



Helios Underwriting plc

(Registered in England and Wales with registered no: 05892671)
(The "Company")

Registered Office
40 Gracechurch Street
London EC3V 0BT

5 June 2017

Notice of Annual General Meeting 2017

Dear Shareholder,

I am pleased to invite you to our forthcoming Annual General Meeting ("AGM" or "Meeting"), which will be held in the Boardroom at Bishopsgate Institute, 230 Bishopsgate, London EC2M 4QH on Thursday 29 June 2017 at 12.00pm. I hope you will be able to join us.

The resolutions proposed for consideration at the AGM (the "Proposed Resolutions") are set out on the next page of this Notice of Annual General Meeting ("Notice"). There are also detailed explanatory notes about the Proposed Resolutions and an explanation of your rights to attend and vote at the AGM or to appoint a proxy.

Recommendation

The Board considers that all the Proposed Resolutions are in the best interests of Helios Underwriting plc (the "Company") and its members and are most likely to promote the success of the Company for the benefit of its members as a whole. The Board unanimously recommends that you vote in favour of all the Proposed Resolutions, as those Directors who hold shares intend to do in respect of their own beneficial holdings.

Form of Proxy

If you do not intend to be present at the Meeting, please complete, sign and return the enclosed Form of Proxy as soon as possible in accordance with the instructions given in this Notice and on the Form of Proxy.

Yours faithfully,

Sir Michael Oliver
Non-executive Chairman

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Nothing contained in this document constitutes legal or tax advice by the Company.

If you have sold or transferred your shares in the Company, please forward this Notice of Annual General Meeting and any documents and forms received with it at once to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold part of your holding, please consult the stockbroker, bank or other agent through whom the sale was effected. However, such documents should not be forwarded or transmitted in or into or from any other jurisdiction where such act would constitute a violation of the relevant laws of such jurisdiction, including but not limited to the United States of America, Canada, Japan, Australia or the Republic of Ireland or their respective territories or possessions.

Helios Underwriting plc

(Registered in England and Wales with registered no: 05892671)
(The "Company")

Notice is hereby given that the Annual General Meeting ("AGM") of Helios Underwriting plc (the "Company") will be held in the Boardroom at the Bishopsgate Institute, 230 Bishopsgate, London EC2M 4QH on Thursday 29 June 2017 at 12.00pm (the "Meeting") for the purposes of considering and, if thought fit, passing the following resolutions, Resolutions 1 to 8 (inclusive) as ordinary resolutions and Resolutions 9 and 10 as special resolutions:

Ordinary Resolutions

1. THAT the annual accounts for the year ended 31 December 2016, which include the reports of the Directors and auditors, be received and adopted.
2. THAT payment of a final dividend of 1.5p per ordinary share be approved in respect of the year ended 31 December 2016, such dividend to be paid on 7 July 2017 to holders of ordinary shares registered at close of business on 9 June 2017.
3. THAT payment of a special dividend of 4p per ordinary share be approved in respect of the year ended 31 December 2016, such dividend to be paid on 7 July 2017 to holders of ordinary shares registered at close of business on 9 June 2017.
4. THAT Nigel Hanbury, who retires pursuant to Article 68 of the Company's Articles of Association and who, being eligible, offers himself for re-election as a Director, be reappointed.
5. THAT Andrew Christie, who retires pursuant to Article 68 of the Company's Articles of Association and who, being eligible, offers himself for re-election as a Director, be reappointed.
6. THAT PKF Littlejohn LLP ("PKF Littlejohn") be reappointed as auditors of the Company until the date of the next AGM of the Company.
7. THAT the Directors be authorised to determine the remuneration of PKF Littlejohn as auditors.
8. THAT in substitution for all existing authorities the Directors be given power under Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights"). This power shall be limited to:
 - (i) an aggregate nominal amount of £486,808, being equivalent to one third of the Company's issued share capital; and
 - (ii) a further aggregate nominal amount of £486,808 provided that (a) they are equity securities (within the meaning of Section 560(1) of the Act) and (b) they are offered by way of a rights issue to holders of ordinary shares in the Company at such record dates as the Directors may determine where the equity securities attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record date, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or any other matter whatsoever,

and shall expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2018 (whichever is sooner) unless any offer or agreement is made before the end of that period in which case the Directors may allot shares and grant Rights pursuant to such offer or agreement as if the power granted by this resolution had not expired.

Special Resolutions

9. THAT, in substitution for all existing powers and subject to the passing of Resolution 8, the Directors be given power to allot equity securities (as defined in Section 560 of the Act for cash and/or to sell treasury shares for cash pursuant to the authority conferred by Resolution 8) as if the pre-emption provisions of Section 561 of the Act did not apply to such allotment or sale. The power shall be limited to:
 - (i) the allotment of equity securities for cash in connection with or pursuant to an offer or invitation (but in the case of the authority granted under resolution 8(ii), by way of a rights issue (within the meaning set out in resolution 8(ii)) only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or, if the directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the Directors may deem necessary or appropriate to deal with fractional entitlements, treasury shares, record dates, or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or any other matter whatsoever;
 - (ii) the allotment of equity securities or sale of treasury shares to any person up to an aggregate nominal amount of £73,021, being equivalent to approximately 5% of the Company's issued share capital; and
 - (iii) the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £73,021, being equivalent to approximately 5% of the Company's issued share capital, only for the purpose of financing (or refinancing if the authority is used within six months of the original transaction) an acquisition or other specified capital investment announced at the same time or before the allotment of equity securities or sale of treasury shares,

and shall expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2018 (whichever is sooner) unless any offer or agreement is made before the end of that period, in which case the Directors may allot securities (or sell treasury shares) pursuant to such offer or agreement as if the power granted by this resolution had not expired.

Special Resolutions continued

10. THAT in substitution for all existing powers the Directors be generally and unconditionally authorised pursuant to Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of the Company provided that:
- (i) the maximum aggregate number of ordinary shares that may be purchased is 730,212;
 - (ii) the minimum price (excluding expenses) which may be paid for each ordinary share is £0.10 (being the nominal value);
 - (iii) the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
 - (a) 105% of the average market value of an ordinary share in the Company for the five business days prior to the day the purchase is made; and
 - (b) the value of an ordinary share calculated on the basis of the higher of the price quoted for:
 - (A) the last independent trade of; and
 - (B) the highest current independent bid for,any number of the Company's ordinary shares on the trading venue where the purchase is carried out; and
 - (iv) the authority conferred by this resolution shall expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2018 (whichever is sooner) unless a contract to purchase ordinary shares is entered into before the end of that period in which case such purchase or purchases may be executed wholly or partly as if the power granted by this resolution had not expired.

By order of the Board

Martha Bruce
Company Secretary
Helios Underwriting plc
5 June 2017

Registered Office:
40 Gracechurch Street
London EC3V 0BT

Proposed Resolutions

There are seven items of ordinary business and three items of special business which will be put to the shareholders as follows:

Ordinary business

Annual accounts and the reports of the Directors and auditors (“Resolution 1”)

It is a requirement for shareholders to be asked to receive and adopt the Company’s annual accounts, a copy of which is enclosed for the year ended 31 December 2016 (the “Accounts”) and which include the reports of the Directors and auditors.

Dividend payments (“Resolution 2” and “Resolution 3”)

The Board is pleased to recommend to shareholders a final dividend for 2016 of 1.5p per share together with a special dividend of 4p per share to shareholders of record as at close of business on 9 June 2016. These dividends amount to an aggregate payment of 5.5p per share and need to be approved by shareholders before payment. The dividends will be paid in cash on 7 July 2017 and no scrip dividend alternative is being offered this year.

Reappointment of Directors (“Resolution 4” and “Resolution 5”)

Pursuant to Article 68 of the Company’s Articles of Association, at each AGM one third of the Directors (or, if their number is not three or a multiple of three, the nearest number to but not exceeding one third) will step down and can offer themselves for re-election. This year Nigel Hanbury and Andrew Christie are seeking re-election at the Meeting and their biographies are set out in the Accounts. The Board of Directors considers the performance of Nigel Hanbury and Andrew Christie to be fully effective and that they each demonstrate the commitment and behaviours expected of them as Directors. Accordingly, the Board is pleased to recommend to shareholders the reappointment of Nigel Hanbury and Andrew Christie as Directors.

Reappointment and remuneration of auditors (“Resolution 6” and “Resolution 7”)

The Company is required to appoint auditors at each AGM at which Accounts are laid before the shareholders. Accordingly, you will be asked to reappoint PKF Littlejohn LLP (“PKF Littlejohn”) as auditors of the Company until the next AGM and to authorise the Directors to determine their remuneration.

Special business

Authority to allot shares (“Resolution 8”)

The authority sought by this resolution is for the Directors to be authorised to allot ordinary shares up to two thirds of the Company’s current issued share capital at the date of this notice. Paragraph (i) of the resolution will give the Directors a general authority to allot up to an aggregate nominal value of £486,808, being the equivalent of one third of the Company’s issued ordinary share capital at the date of this notice. This is in accordance with the Investment Association guidelines (“IA Guidelines”). In addition, the guidelines permit the authority to extend to a further third of the issued share capital, where any such shares allotted using this additional authority are in connection with a rights issue. Paragraph (ii) of the resolution proposes this additional authority be granted to the Directors.

The Directors are seeking the annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources. Should the additional authority described in paragraph (ii) of the resolution be used, all Directors will stand for re-election at the next Annual General Meeting as required by the IA Guidelines.

Disapplication of pre-emption rights (“Resolution 9”)

When shares are to be allotted for cash, Section 561 of the Companies Act 2006 provides that existing shareholders have pre-emption rights and that any new shares are offered first to such shareholders in proportion to their existing shareholdings. This resolution is seeking to authorise the Directors to allot up to 5% of the Company’s issued share capital to any person and a further 5% of the Company’s issued share capital only in connection with financing (or refinancing) an acquisition or other specific capital investment otherwise than on a pre-emptive basis. This is in accordance with the Pre-emption Group’s Statement of Principles on Disapplying Pre-emption Rights. For this purpose, a sale of treasury shares is regarded as equivalent to an allotment.

The Directors are seeking the annual renewal of this authority in accordance with best practice and to ensure the Company has maximum flexibility in managing its capital resources.

Company authority for market purchase of own shares (“Resolution 10”)

You will be asked to authorise the Company to purchase its own shares up to a limit of 730,212 ordinary shares, representing 5% of the Company’s issued share capital. The amount and duration of the authority proposed in Resolution 10 are in accordance with voting guidelines.

Rights to attend meeting and appoint a proxy

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company’s register of members at:
 - » 6.00pm on Tuesday 27 June 2017; or
 - » if this Meeting is adjourned, at 6.00pm on the day two days prior to the adjourned meeting, (excluding non-working days), shall be entitled to attend and vote at the Meeting.

Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in Note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a Form of Proxy with this Notice of Annual General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy.

Appointment of proxies continued

3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. Appointing a proxy does not preclude you from attending and voting at the Meeting should you subsequently decide to do so.
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. In the event of a conflict between a blank Form of Proxy and a Form of Proxy which states the number of shares to which it applies, the specific Form of Proxy shall be counted first, regardless of whether it was sent or received before or after the blank Form of Proxy, and any remaining shares in respect of which you are the registered holder will be apportioned to the blank Form of Proxy. You may not appoint more than one proxy to exercise rights attached to any one share.
6. To appoint more than one proxy you may photocopy the Form of Proxy. Please indicate the proxy's name and the number of shares in relation to which they are authorised to act as your proxy (which in aggregate should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given by ticking the box where indicated. To be valid, all Forms of Proxy should be signed and returned to Neville Registrars Limited so as to be received by the time and date specified in Note 11 (where possible together in the same envelope).
7. In the case of a member which is a company, your Form of Proxy must be executed under its common seal or be signed on its behalf by a duly authorised officer of the company or an attorney for the company.
8. If you submit more than one valid proxy appointment, (save as specified in Note 5), the appointment received last before the latest time for the receipt of proxies will take precedence.
9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Appointment of proxy using hard copy Form of Proxy

10. The notes to the Form of Proxy explain how to direct your proxy to vote on each resolution or withhold their vote.
11. To appoint a proxy using the Form of Proxy, the form must be:
 - » completed and signed;
 - » sent or delivered to Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA; and
 - » received by Neville Registrars Limited no later than 48 hours before the time of the Meeting or any adjournment thereof.
12. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

Appointment of proxies through CREST

13. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
14. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (Neville Registrars Limited, CREST ID 7RA11) by no later than 48 hours before the time of the Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
15. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
16. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Other

Statement of capital and voting rights

17. As at 1 June 2017 (being the last business day prior to the publication of this notice), the Company's issued share capital consists of 14,604,240 ordinary shares of £0.10 each, carrying one vote each and there are no shares held by the Company in treasury. Therefore, the total voting rights in the Company as at 1 June 2017 are 14,604,240.

Documents on display

18. Copies of the following documents will be available for inspection during normal business hours at the registered office of the Company on any weekday (public holidays excluded) from 5 June 2017 until the time of the Meeting and for at least 15 minutes prior to the Meeting and during the Meeting:

- » copies of the letters of appointment for the Non-executive Directors of the Company;
- » a copy of the Executive Directors' service contracts; and
- » the Company's Articles of Association.

Communication

19. You may not use any electronic address provided either:

- » in this Notice of Annual General Meeting; or
- » any related documents (including the Chairman's letter and Form of Proxy),

to communicate with the Company for any purposes other than those expressly stated.