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HELIOS UNDERWRITING SHARES SURGE 22% ON £20M SHARES ISSUE

Simon has over six years of professional trading experience across FX, commodities and equities. He has a strong passion for financial markets and is particularly focused on price action trading

Shares of Helios Underwriting PLC (LON: HUW) today surged 22% after announcing that it was issuing new shares priced at 120p each to raise £20 million to take advantage of the attractive opportunities for growth and shareholder value enhancement in the hardening market.

The company managed to issue new shares at a price higher than its current price, which is an impressive feat that speaks to the strength of the company's underlying business.

Helios is the only listed investment company offering investors growth and returns from exposure to Lloyd's of London. The firm noted that it had received a lot of interest from the market including sizeable orders from insurance specialist institutional investors.

After discussions with potential investors, Helios will price the newly issued shares at 120p apiece, which is a 42% discount to its adjusted net asset value, but a 25% premium to its closing price on October 6, 2020.

The £20 million targets will minimise the dilution of existing shareholders while allowing the company to raise the necessary firepower to increase in the Company's capacity from pre-emptions, make further LLV acquisitions, to increase Helios' retained capacity and to participate in upcoming capacity auctions.

Nigel Hanbury, Chief Executive of Helios, commented:

“We remain convinced that this is a period of unprecedented opportunity for Helios, with a hardening market coupled with the opportunities we see to increase capacity from pre-emptions, make

further LLV acquisitions and participate in capacity auctions, all of which would be value-enhancing for our shareholders.”

Helios Underwriting share price



Helios Underwriting shares today surged 21.88% to trade at 117p having rallied from Tuesday’s closing price of 96p.