

**Helios Underwriting plc**

("Helios" or the "Company")

**Interim Results for the Six Months Ended 30 June 2021**

Helios Underwriting plc, the unique investment vehicle that acquires and consolidates underwriting capacity at Lloyd's, announces its unaudited results for the six months ended 30 June 2021, a half year in which Helios completed its successful fundraising and continued its strategy of driving portfolio growth and shareholder value.

**Chairman's statement**

Six months ended 30 June 2021

**Nigel Hanbury, Chief Executive, provides the following overview:**

*"Whilst these interim results have yet to reflect the improvement in syndicate profitability following cumulative rate increases of an average of 51% since January 2018, Helios' strategy to generate growth and shareholder returns is firmly on track.*

*"We have completed or have agreed terms for the acquisition of 28 Limited Liability Vehicles with capacity of, in aggregate, £33m for 2021 underwriting year for a total outlay of £38m. The continued improvement in current market conditions have opened up an exciting window of opportunity for Helios. The improvement in underwriting conditions over 4 years will provide a platform for better prospects for underwriting margins over the next few years, and we are confident of a strong performance in the remainder of the year."*

**SUMMARY FINANCIAL INFORMATION**

	6 months to 30 <sup>th</sup> June		Year to
	2021	2020	31 <sup>st</sup> December
	£000's	£000's	2020
			£000's
<b>Underwriting profits</b>	1,102	154	639
<b>Other income</b>	526	850	2,887
<b>Costs</b>	(2,108)	(1,112)	(3,190)
<b>Operating (loss)/profit for the period before impairment</b>	(480)	(108)	336
<b>(Loss)/profit after tax</b>	(2,319)	(96)	301
<b>Earnings per share</b>	(3.88p)	(0.55p)	1.59p
<b>Net Tangible Asset Value per Share</b>	£1.46	£1.90 (restated)	£1.51

- Operating loss is £480,000 (30 June 2020 – a loss of £108,000)
- The underwriting profits have recovered following the losses arising from the Covid-19 coronavirus pandemic in 2020
- The cumulative premium rate increase achieved by underwriters since 1<sup>st</sup> January 2018 is 51%, which together with greater discipline encouraged by the Franchise Board at Lloyd's, has improved the prospects for profitable underwriting
- The Net Tangible Asset Value per share is £1.46 per share (31<sup>st</sup> December 2020 - £1.51 per share)
- Net Tangible Asset Value per share has been impacted by the increase in the rate of corporation tax to 25%.

The underwriting profits have recovered following the losses arising from the Covid-19 coronavirus pandemic in 2020. Both the 2019 and 2020 underwriting years have contributed to the result as confidence in the reserves required for the Covid-19 losses have improved and as the profits from the balance of the portfolio start to be recognised. The contribution from the 2021 underwriting year is an initial loss following the winter storms in the USA and as Helios has increased its retained capacity to 54% of the portfolio, this small loss has had a greater impact on the overall result.

The positive momentum in both insurance and reinsurance pricing for many years has continued into 2021. The improvement in underwriting conditions over 4 years will provide a platform for better prospects for underwriting margins over the next few years. Cumulative rate increases since 1<sup>st</sup> January 2018 are 51%. We have been advised of further pre-emptions of approximately £6.0m of capacity (2020 - £9.5m) from our supported syndicates to take advantage of improved market conditions.

### Acquisition of LLV's

Following the capital raise in April 2021, we have been active in agreeing terms for the acquisition of Limited Liability Vehicles (LLV's). We have completed 8 acquisitions to date and have agreed terms with a further 20 LLV's where completion is subject, inter alia, to regulatory approval. The aggregate of the capacity, consideration and total outlay for the LLV's [agreed and completed] transactions to date are as follows:

	£m
Consideration	24.6
Vendor Underwriting Capital replaced	13.7
Total Outlay	<u>38.3</u>
Humphrey Valuation	<u>26.2</u>
Consideration as a Discount to Valuation	6.2%

These acquisitions have increased the capacity retained by Helios for the 2021 underwriting year to 64% of the portfolio, an increase of 20% so far in 2021.

£m	Capacity by Year of Account		
	2021	2020	2019
Capacity as 1st Jan 2021	110.3	80.0	70.3
Capacity Acquired	<u>33.0*</u>	<u>34.2*</u>	<u>34.8*</u>
Total Current Capacity by year of account	<u>143.3</u>	<u>114.2</u>	<u>105.1</u>
Capacity reinsured	51.5	49.1	39.0
Helios Retained Capacity	91.7	65.0	66.2
Helios Retained Capacity - %	64%	57%	63%

\*Acquired post 30 June 2021

Helios has received preliminary indications of pre-emptions for 2022 year of account from the syndicates supported, which are subject to approval by Lloyd's, which together with the capacity acquired will increase the capacity portfolio for 2022 year of account to £151m – an increase of 37%.

The value of the capacity portfolio, using the 2020 weighted average prices, including the value of the capacity acquired and the value of the expected pre-emptions for 2022 (using the 2020 weighted average capacity prices) has increased to £46m – an increase of 50%

£m	2021	
	Capacity	Capacity Value
2021 YOA as at 1st January 2021	110.3	30.8
Expected Pre-emptions	6.3	1.2
Capacity Acquired / agreed terms	33.0	13.5
Expected Pre-emptions	<u>1.8</u>	<u>0.6</u>
Total	<u><u>151.4</u></u>	<u><u>46.1</u></u>

Our strategy of building a portfolio of syndicate capacity continues to rely on the flow of LLVs for sale at reasonable prices. The discounts achieved to the Humphrey Valuations have decreased as both Vendor expectations of future value have increased and as other purchasers have realised the value of the potential future profitability of these capacity portfolios.

The exposure on the 2021 open underwriting year as at 1st January 2021 has been reduced by 46% through quota share reinsurance. The quota share reinsurers fund their share of the capital requirements and pay Helios a fee and a profit commission. The reinsurance costs have increased as £7.6m of additional underwriting capital has been sourced through a reinsurance contract at a cost of £0.8m. In addition the stop loss for the Helios retained capacity continues to be bought which has a 10% indemnity to protect the Group from a loss excess of 5% loss for the 2021 underwriting year.

The Net Tangible Asset Value per share is £1.46p per share (Dec 2020 - £1.51p per share). The tax charge includes an increased provision for deferred tax of £1.8m (3p per share) on the value of the capacity portfolio following the increase in the corporation tax

to 25%. The total deferred tax provision on the capacity value has increased to £7.0m representing 10p per share of net asset value. It is expected that there will continue to be demand for the top syndicates that make up a significant proportion of the Helios Capacity Fund at the Lloyds Capacity Auctions that take place later this year.

#### Helios Underwriting plc

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#### About Helios

Helios provides a limited liability direct investment into the Lloyd's insurance market and is quoted on the London Stock Exchange's AIM market (ticker: HUW). Helios trades within the Lloyd's insurance market writing approximately £110m of capacity for the 2021 account. The portfolio provides a good spread of business being concentrated in property insurance and reinsurance. For further information please visit [www.huwplc.com](http://www.huwplc.com).

## Financial results summary

Six months ended 30 June 2021

	6 months to 30 June 2021	6 months to 30 June 2020	Year to 31 December 2020
<b>Underwriting profits</b>	<b>1,102</b>	<b>154</b>	<b>639</b>
Other Income	-		
Fees from reinsurers	474	400	334
Corporate reinsurance recoveries	14	202	(282)
Goodwill on bargain purchase	-	172	1,260
Investment income	38	76	1,575
<b>Total Other Income</b>	<b>526</b>	<b>850</b>	<b>2,887</b>
Costs			
Pre - acquisition	-	(9)	(92)
Stop loss costs	(968)	(181)	(1,097)
Operating costs	(1,140)	(922)	(2,001)
<b>Total Costs</b>	<b>(2,108)</b>	<b>(1,112)</b>	<b>(3,190)</b>
Operating profit before impairments of goodwill and capacity	(480)	(108)	336
Impairment charge for capacity	-	-	-
Tax	(1,839)	12	(35)
<b>Profit for the period/year</b>	<b>(2,319)</b>	<b>(96)</b>	<b>301</b>

#### Period to 30<sup>th</sup> June 2021

Underwriting Year	Helios retained capacity at 30 June 2021 £m	Portfolio mid point forecasts	Helios Profits £'000
2019	31.3	0.01%	1,062

2020	30.8	0.98%	984
2021	58.7	-	(944)
			1,102

#### Period to 30<sup>th</sup> June 2020

Underwriting Year	Helios retained capacity at 30 June 2020 £m	Portfolio mid point forecasts	Helios Profits £'000
2018	27.6	(3.10%)	439
2019	23.3	(1.60%)	101
2020	21.1	-	(386)
			154

#### Year to 31 December 2020

Underwriting Year	Helios retained capacity at 31 December 2020 £m	Portfolio mid point forecasts	Helios Profits £'000
2018	36.1	(0.30)%	1,691
2019	31.3	(2.20)%	338
2020	30.8	-	(1,391)
			639

#### Summary Balance Sheet

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

	6 Months to June 2021 £'000	6 Months to June 2020 £'000	Year to 31 December 2020 £'000
Intangible assets	31,601	21,655	31,601
Funds at Lloyd's	18,543	8,989	19,713
Other cash	52,272	1,156	4,961
Other assets	12,385	8,179	12,731
Total assets	114,801	39,979	69,006
Deferred tax	8,546	3,686	6,492
Borrowings	-	2,000	4,000
Other liabilities	3,409	1,118	2,222
Total liabilities	11,955	6,804	12,714
Syndicate equity	(3,573)	(5,123)	(5,743)
Total equity	99,273	28,052	50,549

#### Summary Group Cash Flow

The summary group cash flow sheet excludes items relating to syndicate participations. See Note 15 for further information.

	6 months to 30 June 2021 £'000	6 months to 30 June 2020 £'000	Year to 31 December 2020 £'000
Opening Balance (free cash)	4,961	3,028	3,028
<b>Income</b>			
Acquired on acquisition	-	280	632
Distribution of profits (net of tax retentions)	365	54	120
Transfers from Funds at Lloyds'	224	4,252	4,901
Investment income	5	28	248
Other income	-	-	1,649
Issue of new ordinary shares	53,231	-	11,283
Borrowings	-	2,000	2,000

**Expenditure**

Operating costs (inc Hampden / Nomina fees)	(933)	(406)	(2,810)
Reinsurance Cost	(1,025)	(353)	-
Acquisition of LLV's	-	(4,875)	(6,075)
Transfers to Funds at Lloyds'	(8)	(750)	(9,733)
Tax	(548)	(102)	(282)
Dividends paid	-	-	-
Revolving credit facility repayment	(4,000)	(2,000)	-
Share buy backs	-	-	-
Closing balance	52,272	1,156	4,961

**Net Tangible Asset per share**

	6 months to 30 June 2021 £'000	6 months to 30 June 2020 £'000 (restated)	Year to 31 December 2020 £'000
Net tangible assets	67,642	6,397	18,948
Group letters of credit	-	-	-
Value of capacity (WAV)	30,826	26,827	30,826
	98,468	33,224	49,774
Shares in issue – on the market	67,254	17,478	33,012
Shares in issue – total of on the market and JSOP shares	67,754	17,978	33,512
Net tangible asset value per share £ - on the market	1.46	1.90	1.51
Net tangible asset value per share £ - on the market and JSOP shares	1.45	1.85	1.49

**Interim condensed consolidated statement of comprehensive income**

Six months ended 30 June 2021

	Note	6 months ended 30 June 2021 Unaudited £'000	6 months ended 30 June 2020 Unaudited £'000	12 months ended 31 December 2020 Audited £'000
Gross premium written	4	53,351	36,950	68,263
Reinsurance premium ceded		(17,107)	(11,575)	(17,660)
Net premium written	4	36,244	25,375	50,603
Change in unearned gross premium provision	5	(15,678)	(7,700)	(2,481)
Change in unearned reinsurance premium provision	5	6,141	3,837	647
	5	(9,537)	(3,863)	(1,834)
<b>Net earned premium</b>	3,4	26,707	21,512	48,769
Net investment income	6	185	1,174	2,006
Other underwriting income		476	400	420
Gain on bargain purchase	12	-	172	1,260
Other income		30	-	1,399
<b>Revenue</b>		27,398	23,258	53,845
Gross claims paid		(19,108)	(16,380)	(38,496)
Reinsurers' share of gross claims paid		4,946	3,784	9,967
Claims paid, net of reinsurance		(14,162)	(12,596)	(28,529)
Change in provision for gross claims	5	(2,118)	(5,927)	(8,255)
Reinsurers' share of change in provision for gross claims	5	(156)	2,162	2,704
Net change in provision for claims	5	(2,274)	(3,765)	(5,551)
<b>Net insurance claims and loss adjustment expenses</b>	4	(16,436)	(16,361)	(34,080)

Expenses incurred in insurance activities		(10,665)	(6,166)	(17,916)
Other operating expenses		(777)	(839)	(1,522)
<b>Operating expenses</b>		<b>(11,442)</b>	<b>(7,005)</b>	<b>(19,438)</b>
<b>Operating (loss)/profit before impairments of goodwill and capacity</b>	4	<b>(480)</b>	<b>(108)</b>	<b>336</b>
Impairment of goodwill		-	-	-
Impairment of syndicate capacity		-	-	-
<b>(Loss)/profit before tax</b>		<b>(480)</b>	<b>(108)</b>	<b>336</b>
Income tax charge	7	(112)	12	(35)
Income and deferred tax charge as a result of change in tax rates	7	(1,727)	-	-
<b>(Loss)/Profit for the period</b>		<b>(2,319)</b>	<b>(96)</b>	<b>301</b>
<b>Other comprehensive income</b>				
Foreign currency translation differences		-	-	-
Revaluation of syndicate capacity		-	-	5,604
Deferred tax relating to change in tax rates on revaluation of capacity		(340)	-	(1,622)
Other comprehensive (loss)/income for the period, net of tax		(340)	-	3,982
<b>Total other comprehensive (loss)/income for the period</b>		<b>(2,659)</b>	<b>(96)</b>	<b>4,283</b>
<b>(Loss)/profit for the period attributable to owners of the Parent</b>		<b>(2,659)</b>	<b>(96)</b>	<b>301</b>
<b>Total comprehensive (loss)/income for the period attributable to owners of the Parent</b>		<b>(2,659)</b>	<b>(96)</b>	<b>4,283</b>
<b>(Loss)earnings per share attributable to owners of the Parent</b>				
Basic	8	<b>-3.88p</b>	<b>-0.55p</b>	<b>1.59p</b>
Diluted	8	<b>-3.82p</b>	<b>-0.52p</b>	<b>1.55p</b>

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 2021

	Note	6 months ended 30 June 2021 Unaudited £'000	6 months ended 30 June Unaudited 2020 £'000	12 months ended 31 December Audited £'000
<b>Assets</b>				
Intangible assets		31,601	21,655	31,601
Financial assets at fair value through profit or loss		83,047	64,143	85,277
Reinsurance assets:				
– reinsurers' share of claims outstanding	5	32,800	28,141	30,781
– reinsurers' share of unearned premium	5	10,694	9,195	6,028
Other receivables, including insurance and reinsurance receivables		66,227	52,799	58,348
Deferred acquisition costs		8,119	6,853	7,726
Prepayments and accrued income		1,633	882	1,176
Cash and cash equivalents		62,143	8,501	8,495
<b>Total assets</b>		<b>296,264</b>	<b>192,169</b>	<b>229,432</b>
<b>Liabilities</b>				
Insurance liabilities:				
– claims outstanding	5	115,559	99,758	113,371
– unearned premium	5	42,974	35,961	32,356
Deferred income tax liabilities		8,546	3,686	6,507
Borrowings		-	2,000	4,000
Other payables, including insurance and reinsurance payables		25,640	20,841	19,356
Accruals and deferred income		4,272	1,871	3,293
<b>Total liabilities</b>		<b>196,991</b>	<b>164,117</b>	<b>178,883</b>
<b>Equity</b>				
Equity attributable to owners of the Parent:				

Share capital	11	6,817	1,839	3,393
Share premium	11	85,502	18,938	35,525
Revaluation reserve		3,642	-	3,982
Other reserves – treasury shares	11	(50)	(50)	(50)
Retained earnings		3,362	7,325	7,699
<b>Total equity</b>		<b>99,273</b>	<b>28,052</b>	<b>50,549</b>
<b>Total liabilities and equity</b>		<b>296,264</b>	<b>192,169</b>	<b>229,432</b>

The Financial Statements were approved and authorised for issue by the Board of Directors on 29 September 2021, and were signed on its behalf by:

**Nigel Hanbury**  
**Chief Executive**

The notes are an integral part of these Financial Statements.

# Interim condensed consolidated statement of changes in equity

Six months ended 30 June 2021

Consolidated	Note	Attributable to owners of the Parent					
		Share capital £'000	Share premium £'000	Revaluation reserve	Other reserves £'000	Retained earnings £'000	Total £'000
At 1 January 2021		3,393	35,525	3,982	(50)	7,699	50,549
<b>Total comprehensive income for the year:</b>		-	-	-	-	-	-
Loss for the year		-	-	-	-	(2,319)	(2,319)
Other comprehensive income, net of tax		-	-	(340)	-	-	(340)
Total comprehensive income for the year		-	-	(340)	-	(2,319)	(2,659)
<b>Transactions with owners:</b>		-	-	-	-	-	-
Dividends paid	9	-	-	-	-	(2,018)	(2,018)
Company buy back of shares	11	-	-	-	-	-	-
Share issue		3,424	49,977	-	-	-	53,401
Total transactions with owners		3,424	49,977	-	-	(2,018)	51,383
<b>At 30 June 2021</b>		<b>6,817</b>	<b>85,502</b>	<b>3,642</b>	<b>(50)</b>	<b>3,362</b>	<b>99,273</b>
At 1 January 2020		1,839	18,938	-	(50)	7,421	28,148
<b>Total comprehensive income for the year:</b>		-	-	-	-	-	-
Loss for the year		-	-	-	-	(96)	(96)
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	(96)	(96)
<b>Transactions with owners:</b>		-	-	-	-	-	-
Dividends paid		-	-	-	-	-	-
Share issue		-	-	-	-	-	-
Total transactions with owners		-	-	-	-	-	-
<b>At 30 June 2020</b>		<b>1,839</b>	<b>18,938</b>	<b>-</b>	<b>(50)</b>	<b>7,325</b>	<b>28,052</b>
At 1 January 2020		1,839	18,938	-	(50)	7,421	28,148
<b>Total comprehensive income for the year:</b>		-	-	-	-	301	301
Profit for the year		-	-	-	-	301	301
Other comprehensive income, net of tax		-	-	3,982	-	-	3,982
Total comprehensive income for the year		-	-	3,982	-	301	4,283
<b>Transactions with owners:</b>		-	-	-	-	-	-
Dividends paid		-	-	-	-	-	-
Company buy back of shares	11	-	-	-	-	(23)	(23)
Share issue	11	1,554	16,587	-	-	-	18,141
Total transactions with owners		1,554	16,587	-	-	(23)	18,118
<b>At 31 December 2020</b>		<b>3,393</b>	<b>35,525</b>	<b>3,982</b>	<b>(50)</b>	<b>7,699</b>	<b>50,549</b>

# Interim condensed consolidated statement of cash flows

Six months ended 30 June 2021

Note	6 months ended 30 June 2021	6 months ended 30 June 2020	12 months ended 31 December 2020
	Unaudited £'000	Unaudited £'000	Audited £'000
<b>Cash flows from operating activities</b>			
(Loss)/Profit before tax	(480)	(108)	336
Adjustments for:			
- Other comprehensive income, gross of tax	-	-	-
- Interest received	(2)	(45)	(156)
- Investment income	6 (183)	(1,136)	(1,318)
- Recognition of negative goodwill	-	(172)	-
- Goodwill on bargain purchase	-	-	(1,260)
- (Profit)/loss on sale of intangible assets	-	-	(1,775)
Changes in working capital:			



- change in fair value of financial assets held at fair value through profit or loss	(140)	(79)	(297)
- decrease/(increase) in financial assets at fair value through profit or loss	2,230	4,171	(7,768)
- (increase)/decrease in other receivables	(8,729)	(3,863)	4,491
- decrease/(increase) in other payables	5,245	(1,193)	(4,706)
- net decrease/(increase) in technical provisions	6,121	5,059	(650)
Cash generated/(utilised) from operations	4,062	2,634	(13,103)
Income tax paid		-	(312)
<b>Net cash inflow from operating activities</b>	<b>4,062</b>	<b>2,634</b>	<b>(13,415)</b>
<b>Cash flows from investing activities</b>			
Interest received	2	45	156
Investment income	183	1,136	1,318
Purchase of intangible assets	-	-	(186)
Proceeds from disposal of intangible assets	-	-	1,779
Acquisition of subsidiaries, net of cash acquired	-	(1,218)	(364)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>185</b>	<b>(37)</b>	<b>2,703</b>
<b>Cash flows from financing activities</b>			
Net proceeds from issue of ordinary share capital	53,401	-	11,193
Buy back of ordinary share capital	-	(133)	-
Payment for company buy back of shares	-	-	(23)
Proceeds from borrowings	-	-	2,000
Repayment of borrowings	(4,000)	-	-
Dividends paid to owners of the Parent	-	-	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>49,401</b>	<b>(133)</b>	<b>13,170</b>
<b>Net increase in cash and cash equivalents</b>	<b>53,648</b>	<b>2,464</b>	<b>2,458</b>
Cash and cash equivalents at beginning of period	8,495	6,037	6,037
<b>Cash and cash equivalents at end of period</b>	<b>62,143</b>	<b>8,501</b>	<b>8,495</b>

Cash held within the syndicates' accounts is £9,871,000 (2020: £7,345,000) of the total cash and cash equivalents held at the end of the period £62,143,000 (2020: £8,501,000). 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 2021

### 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 40 Gracechurch Street, London EC3V 0BT. The Company participates in insurance business as an underwriting member at Lloyd's through its subsidiary undertakings.

### 2. Accounting policies

#### **Basis of preparation**

The Condensed Consolidated Interim Financial Statements have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRSs) and in accordance with UK adopted International Accounting Standard (IAS) 34 Interim Financial Reporting, in accordance with the requirements of the Companies Act 2006.

The Condensed Consolidated Interim Financial Statements are prepared for the six months ended 30 June 2021.

The Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2021 and 2020 are unaudited, but have been subject to review by the Group's auditors. The Condensed Consolidated Interim Financial Statements have been prepared in accordance with the accounting policies adopted for the year ended 31 December 2020, and the adoption of new and amended standards as set out further below.

The Condensed Consolidated Interim 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 syndicates transactions, assets and liabilities.

## 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 profit and loss. The same accounting policies, presentation and methods of computation are followed in these Condensed Consolidated Interim Financial Statements as were applied in the preparation of the Group Financial Statements for the year ended 31 December 2020.

### **International Financial Reporting Standards**

#### *Adoption of new and revised standards*

In the current year, the Group has applied new IFRSs and amendments to IFRSs issued by the IASB that are mandatory for an accounting period that begins on or after 1 January 2020.

IFRS 16 Amendments, Leases COVID 19 Related Rent Concessions. Lessees are provided with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. The Group has not applied this exemption and the amendment has not had an impact on the Consolidated Financial Statements.

IFRS 3 Amendments, Business Combinations. The amendment is aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments provide further clarity on what constitutes an acquired business, and this clarification has not impacted the Group's recognition of acquired business in the year and has not had an impact on the Consolidated Financial Statements.

IFRS 9, IAS 39 and IFRS 7 Amendments, Interest Rate Benchmark Reform. The amendments deal specifically with interest rate hedge accounting and is the first phase of change relating to interest rate benchmark reform and the replacement of LIBOR. The Group has not been impacted by these amendments for hedge accounting.

IAS 1 and IAS 8 Amendments, Definition of Material. The amendments clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards themselves. Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The Financial Statements have been prepared in accordance with this clarification.

#### *New standards, amendments and interpretations not yet adopted*

A number of new standards and amendments adopted by the UK, as well as standards and interpretations issued by the IASB but not yet adopted by the UK, have not been applied in preparing the Consolidated Financial Statements.

The Group does not plan to adopt these standards early; instead it will apply them from their effective dates as determined by their dates of UK endorsement. The Group continues to review the upcoming standards to determine their impact.

IFRS 9, Financial Instruments (IASB effective date 1 January 2018) has not been applied under IFRS 4 Amendment option to defer until IFRS 17 comes into effect on 1 January 2023.

IFRS 17, Insurance Contracts. (IASB effective date 1 January 2023).

IFRS 9, IAS 39 and IFRS 7 Amendments, Interest Rate Benchmark Reform Phase 2. (IASB effective date 1 January 2021).

Amendments to IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets. (IASB effective date 1 January 2022).

IAS 1 Presentation of Financial Statements Amendments, Classification of Liabilities as Current or Non-current. (IASB effective date 1 January 2023).

IAS 8 Accounting Policies Amendments, Changes in Accounting Estimates and Errors. (IASB effective date 1 January 2023).

IFRS 9, Financial instruments (IASB effective date 1 January 2018) has not been applied under IFRS 4 Amendment option. IFRS 9 provides a reform of financial instruments accounting to supersede IAS 39 Financial Instruments: Recognition and Measurement. Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts contained an optional temporary exemption from applying IFRS 9 for entities whose predominant activity is issuing contracts within the scope of IFRS 4. The Group meets the eligibility criteria and has taken advantage of this temporary exemption not to apply this standard until the effective date of IFRS 17.

## **3. Segmental information**

Nigel Hanbury is the Group's chief operating decision-maker. He has determined 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.

6 months ended 30 June 2021 Unaudited	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	27,658	-	(951)	26,707
Net investment income	157	28	-	185
Other income	-	-	506	506
Net insurance claims and loss adjustment expenses	(16,436)	-	-	(16,436)
Expenses incurred in insurance activities	(9,068)	-	(1,597)	(10,665)
Other operating expenses	-	-	(777)	(777)
<b>Loss before tax</b>	<b>2,311</b>	<b>28</b>	<b>(2,819)</b>	<b>(480)</b>

6 months ended 30 December 2020 Audited	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	48,769	-	-	48,769
Net investment income	2,126	(120)	-	2,006
Other income	101	-	1,718	1,819
Net insurance claims and loss adjustment expenses	(33,990)	-	(90)	(34,080)
Expenses incurred in insurance activities	(17,572)	-	(343)	(17,916)
Other operating expenses	203	-	(1,725)	(1,522)
Goodwill on bargain purchase	-	-	1,260	1,260
Impairment of syndicate capacity	-	-	-	-
<b>Profit before tax</b>	<b>(363)</b>	<b>(120)</b>	<b>820</b>	<b>336</b>

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 2021 other corporate activities totalling £951,000 (2020: £90,000 Net insurance claims and loss adjustment expenses – 2018, 2019 and 2020 years of account) represents the 2019, 2020 and 2021 years of account net Group quota share reinsurance premium payable to Hampden Insurance Guernsey PCC 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.

#### 4. Operating profit before impairments of goodwill and capacity

6 months ended 30 June 2021	Underwriting year of account*				Pre-acquisition £'000	Corporate reinsurance £'000	Other corporate £'000	Total £'000
	2019 and prior £'000	2020 £'000	2021 £'000	Sub-total £'000				
<b>Gross premium written</b>	285	5,823	47,243	53,351	-	-	-	53,351
<b>Reinsurance ceded</b>	(430)	(1,168)	(13,590)	(15,188)	-	(951)	(968)	(17,107)
<b>Net premium written</b>	(145)	4,655	33,653	38,163	-	(951)	(968)	36,244
<b>Net earned premium</b>	1,218	18,769	8,639	28,626	-	(951)	(968)	26,707
Other income	84	41	54	179	-	474	38	691
Net insurance claims and loss adjustment expenses	901	(11,323)	(6,028)	(16,450)	-	-	14	(16,436)
Operating expenses	(725)	(5,225)	(4,353)	(10,302)	-	-	(1,139)	(11,442)
<b>Operating profit before impairments of goodwill and capacity</b>	<b>1,478</b>	<b>2,262</b>	<b>(1,687)</b>	<b>2,053</b>	<b>-</b>	<b>(477)</b>	<b>(2,056)</b>	<b>(480)</b>
Quota share adjustment	(416)	(1,278)	743	(951)	-	(951)	-	-
<b>Operating profit before impairments of goodwill and capacity after quota share adjustment</b>	<b>1,062</b>	<b>984</b>	<b>(944)</b>	<b>1,102</b>	<b>-</b>	<b>474</b>	<b>(2,056)</b>	<b>(480)</b>

6 months ended 30 June 2020	Underwriting year of account*				Pre-acquisition £'000	Corporate reinsurance £'000	Other corporate £'000	Total £'000
	2018 and prior £'000	2019 £'000	2020 £'000	Sub-total £'000				
<b>Gross premium written</b>	115	4,439	32,491	37,045	(95)	-	-	36,950
<b>Reinsurance ceded</b>	(131)	(1,089)	(9,578)	(10,798)	24	(621)	(181)	(11,575)
<b>Net premium written</b>	(16)	3,350	22,913	26,247	(70)	(621)	(181)	25,375
<b>Net earned premium</b>	1,519	15,105	5,756	22,380	(66)	(621)	(181)	21,512
Other income	702	301	102	1,105	(7)	400	248	1,746
Net insurance claims and loss adjustment expenses	(401)	(10,523)	(5,686)	(16,610)	48	-	202	(16,361)
Operating expenses	(581)	(4,092)	(1,427)	(6,100)	18	-	(922)	(7,005)
<b>Operating profit before impairments of goodwill and capacity</b>	<b>1,239</b>	<b>791</b>	<b>(1,255)</b>	<b>775</b>	<b>(9)</b>	<b>(221)</b>	<b>(653)</b>	<b>(108)</b>
Quota share adjustment	(800)	(690)	869	(621)	-	621	-	-
<b>Operating profit before impairments of goodwill and capacity after quota share adjustment</b>	<b>439</b>	<b>101</b>	<b>(386)</b>	<b>154</b>	<b>(9)</b>	<b>400</b>	<b>(653)</b>	<b>(108)</b>

12 months ended 31 December 2020	Underwriting year of account*				Pre-acquisition £'000	Corporate reinsurance £'000	Other corporate £'000	Total £'000
	2018 and prior £'000	2019 £'000	2020 £'000	Sub-total £'000				
<b>Gross premium written</b>	348	6,105	69,693	76,146	(7,883)	-	-	68,263
<b>Reinsurance ceded</b>	202	(1,410)	(16,817)	(18,025)	1,462	-	(1,097)	(17,660)
<b>Net premium written</b>	550	4,695	52,876	58,121	(6,421)	-	(1,097)	50,630
<b>Net earned premium</b>	3,116	24,807	27,759	55,682	(5,816)	-	(1,097)	48,769
Other income	1,242	585	604	2,431	(515)	334	2,835	5,085
Net insurance claims and loss adjustment expenses	579	(17,074)	(21,386)	(37,881)	4,174	(90)	(283)	(34,080)
Operating expenses	(1,473)	(7,373)	(10,657)	(19,503)	2,065	-	(2,000)	(19,438)
<b>Operating profit before impairments of goodwill and capacity</b>	<b>3,464</b>	<b>945</b>	<b>(3,680)</b>	<b>729</b>	<b>(92)</b>	<b>244</b>	<b>(545)</b>	<b>336</b>
Quota share adjustment	(1,773)	(606)	2,289	(90)	-	90	-	-
<b>Operating profit before impairments of goodwill and capacity after quota share adjustment</b>	<b>1,691</b>	<b>339</b>	<b>(1,391)</b>	<b>639</b>	<b>(92)</b>	<b>334</b>	<b>(545)</b>	<b>336</b>

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.

## 5. Insurance liabilities and reinsurance balances

### Movement in claims outstanding

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2021	113,371	30,781	82,590
Increase in reserves arising from acquisition of subsidiary undertakings	-	-	-
Movement of reserves	2,118	(156)	2,274
Other movements	70	2,175	(2,105)
<b>At 30 June 2021</b>	<b>115,559</b>	<b>32,800</b>	<b>82,759</b>

### Movement in unearned premium

	Gross £'000	Reinsurance £'000	Net £'000
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Pre-

At 1 January 2021	32,356	6,028	26,328
Increase in reserves arising from acquisition of subsidiary undertakings	-	-	(1)
Movement of reserves	15,678	6,141	9,537
Other movements	(5,060)	(1,475)	(3,584)
<b>At 30 June 2021</b>	<b>42,974</b>	<b>10,694</b>	<b>32,280</b>

Included within other movements are the 2018 and prior years' claims reserves reinsured into the 2019 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 2020	95,616	25,760	69,856
Increase in reserves arising from acquisition of subsidiary undertakings	2,036	505	1,531
Movement of reserves	5,927	2,162	3,765
Other movements	(3,821)	(286)	(3,535)
<b>At 30 June 2020</b>	<b>99,758</b>	<b>28,141</b>	<b>71,617</b>

#### **Movement in unearned premium**

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2020	26,522	5,023	21,499
Increase in reserves arising from acquisition of subsidiary undertakings	530	92	438
Movement of reserves	7,700	3,837	3,863
Other movements	1,209	243	966
<b>At 30 June 2020</b>	<b>35,961</b>	<b>9,195</b>	<b>26,766</b>

Included within other movements are the 2017 and prior years' claims reserves reinsured into the 2018 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 2020	95,616	25,760	69,856
Increase in reserves arising from acquisition of subsidiary undertakings	17,737	3,592	14,145
Movement of reserves	8,255	2,704	5,551
Other movements	(8,237)	(1,275)	(6,962)
<b>At 31 December 2020</b>	<b>113,371</b>	<b>30,781</b>	<b>82,590</b>

#### **Movement in unearned premium**

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2020	26,522	5,023	21,499
Increase in reserves arising from acquisition of subsidiary undertakings	4,679	613	4,066
Movement of reserves	2,481	647	1,834
Other movements	(1,326)	(255)	(1,071)
<b>At 31 December 2020</b>	<b>32,356</b>	<b>6,028</b>	<b>26,328</b>

Included within other movements are the 2018 and prior years' claims reserves reinsured into the 2019 year of account on which the Group does not participate and currency exchange differences.

## **6. Net investment income**

	6 months ended 30 June 2021 Unaudited £'000	6 months ended 30 June 2020 Unaudited £'000	12 months ended 31 December 2020 Audited £'000
Investment income	183	1,136	1,318
Realised (losses)/gains on financial assets at fair value through profit or loss	-	126	288
Unrealised (losses)/gains on financial assets at fair value through profit or loss	-	(133)	297
Investment management expenses	-	-	(53)
Bank interest	2	45	156
<b>Net investment income</b>	<b>185</b>	<b>1,174</b>	<b>2,006</b>

## **7. Income tax charge**

### **Analysis of tax charge/(credit) in the period**

	6 months ended 30 June 2021 Unaudited £'000	6 months ended 30 June 2020 Unaudited £'000	12 months ended 31 December 2020 Audited £'000

<b>Income tax credit</b>	1,839	(12)	35
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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 19.00% (2019: 19.00%). Included above is £1,727,000 which relates to the increase in deferred tax rates from 1 April 2023.

## 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:

	6 months ended 30 June 2021 Unaudited	6 months ended 30 June 2020 Unaudited	12 months ended 31 December 2020 Audited
(Loss)/profit for the year after tax attributable to ordinary equity holders of the parent	(2,319,000)	(96,000)	301,000
Basic - weighted average number of ordinary shares*	59,704,671	17,978,841	18,921,902
Adjustments for calculating the diluted earnings per share: Treasury shares (JSOP scheme)	500,000	500,000	500,000
Diluted - weighted average number of shares*	60,204,671	17,478,841	19,412,902
Basic (loss)/earnings per share	(3.88)	(0.55p)	1.59p
Diluted (loss)/earnings per share	(3.82)	(0.52p)	1.55p

\* Used as the denominator in calculating the basic earnings per share, and diluted earnings per share, respectively.

## 9. Dividends paid or proposed

It was proposed and agreed at the AGM on 29 June 2021 that a dividend of 3p will be payable in 2021 (2020: nil).

## 10. Investments in subsidiaries

	30 June 2020 £'000	30 June 2019 £'000	31 December 2019 £'000
<b>Total</b>	<b>45,335</b>	<b>25,905</b>	<b>32,901</b>

Company or partnership	Direct/indirect interest	30 June 2021 ownership	30 June 2020 ownership	31 December 2020 ownership	Principal activity
Hampden Corporate Member Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 917) Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 229) Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 518) Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 804) Limited	Direct	-	100%	-	Lloyd's of London corporate vehicle
Halperin Underwriting Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Bernul Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 311) Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 402) Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Updown Underwriting Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 507) Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 76) Limited	Direct	-	100%	100%	Lloyd's of London corporate vehicle
Kempton Underwriting Limited	Direct	-	100%	-	Lloyd's of London corporate vehicle
Devon Underwriting Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 346) Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Pooks Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Charmac Underwriting Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
RBC CEES Trustee Limited	Direct	100%	100%	100%	Joint Share Ownership Plan
Nottus (No 51) Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Chapman Underwriting Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Helios UTG Partner Limited	Direct	100%	100%	100%	Corporate partner
Nomina No 035 LLP	Indirect	-	100%	-	Lloyd's of London corporate vehicle
Nomina No 342 LLP	Indirect	-	100%	-	Lloyd's of London corporate vehicle
Nomina No 372 LLP	Indirect	-	100%	-	Lloyd's of London corporate vehicle
Salviscount LLP	Indirect	100%	100%	100%	Lloyd's of London corporate vehicle
Inversanda LLP	Indirect	100%	100%	100%	Lloyd's of London corporate vehicle
Fyshe Underwriting LLP	Indirect	100%	100%	100%	Lloyd's of London corporate vehicle
Nomina No 505 LLP	Indirect	100%	100%	100%	Lloyd's of London corporate vehicle
Nomina No 321 LLP	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Llewellyn House Underwriting Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Advantage DCP Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Romsey Underwriting Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Nameco (No 409) Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Nameco (No 1113 Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Catbang 926 Limited	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Whittle Martin Underwriting	Direct	100%	100%	100%	Lloyd's of London corporate vehicle
Nameco (No 408) Limited	Direct	100%	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

Helios UTG Partner Limited, a subsidiary of the Company, owns 100% of Nomina No 035 LLP, Nomina No 342 LLP, Nomina No 372 LLP, Salviscount LLP, Inversanda LLP, Fyshe Underwriting LLP, Nomina No 505 LLP and Nomina No 321 LLP. The cost of acquisition of these LLPs is accounted for in Helios UTG Partner Limited, their immediate Parent Company.

RBC CEES Trustee Limited is a newly incorporated entity in year 2017 to satisfy the requirements of the Joint Share Ownership Plan.

## 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
<b>Ordinary shares of 10p each and share premium at 31 December 2020</b>	33,931,345	3,343	50	35,525	38,918
<b>Ordinary shares of 10p each and share premium at 30 June 2021</b>	68,173,232	6,817	50	85,502	92,369

### (i) Number of shares

30 June 2021 31 December 2020

Allotted, called up and fully paid ordinary shares:		
On the market	67,254,063	33,012,176
Company buy back of ordinary shares held in treasury	419,169	419,169
	67,673,232	33,431,345
Uncalled and partly paid ordinary share under the JSOP scheme (ii)	500,000	<b>500,000</b>
	68,173,232	<b>33,931,345</b>

(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 2019, 2020 and 2021 years of account with protected cell companies of Hampden Insurance PCC (Guernsey) Limited. The quota share percentages for the above years was 70% on the 2019 and 2020 years of account, and an average of 46% on the 2021 year of account.

Nigel Hanbury, a Director of Helios Underwriting plc and its subsidiary companies, is also a director and majority shareholder in Hampden Insurance Guernsey PCC Limited. Hampden Capital plc, a substantial shareholder in Helios Underwriting plc, is also a substantial shareholder in Hampden Insurance Guernsey PCC Limited – Cell 6. Under quota share agreements between Cell 6 and certain Helios subsidiaries, the Group accrued a net reinsurance premium recovery of £4,232,000 (2020: £4,741,000) during the period.

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

HIPCC Limited acts as an intermediary for the reinsurance products purchased by Helios. An arrangement has been put in place so that 51% of the profits generated by HIPCC (being Nigel Hanbury's share) in respect of the business relating to Helios will be repaid to Helios for the business transacted for the 2021 and subsequent underwriting years.

## 13. Ultimate controlling party

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

## 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 or MAPA number	Managing or members' agent	Allocated capacity per year of account			
		2021 £	2020 <sup>1</sup> £	2019 <sup>1</sup> £	2018 £
33	Hiscox Syndicates Limited	<b>8,701,668</b>	<b>8,697,873</b>	7,325,844	8,354,200
218	ERS Syndicate Management Limited	<b>6,478,828</b>	<b>5,900,943</b>	5,901,060	5,896,524
308	Tokio Marine Kiln Syndicates Limited	—	—	—	—
318	Beaufort Underwriting Agency Limited	<b>742,948</b>	<b>150,000</b>	836,250	866,250
386	QBE Underwriting Limited	<b>1,434,079</b>	<b>1,365,177</b>	1,365,180	1,360,797
510	Tokio Marine Kiln Syndicates Limited	<b>16,780,613</b>	<b>13,642,803</b>	12,379,884	12,364,816
557	Tokio Marine Kiln Syndicates Limited	<b>3,177,784</b>	<b>2,969,384</b>	2,122,922	2,136,776
609	Atrium Underwriters Limited	<b>6,779,365</b>	<b>6,205,260</b>	5,501,013	5,490,164
623	Beazley Furlonge Limited	<b>12,982,891</b>	<b>10,685,023</b>	9,456,718	9,041,504
727	S A Meacock & Company Limited	<b>1,048,498</b>	<b>2,048,498</b>	2,181,026	2,181,026
958	Canopus Managing Agents Limited	—	—	—	—
1176	Chaucer Syndicates Limited	<b>2,563,237</b>	<b>2,563,238</b>	2,593,236	2,592,140
1200	Argo Managing Agency Limited	—	—	57,397	58,111
1729	Asta Managing Agency Limited	—	<b>4,096</b>	90,318	360,221
1884	Charles Taylor Managing Agency Limited	—	—	—	—
1910	Asta Managing Agency Limited	—	—	—	—
1969	Apollo Syndicate Management Limited	<b>400,001</b>	—	—	131,082
1991	Covery's Managing Agency Limited	—	—	—	—
2010	Cathedral Underwriting Limited	<b>8,095,459</b>	<b>2,635,873</b>	2,589,260	2,586,521
2014	Pembroke Managing Agency Limited	—	—	184,534	644,994
2121	Argenta Syndicate Management Limited	<b>4,723,104</b>	<b>1,503,868</b>	1,003,093	1,003,093
2525	Asta Managing Agency Limited	<b>689,091</b>	<b>637,609</b>	512,869	475,051
2689	Asta Managing Agency Limited	—	<b>2,377</b>	145,853	586,706
2791	Managing Agency Partners Limited	<b>5,845,085</b>	<b>6,695,085</b>	6,892,527	6,877,501
2988	Brit Syndicates Limited	—	—	23,461	247,848
4242	Asta Managing Agency Limited	<b>8,013,778</b>	<b>15,894</b>	321,154	385,199
4444	Canopus Managing Agents Limited	—	—	—	1,205,277
5623	Beazley Furlonge Limited	<b>4,688,357</b>	<b>2,839,943</b>	—	—
5820	Amtrust Syndicate Limited Syndicates Limited	—	—	—	—



5886	Asta Managing Agency Limited	11,047,742	6,173,502	554,077	467,960
6103	Managing Agency Partners Limited	2,290,041	1,734,879	1,663,522	1,808,645
6104	Hiscox Syndicates Limited	1,427,825	1,427,825	1,522,434	1,647,436
6107	Beazley Furlonge Limited	1,287,436	1,287,435	1,482,427	1,169,554
6111	Catlin Underwriting Agencies Limited	—	—	—	249,065
6117	Argo Managing Agency Limited	1,064,471	803,055	3,573,409	4,100,230
6123	Asta Managing Agency Limited	—	—	6,406	12,369
<b>Total</b>		<b>110,262,301</b>	<b>79,989,640</b>	<b>70,285,874</b>	<b>74,301,060</b>

## 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:

	30 June 2021			30 June 2020			31 December 2020		
	Group £'000	Syndicate £'000	Total £'000	Group £'000	Syndicate £'000	Total £'000	Group £'000	Syndicate £'000	Total £'000
<b>Assets</b>									
Intangible assets	31,601	-	31,601	21,655	-	21,655	31,601	-	31,601
Financial assets at fair value through profit or loss	18,543	64,504	83,047	8,989	55,154	64,143	19,713	65,564	85,277
Reinsurance assets:	-	-	-	-	-	-	-	-	-
– reinsurers' share of claims outstanding	61	32,739	32,800	61	28,080	28,141	61	30,720	30,781
– reinsurers' share of unearned premium	-	10,694	10,694	-	9,195	9,195	-	6,028	6,028
Other receivables, including insurance and reinsurance receivables	11,496	54,731	66,227	7,837	44,962	52,799	12,008	46,340	58,348
Deferred acquisition costs	-	8,119	8,119	-	6,853	6,853	-	7,726	7,726
Prepayments and accrued income	828	805	1,633	281	601	882	662	514	1,176
Cash and cash equivalents	52,272	9,871	62,143	1,156	7,345	8,501	4,961	3,534	8,495
<b>Total assets</b>	<b>114,801</b>	<b>181,463</b>	<b>296,264</b>	<b>39,979</b>	<b>152,190</b>	<b>192,169</b>	<b>69,006</b>	<b>160,426</b>	<b>229,432</b>
<b>Liabilities</b>									
Insurance liabilities:									
– claims outstanding	-	115,559	115,559	-	99,758	99,758	-	113,371	113,371
– unearned premium	-	42,974	42,974	-	35,961	35,961	-	32,356	32,356
Deferred income tax liabilities	8,546	-	8,546	3,686	-	3,686	6,492	15	6,507
Borrowings	-	-	-	2,000	-	2,000	4,000	-	4,000
Other payables, including insurance and reinsurance payables	89	25,551	25,640	10	20,831	20,841	364	18,992	19,356
Accruals and deferred income	3,320	952	4,272	1,108	763	1,871	1,858	1,435	3,293
<b>Total liabilities</b>	<b>11,955</b>	<b>185,036</b>	<b>196,991</b>	<b>6,804</b>	<b>157,313</b>	<b>164,117</b>	<b>12,714</b>	<b>166,169</b>	<b>178,883</b>
<b>Equity attributable to owners of the Parent</b>									
Share capital	6,817	-	6,817	1,839	-	1,839	3,393	-	3,393
Share premium	85,502	-	85,502	18,938	-	18,938	35,525	-	35,525
Revaluation reserve	3,642	-	3,642	-	-	-	3,982	-	3,982
Other reserves	(50)	-	(50)	(50)	-	(50)	(50)	-	(50)
Retained earnings	6,935	(3,573)	3,362	12,448	(5,123)	7,325	13,442	(5,743)	7,699
<b>Total equity</b>	<b>102,846</b>	<b>(3,573)</b>	<b>99,273</b>	<b>33,175</b>	<b>(5,123)</b>	<b>28,052</b>	<b>56,292</b>	<b>(5,743)</b>	<b>50,549</b>
<b>Total liabilities and equity</b>	<b>114,801</b>	<b>181,463</b>	<b>296,264</b>	<b>39,979</b>	<b>152,190</b>	<b>192,169</b>	<b>69,006</b>	<b>160,426</b>	<b>229,432</b>

## 16. Event after the financial reporting period

On 16th August 2021, the company issued and allotted 600,000 new ordinary shares of £0.10 each in the Company ("Ordinary Shares"). The new Ordinary Shares have been issued at a subscription price of 155.0p per Ordinary Share, being the closing price of an Ordinary Share on 13th August 2021, pursuant to The Helios Underwriting plc Employees' Joint Share Ownership Plan (the "Plan").

The new Ordinary Shares have been issued into the respective joint beneficial ownership of (i) each of the participating executive Directors listed below and (ii) the trustee of the Trust upon and subject to the terms of joint ownership agreements ("JOAs") respectively entered into between the Director, the Company and the Trustee. The nominal value of the new Ordinary Shares has been paid by the Trust out of funds advanced to it by the Company (with the participating executives contributing to those funds) with

the additional consideration of 145p per Ordinary Share left outstanding until such time as new Ordinary Shares are sold. The Company has waived its lien on the Shares such that there are no restrictions on their transfer.

The terms of the JOAs provide, inter alia, that if jointly owned shares become vested and are sold, the proceeds of sale will be divided between the joint owners so that the participating Director receives an amount equal to the amount initially provided by the participating Director plus any growth in the market value of the jointly owned Ordinary Shares above a target share price of 174.8p (so that the participating Director will only ever receive value if the share sale price exceeds this).

The vesting of the award will be subject to performance conditions relating to growth in Net Tangible Asset Value per share measured over the three calendar years from the Net Tangible Asset per share disclosed as at 31 December 2021 of 151p.

Note:

The Plan was established and approved by resolution of the Remuneration Committee of the Company on 13 December 2017 and provides for the acquisition by employees, including executive directors, of beneficial interests as joint owners (with the Trust) of Ordinary Shares in the Company upon the terms of a JOA. The terms of the JOA provide that if the jointly owned shares become vested and are sold, the proceeds of sale will be divided between the joint owners on the terms set out above.

The beneficial interests of the executives as follows:

Director	Interests in jointly owned Ordinary Shares issued under JSOP awarded 14th December 2017	Interests in jointly owned Ordinary Shares issued under JSOP awarded 16th August 2021	Other interests in Ordinary Shares	Total Shareholding
Arthur Manners	200,000	277,500	709,868	1,187,368
Nigel Hanbury	300,000	322,500	8,927,294	9,549,794

#### Acquisitions of LLV's since the period end

Since the Financial reporting period, the company has acquired the following entities either directly, or indirectly:

#### Helios Acquisitions

	2021 Capacity	Purchase price	Humphrey Valuation	Discount to Humphreys	
North Breache Underwriting Limited	3,934,673	3,856,593	4,170,520	7.53%	
Nameco (No 1095) Limited	2,914,405	2,919,483	3,057,575	4.52%	
Nomina No 533 LLP	682,419	280,000	295,420	5.22%	
Nameco (No 1011) Limited	949,407	891,000	973,324	8.46%	
Hillnameco Limited	1,005,873	335,000	371,977	9.94%	
Nameco (No 2012) Limited	618,385	360,000	388,993	7.45%	
G.T.C. Underwriting Limited	820,013	700,000	752,748	7.01%	
Nameco (No 1111) Limited	556,362	225,000	241,851	6.97%	
<b>Total Acquisitions Completed</b>	<b>8</b>	<b>11,481,537</b>	<b>9,567,076</b>	<b>10,252,408</b>	<b>6.68%</b>
Acquisitions With Terms Agreed	20	21,475,110	15,002,500	15,943,058	5.90%

The Interim Report will be made available in electronic format on the Company's website, [www.huwplc.com](http://www.huwplc.com)