

Helios Underwriting plc

Interim Report and Financial Statements

For the six months ended 30 June 2024

Contents

Six months ended 30 June 2024

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Helios Underwriting plc

Helios Underwriting Interim results announcement 2024

Portfolio continues to benefit from outstanding Lloyd's market conditions

Helios Underwriting ('Helios' or the 'Company'), the only publicly traded company offering instant access to a diverse portfolio of syndicates at Lloyd's of London, the world's largest insurance market, is pleased to announce its interim financial results for the half year ended 30 June 2024.

The Lloyd's Market continues to report excellent performance and the outlook for 2025 is also positive. Consequently, Helios will benefit from its outstanding pipeline profits generated from its spread Lloyd's syndicate portfolio.

2024 interim results: key financial highlights

- Gross written premiums increased by 45% to £230m (HY 2023 - £159m) reflecting the increase in the capacity portfolio
- Further rate increase achieved by the Lloyd's market of 1.5% (HY 2023 9.1%) over the six-month period continuing the excellent market conditions at Lloyd's.
- Similar underwriting result of £10.8m (HY 2023- £11.6m) with an 92% combined ratio
- Proforma combined ratio of 88% having stripped out the impact of the growth of the portfolio
- An increase of 62% (2023 33%) in the retained capacity and underwriting exposure for the 2024 Year of Account to £397m (2023 - £245m) and this will contribute to the underwriting result in the future.
- Group investment returns of £2.7m (HY 2023 – £0.0m) have been booked in the first six months benefiting from the higher yields seen since 2023
- Operating profit of £6.5m (HY 2023 - £6.0m)
- Capital returned to shareholders of 12p per share (FY 2023 – 7p per share)
- Net asset value per share is £1.91 per share as at June (FY 2023 - £1.89 per share)

Executive Chairman, Michael Wade, commented: “The Lloyd's market is experiencing exceptionally good market conditions, as increased underwriting discipline combines with strong growth and sustainable price increases. Helios' financial performance so far this year reflects the strength of our proposition as well as the overall health of the Lloyd's market.

“In the first half of the year, we have expanded our retained Lloyd's syndicate capacity participation to £397m, whilst cash levels remain strong at £35m. We remain confident that our spread Lloyd's syndicate portfolio strategy will continue to generate attractive returns for shareholders.

“This year we were also delighted to welcome John Chambers and Katie Wade to our Board as Independent Non-Executive Directors, both of whom bring different backgrounds and perspectives that will expand the breadth and depth of expertise of the Board.

“We remain satisfied with our 2024 Lloyd's syndicate portfolio and will be re-positioning our balance for 2025, reducing new syndicate participations, as we manage the underwriting cycle. We are making good progress in reducing prospective operational costs and attracting fee earning Third Party capacity alongside our syndicate participations.”

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Interim Results

Six months ended 30 June 2024

Helios Underwriting plc is the only listed vehicle where investors can own a share in a company which participates across a broad spread of Lloyd's syndicates and where the Funds at Lloyd's (FAL) ratio is less than 50% meaning that for every £1 of capital at work it underwrites £2 or more in capacity.

SUMMARY FINANCIAL INFORMATION

	6 months to 30 June	
	2024	2023
	£000's	£000's
Underwriting result	10,881	11,658
Investment Income - syndicates	5,823	3,160
Net quota share	(4,086)	(4,378)
Net profits from portfolio	12,618	10,441
Other income	4,644	739
Costs	(10,813)	(5,146)
Operating profit for the period	6,450	6,034
Profit after tax	5,681	4,351
Earnings per share	7.40p	5.71p
Net Asset Value per Share	£1.91	£1.54

Capacity Portfolio Result

The underwriting results remain strong as the underlying profitability of the growing portfolio continues to be recognised. The improved terms achieved in the last few years on all lines business and the muted impact of worldwide natural catastrophes in the period has contributed to the profitability of the portfolio.

	2024	2023	% Chg
	£000's	£000's	
Portfolio capacity	512,084	310,798	65%
Gross premium written	230,495	160,493	44%
Net earned premium	129,965	97,316	34%
Net insurance claims & operating expenses	(119,084)	(85,658)	39%
Underwriting result	10,881	11,658	
Combined ratio	92%	88%	

The 44% increase in the gross written premiums reflect the 65% growth of the capacity portfolio to £512m for the 2024 underwriting year. The earnings from the increased capacity for 2024 year of account will be a drag on overall profitability in 2024 due to nature of the recognition of underwriting profits for an underwriting year. The growth of the capacity portfolio in 2024 has impacted the combined ratio of 92% by 4% resulting in a proforma net combined ratio of 88%.

The contribution of the open years of account to the result of the Capacity Portfolio for the six months to 30th June 2024 is as follows:

	2022 and prior	2023	2024	Total
	£000's	£000's	£000's	£000's
Portfolio capacity by underwriting year	245,249	310,798	512,112	
Gross Underwriting result	1,523	18,569	(9,211)	10,881
Investment Income	3,344	1,809	669	5,822
Portfolio result by underwriting year	4,867	20,378	(8,541)	16,704
Gross result as % of capacity	2.0%	6.6%	-1.7%	
Helios retained %	75%	79%	78%	
Helios share of the portfolio result	3,675	16,048	(7,104)	12,618

The underwriting contribution from the 2022 underwriting years reflects the expected development of that year. The 2023 underwriting year has made a significant contribution to the earned profits in the six months reflecting the larger retained capacity and the expected much improved underwriting result from that year.

2024 to date represents an initial loss due to the higher proportion of expenses and reinsurance costs allocated to the first six months of the underwriting year. The future recognition of the net earned premiums from 2024 year, given the increased underwriting exposure, will benefit the underwriting result in the future.

The development of the earned profits by year of account is shown below:

As a % of capacity	2022	2023	2024
Portfolio profits / (losses) bought forward	6.5%	2.7%	-
Profit profits earned in the 6 months to 30th June 2024	2.0%	6.6%	-1.7%
Cumulative profits earned to date	8.5%	9.3%	-1.7%
Mid-point estimates as at 30th June 2024	9.0%	13.0%	-

The development of the 2022 underwriting year is tracking expectations and the 2023 is showing much improved profitability as a result of the absence of major catastrophes impacting the year and as the improved pricing is reflected in the result.

Retained capacity update

£m	Year of Account			CAGR
	2022	2023	2024	
Retained Capacity	184.5	244.5	397.0	29%
Third Party Capacity	60.8	66.3	115.1	38%
Total Portfolio	245.2	310.8	512.1	44%

The capacity portfolio has been grown by a compound rate of 44% over the last three years to £512m for the 2024 year of account to take advantage of the excellent market conditions. The retained capacity providing underwriting exposure to shareholders has increased to £397m which is expected to form the bedrock of earnings in the next two years. Helios will continue to act for and expand its Third Party capital business into 2025 so that fees and commissions from the Third Party capital providers will increase, particularly as profits are recognised on the portfolio in the future.

New Syndicate Analysis

The table below shows the development of the new syndicate participations within the portfolio. Helios has supported syndicates that have been established recently but the proportion of New Syndicates within the overall portfolio is expected to reduce in 2025 to below 16% of the overall portfolio. The categories below are:

- New syndicate – being a new venture providing an opportunity to participate in portfolios that offer diversification to the existing established syndicates at Lloyd’s. We do not anticipate supporting any new syndicates that are expecting to commence trading in 2025
- Syndicates trading for less than three years – we would consider that syndicates that have been trading for less than 3 years to be “new syndicates”. Syndicates that commenced trading in 2024 and 2023 would be included in this category.
- New syndicate out of an established MGA – we have supported new syndicates that have transferred an underwriting portfolio with a profitable track record as an MGA. The proven profitability of the portfolio to be underwritten reduces the execution risk of setting up a new syndicate

	2023	2024	Pro-forma 2025
New Syndicate	7%	12%	0%
Syndicate trading for less than 3 years	8%	13%	9%
New Syndicate out of established MGA	0%	10%	7%
	16%	34%	16%

The Board is currently undertaking a review of the capacity portfolio taking into account the expected evolution of the insurance underwriting cycle and expecting to reduce the proportion of the portfolio that is termed as “new syndicates”. A detailed review of the New Syndicates is being undertaken to establish whether support in the future will be beneficial to the portfolio. As these new syndicates build their businesses, demonstrate the profitability of their portfolios, after three years of operation, the Board will no longer consider them as “new syndicates”

Costs

The costs incurred in the six months to 30th June 2024 are as follows:

	6 months to 30th June	
	2024	2023
	£000's	£000's
Portfolio Stop loss	1,750	1,083
Portfolio financing costs	1,166	1,778
Unsecured Loan Note Interest	2,821	-
Operating costs	5,076	2,285
Total Costs	10,813	5,146

The stop loss premiums have increased in line with the growth of the retained capacity. The Portfolio Financing costs have reduced as the bank loan of £15m was repaid in December 2023 although the excess of loss facility remains in place. \$75m of Unsecured Loan Notes were issued in December 2023 to re-finance existing debt and to provide additional working capital.

Earlier in the year Helios examined the possibility of establishing its own 'follow-only' Lloyd's syndicate although the board ultimately decided against pursuing it - the non-recurring costs of aborting the project including the costs of re-organization are contained within these first half results and have increased the costs by £1m+.

As we look towards to 2025 there will be a sharp reduction in overall costs - we will provide more details at year end.

Investment Return

	£000's	£000's	Yield
Syndicate investment assets	281,949	5,822	2.06%
Group investment assets	75,511	2,748	3.64%
	357,460	8,570	2.41%

Helios's share of the syndicate investments has increased by 54% since 30 June 2023 and has generated a positive return of 2.09% in the first 6 months of the year. The Group funds are invested in short term bonds and bank deposits the Group's share of the syndicate investments is expected to continue to increase to reflect the growth of the capacity portfolio.

Capital Position as at 30th June 2024

	30 June 2024	31 December 2023
	£m	£m
Underwriting capital		
Third Party Capital	31.5	31.3
Excess of loss funds at Lloyd's	25.9	25.8
Helios own funds	67.2	69.9
Solvency credits	77.1	47.0
Total	201.7	173.7
Total Portfolio	512.1	310.8
Capacity supported by Third Party members	(51.7)	-
Total Helios Capacity	460.4	310.8
Economic capital requirement	167.3	128.6
Capital Ratio	36.2%	41%
Surplus Capital	34.3	1.6

The total capacity for the purpose of determining the capital requirements of Helios excludes the part of the capacity allocated to Third Party Capital. The improvement in the Solvency position of the capacity portfolio, increasing the solvency credits to £77m as profits have been recognized within the supported syndicates of which £47m is currently being used to support the underwriting. .

Net asset value per share

The growth in the net asset value per share remains a key management metric for determining growth in value to shareholders.

	30 June 2024	31 December 2023
	£'000	£'000
Net assets	58,309	57,984
Fair value and capacity (WAV)	82,436	82,436
Total net assets	140,553	140,101
Shares in issue	73,727	74,186
Net asset value per share (£)	1.91	1.89

The net asset value per share is £1.91p per share (Dec 2023 - £1.89p per share) having paid a dividend of 6p per share. The net assets include a deferred tax provision of £20m on the value of the capacity portfolio.

Return of Capital to Shareholders

Helios is committed to returning capital to shareholders. In 2024 capital of 12p per share (7p per share – 2023 has been returned to shareholders, a 70% increase. The capital has been returned by way of 6p base dividend (2023 – 3p base dividend) and by the repurchase of shares, mostly recently in July 2024.

Return of capital to shareholders

	2024		2023	
	£m	Pence per share	£m	Pence per share
Share buyback	4.5	6	3.2	4
Base Dividend	4.5	6	2.3	3
Per share (in pence)	9	12	5.5	7

The repurchase of 2.5m ordinary shares in July 2024 at £1.50 per share, a discount of 41p to the net asset value is expected to enhance net asset value per share at the end of the year.

Financial results summary

Six months ended 30 June 2024

	6 months to 30 June 2024 £'000	6 months to 30 June 2023 £'000
Underwriting profits	12,618	10,441
Other Income		
Fees from reinsurers	1,151	720
Amortisation of goodwill	169	302
Other income	745	-
Investment income	2,748	19
Total Other Income	4,813	1,041
Costs		
Pre-acquisition	-	(184)
Portfolio stop loss costs	(1,750)	(1,083)
Portfolio financing costs	(1,166)	(1,778)
Unsecured loan note interest	(2,821)	-
Operating costs	(5,075)	(2,101)
Total Costs	(10,812)	(5,146)
Operating profit before impairments of goodwill and capacity	6,619	6,336
Tax	(938)	(1,985)
Profit for the period	5,681	4,351

Period to 30 June 2024

Underwriting year	Helios retained capacity at 30 June 2024 £m	Portfolio mid-point forecasts	Helios profits £'000
2022	184.5	8.99%	3,675
2023	244.5	13.0%	16,048
2024	396.9	N/A	(7,105)
			12,618

Period to 30 June 2023

Underwriting year	Helios retained capacity at 30 June 2023 £m	Portfolio mid-point forecasts	Helios profits £'000
2021	102.3	4.90%	2,346
2022	180.9	5.68%	10,701
2023	234.2	N/A	(2,606)
			10,441

Financial results summary *continued*

Six months ended 30 June 2024

Summary Balance Sheet

The summary Group balance sheet excludes items relating to syndicate participations. See Note 15 for further information.

	30 June 2024 £'000	31 December 2023 £'000
Intangible assets	82,287	61,236
Funds at Lloyd's	75,511	77,297
Other cash	35,517	2,020
Other assets	10,710	6,958
Total assets	204,025	147,511
Deferred tax	22,889	13,921
Borrowings	59,524	15,000
Other liabilities	22,694	7,732
Total liabilities	105,107	36,653
Syndicate equity	41,635	6,292
Total equity	140,553	117,150

Summary cash flow

	30 June 2024 £'000	30 June 2023 £'000
Analysis of free working capital		
Opening Balance	40,913	10,254
Distribution of profits (net of tax retentions & QS Payments)	7,439	3,091
Transfers from Funds at Lloyd's	32,093	2,508
Other income	931	375
Sale / Purchase of capacity	-	-
Operating costs (inc Hampden / Nomina fees)	(4,031)	(2,988)
Reinsurance costs	(5,800)	(3,408)
Tax	-	(236)
Return of capital to shareholders	(1,010)	-
Transfers to Funds at Lloyd's	(35,018)	(6,067)
Free cash Flow	(5,396)	(6,725)
Senior debt principal	-	-
Repayment of Borrowings	-	-
Proceeds from issue of shares	-	-
Acquisitions	-	(1,569)
Net cash flow in the year	(5,396)	(8,294)
Balance carried forward	35,517	1,960

	30 June 2024 £'000	31 December 2023 £'000
Asset value calculation		
Net Assets	140,553	140,101
Add Total Debt	59,524	59,055
Add Deferred Tax on Intangible Asset	20,136	20,136
Asset Value	220,213	219,293
Debt ratio	27%	27%

Net asset per share

	30 June 2024 £'000	31 December 2023 £'000
Net assets	58,117	57,665
Fair value of capacity ("WAV")	82,436	82,436
	140,553	140,100
Shares in issue – on the market	73,690	74,186
Shares in issue – total of on the market and JSOP shares	76,228	75,286
Net asset value per share £ – on the market	1.91	1.89
Net asset value per share £ – on the market and JSOP shares	1.84	1.86

Interim condensed consolidated statement of comprehensive income

Six months ended 30 June 2024

	Note	6 months ended 30 June 2024 Unaudited £'000	6 months ended 30 June 2023 Unaudited £'000
Technical account			
Gross premium written	4	230,495	158,509
Reinsurance premium ceded	4	(65,750)	(49,587)
Net premium written	4	164,745	108,922
Change in unearned gross premium provision	5	(67,401)	(34,899)
Change in unearned reinsurance premium provision	5	25,622	15,782
Net change in unearned premium and reinsurance provision	5	(41,779)	(19,117)
Net earned premium	3,4	122,966	89,805
Net investment income	6	8,136	3,121
Other underwriting income		1,538	720
Total technical income		132,640	93,646
Gross claims paid		(52,781)	(42,895)
Reinsurers' share of gross claims paid		12,696	10,437
Claims paid, net of reinsurance		(40,085)	(32,458)
Change in provision for gross claims	5	(34,889)	(15,696)
Reinsurers' share of change in provision for gross claims	5	6,855	(1,953)
Net change in provision for claims	5	(28,034)	(17,649)
Net insurance claims incurred and loss adjustment expenses		(68,119)	(50,107)
Expenses incurred in insurance activities		(51,655)	(34,969)
Total technical account		12,866	8,570
Non-technical account			
Net investment income	6	434	20
Other income		359	-
Other operating expenses		(7,209)	(2,556)
Total non-technical account		(6,416)	(2,536)
Operating profit before impairments of goodwill and capacity		6,450	6,034
Amortisation of goodwill		169	302
Profit before tax		6,619	6,336
Income tax charge	7	(938)	(1,985)
Profit for the period		5,681	4,351
Other comprehensive income			
Revaluation of syndicate capacity		-	-
Deferred tax relating to the components of other comprehensive income		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		5,681	4,351
Profit for the year attributable to owners of the Parent		5,681	4,351
Total comprehensive income for the period attributable to owners of the Parent		5,681	4,351
Profit per share attributable to owners of the Parent			
Basic	8	7.71p	5.71p
Diluted	8	7.40p	5.55p

The profit attributable to owners of the Parent and earnings per share set out above are in respect of continuing operations.

The notes are an integral part of these Financial Statements.

Interim condensed consolidated statement of financial position

Six months ended 30 June 2024

		At 30 June 2024 Unaudited £'000	31 December 2023 Audited £'000
	Note		
Assets			
Intangible assets:			
- Capacity		82,436	82,436
- Goodwill		246	348
- Negative goodwill		(395)	(667)
Financial assets at fair value through profit or loss		357,460	288,198
Reinsurance assets:			
– reinsurers' share of claims outstanding	5	110,669	83,008
– reinsurers' share of unearned premium	5	47,670	23,962
Other receivables, including insurance and reinsurance receivables		291,321	172,932
Cash and cash equivalents		81,470	66,812
Prepayments and accrued income		11,376	7,281
Deferred acquisition costs		39,384	32,291
Total assets		1,021,637	756,601
Liabilities			
Equity			
Equity attributable to owners of the Parent:			
Share capital	11	7,795	7,795
Share premium	11	98,596	98,596
Revaluation reserve	11	24,840	24,840
Other reserves – treasury shares (JSOP and LTIP)	11	190	190
Retained earnings		9,132	8,680
Total equity		140,553	140,101
Insurance liabilities:			
– claims outstanding	5	401,593	309,188
– unearned premium	5	200,165	143,610
Deferred income tax liabilities		22,889	22,335
Borrowings		59,524	59,055
Other payables, including insurance and reinsurance payables		178,656	70,594
Accruals and deferred income		18,257	11,718
Total liabilities		881,084	616,500
Total liabilities and equity		1,021,637	756,601

Interim condensed consolidated statement of changes in equity

Six months ended 30 June 2024

Consolidated	Note	Attributable to owners of the Parent					Total £'000
		Share capital £'000	Share premium £'000	Revaluation reserve	Other reserves £'000	Retained earnings £'000	
At 1 January 2024		7,795	98,596	24,840	190	8,680	140,101
Total comprehensive income for the period:							
Profit for the period		-	-	-	-	5,681	5,681
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	5,681	5,681
Transactions with owners:							
Dividends paid	9	-	-	-	-	(4,418)	(4,418)
Company buy back of shares	11	-	-	-	-	(811)	(811)
Share issue		-	-	-	-	-	-
Total transactions with owners		-	-	-	-	(5,229)	(5,229)
At 30 June 2024		7,795	98,596	24,840	190	9,132	140,553
At 1 January 2023		7,774	98,268	11,350	(110)	(2,163)	115,119
Total comprehensive income for the period:							
Profit for the period		-	-	-	-	4,351	4,351
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	4,351	4,351
Transactions with owners:							
Dividends paid	9	-	-	-	-	(2,320)	(2,320)
Company buy back of shares	11	-	-	-	-	-	-
Share issue		-	-	-	-	-	-
Total transactions with owners		-	-	-	-	(2,320)	(2,320)
At 30 June 2023		7,774	98,268	11,350	(110)	(132)	117,150

The notes are an integral part of these Financial Statements.

Interim condensed consolidated statement of cash flows

Six months ended 30 June 2024

	At 30 June 2024	At 30 June 2023
	Unaudited £'000	restated Unaudited £'000
Cash flows from operating activities		
Profit before tax	6,619	6,336
Adjustments for:		
- Interest received	(518)	(227)
- Investment income	(6,507)	(3,502)
- Interest paid on borrowings	2,822	-
- Amortisation of goodwill	(169)	(302)
Changes in working capital:		
- change in fair value of financial assets held at fair value through profit or loss	80	512
- Increase in other receivables	(129,577)	(18,147)
- Increase in other payables	110,183	18,926
- net increase in technical provisions	97,591	27,941
Cash generated from operations	80,524	31,537
Income tax paid/(received)	4	(237)
Net cash inflow from operating activities	80,528	31,300
Cash flows from investing activities		
Interest received	518	227
Investment income	6,507	3,502
Increase in financial assets at fair value through profit or loss	(69,262)	(30,214)
Acquisition of subsidiaries, net of cash acquired	-	(1,239)
Net cash inflow from investing activities	(62,237)	(27,724)
Cash flows from financing activities		
Net proceeds from issue of ordinary share capital	-	-
Buy back of ordinary share capital	(811)	-
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
Interest paid on borrowings	(2,822)	-
Dividends paid to owners of the Parent	-	-
Net cash outflow from financing activities	(3,633)	-
Net increase in cash and cash equivalents	14,658	3,576
Cash and cash equivalents at beginning of period	66,812	24,624
Cash and cash equivalents at end of period	81,470	28,200

The 30 June 2023 comparative has been restated to present the changes in financial assets at fair value through the profit and loss as cashflows from investing activities.

Analysis of changes in net debt

	At 1 January 2024	Cash flows	Currency	At 30 June
	£000	£000	translation	2024
			£000	£000
Cash at bank and in hand	66,812	14,661	(3)	81,470
Cash and cash equivalents	66,812	14,661	(3)	81,470
Revolving Loan Facility	-	-	-	-
Unsecured debt	(59,055)	-	(469)	(59,524)
Total	7,757	14,661	(472)	21,946

Cash held within the syndicates' accounts is £45,953,000 (30 June 2023: £26,240,000) of the total cash and cash equivalents held at the end of the period £81,470,000 (30 June 2023: £28,200,000). The cash held within the syndicates' accounts is not available to the Group to meet its day-to-day working capital requirements.

Cash and cash equivalents comprise cash at bank and in hand.

The notes are an integral part of these Financial Statements.

Notes to the financial statements

Six months ended 30 June 2024

1. General information

The Company is a public limited company quoted on AIM. The Company was incorporated in England, is domiciled in the UK and its registered office is 1st Floor, 33 Cornhill, London EC3V 3ND. The Company participates in insurance business as an underwriting member at Lloyd's through its subsidiary undertakings.

These condensed consolidated financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 were approved by the board of directors on 29 May 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

2. Accounting policies

Basis of preparation

These Financial Statements have been prepared in accordance with United Kingdom Accounting Standards (UK GAAP), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", FRS 103 "Insurance Contracts", FRS 104 "Interim Financial Reporting", and the Companies Act 2006 and Schedule 3 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations, relating to insurance.

The Condensed Consolidated Interim Financial Statements are prepared for the six months ended 30 June 2024.

The Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2024 and June 2023 are unaudited, but have been subject to review by the Group's auditors.

The Condensed Consolidated Interim Financial Statements incorporate the Financial Statements of Helios Underwriting plc, the Parent Company, and its directly and indirectly held subsidiaries (see note 10).

The underwriting data on which these Condensed Consolidated Interim Financial Statements are based upon has been supplied by the managing agents of those syndicates which the Group supports. The data supplied is the 100% figures for each syndicate. The Group has applied its share of the syndicate participations to the gross figures to derive its share of the syndicate's transactions, assets and liabilities.

Going concern

The Group has net assets at the end of the reporting period of £140,553,000 (31 December 2023: £140,101,000).

The Company's subsidiaries participate as underwriting members at Lloyd's on the 2022, 2023 and 2024 years of account, as well as any prior run-off years, and they intend to continue this participation in the 2025 year of account.

The Directors have a reasonable expectation that the Group have adequate resources to meet their underwriting and other operational obligations for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

Significant accounting policies

The Condensed Consolidated Interim Financial Statements have been prepared under the historical cost convention as modified by the revaluation of the financial assets at fair value through the Statement of Comprehensive Income.

With effect from 31 December 2020, the Group changed this policy so that syndicate capacity is revalued on a regular basis to its fair value which the Directors believe to be the average weighted value achieved in the Lloyd's auction process. The increase in value of syndicate capacity between its fair value and its cost less impairment is taken to the revaluation reserve through the statement of other comprehensive income net of any tax effect.

Notes to the financial statements

Six months ended 30 June 2024

3. Segmental information

Michael Wade is the Group's chief operating decision-maker. He determines its operating segments based on the way the Group is managed, for the purpose of allocating resources and assessing performance.

The Group has three segments that represent the primary way in which the Group is managed, as follows:

- syndicate participation;
- investment management; and
- other corporate activities.

At 30 June 2024 Unaudited	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	127,052	-	(4,086)	122,966
Net investment income	5,822	2,748	-	8,570
Other income	-	-	1,897	1,897
Net insurance claims and loss adjustment expenses	(68,119)	-	-	(68,119)
Expenses incurred in insurance activities	(50,514)	-	(1,141)	(51,655)
Other operating expenses	-	-	(7,209)	(7,209)
Amortisation of goodwill	-	-	169	169
Profit before tax	14,241	2,748	(10,370)	6,619

At 30 June 2023 Unaudited	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	94,183	-	(4,378)	89,805
Net investment income	3,160	(19)	-	3,141
Other income	-	-	720	720
Net insurance claims and loss adjustment expenses	(50,107)	-	-	(50,107)
Expenses incurred in insurance activities	(34,925)	-	(44)	(34,969)
Other operating expenses	-	-	(2,556)	(2,556)
Amortisation of goodwill	-	-	302	302
Profit before tax	12,311	(19)	(5,956)	6,336

The Group does not have any geographical segments as it considers all of its activities to arise from trading within the UK.

No major customers exceed 10% of revenue.

Net earned premium within 2024 other corporate activities totalling £4,086,000 (2023: £4,378,000 – 2021, 2022 and 2023 years of account) represents the 2022, 2023 and 2024 years of account net Group quota share reinsurance premium payable to HIPCC Limited – Cell 6. This net quota share reinsurance premium payable is included within "reinsurance premium ceded" in the Consolidated Statement of Comprehensive Income of the period.

Notes to the financial statements

Six months ended 30 June 2024

4. Operating profit before impairments of goodwill and capacity

At 30 June 2024	Underwriting year of account*				Pre-acquisition £'000	Corporate reinsurance £'000	Other corporate £'000	Total £'000
	2022 and prior £'000	2023 £'000	2024 £'000	Sub-total £'000				
Gross premium written	1,614	37,680	191,201	230,495	-	-	-	230,495
Reinsurance ceded	(318)	(4,871)	(53,562)	(58,751)	-	(4,086)	(2,913)	(65,750)
Net premium written	1,296	32,809	137,639	171,744	-	(4,086)	(2,913)	164,745
Net earned premium	9,627	83,526	36,812	129,965	-	(4,086)	(2,913)	122,966
Other income	3,344	1,809	670	5,823	-	1,151	3,493	10,467
Net insurance claims and loss adjustment expenses	(3,827)	(39,201)	(25,091)	(68,119)	-	-	-	(68,119)
Operating expenses	(4,277)	(25,756)	(20,932)	(50,965)	-	-	(7,899)	(58,864)
Operating profit before impairments of goodwill and capacity	4,867	20,378	(8,541)	16,704	-	(2,935)	(7,319)	6,450
Quota share adjustment	(1,192)	(4,330)	1,436	(4,086)	-	4,086	-	-
Operating profit before impairments of goodwill and capacity after quota share adjustment	3,675	16,048	(7,105)	12,618	-	1,151	(7,319)	6,450

At 30 June 2023	Underwriting year of account*				Pre-acquisition £'000	Corporate reinsurance £'000	Other corporate £'000	Total £'000
	2021 and prior £'000-	2022 £'000	2023 £'000	Sub-total £'000				
Gross premium written	1,606	25,982	132,905	160,493	(1,984)	-	-	158,509
Reinsurance ceded	(1,410)	(4,786)	(37,624)	(43,820)	542	(4,378)	(1,931)	(49,587)
Net premium written	196	21,196	95,281	116,673	(1,442)	(4,378)	(1,931)	108,922
Net earned premium	4,113	68,516	24,687	97,316	(1,202)	(4,378)	(1,931)	89,805
Other income	1,801	1,165	195	3,161	(39)	720	19	3,861
Net insurance claims and loss adjustment expenses	629	(36,119)	(15,244)	(50,734)	627	-	-	(50,107)
Operating expenses	(2,768)	(19,182)	(12,974)	(34,924)	430	-	(3,031)	(37,525)
Operating profit before impairments of goodwill and capacity	3,775	14,380	(3,336)	14,819	(184)	(3,658)	(4,943)	6,034
Quota share adjustment	(1,429)	(3,679)	730	(4,378)	-	4,378	-	-
Operating profit before impairments of goodwill and capacity after quota share adjustment	2,346	10,701	(2,606)	10,441	(184)	720	(4,943)	6,034

Pre-acquisition relates to the element of results from the new acquisitions before they were acquired by the Group.

* The underwriting year of account results represent the Group's share of the syndicates' results by underwriting year of account before corporate member level reinsurance and members' agents charges.

Notes to the financial statements *continued*

Six months ended 30 June 2024

5. Insurance liabilities and reinsurance balances

Movement in claims outstanding

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2024	309,188	83,008	226,180
Increase in reserves arising from acquisition of subsidiary undertakings	-	-	-
Movement of reserves	34,889	6,855	28,034
Other movements	57,516	20,806	36,710
At 30 June 2024	401,593	110,669	290,924

Movement in unearned premium

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2024	143,610	23,962	119,648
Increase in reserves arising from acquisition of subsidiary undertakings	-	-	-
Movement of reserves	67,401	25,622	41,779
Other movements	(10,846)	(1,914)	(8,932)
At 30 June 2024	200,165	47,670	152,495

Included within other movements are the 2021 and prior years' claims reserves reinsured into the 2022 year of account on which the Group does not participate and currency exchange differences.

Movement in claims outstanding

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2023	272,015	80,726	191,289
Increase in reserves arising from acquisition of subsidiary undertakings	5,316	1,530	3,786
Movement of reserves	15,696	(1,953)	17,649
Other movements	12,355	9,322	3,033
At 30 June 2023	305,382	89,625	215,757

Movement in unearned premium

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2023	114,663	21,333	93,330
Increase in reserves arising from acquisition of subsidiary undertakings	1,690	301	1,388
Movement of reserves	34,899	15,782	19,117
Other movements	(15,966)	(4,108)	(11,857)
At 30 June 2023	135,286	33,308	101,978

Included within other movements are the 2020 and prior years' claims reserves reinsured into the 2021 year of account on which the Group does not participate and currency exchange differences.

6. Net investment income

	At 30 June 2024 Unaudited £'000	At 30 June 2023 Unaudited £'000
Investment income	6,507	3,502
Realised (losses)/gains on financial assets at fair value through profit or loss	1,087	(100)
Unrealised (losses)/gains on financial assets at fair value through profit or loss	(80)	(512)
Investment management expenses	538	24
Bank interest	518	227
Net investment income	8,570	3,141

Included within Net investment income is investment income of £8,136,000 (2023: £3,121,000) from Syndicate participations.

Notes to the financial statements *continued*

Six months ended 30 June 2024

7. Income tax charge

Analysis of tax charge in the period

	At 30 June 2024 Unaudited £'000	At 30 June 2023 Unaudited £'000
Income tax credit	938	1,985

The income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 25% (2023: 23.50%).

8. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders after tax by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Earnings per share has been calculated in accordance with IAS 33 "Earnings per share".

The earnings per share and weighted average number of shares used in the calculation are set out below:

	30 June 2024 Unaudited	At 30 June 2023 Unaudited
Profit for the period after tax attributable to ordinary equity holders of the parent	5,681,000	4,351,000
Basic - weighted average number of ordinary shares*	73,727,064	76,218,203
Weighted average number of ordinary shares for diluted earnings per share*	76,285,215	77,889,630
Basic earnings/(loss) per share	7.71p	5.71p
Diluted earnings/(loss) per share	7.40p	5.55p

* Diluted loss per share is not permitted to be reduced from the basic loss per share.

9. Dividends paid or proposed

It was proposed and agreed at the AGM on 29 June 2024 that a dividend of 6p would be payable. The Dividend was paid post period end on 12 July 2024 totalling £4,418,000 and has been accrued in these financial statements.

10. Investments in subsidiaries

	A 30 June 2024 £'000	At 31 December 2023 £'000
Total	66,722	66,722

Notes to the financial statements *continued*

Six months ended 30 June 2024

10. Investments in subsidiaries (continued)

Company or partnership	Direct/indirect interest	2024 ownership	2023 ownership	Principal activity
Nameco (No. 917) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 346) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Charmac Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
RBC CEES Trustee Limited ⁽⁶⁾	Direct	100%	100%	Joint Share Ownership Plan
Chapman Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Advantage DCP Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Romsey Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios UTG Partner Limited ⁽⁶⁾	Direct	100%	100%	Corporate partner
Salviscount LLP	Indirect	100%	100%	Lloyd's of London corporate vehicle
Inversanda LLP	Indirect	100%	100%	Lloyd's of London corporate vehicle
Fyshe Underwriting LLP	Indirect	100%	100%	Lloyd's of London corporate vehicle
Nomina No 505 LLP	Indirect	100%	100%	Lloyd's of London corporate vehicle
Nomina No 321 LLP	Indirect	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 409) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1113) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Catbang 926 Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Whittle Martin Underwriting	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 408) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nomina No 084 LLP	Indirect	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 510) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 544) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
N J Hanbury Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1011) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1111) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nomina No 533 LLP	Indirect	100%	100%	Corporate partner
North Breache Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
G T C Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Hillnameco Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 2012) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1095) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
New Filcom Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Kemah Lime Street Capital	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1130) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nomina No 070 LLP	Indirect	100%	100%	Corporate partner
Nameco (No. 389) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nomina No. 469 LLP	Indirect	100%	100%	Corporate partner
Nomina No. 536 LLP	Indirect	100%	100%	Corporate partner
Nameco (No. 301) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1232) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Shaw Lodge Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Queensberry Underwriting	Direct	100%	100%	Lloyd's of London corporate vehicle
Nomina No 472 LLP	Indirect	100%	100%	Corporate partner
Nomina No 110 LLP	Indirect	100%	100%	Corporate partner
Chanterelle Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Kunduz LLP	Indirect	100%	100%	Corporate partner
Exalt Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1110) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Clifton 2011 Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nomina No 378 LLP	Indirect	100%	100%	Corporate partner
Gould Scottish Limited Partnership	Indirect	100%	100%	Corporate partner
Harris Family UTG Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Whitehouse Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Risk Capital UTG Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 606) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 1208) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Chorlton Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Park Farm Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios LLV One Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios LLV Two Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios LLV Five Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios LLV Six Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios LLV Seven Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios LLV Eight Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Helios LLV Ten LLP	Indirect	100%	100%	Corporate partner

Notes to the financial statements *continued*

Six months ended 30 June 2024

10. Investments in subsidiaries (continued)

- (i) Helios UTG Partner Limited, a subsidiary of the Company, owns 100% of Salviscount LLP, Inversanda LLP, Fyshe Underwriting LLP, Nomina No 505 LLP, Nomina No 321 LLP, Nomina No 084 LLP, Nomina No 533 LLP, Nomina No 070 LLP, Nomina No 469 LLP, Nomina No 536 LLP, Nomina No 472 LLP, Nomina No 110 LLP, Kunduz LLP, Nomina No 348 LLP and Gould Scottish Limited Partnership. The cost of acquisition of these LLPs is accounted for in Helios UTG Partner Limited, their immediate parent company.
- (ii) RBC CEES Trustee Limited was an incorporated entity in year 2017 to satisfy the requirements of the Joint Share Ownership Plan.
- (iii) During the period, the Company sold 100% of the shares in Helios LLV Three Limited, Helios LLV Four Limited and Helios LLV Nine Limited.

11. Share capital and share premium

	Number of shares (i)	Ordinary share capital £'000	Partly paid ordinary share capital £'000	Share premium £'000	Total £'000
Ordinary shares of 10p each and share premium at 31 December 2023	77,945,833	7,685	110	98,596	106,391
Ordinary shares of 10p each and share premium at 30 June 2024	77,945,833	7,685	110	98,596	106,391

(i) Number of shares

	At 30 June 2024	At 31 December 2023
Allotted, called up and fully paid ordinary shares:		
On the market	73,645,144	74,186,068
Company buy back of ordinary shares held in treasury	3,200,689	2,659,765
	76,845,833	76,845,833
Uncalled and partly paid ordinary share under the JSOP scheme (ii)	1,100,000	1,100,000
	77,945,833	77,945,833

- (ii) The partly paid ordinary shares are not entitled to dividend distribution rights during the year.

12. Related party transactions

A number of subsidiary companies have entered into quota share reinsurance contracts for the 2022, 2023 and 2024 years of account with protected cell companies of HIPCC Limited.

Nigel Hanbury, a Director of Helios Underwriting plc and its subsidiary companies, was also a director and majority shareholder in HIPCC Limited until 29 November 2023 when he sold his majority shareholding in full, and resigned as a director on the same date.

In addition, HIPCC provide stop loss, portfolio stop loss and HASP reinforce policies for the company.

13. Ultimate controlling party

The Directors consider that the Group has no ultimate controlling party.

Notes to the financial statements *continued*

Six months ended 30 June 2024

14. Syndicate participations

The syndicates and members' agent pooling arrangements ("MAPA") in which the Company's subsidiaries participate as corporate members of Lloyd's are as follows:

Syndicate number	Managing or members' agent	Allocated capacity per year of account		
		2024 £000	2023 £000	2022* £000
33	Hiscox Syndicates Limited	15,358	15,358	15,357
218	IQUW Syndicate Management Limited	17,711	17,711	7,519
318	Cincinnati Global Underwriting Agency Limited	1,082	862	993
386	QBE Underwriting Limited	3,139	3,139	3,067
510	Tokio Marine Kiln Syndicates Limited	30,294	28,183	34,097
557	Tokio Marine Kiln Syndicates Limited	—	—	3,509
609	Atrium Underwriters Limited	19,528	18,421	13,714
623	Beazley Furlonge Limited	32,687	28,909	23,293
727	S A Meacock & Company Limited	2,956	2,956	2,423
1176	Chaucer Syndicates Limited	2,875	2,875	2,875
1200	Argo Managing Agency Limited	—	55	10,050
1699	Asta Managing Agency Limited	5,000	—	—
1729	Dale Managing Agency Limited	25,118	20,094	10,220
1796	Asta Managing Agency Limited	7,000	—	—
1902	Asta Managing Agency Limited	12,636	10,688	10,000
1925	Apollo Syndicate Management Limited	12,500	—	—
1955	Arch Managing Agency Limited	20,000	12,500	—
1966	Asta Managing Agency Limited	15,000	—	—
1969	Apollo Syndicate Management Limited	25,499	12,171	5,675
1971	Apollo Syndicate Management Limited	25,000	10,000	6,467
1985	Asta Managing Agency Limited	20,000	16,874	—
1988	Asta Managing Agency Limited	15,125	15,000	—
1996	Polo Managing Agency Limited	9,527	5,988	—
2010	Lancashire Syndicates Limited	7,338	7,338	10,642
2024	Probitas Managing Agency Limited	8,522	—	—
2121	Argenta Syndicate Management Limited	5,206	272	10,267
2358	Nephila Syndicate Managing Agency Limited	20,000	—	—
2427	Asta Managing Agency Limited	15,024	—	—
2454	Apollo Syndicate Management Limited	5,800	—	—
2525	Asta Managing Agency Limited	2,612	2,311	1,856
2689	Asta Managing Agency Limited	5,477	2,699	10,111
2791	Managing Agency Partners Limited	16,422	12,001	10,123
3123	Asta Managing Agency Limited	5,000	—	—
3939	Apollo Syndicate Management Limited	12,000	—	—
4242	Asta Managing Agency Limited	15,000	10,807	12,987
4444	Canopus Managing Agents Limited	24	21	20
5183	Asta Managing Agency Limited	1,727	5,000	—
5623	Beazley Furlonge Limited	27,001	17,672	6,894
5886	Blenheim Underwriting Limited	30,833	27,131	23,165
6103	Managing Agency Partners Limited	4,150	3,301	3,480
6104	Hiscox Syndicates Limited	10,000	32	1,774
6107	Beazley Furlonge Limited	1,550	164	1,682
6117	Ariel Re Managing Agency Limited	391	265	2,989
Total		512,112	310,798	245,249

Notes to the financial statements *continued*

Six months ended 30 June 2024

15. Group-owned net assets

The Group statement of financial position includes the following assets and liabilities held by the syndicates on which the Group participates. These assets are subject to trust deeds for the benefit of the relevant syndicates' insurance creditors. The table below shows the split of the statement of financial position between Group and syndicate assets and liabilities:

	At 30 June 2024			At 31 December 2023		
	Group £'000	Syndicate £'000	Total £'000	Group £'000	Syndicate £'000	Total £'000
Assets						
Intangible assets:						
– Capacity	82,436	—	82,436	82,436	—	82,436
– Positive goodwill	246	—	246	348	—	348
– Negative goodwill	(395)	—	(395)	(667)	—	(667)
Financial assets at fair value through profit or loss	75,511	281,949	357,460	70,754	217,444	288,198
Deferred income tax asset	—	—	—	—	—	—
Reinsurance assets:						
– reinsurers' share of claims outstanding	60	110,609	110,669	60	82,948	83,008
– reinsurers' share of unearned premium	—	47,670	47,670	—	23,962	23,962
Other receivables, including insurance and reinsurance receivables	4,486	286,835	291,321	357	172,575	172,932
Cash and cash equivalents	35,517	45,953	81,470	40,913	25,899	66,812
Prepayments and accrued income	6,164	5,212	11,376	4,459	2,822	7,281
Deferred acquisition costs	—	39,384	39,384	—	32,291	32,291
Total assets	204,025	817,612	1,021,637	198,660	557,941	756,601
Liabilities						
Equity						
Equity attributable to owners of the Parent:						
Share capital	7,795	—	7,795	7,795	—	7,795
Share premium	98,596	—	98,596	98,596	—	98,596
Revaluation reserve	24,840	—	24,840	24,840	—	24,840
Other reserves – treasury shares (JSOP and LTIP)	190	—	190	190	—	190
Retained earnings	(32,503)	41,635	9,132	(26,174)	34,854	8,680
Total equity	98,918	41,635	140,553	105,247	34,854	140,101
Insurance liabilities:						
– claims outstanding	—	401,593	401,593	—	309,188	309,188
– unearned premium	—	200,165	200,165	—	143,610	143,610
Deferred income tax liabilities	22,889	—	22,889	22,277	58	22,335
Borrowings	59,524	—	59,524	59,055	—	59,055
Other payables, including insurance and reinsurance payables	11,615	167,041	178,656	6,984	63,610	70,594
Accruals and deferred income	11,079	7,178	18,257	5,097	6,621	11,718
Total liabilities	105,107	775,977	881,084	93,413	523,087	616,500
Total liabilities and equity	204,025	817,612	1,021,637	198,660	557,941	756,601

16. Event after the financial reporting period

Share buy backs

On 23 July 2024 the Company bought back a further 2,466,666 shares for a total consideration of £3,719,000.

Notes to the financial statements *continued*

Six months ended 30 June 2024

Directors, Registered office and advisers

Directors

Michael John Wade (Executive Chairman)
Nigel John Hanbury (Non-Executive Deputy Chairman)
Andrew Hildred Christie (Non-Executive Director)
Arthur Roger Manners (Finance Director)
Thomas John Libassi (Non-Executive Director)
John Chambers (Non-Executive Director) appointed 1 July 2024
Katherine Wade (Non-Executive Director) appointed 30 August 2024

Company Secretary

Kristel van der Meijden
Shakespeare Martineau
No 1 Colmore Square
Birmingham
B4 6AA

Company number

05892671

Registered office

1st Floor, 33 Cornhill, London, EC3V 3ND

Statutory auditors

PKF Littlejohn LLP

15 Westferry Circus
Canary Wharf
London E14 4HD

Lloyd's members' agent

Hampden Agencies Limited

40 Gracechurch Street
London EC3V 0BT

Argenta Private Capital Limited

70 Gracechurch Street
London EC3V 0HR

Registrars

Neville Registrars Limited

Neville House
Steelpark Road
Halesowen B62 8HD

Nominated adviser and broker

Numis Securities Limited

45 Gresham Street
London EC2V 7BF

INDEPENDENT REVIEW REPORT TO HELIOS UNDERWRITING PLC

Conclusion

We have been engaged by the group to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises the Interim Condensed Consolidated Income Statement, the Interim Condensed Statement of Comprehensive Income, the Interim Condensed Statement of Financial Position, the Interim Condensed Statement of Changes in Equity, the Interim Condensed Statement of Cash Flows, and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with FRC's Financial Reporting Standard 104 and AIM Rules for Companies.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with UK GAAP. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with FRC's Financial Reporting Standard 104, "Interim Financial Reporting".

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management has identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410, however future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules for companies.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of financial information

In reviewing the half-yearly report, we are responsible for expressing to the group a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

This report is made solely to the company's directors, as a body, in accordance with the terms of our engagement letter dated 23 September 2024. Our review has been undertaken so that we might state to the company's directors those matters we have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's directors as a body, for our work, for this report, or for the conclusions we have formed.