

Helios Underwriting plc
 (“Helios” or the “Company”)

Interim Results for the Six Months Ended 30 June 2023

Helios Underwriting plc is an investment vehicle which provides shareholders with participation in the Lloyd’s insurance market through an actively managed spread portfolio of syndicate capacity, announces its unaudited results for the six months ended 30 June 2023.

- Gross written premiums increased by 28% to £160 (HY 2022 - £124m) reflecting the increase in the capacity portfolio
- Further rate increase achieved by the Lloyd’s market of 9.1% (HY 2022 7.7%) over the six month period continuing the excellent market conditions at Lloyd’s.
- 252% improvement in the underwriting result to £11.6m (HY 2022- £3.3m) with an 88% combined ratio
- The increase of 33% in the underwriting exposure in 2023 Year of Account to £244m of retained capacity will contribute to the underwriting result in the future.
- Investment returns of £3.1m (HY 2022 – losses £3.5m) have been booked in the first six months benefiting from the increased interest rates
- Operating profit is £6.0m (30 June 2022 – a loss of £3.4m)
- The net tangible asset value per share is £1.54 per share (FY 2022 - £1.52 per share)

Martin Reith, Chief Executive, provides the following overview:

“The continued improvement in market conditions presents exciting opportunities for Helios. The portfolio is positioned to benefit from pricing and market discipline and underwriting profits are now being recognised from five years of improved underwriting margins. We are confident that given market discipline, we should continue to see favorable returns across our portfolio. The resilience of these conditions seem to be more sustainable and we fully expect our portfolio to thrive.”

“The results are a little skewed as a consequence of the recent rapid 33% growth in our retained capacity in 2023 and a cautious approach to reserving adopted within our portfolio. With the passage of time and as the better loss ratio premium earns through, we are confident that our portfolio will demonstrate outperformance against a prudent reserving strategy. The impact of the increased yields on the Group investments will make a contribution in the future.”

Helios Underwriting plc

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Chairman’s statement

Six months ended 30 June 2023

Helios Underwriting plc is the only listed vehicle where investors can own a share in a company with a broad spread of Lloyd’s syndicate participations 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.

Under the direction of our new Chief Executive, Helios has plans to continue its growth and broaden still further into insurance underwriting activities at a time when market conditions are attractive.

These conditions give us confidence to return capital to shareholders, initially through a share buyback programme and the Board will be reviewing the dividend policy in the future.

SUMMARY FINANCIAL INFORMATION

	6 months to 30 June	
	2023	2022
	£000's	£000's
Gross written premium	158,509	124,067
Underwriting result	11,658	3,291
Investment Income - syndicates	3,160	(3,560)
Net quota share	(4,378)	(383)
Net profits from portfolio	10,441	(652)
Other income	739	833
Costs	(5,146)	(3,612)
Operating profit / loss for the period	6,034	(3,431)
Profit/(loss) after tax	4,351	(3,264)
Earnings per share	5.71p	(4.44)p
Net Tangible Asset Value per Share	£1.54p	£1.52p

The combined underwriting result has improved substantially as the underlying profitability of the portfolio starts to be recognised. Given the improved terms on property and property catastrophe business achieved at the beginning of the year, the impact of worldwide natural catastrophes in the period has been muted.

	2023	2022	%
	£000's	£000's	Increase
Gross premium written	160,493	124,067	28%
Net earned premium	97,316	59,990	62%
Net insurance claims & operating expenses	(85,658)	(56,699)	51%
Underwriting result	11,658	3,291	254%
Investment Income	3,160	(3,560)	
Operating profit/loss	14,819	(269)	
Combined ratio	88%	95%	

The figures in the above table are gross of pre-acquisition

The increase in the gross written premiums reflect the growth of the capacity portfolio to £310m for the 2023 underwriting year. The combined portfolio ratio of 88% is in line with the combined ratio for the Lloyds market of 85% and has improved substantially given the contribution of the profitability from the 2022 year.

	6 months to 30th June			
	2021 and prior	2022	2023	Total
	£000's	£000's	£000's	£000's
Net Earned Premium	4,113	68,516	24,687	97,316
Underwriting result	1,973	13,215	(3,531)	11,658
Investment Income	1,801	1,165	195	3,160
Operating (loss) / profit	3,774	14,380	(3,336)	14,818
Quota Share Reinsurers	(1,429)	(3,679)	730	(4,378)
Total Group Underwriting Profit/(loss)	2,345	10,701	(2,606)	10,440

The underwriting contribution from the 2022 underwriting years reflects the expected development of those years after recognising underwriting losses at an early stage. 2023 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 2023 year, given the increased underwriting exposure, will benefit the underwriting result in the future.

	6 months to 30th June	
	2023	2022
	£000's	£000's
Stop loss costs	(1,083)	(783)
Excess of Loss costs	(1,778)	(812)
Operating costs	(2,285)	(2,017)

Total Costs	(5,146)	(3,612)
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The excess of loss costs has increased in line with the additional funds provided by reinsurers and by banks. Operating costs have been impacted by the additional resources taken on to manage the larger portfolio

Financial Investments	£000's	Investment	
		Return - £000's	Yield
Syndicate investment assets	182,253	3,160	1.71%
Group investment assets	77,297	(19)	0.03%
	<u>259,550</u>	<u>3,141</u>	<u>1.21%</u>

Helios's share of the syndicate investments has increased by 43% since 30 June 2022 and has generated a positive return of 1.71% in the first 6 months of the year in comparison to a negative yield of 2.8% in the comparative period last year. The Group funds will continue to earn interest for the balance of the year. The Group's share of the syndicate investments is expected to continue to increase to reflect the growth of the capacity portfolio.

Helios Retained Capacity

The positive momentum in both insurance and reinsurance pricing has continued into 2023 as the property and property reinsurance rates increased significantly at the beginning of the year. The improvement in underwriting conditions over the last five years will provide a platform for better prospects for underwriting returns over the next few years.

Helios has increased its retained capacity to £244.5m for the 2023 underwriting year, an increase of 42% to take advantage of the current market conditions. The proportion of the capacity reinsured has been reduced while the capital provided by the reinsurers has remained steady. The quota share reinsurers fund their share of the capital requirements and pay Helios a fee and a profit commission. The strategy of building a portfolio of underwriting capacity that can be accessed by alternative sources of capital is expected to be developed in the future as we regard this as an attractive opportunity to increase the fee income generated from the portfolio.

£m	2023 Capacity	Capacity Value
2023 YOA	310.8	62.6
Expected Pre-emptions	14.5	6.3
Increase in NTAV per share		6.2p

Helios has received preliminary indications of pre-emptions for the 2023 year of account from the syndicates supported of £14.5m which are subject to approval by Lloyd's. The value of the capacity portfolio, using the 2022 weighted average prices, including the value of the expected pre-emptions for 2023 (using the 2022 weighted average capacity prices) could increase to £69m – an increase of 10%.

Wild-fire Defense Syndicate

Helios became the cornerstone FAL provider in a new SIAB 1996 which commenced underwriting from July this year underwriting £6m of capacity for 2023 year of account. WDS provides insurance cover to commercial businesses located in California for the risks of wildfire. Their intervention techniques have saved many properties from destruction and provide much needed cover in this challenging environment.

Acquisitions in 2023 to date

Four acquisitions have been completed to date increasing the portfolio by £8m of capacity.

	2023	Humphrey's	Total	
£m	Capacity	Valuation	Consideration**	Discount
Nameco 606	2.0	1.6	1.5	5.8%
Nameco 1208	1.8	1.0	0.7	25.0%
Park Farm UW*	2.3	3.4	3.2	6.3%
Chorlton UW*	2.1	2.1	2.0	10.0%
Total	8.2	8.1	7.4	11.1%

*Completed after 30th June 2023

** includes the cash consideration plus the proprietors loans assumed by the group

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.

Capital Position as at 30th June 2023

Underwriting capital	30 June 2023	31 December 2022
	£m	£m
Quota share reinsurance panel	22.3	27.8
Excess of loss funds at Lloyd's	46.4	41.2
Helios own funds	62.4	58.3
Solvency credits	21.2	0.7
Total	152.3	128.0
Total Capacity	310.8	296.7
Economic capital requirement	128.6	126.4
Capital Ratio	41%	42%
Surplus Capital	23.7	1.6

The improvement in the Solvency position of the capacity portfolio, increasing the solvency credits to £21m as profits have been recognized within the supported syndicates. Surplus solvency credits of £10m have recently been released to improve the free cash position of the Company.

Return of Capital to Shareholders

Helios is committed to returning capital to shareholders. The Board has already announced a share repurchase program and is actively considering other mechanisms to achieve this goal. This will also potentially include the review and increase of our dividend policy.

The Company has allocated £1million recently for the buyback of its shares as the share price is below tangible book value. The Board believes that while the share price remains at these levels it is in shareholders' interests to continue to buy back shares in the market.

The net tangible asset value per share is £1.54p per share (Dec 2022 - £1.52p per share). The net assets include a deferred tax provision of £14m on the value of the capacity portfolio.

Financial results summary

Six months ended 30 June 2023

	6 months to 30 June 2023 £'000	6 months to 30 June 2022 £'000
Underwriting profits	10,441	(652)
Other Income		
Fees from reinsurers	720	442
Corporate reinsurance recoveries	-	307
Goodwill on bargain purchase	-	-
Investment income	19	84
Total Other Income	739	833
Costs		
Pre-acquisition	(184)	-
Stop loss costs	(1,931)	(1,224)
Operating costs	(3,031)	(2,388)
Total Costs	(5,146)	(3,612)
Operating profit before impairments of goodwill and capacity	6,034	(3,431)
Amortisation of goodwill	302	638
Tax	(1,985)	(214)
Revaluation of syndicate capacity	-	-
Income tax relating to the components of other Comprehensive income	-	(257)
Profit/(loss) for the period/year	4,351	(3,264)

Period to 30 June 2023

Underwriting Year	Helios retained capacity at 30 June 2023 £m	Portfolio mid point forecasts at 30 June 2023	Portfolio Expected Profits £'000	Helios Earned before tax to 31 Dec 2022 £'000	Helios Profits to 30th June 2023 £'000	Helios Profits to be earned in the future £'000
2021	102.3	4.90%	5,016	711	2,346	1,959
2022	180.9	5.68%	10,272	(7,088)	10,701	6,659
2023	234.2	N/A			(2,606)	
					10,441	8,618
			Impact on NTAV		12.8p	8.5p

Financial results summary *continued*

Six months ended 30 June 2023

Summary Balance Sheet

The summary Group balance sheet excludes items relating to syndicate participations. See Note 16 for further information.

	<u>30 June 2023</u> £'000	<u>31 December</u> <u>2022</u> £'000
Intangible assets	61,236	59,375
Funds at Lloyd's	77,297	73,771
Other cash	2,020	10,254
Other assets	6,958	6,909
Total assets	147,511	150,309
Deferred tax	13,921	11,228
Borrowings	15,000	15,000
Other liabilities	7,732	3,839
Total liabilities	36,653	30,067
Syndicate equity	6,292	(5,123)
Total equity	117,150	115,119

Summary Group Cash Flow

The summary group cash flow sheet excludes items relating to syndicate participations. See Note 16 for further information.

	<u>6 months to 30 June 2023</u> £'000	<u>6 months to 30 June 2022</u> £'000
<u>Opening Balance (free cash)</u>	10,254	16,178
Income		
Acquired on acquisition	9	-
Distribution of profits (net of tax retentions)	3,091	2,422
Transfers from Funds at Lloyds'	2,499	5,277
Investment income	375	55
Borrowings	-	15,000
Expenditure		
Operating costs (inc Hampden / Nomina fees)	(2,988)	(1,409)
Reinsurance Cost	(3,408)	(857)
Acquisition of LLV's	(1,569)	-
Transfers to Funds at Lloyds'	(6,067)	(21,886)
Tax	(236)	293
Dividends paid	-	(2,034)
Closing balance	1,960	13,039

Financial results summary *continued*

Six months ended 30 June 2023

Net tangible asset per share

	6 months to 30 June 2023	Year to 31 December 2022
	£'000	£'000
Net tangible assets	55,915	55,743
Value of capacity (WAV)	61,548	59,967
	<hr/> 117,463	<hr/> 115,710
Shares in issue – on the market	76,218	76,218
Shares in issue – total of on the market and JSOP shares	77,318	77,318
Net tangible asset value per share £ - on the market	£1.54p	£1.52p
Net tangible asset value per share £ - on the market and JSOP shares	£1.52p	£1.50p

Interim condensed consolidated statement of comprehensive income

Six months ended 30 June 2023

	Note	6 months ended 30 June 2023 Unaudited £'000	6 months ended 30 June 2022 Unaudited £'000
Gross premium written	4	158,509	124,067
Reinsurance premium ceded		(49,587)	(35,291)
Net premium written	4	108,922	88,776
Change in unearned gross premium provision	5	(34,899)	(46,338)
Change in unearned reinsurance premium provision	5	15,782	15,945
		(19,117)	(30,393)
Net earned premium	3,4	89,805	58,383
Net investment income	6	3,141	(3,476)
Other underwriting income		720	442
Revenue		93,666	55,349
Gross claims paid		(42,895)	(28,627)
Reinsurers' share of gross claims paid		10,437	7,153
Claims paid, net of reinsurance		(32,458)	21,474
Change in provision for gross claims	5	(15,696)	(17,146)
Reinsurers' share of change in provision for gross claims	5	(1,953)	3,879
Net change in provision for claims	5	(17,649)	(13,267)
Net insurance claims and loss adjustment expenses	4	(50,107)	(34,741)
Expenses incurred in insurance activities		(34,969)	(22,310)
Other operating expenses		(2,556)	(1,729)
Operating expenses		(37,525)	(24,039)
Operating profit/(loss) before impairments of goodwill and capacity	4	6,034	(3,431)
Amortisation of goodwill		302	638
Profit/(loss) before tax		6,336	(2,793)
Income tax charge	7	(1,985)	(214)
Income and deferred tax charge as a result of change in tax rates	7	-	-
Profit/(loss) for the period		4,351	(3,007)
Other comprehensive income			
Deferred tax relating to change in tax rates on revaluation of capacity		-	(257)
Other comprehensive income/(loss) for the period, net of tax		-	(257)
Total other comprehensive income/(loss) for the period		-	(3,264)
Profit/(loss) for the period attributable to owners of the Parent		4,351	(3,264)
Total comprehensive income/(loss) for the period attributable to owners of the Parent		4,351	(3,264)
Earnings/(loss) per share attributable to owners of the Parent			
Basic	8	5.71p	(4.44)p
Diluted	8	5.55p	(4.44)p

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

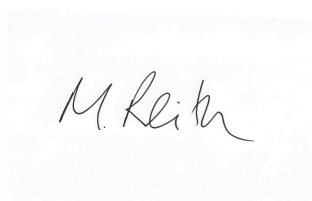
The notes are an integral part of these Financial Statements.

Interim condensed consolidated statement of financial position

Six months ended 30 June 2023

		At 30 June 2023 Unaudited £'000	At 31 December 2022 Unaudited £'000
	Note		
Assets			
Intangible assets		61,236	59,375
Financial assets at fair value through profit or loss		259,550	226,013
Reinsurance assets:			
– reinsurers' share of claims outstanding	5	89,625	80,726
– reinsurers' share of unearned premium	5	33,308	21,333
Other receivables, including insurance and reinsurance receivables		165,315	147,676
Deferred acquisition costs		26,696	24,991
Prepayments and accrued income		8,088	5,076
Cash and cash equivalents		28,200	25,300
Total assets		672,018	590,490
Liabilities			
Insurance liabilities:			
– claims outstanding	5	305,382	272,015
– unearned premium	5	135,286	114,663
Deferred income tax liabilities		13,921	11,312
Borrowings		15,000	15,000
Other payables, including insurance and reinsurance payables		76,475	54,893
Accruals and deferred income		8,804	7,488
Total liabilities		554,868	475,371
Equity			
Equity attributable to owners of the Parent:			
Share capital	11	7,774	7,774
Share premium	11	98,268	98,268
Revaluation reserve	11	11,350	11,350
Other reserves – treasury shares	11	(110)	(110)
Retained earnings		(132)	(2,163)
Total equity		117,150	115,119
Total liabilities and equity		672,018	590,490

The Financial Statements were approved and authorised for issue by the Board of Directors on 27 September 2023, and were signed on its behalf by:



Martin Reith
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 2023

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 2023		7,774	98,268	11,350	(110)	(2,163)	115,119
Total comprehensive income for the year:		-	-	-	-	-	-
Profit for the year		-	-	-	-	4,351	4,351
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	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
At 1 January 2022		6,931	86,330	9,348	(110)	3,188	105,687
Total comprehensive income for the year:		-	-	-	-	(3,007)	(3,3007)
Loss for the year		-	-	-	-	(3,007)	(3,3007)
Other comprehensive income, net of tax		-	-	(257)	-	-	(257)
Total comprehensive income for the year		-	-	(257)	-	(3,007)	(3,264)
Transactions with owners:		-	-	-	-	-	-
Dividends paid	9	-	-	-	-	(2,034)	(2,034)
Company buy back of shares	11	-	-	-	-	-	-
Share issue		-	-	-	-	-	-
Total transactions with owners		-	-	-	-	(2,034)	(2,034)
At 30 June 2022		6,931	86,330	9,091	(110)	(1,853)	100,389

The notes are an integral part of these Financial Statements.

Interim condensed consolidated statement of cash flows

Six months ended 30 June 2023

	At 30 June 2023 Unaudited £'000	At 30 June 2022 Unaudited £'000
	Note	
Cash flows from operating activities		
Profit/(loss) before tax	6,336	(2,793)
Adjustments for:		
- Interest received	(227)	(78)
- Investment income	(3,502)	3,503
- Amortisation of goodwill	(302)	638
Changes in working capital:		
- change in fair value of financial assets held at fair value through profit or loss	512	(617)
- Increase in financial assets at fair value through profit or loss	(30,214)	(32,609)
- Increase in other receivables	(18,147)	(47,556)
- Increase in other payables	18,926	23,005
- net increase in technical provisions	27,941	59,933
Cash generated from operations	1,323	2,150
Income tax paid/(received)	(237)	(252)
Net cash inflow from operating activities	1,086	1,898
Cash flows from investing activities		
Interest received	227	78
Investment income	3,502	(3,503)
Acquisition of subsidiaries, net of cash acquired	(1,239)	-
Net cash inflow/(outflow) from investing activities	2,490	(3,425)
Cash flows from financing activities		
Net proceeds from issue of ordinary share capital	-	-
Proceeds from borrowings	-	15,000
Repayment of borrowings	-	-
Dividends paid to owners of the Parent	-	(2,034)
Net cash inflow from financing activities	-	12,966
Net increase in cash and cash equivalents	3,576	11,439
Cash and cash equivalents at beginning of period	24,624	24,625
Cash and cash equivalents at end of period	28,200	36,064

Cash held within the syndicates' accounts is £26,240,000 (30 June 2022: £23,085,000) of the total cash and cash equivalents held at the end of the period £28,200,000 (30 June 2022: £36,064,000). 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 2023

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.

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 2022 were approved by the board of directors on 25 May 2023 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 31 December 2022 and 30 June 2022 Financial Statements were prepared under International Financial Reporting Standards (IFRSs) and the prior period figures have been amended to reflect the changes in the reporting framework (see note 17).

The Condensed Consolidated Interim Financial Statements are prepared for the six months ended 30 June 2023.

The Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2023 and June 2022 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 £117,150,000 (31 December 2022: £115,119,000).

The Company's subsidiaries participate as underwriting members at Lloyd's on the 2021, 2022 and 2023 years of account, as well as any prior run-off years, and they intend to continue this participation in the 2024 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.

The 31 December 2022 and the 30 June 2022 Financial Statements were prepared in accordance International Financial Reporting Standards (IFRSs). The 30 June 2023 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" and FRS 104 "Interim Financial Reporting".

The reason for this change in reporting framework is that it is not possible for the directors to obtain financial information in respect of the underlying syndicate participations that would be required to comply with IFRS 17 "Insurance Contracts" which is effective under IFRS for accounting periods beginning on or after 1 January 2023. (see note 17).

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 2022 except the following as a result of the conversion from IFRS to UK GAAP:

- positive goodwill which is taken to the Consolidated Statement of Financial Position (CSOFP) is now amortised over the its estimated useful life of three years (see note 17).
- goodwill on bargain purchases which was taken straight to the Consolidated Statement of Comprehensive Income (CSOCI) under IFRS is now capitalised and taken the CSOFP and amortised over its estimated useful life of three years (see note 17).

Notes to the financial statements

Six months ended 30 June 2023

3. Segmental information

Martin Reith and Nigel Hanbury are the Group's chief operating decision-makers. They determine 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 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

6 months ended 30 June 2022 Unaudited	Syndicate participation £'000	Investment management £'000	Other corporate activities £'000	Total £'000
Net earned premium	58,767	-	(383)	58,384
Net investment income	(3,561)	85	-	(3,476)
Other income	-	-	442	442
Net insurance claims and loss adjustment expenses	(34,740)	-	(1)	(34,741)
Expenses incurred in insurance activities	(21,650)	-	(660)	(22,310)
Other operating expenses	-	-	(1,729)	(1,729)
Amortisation of goodwill	-	-	637	637
Loss before tax	(1,184)	85	(1,693)	(2,793)

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 2023 other corporate activities totalling £4,378,000 (2022: £383,000 – 2020, 2021 and 2022 years of account) represents the 2021, 2022 and 2023 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 2023

4. Operating profit before impairments of goodwill and capacity

6 months ended 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

6 months ended 30 June 2022	Underwriting year of account*				Pre-acquisition £'000	Corporate reinsurance £'000	Other corporate £'000	Total £'000
	2020 and prior £'000	2021 £'000	2022 £'000	Sub-total £'000				
Gross premium written	930	11,407	111,730	124,067	-	-	-	124,067
Reinsurance ceded	(96)	(2,410)	(31,178)	(33,684)	-	(383)	(1,224)	(35,291)
Net premium written	834	8,997	80,552	90,383	-	(383)	(1,224)	88,776
Net earned premium	3,306	35,444	21,240	59,990	-	(383)	(1,224)	58,383
Other income	(2,315)	(941)	(304)	(3,560)	-	442	84	(3,034)
Net insurance claims and loss adjustment expenses	578	(20,389)	(15,237)	(35,048)	-	-	307	(34,741)
Operating expenses	(843)	(9,826)	(10,982)	(21,651)	-	-	(2,388)	(24,039)
Operating profit before impairments of goodwill and capacity	726	4,288	(5,283)	(269)	-	59	(3,221)	(3,431)
Quota share adjustment	(150)	(1,621)	1,388	(383)	-	383	-	-
Operating profit before impairments of goodwill and capacity after quota share adjustment	576	2,667	(3,895)	(652)	-	442	(3,221)	(3,431)

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 2023

5. Insurance liabilities and reinsurance balances

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.

Movement in claims outstanding

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2022	186,653	53,433	133,220
Increase in reserves arising from acquisition of subsidiary undertakings	-	-	-
Movement of reserves	17,146	3,879	13,267
Other movements	37,984	15,762	22,222
At 30 June 2022	241,783	73,074	168,709

Movement in unearned premium

	Gross £'000	Reinsurance £'000	Net £'000
At 1 January 2022	59,611	10,538	49,073
Increase in reserves arising from acquisition of subsidiary undertakings	-	-	-
Movement of reserves	46,338	15,945	30,393
Other movements	(8,440)	(2,491)	(5,949)
At 30 June 2022	97,509	23,992	73,517

Included within other movements are the 2019 and prior years' claims reserves reinsured into the 2020 year of account on which the Group does not participate and currency exchange differences.

6. Net investment income

	6 months ended 30 June 2023 Unaudited £'000	6 months ended 30 June 2022 Unaudited £'000
Investment income	3,502	(3,503)
Realised (losses)/gains on financial assets at fair value through profit or loss	(100)	12
Unrealised (losses)/gains on financial assets at fair value through profit or loss	(512)	(61)
Investment management expenses	24	(2)
Bank interest	227	78
Net investment income	3,141	(3,476)

Included within Investment income are investment gains of £3,160,000 (2022: £3,560,000 investment losses) from Syndicate participations.

Notes to the financial statements *continued*

Six months ended 30 June 2023

7. Income tax charge

Analysis of tax charge/(credit) in the period

	6 months ended 30 June 2023 Unaudited £'000	6 months ended 30 June 2022 Unaudited £'000
Income tax credit	1,985	214

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 23.50% (2022: 19.00%).

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 2023 Unaudited	6 months ended 30 June 2022 Unaudited
Profit/(loss) for the year after tax attributable to ordinary equity holders of the parent	4,351,000	(3,007,000)
Basic - weighted average number of ordinary shares*	76,218,203	67,786,212
Weighted average number of ordinary shares for diluted earnings per share*	77,889,630	68,889,212
Basic earnings/(loss) per share	5.71p	(4.44)p
Diluted earnings/(loss) per share	5.55p	(4.44)p

* 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 2023 that a dividend of 3p would be payable. The Dividend was paid post period end on 14 July 2023 totalling £2,320,000 and has been accrued in these financial statements.

10. Investments in subsidiaries

	30 June 2023 £'000	31 December 2022 £'000
Total	66,722	65,546

Notes to the financial statements *continued*

Six months ended 30 June 2023

10. Investments in subsidiaries (continued)

	Direct/indirect interest	30 June 2023 ownership	31 December 2022 ownership	Principal activity
Nameco (No. 917) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Devon Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Nameco (No. 346) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Pooks 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 ⁽ⁱ⁾	Direct	100%	100%	Joint Share Ownership Plan
Nottus (No 51) Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Chapman Underwriting Limited	Direct	100%	100%	Lloyd's of London corporate vehicle
Llewellyn House 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 ⁽ⁱ⁾	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

(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.

Notes to the financial statements *continued*

Six months ended 30 June 2023

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 2022	77,737,372	7,664	110	98,268	106,042
Ordinary shares of 10p each and share premium at 30 June 2023	77,737,372	7,664	110	98,268	106,042

(i) Number of shares

	30 June 2023	31 December 2022
Allotted, called up and fully paid ordinary shares:		
On the market	76,218,203	76,218,203
Company buy back of ordinary shares held in treasury	419,169	419,169
	76,637,372	76,637,372
Uncalled and partly paid ordinary share under the JSOP scheme (ii)	1,100,000	1,100,000
	77,737,372	77,737,372

(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 2021, 2022 and 2023 years of account with protected cell companies of HIPCC Limited.

Nigel Hanbury, a Director of Helios Underwriting plc and its subsidiary companies, is also a director and majority shareholder in HIPCC Limited. Hampden Capital plc, a substantial shareholder in Helios Underwriting plc, is also a substantial shareholder in HIPCC Limited – Cell 6. Under quota share agreements between Cell 6 and certain Helios subsidiaries, the Group accrued a net reinsurance premium payable of £1,736,000 (31 December 2022: £1,921,000 recoverable) 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 Hanburys 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.

Notes to the financial statements *continued*

Six months ended 30 June 2023

14. Acquisition of Lloyd's Limited Liability Vehicles

During the period, the company has acquired the following Lloyd's Limited Liability Vehicles either directly, or indirectly:

Helios Acquisitions					
	Date of acquisition	2023 Capacity	Purchase price	Fair value of asset acquired	Goodwill recognised
Nameco (No 606) Limited	2 June 2023	2,024,096	1,175,131	1,112,121	63,010
Nameco (No 1208) Limited	12 June 2023	1,776,807	-	87,000	(87,000)
Total Acquisitions Completed		3,800,903	1,175,131	1,112,208	(23,990)

15. 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		
		2023	2022	2021
		£	£	£
33	Hiscox Syndicates Limited	14,862,935	14,862,935	14,837,949
218	IQUW Syndicate Management Limited	17,624,778	7,427,997	7,428,004
318	Cincinnati Global Underwriting Agency Limited	862,407	992,637	992,635
386	QBE Underwriting Limited	2,966,471	2,897,646	2,634,241
510	Tokio Marine Kiln Syndicates Limited	27,562,480	33,536,417	23,760,440
557	Tokio Marine Kiln Syndicates Limited	-	3,485,330	3,485,330
609	Atrium Underwriters Limited	17,661,850	13,153,869	12,653,790
623	Beazley Furlonge Limited	28,099,719	22,713,565	19,890,751
727	S A Meacock & Company Limited	2,834,522	2,323,378	2,255,711
1176	Chaucer Syndicates Limited	2,854,340	2,854,339	2,854,347
1200	Argo Managing Agency Limited	54,999	10,050,000	-
1729	Asta Managing Agency Limited	20,083,504	1,211,467	189,401
1902	Asta Managing Agency Limited	10,688,300	10,000,002	-
1955	Arch Managing Agency Limited	12,500,000	-	-
1969	Apollo Syndicate Management Limited	12,170,742	5,675,170	459,001
1971	Apollo Syndicate Management Limited	10,000,001	6,467,147	-
1985	Asta Managing Agency Limited	16,874,190	-	-
1988	Asta Managing Agency Limited	15,000,000	-	-
2010	Lancashire Syndicates Limited	7,713,238	10,499,418	9,864,905
2121	Argenta Syndicate Management Limited	140,000	10,134,894	5,577,177
2288	Astra Managing Agency Limited	-	-	-
2525	Asta Managing Agency Limited	2,141,973	1,721,029	1,601,833
2689	Asta Managing Agency Limited	2,686,871	10,100,276	534,813
2791	Managing Agency Partners Limited	11,677,739	9,850,281	9,850,285
4242	Asta Managing Agency Limited	10,749,622	12,937,527	8,933,909
4444	Canopus Managing Agents Limited	21,176	20,000	182,189
5183	Asta Managing Agency Limited	5,000,000	-	-
5623	Beazley Furlonge Limited	17,631,646	6,894,032	4,769,792
5886	Asta Managing Agency Limited	26,929,794	22,989,002	12,432,907
6103	Managing Agency Partners Limited	3,263,814	3,447,515	3,072,388
6104	Hiscox Syndicates Limited	-	1,758,333	1,781,360
6107	Beazley Furlonge Limited	132,363	1,649,683	1,649,378
6117	Argo Managing Agency Limited	230,404	2,957,188	2,104,208
6133	Apollo Syndicate Management Limited	-	-	-
Total		300,479,878	241,611,077	153,796,744

Notes to the financial statements *continued*

Six months ended 30 June 2023

16. 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 2023			31 December 2022		
	Group £'000	Syndicate £'000	Total £'000	Group £'000	Syndicate £'000	Total £'000
Assets						
Intangible assets	61,236	-	61,236	59,375	-	59,375
Financial assets at fair value through profit or loss	77,297	182,253	259,550	73,771	152,242	226,013
Reinsurance assets:						
– reinsurers' share of claims outstanding	60	89,565	89,625	60	80,666	80,726
– reinsurers' share of unearned premium	-	33,308	33,308	-	21,333	21,333
Other receivables, including insurance and reinsurance receivables	1,790	163,525	165,315	3,103	144,573	147,676
Deferred acquisition costs	-	26,696	26,696	-	24,991	24,991
Prepayments and accrued income	5,168	2,920	8,088	3,746	1,330	5,076
Cash and cash equivalents	1,960	26,240	28,200	10,254	15,046	25,300
Total assets	147,511	524,507	672,018	150,309	440,181	590,490
Liabilities						
Insurance liabilities:						
– claims outstanding	-	305,382	305,382	-	272,015	272,015
– unearned premium	-	135,286	135,286	-	114,663	114,663
Deferred income tax liabilities	13,921	-	13,921	11,228	84	11,312
Borrowings	15,000	-	15,000	15,000	-	15,000
Other payables, including insurance and reinsurance payables	2,170	74,305	76,475	157	54,736	54,893
Accruals and deferred income	5,562	3,242	6,484	3,682	3,806	7,488
Total liabilities	36,653	518,215	552,548	30,067	445,304	475,371
Equity attributable to owners of the Parent						
Share capital	7,774	-	7,774	7,774	-	7,774
Share premium	98,268	-	98,268	98,268	-	98,268
Revaluation reserve	11,350	-	11,350	11,350	-	11,350
Other reserves	(110)	-	(110)	(110)	-	(110)
Retained earnings	(6,424)	6,292	(132)	2,960	(5,123)	(2,163)
Total equity	110,858	6,292	117,150	120,242	(5,123)	(115,119)
Total liabilities and equity	147,511	524,507	672,018	150,310	440,181	590,491

Notes to the financial statements *continued*

Six months ended 30 June 2023

17. Changes arising from the conversion from IFRS to UK GAAP

The 31 December 2022 and the 30 June 2022 Financial Statements were prepared in accordance with International Financial Reporting Standards (IFRSs). The 30 June 2023 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” and FRS 104 “Interim Financial Reporting”.

The reason for this change in reporting framework is that it is not possible for the directors to obtain financial information in respect of the underlying syndicate participations that would be required to comply with IFRS 17 “Insurance Contracts” which is effective under IFRS for accounting periods beginning on or after 1 January 2023.

Under IFRS any goodwill on bargain purchases is credited immediately to the Consolidated Statement of Comprehensive Income (CSOCI). Any positive goodwill is taken to the Consolidated Statement of Financial Position (CSOFP) and subject to an annual impairment review. Under UK GAAP, both goodwill on bargain purchases and positive goodwill are taken to the CSOFP and amortised over their estimated useful life.

The directors have concluded an estimated useful life of three years for both elements of goodwill to be amortised over, which is in line with the usual life of a Lloyd’s underwriting year of account.

The prior period figures have been adjusted to reflect the changes in the accounting framework as per below:

Total other comprehensive loss	£’000
Total other comprehensive (loss)/income for the period – as originally reported at 30 June 2022 under IFRS	(3,902)
Impact of IFRS to UK GAAP conversion – bargain purchase goodwill amortisation	670
Impact of IFRS to UK GAAP conversion – positive goodwill amortisation	(32)
Total other comprehensive loss for the period – at 30 June 2022 under UK GAAP	(3,264)

Total equity	£’000
Total equity – as originally reported at 31 December 2022 under IFRS	117,178
Impact of IFRS conversion to UK GAAP – total bargain purchases goodwill booked to 31 December 2022	(4,182)
Impact of IFRS conversion to UK GAAP – cumulative bargain purchase goodwill amortisation to 31 December 2022	3,108
Impact of IFRS conversion to UK GAAP – cumulative positive goodwill amortisation to 31 December 2022	(985)
Total equity – at 31 December 2022 under UK GAAP	115,119

Goodwill intangible assets	£’000
Positive goodwill intangible assets – as originally reported at 31 December 2022 under IFRS	1,468
Impact of IFRS conversion to UK GAAP - positive goodwill amortisation to 31 December 2022	(985)
Positive goodwill intangible assets – as reported at 31 December 2022 under UK GAAP	483
Impact of IFRS conversion to UK GAAP - bargain purchase goodwill booked to 31 December 2022	(4,182)
Impact of IFRS conversion to UK GAAP - bargain purchase goodwill amortisation to 31 December 2022	3,108
Bargain purchase goodwill amortisation to 31 December 2022 under UK GAAP	(1,074)
Goodwill intangible asset – at 31 December 2022 under UK GAAP	(591)

Notes to the financial statements *continued*

Six months ended 30 June 2023

18. Event after the financial reporting period

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

	2023 Capacity m	Purchase price £m	Humphrey Valuation	Discount to Humphreys (%)
Chorlton Underwriting Limited	2.1	2.0	2.1	10.0%
Park Farm Underwriting Limited	2.3	3.2	3.4	6.3%
Total	4.4	5.2	5.5	

Notes to the financial statements *continued*

Six months ended 30 June 2023

Directors, Registered office and advisers

Directors

Michael John Wade (Non-Executive Chairman) appointed 29 June 2023
Martin Robert Davidson Reith (Chief Executive Officer)
Nigel John Hanbury (Executive Deputy Chairman)
Andrew Hildred Christie (Non-Executive Director)
Arthur Roger Manners (Finance Director)
Edward Fitzalan-Howard (Non-Executive Director)
Thomas John Libassi (Non-Executive Director)

Company secretary

Martha Bruce
Shakespeare Martineau
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Company number

05892671

Registered office

40 Gracechurch Street
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Statutory auditors

PKF Littlejohn LLP

15 Westferry Circus
Canary Wharf
London E14 4HD

Nominated adviser and broker

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45 Gresham Street
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Registrars

Neville Registrars Limited

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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 2023 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 2023 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 29 August 2023. 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.



PKF Littlejohn LLP
Statutory Auditor
27 September 2023
Helios Underwriting plc

15 Westferry Circus
Canary Wharf
London E14 4HD