



Helios Underwriting plc

*(Incorporated and registered in England and Wales with registered number 05892671)
(The “Company”)*

2 June 2021

Dear Shareholder

Notice of Annual General Meeting 2021

In line with the proposed relaxation of national lockdown restrictions on 21 June 2021, I am pleased to invite you to our forthcoming Annual General Meeting (“AGM” or “meeting”) which will be held at City of London Club, 19 Old Broad Street, London EC2N 1DS on 29 June 2021 at 12.30pm I hope you will be able to join us.

COVID-19 precautions will be in place as follows:

- » The venue set up will be theatre style with a small coffee table per chair/per person.
- » Attendees must bring their own pads and pens should they wish to take notes during the meeting.
- » Windows will be kept open throughout the meeting to ventilate the room.
- » Hand sanitisers will be provided at the entrance to the venue and the meeting room.
- » Temperature checks will be carried out upon arrival/registration and recorded. Any attendee showing a temperature of 38.7°C or above will be asked to wait outside the building to allow them to cool down before re-checking the temperature again.

In the event that Government guidance changes or lockdown restrictions are not relaxed as anticipated we will notify shareholders via the Regulatory News Services and our website of any changes to the arrangements made for the meeting.

The Resolutions proposed for consideration at the AGM are set out in full on the following pages of the Notice of Annual General Meeting (“Notice”).

Explanatory notes in respect of each of the Resolutions are set out following the Notice and details of the action you should take in order to appoint a proxy to attend and vote on your behalf at the AGM are also detailed below. For clarification, reference to the Company’s “issued share capital” excludes shares held in treasury as detailed in Note 12 to the Notice.

Form of Proxy

You will find enclosed a Form of Proxy for use at the AGM. Whether or not you intend to be present at the AGM, we strongly encourage you to complete and return a form of proxy to ensure your votes are included in every eventuality. We suggest that you appoint the “Chairman of the meeting” as your proxy in case restrictions are not lifted as planned.

You are requested to complete the Form of Proxy in accordance with the instructions printed on the form and to return it as soon as possible and in any case so as to be received by the Company’s registrars, Neville Registrars Limited, at Neville House, Steelpark Road, Halesowen B62 8HD no later than 12.30pm on 25 June 2021. It is also permitted for a completed, signed and scanned copy of the form to be emailed to info@nevilleregistrars.co.uk. In addition, if you hold shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to the registrars (Crest Participant ID: 7RA11) so that it is received by the same deadline detailed above.

Voting recommendation

The Directors consider that all the proposed Resolutions are in the best interests of the Company and its shareholders as a whole and recommend that the shareholders vote in favour of such Resolutions as they intend to do in respect of their entire beneficial holdings.

2020 Annual Report and Financial Statements (“Annual Report”)

A hard copy of the Annual Report is enclosed and copies are also available on the Investor page of the Company's website, www.huwplc.com.

Preferred Option Card

Finally, if you are a new shareholder and this is the first communication you have received from the Company, a separate letter and Preferred Option Card are enclosed detailing our intention to communicate with you via the Company's website in future. Please follow the instructions in that letter regarding completion and return of the Preferred Option Card.

If you have any questions concerning this letter or the enclosed documents, please contact our Company Secretary, Martha Bruce, by email on martha@brucewallace.co.uk or by telephone on 07884 378836.

Yours faithfully,

Michael Cunningham

Non-executive Chairman

Helios Underwriting plc



Helios Underwriting plc

(Incorporated and registered in England and Wales with registered number 05892671)

Notice of Annual General Meeting – Helios Underwriting plc

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Helios Underwriting plc (the “Company”) will be held at City of London Club, 19 Old Broad Street, London EC2N 1DS on 29 June 2021 at 12.30pm for the purpose of considering and, if thought fit, passing the following Resolutions, of which Resolutions 1 to 7 (inclusive) are items of ordinary business and Resolutions 8 to 12 (inclusive) are items of special business. Resolutions 1 to 8 (inclusive) are being proposed as ordinary resolutions and Resolutions 9 to 12 (inclusive) are being proposed as special resolutions:

Ordinary resolutions

1. THAT the annual accounts for the year ended 31 December 2020, which include the reports of the Directors and auditors, be received and adopted.
2. THAT payment of a final dividend of 3p per ordinary share be approved in respect of the year ended 31 December 2020, such dividend to be paid on 19 July 2021 to holders of ordinary shares registered at close of business on 25 June 2021.
3. THAT Edward Fitzalan-Howard, who retires pursuant to Article 68 of the Company’s Articles of Association and who, being eligible, offers himself for re-election as a Director, be reappointed.
4. THAT Tom Libassi, who, having been appointed by the Board of Directors since the last Annual General Meeting, retires pursuant to Article 65.2 of the Company’s Articles of Association and who, being eligible, offers himself for re-election as a Director, be reappointed.
5. THAT Martin Reith, who, having been appointed by the Board of Directors since the last Annual General Meeting, retires pursuant to Article 65.2 of the Company’s Articles of Association and who, being eligible, offers himself for re-election as a Director, be reappointed.
6. THAT PKF Littlejohn LLP (“PKF Littlejohn”) be reappointed as auditors of the Company until the date of the next AGM of the Company.
7. THAT the Directors of the Company be authorised to determine the remuneration of PKF Littlejohn as auditors.

Ordinary resolutions continued

8. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of Section 551 of the 2006 Act to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:

- (a) up to an aggregate nominal amount of £435,552 (such amount, together with the unutilised portion of the authority approved in resolution 1 at the General Meeting on 1 April 2021 of £1,822,917, being equal to approximately one third of the Company's issued share capital); and
- (b) comprising equity securities (as defined in Section 560 of the 2006 Act) up to an aggregate nominal amount of £2,694,020 (such amount, together with the unutilised portion of the authority approved in resolution 1 at the General Meeting on 1 April 2021 of £1,822,917, being equal to approximately two thirds of the Company's issued share capital and for such amount to be reduced by the nominal amount allotted or granted from time to time under (a) above) in connection with or pursuant to an offer or invitation by way of rights issue by the Directors in favour of:
 - (i) holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment; and
 - (ii) holders of any other class of equity securities entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities,

but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or any other matter whatsoever.

The authorities in this resolution 8 shall be in addition to the authority approved in resolution 1 at the General Meeting on 1 April 2021 specifically provided in connection with the acquisition of targeted Lloyd's Limited Liability Vehicles ("LLVs"), but shall otherwise be in substitution for and replace all other existing authorities to the extent not utilised at the date these resolutions are passed, and shall expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2022 (whichever is earlier) save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot shares, or grant rights to subscribe for or convert any security into shares, in pursuance of any such offer or agreement as if the authorities conferred hereby had not expired.

Special resolutions

9. THAT, subject to the passing of resolution 8 above, the Directors of the Company be and they are hereby empowered pursuant to Section 570 of the 2006 Act to allot equity securities (as defined in Section 560 of the 2006 Act) of the Company for cash and/or to sell treasury shares for cash pursuant to the authorities conferred by resolution 8 as if Section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:

- (a) the allotment of equity securities or sale of treasury shares for cash in connection with or pursuant to an offer or invitation (but in the case of the authority granted under resolution 8(b), by way of a rights issue (within the meaning set out in resolution 8(b)) only) in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities) but subject to such exclusions or other arrangements as the Directors may deem necessary or appropriate to deal with fractional entitlements, treasury shares, record dates, or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or any other matter whatsoever; and
- (b) the allotment of equity securities or sale of treasury shares for cash in the case of the authority granted under resolution 8(a) above, and otherwise than pursuant to paragraph (a) of this resolution, up to an aggregate nominal amount of £338,770 (such amount being equal to approximately 5 per cent of the Company's issued share capital).

This power shall be in addition to the authority approved in resolution 4 at the General Meeting on 1 April 2021 but shall otherwise be in substitution for and replace all other existing authorities to the extent not utilised at the date these resolutions are passed, and shall expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2022 (whichever is earlier) save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot the relevant securities and sell treasury shares in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

10. THAT, subject to the passing of resolution 8 above, the Directors of the Company be and they are hereby empowered pursuant to Section 570 of the 2006 Act, to allot equity securities (as defined in Section 560 of the 2006 Act) of the Company for cash and/or to sell treasury shares for cash pursuant to the authorities conferred by resolution 8 as if Section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall:

- (a) be limited to the allotment of equity securities or sale of treasury shares for cash up to an aggregate nominal amount of £338,770 (such amount being equal to approximately 5 per cent of the Company's issued share capital); and
- (b) be used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of Directors of the Company determines to be an acquisition or other specified capital investment announced at the same time or before the allotment of equity securities.

This power shall be in addition to the authority approved in resolution 4 at the General Meeting on 1 April 2021 but shall otherwise be in substitution for and replace all other existing authorities to the extent not utilised at the date these resolutions are passed, and shall expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2022 (whichever is earlier) save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot the relevant securities and sell treasury shares in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

11. THAT, in substitution for all existing powers the Directors be generally and unconditionally authorised pursuant to Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of the Company provided that:

- (a) the maximum aggregate number of ordinary shares that may be purchased is 6,775,406 being equivalent to approximately 10% of the Company's issued share capital;
- (b) the minimum price (excluding expenses) which may be paid for each ordinary share is £0.10 (being the nominal value); and
- (c) the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
 - (i) 105% of the average market value of an ordinary share in the Company for the five business days prior to the day the purchase is made; and
 - (ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for:
 - (A) the last independent trade of; and
 - (B) the highest current independent bid for any number of the Company's ordinary shares on the trading venue where the purchase is carried out.

The authority in this resolution 11 shall expire at the conclusion of the next Annual General Meeting of the Company or 30 June 2022 (whichever is earlier) unless a contract to purchase ordinary shares is entered into before the end of that period in which case such purchase or purchases may be executed wholly or partly as if the power granted by this resolution had not expired.

12. THAT the draft Articles of Association of the Company, produced to the meeting and signed by the Chair for the purpose of identification, be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the Company's existing Articles of Association.

By order of the Board

Martha Bruce
Company Secretary
Dated: 2 June 2021

Explanatory notes to the Resolutions

- » Resolution 1 is an ordinary resolution to receive and adopt the Company's annual accounts for the year ended 31 December 2020, which include the reports of the Directors and auditors thereon.
- » Resolution 2 is an ordinary resolution to approve the payment of a final dividend, of 3p per ordinary share in respect of the year ended 31 December 2020. The dividend is recommended by the Board and will be paid in cash on 19 July 2021 to holders of ordinary shares registered at close of business on 25 June 2021.
- » Resolution 3 is an ordinary resolution to approve the re-election of Edward Fitzalan-Howard, who is retiring by rotation in accordance with Article 68 of the Company's Articles of Association and offering himself for re-election as a Director. Pursuant to Article 68 of the Company's Articles of Association, at each AGM of the Company's one third of the Directors (or, if their number is not three or a multiple of three, the nearest number to but not exceeding one third) are required to step down and can offer themselves for re-election.
- » Resolutions 4 and 5 are ordinary resolutions to approve the re-election of Tom Libassi and Martin Reith who, having been appointed as a Directors since the Company's last Annual General Meeting, are retiring in accordance with Article 65.2 of the Company's Articles of Association and offering themselves for re-election as Directors.

A biography of each of Edward Fitzalan-Howard, Tom Libassi and Martin Reith is set out in the Company's annual accounts for the year ended 31 December 2020. The Board of Directors consider the performance of Edward Fitzalan-Howard, Tom Libassi and Martin Reith to be fully effective and consider that they demonstrate the commitment and behaviours expected of them as Directors. Accordingly, the Board is pleased to recommend to shareholders the reappointment of Edward Fitzalan-Howard, Tom Libassi and Martin Reith as Directors.

- » Resolutions 6 and 7 are ordinary resolutions to approve the reappointment of PKF Littlejohn LLP as auditors of the Company until the next AGM and to authorise the Directors to determine their remuneration. The Company is required to appoint auditors at each AGM at which accounts are laid before the shareholders.
- » Resolution 8 is an ordinary resolution to renew the authority of the Directors to allot shares, or to grant rights to subscribe for or convert any securities into shares, in the capital of the Company:
 - (i) up to a maximum nominal amount of £435,552 which, together with the unutilised portion of the authority approved in resolution 1 at the General Meeting on 1 April 2021 of £1,822,917, represents approximately one third of the Company's issued share capital; or
 - (ii) in the case of a rights issue up to a maximum aggregate nominal value of £2,694,020 which, together with the unutilised portion of the authority approved in resolution 1 at the General Meeting on 1 April 2021 of £1,822,917, represents approximately two thirds of the Company's issued share capital (as reduced by the nominal amount of any shares issued under Resolution 8(a)).

The authority being sought by Resolution 8 is within the Investment Association Share Capital Management Guidelines and will expire at the earlier of the conclusion of the next AGM and 30 June 2022. Resolution 8 is being proposed in addition to the specific and targeted authority approved in resolution 1 at the General Meeting on 1 April 2021 authorising the Directors to allot equity securities of the Company to the sellers of Lloyd's Limited Liability Vehicles ("LLVs") in connection with a transaction to acquire LLVs.

- » Resolution 9 is conditional on the passing of Resolution 8. Resolution 9 is a special resolution which renews the authority of the Directors to allot equity securities pursuant to Resolution 8, otherwise than in accordance with statutory pre-emption rights, in connection with an offer to shareholders and otherwise up to an aggregate nominal value of £338,770, which represents approximately 5 per cent of the Company's issued share capital. The authority given by this Resolution will expire at the earlier of the conclusion of the next Annual General Meeting of the Company and 30 June 2022.
- » Resolution 10 is conditional on the passing of Resolution 8. Resolution 10 is a special resolution which seeks authority for the Directors to allot equity securities pursuant to Resolution 8 otherwise than in accordance with statutory pre-emption rights up to an aggregate nominal value of £338,770 (which represents approximately 5 per cent of the Company's issued share capital) solely for the purpose of financing or re-financing a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre-Emption Group.

The authorities sought by Resolutions 9 and 10 are in accordance with the limits specified in the Statement of Principles on Disapplying Pre-Emption Rights and will expire at the earlier of the conclusion of the next Annual General Meeting of the Company and 30 June 2022. Resolution 10 is being proposed as a separate resolution to Resolution 9 as required by the Pre-Emption Group's guidelines.

Furthermore, the authorities under Resolutions 9 and 10 are being sought as the Board wishes to ensure that the Company has maximum flexibility in managing the financial resources of the Company and to pursue its acquisition strategy. Accordingly, Resolutions 9 and 10 are being proposed in addition to the specific and targeted authority approved in resolution 4 at the General Meeting on 1 April 2021 authorising the Directors to allot equity securities of the Company up to an aggregate nominal value of £1,375,731.70 (approximately 20 per cent of the Company's issued share capital) on a non-pre-emptive basis to the sellers of LLVs in connection with a transaction to acquire LLVs entered into on or before 1 April 2022.

- » Resolution 11 is a special resolution whereby the Directors are seeking authority to purchase up to a maximum of 6,775,406 ordinary shares (being equivalent to approximately 10 per cent of the Company's issued share capital), which is in accordance with the Investment Association's guidelines. This authority would only be exercised where the Board believes that the purchase would enhance net asset value per share and be in the best interests of shareholders generally. The Company currently intends to hold any shares purchased in treasury so they can be reissued quickly and cost effectively, providing greater flexibility in the management of the Company's capital base.
- » Resolution 12 is a special resolution to adopt new Articles of Association (the "new articles") principally in order to reflect developments in practice regarding general meetings. Due to the extent of the changes, the Company is proposing the adoption of new articles rather than amendments to the current Articles of Association adopted in 2009.

The new articles give the Directors the power to convene a general meeting as a hybrid meeting, that is to provide facilities for shareholders to attend a meeting which is being held at a physical place, by electronic means as well (but not to convene a purely electronic meeting). The new articles set out how the other provisions of the articles apply in those circumstances, in particular the need to provide details of the facilities for the electronic meeting, the power of Directors to make arrangements for participation at such meetings and that all resolutions put to members at the meeting, including procedural resolutions, are decided on a poll. Subject to approval of the new articles, the Board will consider for each general meeting the most appropriate means for holding the meeting, and believes it is appropriate to have the flexibility in the articles to allow shareholders to participate by electronic means where the Board determines this is necessary.

A copy of the new articles that are proposed to be adopted by Resolution 12 are available on the Company's website, www.huwplc.com/investors/documents-and-papers, and on receipt of a valid request sent by email to martha@brucewallace.co.uk.

Procedural notes

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. If a member appoints more than one proxy in relation to the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by that member. The proxy need not be a member of the Company and a member can appoint anyone as proxy or indeed decide to attend the meeting his or herself.
2. We suggest that members appoint the "Chairman of the meeting" as their proxy to ensure their votes are included on a poll in the event that national lockdown restrictions are not lifted on 21 June 2021 as anticipated. If a member signs and returns a Form of Proxy with no name inserted in the box, the Chairman of the meeting will be deemed to be the member's proxy.
3. A member which is a corporation is entitled to appoint one or more corporate representatives to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member. If a member which is a corporation appoints more than one corporate representative in relation to the meeting, each representative must exercise the rights attached to a different share or shares held by that member. In the case of a member which is a corporation, the Form of Proxy must be executed under the corporation's common seal or signed on its behalf by a duly authorised officer of the corporation or an attorney for the corporation.
4. A Form of Proxy is enclosed. To be valid, the Form of Proxy (and any power of attorney or other authority (if any) under which it is signed) must be duly completed and signed and deposited at the office of the Company's registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD no later than 12.30pm on 25 June 2021. It is also permitted for a completed, signed and scanned copy of the form to be emailed to info@nevilleregistrars.co.uk.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered in the Company's register of members at 6.00pm on 25 June 2021 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. Changes in the Company's register of members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting. If the meeting is adjourned, only those members entered in the Company's register of members as at 6.00pm on the day two days (excluding non-working days) before the date of the adjourned meeting shall be entitled to attend and vote at the adjourned meeting.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's registrars, Neville Registrars Limited (CREST Participant ID: 7RA11), no later than 48 hours (excluding non-working days) before the time appointed for the meeting (or any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in this Notice or in any related documents to communicate with the Company for any purposes other than those expressly stated.
11. Your personal data includes all data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your reference number (as attributed to you by the Company or its registrars). The Company determines the purposes for which, and the manner in which, your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.
12. As at 25 May 2021 (being the last practicable date prior to the publication of this Notice), the Company's issued share capital (excluding treasury shares) consisted of 67,754,063 ordinary shares of 10p each, carrying one vote per share, and there are 419,169 shares held by the Company in treasury, which do not carry voting rights. Therefore, the total voting rights in the Company as at 25 May 2021 were 67,754,063. For clarification, reference to the "Company's issued share capital" in Resolutions 8 to 11 (inclusive) in the Notice excludes shares held by the Company in treasury.



HELIOS UNDERWRITING

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