,379
Income tax	-4,541	7,752	4,838**		2,914
Net income before minority interests	8,919	-16,999			-6,465
Minority interests' share of earnings	-18	-18			-18
Net income after minority interests	8,901	-17,017			-6,483
Earnings per share in €	2.23	-4.25			-1.62

* Adjusted for the disposal of capitalised interest.

** Assumed tax rate: 31.47 %

Net assets and financial position

Based on current knowledge and negotiations, the Management Board of HELMA Eigenheimbau AG assumes with overwhelming probability sustainable corporate financing after the end of the standstill agreement (October 31, 2023), as a consequence of which the financial statements are prepared at going concern values. If the expectation of refinancing after October 31, 2023 were not to be confirmed, this would pose a going concern risk for the HELMA Group. For detailed information, please see the risk report.

Assets

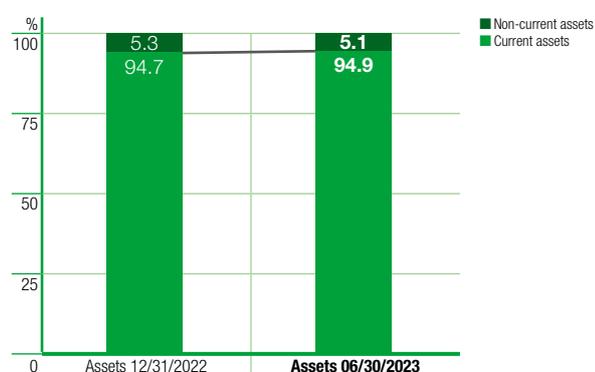
The total assets of the HELMA Group decreased from € 449.4 million to € 438.6 million in the period under review. Non-current assets stood at € 22.4 million as of June 30, 2023, slightly below the level at the end of the 2022 financial year (December 31, 2022: € 23.6 million).

Current assets decreased from € 425.8 million to € 416.3 million. Inventories, representing the largest item among current assets, reduced by € 9.7 million to € 340.7 million (December 31, 2022: € 350.4 million). Inventories include € 256.2 million of project properties valued at the lower of cost or market (December 31, 2022: € 259.6 million), for which an average period of around five years has elapsed between the respective notarisation date and the balance sheet date, and € 67.6 million of unfinished building shells (December 31, 2022: € 73.5 million); in each case without capitalised interest.

Cash and cash equivalents amounted to € 27.1 million as of the reporting date (December 31, 2022: € 18.8 million). This includes bank balances of € 12.0 million from the utilisation of working capital credit lines due short-term.

Group balance sheet structure: assets (according to IFRS)

in k€	12/31/2022	Share in %	06/30/2023	Share in %
Non-current assets	23,618	5.3	22,380	5.1
- of which property, plant and equipment	19,185	4.3	17,981	4.1
Current assets	425,776	94.7	416,256	94.9
- of which inventories including land	350,443	78.0	340,710	77.7
- of which cash and cash equivalents	18,762	4.2	27,112	6.2
Total assets	449,394	100.0	438,636	100.0



Equity and liabilities

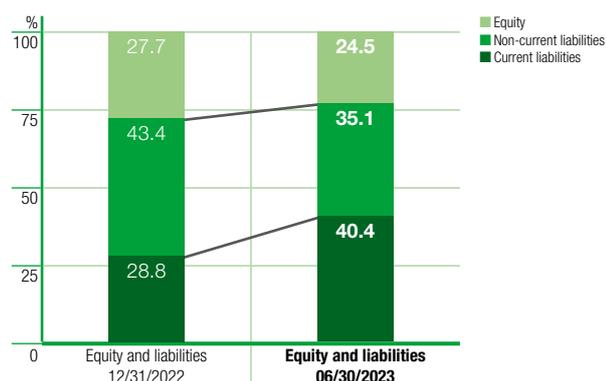
On the equity and liabilities side of the balance sheet, equity as of June 30, 2023 was down by € 17.0 million compared with the end of the 2022 financial year to a level of € 107.7 million. This corresponds to a 24.5 % equity ratio as of mid-2023 (December 31, 2022: 27.7 %).

Non-current liabilities decreased from € 195.1 million to € 154.0 million in the reporting period, which is particularly attributable to the reduction in non-current financial liabilities from € 171.7 million to € 141.5 million. Among other factors, this decrease reflected the reclassification of € 18.5 million of promissory note loans to current financial liabilities.

The remaining 40.4 % share of total assets (December 31, 2022: 28.8 %) was attributable to current liabilities, which rose to € 177.0 million as of June 30, 2023. The increase was mainly due to the reclassification of the promissory note loans maturing in the first half of 2024.

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

in k€	12/31/2022	Share in %	06/30/2023	Share in %
Equity	124,659	27.7	107,673	24.5
Non-current liabilities	195,089	43.4	153,963	35.1
- of which non-current financial liabilities	171,686	38.2	141,546	32.3
Current liabilities	129,646	28.8	177,000	40.4
- of which current financial liabilities	58,340	13.0	91,916	21.0
Total equity and liabilities	449,394	100.0	438,636	100.0



Compared with the end of the 2022 financial year, equity reduced from € 124.7 million to € 107.7 million due to the consolidated net loss that was incurred. At the same time, the HELMA Group's net debt decreased from € 211.3 million to € 206.4 million as of June 30, 2023. The equity ratio thereby decreased to 24.5 % (December 31, 2022: 27.7 %), while the ratio of net debt to total assets was 47.0 %, the same as at the 2022 year-end (December 31, 2022: 47.0 %).

The average interest rate on financial liabilities as of June 30, 2023 amounted to around 3.55 % p.a. (December 31, 2022: 2.71 % p.a.).

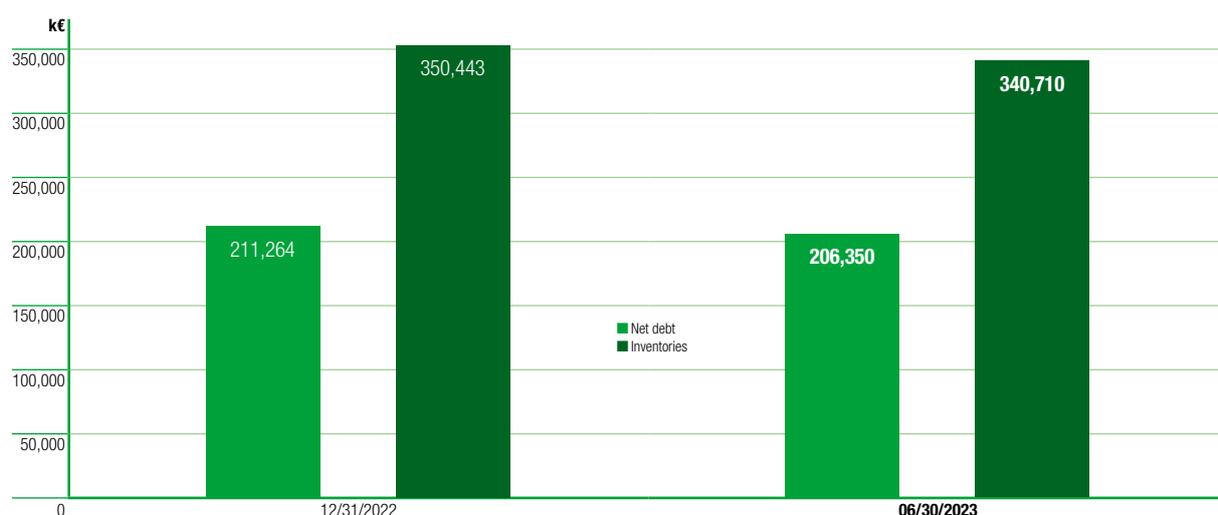
Changes in net debt and equity

in k€	12/31/2022	Share in %	06/30/2023	Share in %
Financial liabilities*	230,026		233,462	
Cash and cash equivalents	18,762		27,112	
Net debt	211,264	47.0	206,350	47.0
Equity	124,659	27.7	107,673	24.5
Total equity and liabilities	449,394	100.0	438,636	100.0

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

In the first half of 2023, net debt decreased by € 4.9 million to € 206.4 million and inventories by € 9.7 million to € 340.7 million. Inventories exceeded net debt by € 134.4 million as of the end of the first half of 2023 (December 31, 2022: € 139.2 million).

Changes in net debt and inventories



Cash flow statement

Cash earnings amounted to € -7.0 million in the first half of 2023. The working capital items recorded positive changes. As a consequence, cash flow from operating activities during the first six months of the year under review amounted to € 9.6 million (H1 2022: € 26.6 million).

Cash flow from investing activities amounted to € -0.6 million in the reporting period, thereby around € 0.5 below the previous year's level (H1 2022: € -1.1 million).

Cash flow from financing activities stood at € -0.7 million during the first half of 2023 (H1 2022: € -25.5 million). This includes the changes in all financing types (such as real estate and project financing and short-term working capital loans) as well as interest payments rendered. No promissory note loans fell due for repayment in the first half of 2023.

The HELMA Group had € 27.1 million of financing funds as of the balance sheet date.

Group cash flow statement (according to IFRS)

in k€	H1 2022	H1 2023
Cash flow from operating activities	26,646	9,603
- of which cash earnings	13,192	-6,973
- of which change in working capital	13,483	16,740
- of which gain / loss on disposal of fixed assets	-29	-164
Cash flow from investing activities	-1,072	-553
Cash flow from financing activities	-25,482	-700
Cash and cash equivalents at the start of the period	21,787	18,762
Cash and cash equivalents at the end of the period	21,879	27,112

Investments

Investments in property, plant and equipment, and in intangible assets, amounted to € 0.9 million in the first half of 2023 (H1 2022: € 1.2 million). In the area of intangible assets, € 0.4 million (H1 2022: € 0.6 million) was invested primarily in software and digitalisation projects. Investments in office and operating equipment amounted to € 0.5 million in the first half of 2023 (H1 2022: € 0.4 million) and were mainly used for IT equipment and office furnishings required for operations.

Investments in property, plant and equipment, and intangible assets

in k€	H1 2022	H1 2023
Land and buildings	147	70
Intangible assets	649	375
Office and operating equipment	397	477
Total	1,193	922

Employees, sales partners and the company's boards

The number of employees within the HELMA Group has reduced from 362 at the 2022 financial year-end to 337 as of June 30, 2023. This reduction reflects the start of the implementation of the volunteer programme as well as natural attrition. Due to the further implementation of the volunteer programme as well as self-terminations already arranged, the headcount is expected to decrease by approximately a further 50 employees in the second half of 2023.

In the house consulting area, the number of independent specialist advisors with whom HELMA works together in the sales area on a commission basis at various locations stood at 63, slightly below the year-end level (December 31, 2022: 70). The number of independent financing advisors reduced from 20 to 18 as of June 30, 2023.

Number of employees and independent specialist advisors in the HELMA Group

	12/31/2022	06/30/2023
Number of employees in the HELMA Group	362	337
Number of independent specialist advisors (house consultants)	70	63
Number of independent specialist advisors (financing consultants)	20	18

The company's boards

HELMA Eigenheimbau AG is in a phase of consistent strategic realignment of its business in order to stabilise its established business and rapidly return to qualitative growth in view of the current market changes. At the same time, the composition of the Supervisory Board was assessed, the goal being to further rejuvenate and diversify the Board and to strengthen its specific expertise in the areas of industry know-how, digitalisation and sustainability. This process is being carried out with the help of consultants and corresponding industry-standard rules pertaining to the desired structure of the Supervisory Board in the medium term.

As a result of this process, Andreas Zschiesche, Großpösna, and Oliver Bletgen, Hanover, joined the Supervisory Board of HELMA Eigenheimbau AG. Their appointment was announced by Hildesheim Local Court on July 6, 2023. Andreas Zschiesche, 50, is a civil engineer and has many years of very detailed experience in the construction business. He worked in project development for HELMA at the company's Leipzig location from 2018 to 2021. Oliver Bletgen, 42, is a tax consultant and established his own law firm in 2009, which now has more than 20 employees. He is also a member of the Supervisory Board of net.de AG in Hanover.

In parallel, Sven Aßmann, Paul Heinrich Morzynski and Dr. Peter Plathe retired from the Supervisory Board as of June 30, 2023.

The boards of HELMA Eigenheimbau AG consist of the following members:

Management Board:

- Andrea Sander (CEO), appointed until October 31, 2025
- André Müller, appointed until June 30, 2025

Supervisory Board:

- Karl-Heinz Maerzke (Chairman)
- Andreas Zschiesche
- Oliver Bletgen

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.

Risk report

Over the course of the financial year to date, changes have arisen in the risks relating to the financial position, which are described accordingly in the risk report of the 2022 consolidated financial statements.

Liquidity risk

Financial liabilities are due for repayment in the second half of 2023. HELMA Eigenheimbau AG is in constructive talks with its financing partners in this context and is working with them to implement a financial restructuring of the company. As part of these discussions, it has been possible to find a common understanding with the main financing partners and guarantors. A corresponding agreement, particularly in relation to repayment and termination rights for existing loan liabilities, was concluded on July 7, 2023 with the majority of the financiers that provided unsecured debt financing. This agreement runs until the end of October 2023.

By the end of the term (October 31, 2023), a restructuring concept to be evaluated externally is currently being prepared, which will especially include the realignment and strengthening of the core business as well as the financing structures of HELMA Eigenheimbau AG. As part of the preparation of this restructuring concept, measures under the German Stabilisation and Restructuring Framework for Businesses may also be considered.

In connection with the required refinancing, a risk exists that the foundations for the new medium- to long-term financing structure of HELMA Eigenheimbau AG will not be put in place by the end of October 2023, or that the existing short-term agreement will not be extended. This may occur, in particular, in the event of the negative certification of the restructuring concept. If, contrary to the current expectations of the Management Board of HELMA Eigenheimbau AG, the corresponding refinancing does not succeed, there is a risk for HELMA Eigenheimbau AG that the Management Board classifies as a going concern risk. However, the Management Board considers the continuation of the company's activities to be largely probable due to the restructuring measures already underway, provided that the required level of financing is maintained. In relation to risk mitigation, targeted measures have already been established, such as cost optimisation of the personnel structure via social plans and volunteer programmes, optimisation and efficiency enhancement of the structural and process organisation, as well as new sales concepts.

The company is aiming for further personnel measures for the second half of 2023 as part of the restructuring. A risk exists of unforeseeable litigation costs and settlements that cannot yet be quantified in this context, and for this reason have not been reflected in these half-year financial statements.

Otherwise, the disclosures made in the risk report contained in the 2022 consolidated financial statements continue to apply.

Report on events subsequent to the reporting date

The following events of particular significance occurred after June 30, 2023.

Future financing structure

As far as the agreement with the banking side concerning the implementation of a financial restructuring of the HELMA Group is concerned, please see the risk report.

Supervisory Board

As far as the appointments of Mr. Zschiesche and Mr. Bletgen as members of the Supervisory Board are concerned, please see the “Employees, sales partners and the company’s boards” section.

Dividend

The unappropriated retained earnings of HELMA Eigenheimbau AG for the 2022 financial year were allocated in full to the revenue reserves. No dividend was paid for the past financial year.

Strategic orientation of the HELMA Group

HELMA Eigenheimbau AG and its subsidiaries are working intensively on the strategic orientation, which was presented in detail in the Group management report for the 2022 financial year. In particular, the strategic adjustment focuses on the following action areas:



As far as cost cutting and efficiency enhancement are concerned, relevant structures and processes throughout the HELMA Group were analysed, with optimisation potentials and targeted measures being derived accordingly.

In the first step, the synergy potentials were identified and optimised across the HELMA companies and corresponding areas. Given this, the project development activities of the property development subsidiaries HELMA Wohnungsbau GmbH and HELMA Ferienimmobilien GmbH were merged and the administrative processes were bundled at the company’s Lehrte site. Furthermore, the HELMA companies’ individual customer centres were combined in order to enhance customer satisfaction in a targeted manner and from a single source.

As a further optimisation measure, HELMA Eigenheimbau AG has outsourced the planning department to external offices to the extent necessary. Demand-based recourse to external architects and planning offices is expected to leverage efficiency gains in terms of costs and time, and to enable a more flexible response to changing market conditions.

The aforementioned measures have led to a reduction in personnel requirements, thereby resulting in lower personnel costs. The staff reduction was initiated by a volunteer programme, which around 60 employees have joined. Further measures envisaged in this connection are being discussed in intensive dialogue with the Works Council.

With a view to more efficient process design, the company has also successfully reduced throughput times in the detached houses area from planning to handover of the house. This time and cost optimisation of internal processes also makes it possible to deliver better customer support and to improve customer satisfaction throughout the entire process.

In addition, the product portfolio was expanded in a targeted manner in order to reflect current market trends more comprehensively and to address a broader target group.

Medium-term growth strategy

As of June 30, 2023, the project properties valued in inventories in accordance with the lower of cost or market principle amounted to € 256.2 million. Together with the other contractually secured properties with a purchase price volume of € 44.4 million, whose purchase prices were not yet due for payment as of the balance sheet date and which were consequently not recognised on the balance sheet, the HELMA Group has project properties in the amount of € 300.6 million as of mid-year 2023 (December 31, 2022: € 316.9 million).

For the property development business, these contractually secured land plots lead to potential revenue of € 1,618.2 million as of June 30, 2023 (December 31, 2022: € 1,841.4 million), most of which can be realised within a period of around seven years, in a market environment that is intact again. In addition, it is planned to acquire further land plots in the future for the realisation of residential and holiday property projects.

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 June 30, 2023*

	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	1,210	679,300	590	350,800	620	328,500
HELMA Wohnungsbau GmbH Hamburg/Hanover region	425	221,800	180	100,400	245	121,400
HELMA Wohnungsbau GmbH Leipzig region	355	180,000	275	126,600	80	53,400
HELMA Wohnungsbau GmbH Munich region	190	171,800	0	0	190	171,800
HELMA Wohnungsbau GmbH Rhine-Main and Rhine-Ruhr region	15	10,300	15	10,300	0	0
Total HELMA Wohnungsbau GmbH	2,195	1,263,200	1,060	588,100	1,135	675,100
Total HELMA Ferienimmobilien GmbH	750	355,000	0	0	750	355,000
Total HELMA Wohnungsbau GmbH & HELMA Ferienimmobilien GmbH	2,945	1,618,200	1,060	588,100	1,885	1,030,100

* 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.

Forecast report

The main premise behind the forecast for the 2023 financial year released with publication of the preliminary figures on March 7, 2023 was initially modest demand steadily improving over the course of the year. However, stubbornly high interest rates, consistently high building costs and ongoing inflation continue to weigh heavily on private buyers' and institutional investors' willingness to invest in the residential and holiday property sectors. Consequently, the relevant market segments have not opened up to the extent foreseen in the budget. The macroeconomic environment remains very challenging.

Based on market trends in the first half of 2023, HELMA has revised its estimates for the coming months downwards and is no longer expecting demand to strengthen appreciably in the second half of the year. As a result, the Management Board is now expecting revenues for the whole of 2023 to come in between € 220 million and € 260 million with negative earnings.

Due to the constructive implementation of the restructuring with the main financing partners and guarantors, the Management Board is confident of achieving an improvement in business performance in the second half of 2023.

Lehrte, August 10, 2023

(signed) **Andrea Sander**
CEO

(signed) **André Müller**
Management Board member

Consolidated balance sheet (according to IFRS)

ASSETS in k€	12/31/2022	06/30/2023
Non-current assets		
Intangible assets	3,004	2,975
Goodwill	1,380	1,380
Property, plant and equipment	19,185	17,981
Investment property	49	44
Other non-current assets	0	0
Total non-current assets	23,618	22,380
Current assets		
Inventories	350,443	340,710
Receivables arising from construction orders	19,723	10,129
Trade receivables	26,357	30,444
Tax receivables	2,607	380
Other current receivables	7,884	7,017
Cash and cash equivalents	18,762	27,112
Non-current assets available for sale	0	464
Total current assets	425,776	416,256
Total assets	449,394	438,636

Consolidated balance sheet (according to IFRS)

EQUITY AND LIABILITIES in k€	12/31/2022	06/30/2023
Equity		
Issued share capital	4,000	4,000
Capital reserves	41,785	41,834
Revenue reserves	56,788	56,788
Balance sheet profit	21,953	4,936
Equity attributable to HELMA Eigenheimbau AG owners	124,526	107,558
Minority interests	133	115
Total equity	124,659	107,673
Non-current liabilities		
Other non-current provisions	9,902	7,306
Non-current financial liabilities	171,686	141,546
Non-current lease liabilities	691	470
Trade payables	3,703	3,318
Deferred taxes	9,107	1,323
Total non-current liabilities	195,089	153,963
Current liabilities		
Other current provisions	26,677	38,027
Tax liabilities	1,638	1,034
Current financial liabilities	58,340	91,916
Current lease liabilities	328	266
Trade payables	6,679	8,663
Other current liabilities	35,984	37,094
Total current liabilities	129,646	177,000
Total equity and liabilities	449,394	438,636

Consolidated statement of total comprehensive income (according to IFRS)

in k€	H1 2022	H1 2023
Revenue	169,214	125,686
Changes in stocks of finished goods and work in progress	6,978	-12,369
Other operating income	709	1,067
Expense for materials and third-party services	-133,756	-111,346
Personnel expense	-15,269	-13,696
Other operating expenses	-12,498	-11,455
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	15,378	-22,113
Depreciation / amortisation	-1,388	-1,527
Operating earnings (EBIT)	13,990	-23,640
Finance expenses	-593	-1,231
Other financial result	63	120
Earnings before taxes (EBT)	13,460	-24,751
Income tax	-4,541	7,752
Net income before minority interests	8,919	-16,999
Minority interests' share of earnings	-18	-18
Net income after minority interests	8,901	-17,017

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 €	H1 2022	H1 2023
undiluted	2.23	-4.25
diluted	2.23	-4.25

Consolidated cash flow statement (according to IFRS)

in k€	H1 2022	H1 2023
1. Earnings after taxes	8,919	-16,999
2. +/- Depreciation / amortisation	1,388	1,527
3. +/- Interest expenses/interest income	514	1,111
4. +/- Income tax expense/income tax income	4,541	-7,752
5. +/- Income tax payments	-2,279	1,591
6. +/- Other income and expenses	109	13,549
7. = Cash earnings (sum of 1 to 6)	13,192	-6,973
8. -/+ Change in inventories	-8,312	-1,097
9. -/+ Change in receivables and other assets	24,241	6,374
10. +/- Change in provisions	-645	8,715
11. +/- Change in liabilities (excluding financial liabilities)	-1,801	2,748
12. +/- Change in working capital (sum of 8 to 11)	13,483	16,740
13. -/+ Gain/loss on disposal of assets	-29	-164
14. = Cash flow from operating activities (sum of 7, 12 to 13)	26,646	9,603
15. + Payments received from disposal of property, plant and equipment	30	239
16. - Payments for investments in property, plant and equipment	-547	-547
17. - Payments for investments in intangible assets	-645	-375
18. + Interest received	90	130
19. = Cash flow from investing activities (sum of 15 to 18)	-1,072	-553
20. +/- Payments to other shareholders	-36	-36
21. +/- Dividend	0	0
22. +/- Issuing/repayment of promissory notes	-7,000	0
23. +/- Drawing down/redemption of other financial liabilities	-15,719	3,436
24. - Repayment of lease liabilities	-204	-203
25. - Interest paid	-2,523	-3,897
26. = Cash flow from financing activities (sum of 20 to 25)	-25,482	-700
27. Net change in cash and cash equivalents (sum of 14, 19 and 26)	92	8,350
28. Cash and cash equivalents at the start of the period	21,787	18,762
29. Cash and cash equivalents at the end of the period	21,879	27,112

Consolidated statement of changes in equity (according to IFRS)

in k€	Issued share capital	Capital reserves	Revenue reserves	Balance sheet profit	Shares of owners of HELMA Eigenheim- bau AG	Shares of minority interests	Equity Total
Status December 31, 2021	4,000	41,831	49,893	33,624	129,348	133	129,481
Capital increase	0	0	0	0	0	0	0
Withdrawals / deposits	0	0	0	0	0	-36	-36
Share-based payments	0	115	0	0	115	0	115
Net income	0	0	0	8,901	8,901	18	8,919
Status June 30, 2022	4,000	41,946	49,893	42,525	138,364	115	138,479
Status December 31, 2022	4,000	41,785	56,788	21,953	124,526	133	124,659
Capital increase	0	0	0	0	0	0	0
Withdrawals / deposits	0	0	0	0	0	-36	-36
Share-based payments	0	49	0	0	49	0	49
Net income	0	0	0	-17,017	-17,017	18	-16,999
Status June 30, 2023	4,000	41,834	56,788	4,936	107,558	115	107,673

Notes to the consolidated financial statements

as of June 30, 2023

HELMA Eigenheimbau Aktiengesellschaft, Lehrte

1. Key accounting methods

The consolidated balance sheet, the consolidated statement of total comprehensive income, the consolidated statement of changes in equity, and the consolidated cash flow statement were prepared in analogous application of the IFRS as adopted by the EU.

The 2023 interim 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.

With regard to the accounting, measurement and consolidation methods applied, as well as the exercising of options defined under IFRS, there were no changes compared to the consolidated financial statements. In this regard, please refer to the notes to the consolidated financial statements as of December 31, 2022.

Financial liabilities are due for repayment in the second half of 2023. HELMA Eigenheimbau AG is in constructive talks with its financing partners in this context and is working with them to implement a financial restructuring of the company. As part of these discussions, it has been possible to find a common understanding with the main financing partners and guarantors. A corresponding agreement, particularly in relation to repayment and termination rights for existing loan liabilities, was concluded on July 7, 2023 with the majority of the financiers that provided unsecured debt financing. This agreement runs until the end of October 2023.

Based on current knowledge and negotiations, the Management Board of HELMA Eigenheimbau AG assumes with overwhelming probability sustainable corporate financing after the end of the standstill agreement (October 31, 2023), as a consequence of which the financial statements are prepared at going concern values. If the expectation of refinancing after October 31, 2023 were not to be confirmed, this would pose a going concern risk for the HELMA Group. For detailed information, please see the risk report.

2. Consolidation

The consolidation scope was not subject to change in the reporting period, and comprises both the parent company HELMA Eigenheimbau AG and the following companies:

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

3. Financial risks and opportunities

The first half of 2023 continued to be characterised by a challenging macroeconomic market environment. Higher construction costs and a significant rise in interest rates are continuing to make our potential customers noticeably reluctant to purchase. For detailed information, please see the risk report.

4. Events of particular significance

In the first half of 2023, no events of particular significance occurred.

5. Earnings per share

Earnings per share were calculated based on the following data:

in k€	01/01–06/30/2022	01/01–06/30/2023
Earnings after taxes	8,919	-16,999
Minority interests' share of earnings	18	18
Earnings attributable to HELMA Eigenheimbau AG shareholders	8,901	-17,017
Number of shares (average during period)	4,000,000	4,000,000
Earnings per share in €	2.23	-4.25

Diluted earnings per share correspond to undiluted (basic) earnings per share since the company has issued no options or equity-equivalent rights.

6. Significant events after the June 30, 2023 reporting date

Reappointment of the Supervisory Board

Sven Aßmann, Paul Heinrich Morzynski and Dr. Peter Plathe stepped down from the Supervisory Board with effect as of June 30, 2023. The appointment of Mr. Andreas Zschiesche and Mr. Oliver Bletgen as new members of the Supervisory Board was announced by the Hildesheim District Court on July 6, 2023.

Dividend

A resolution was passed to not pay a dividend for the 2022 financial year and to allocate the entirety of the unappropriated profit to the revenue reserves.

Lehrte, August 10, 2023

(signed) **Andrea Sander**
CEO

(signed) **André Müller**
Management Board member

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Financial Calendar 2023

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

Editorial

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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.

We love to build for your life!



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