Helios Underwriting

Supportive mid-points and fresh buybacks

Helios Underwriting (Helios) released its Q425 quarterly Lloyd's of London syndicate mid-points for the 2023 and 2024 years of account (YOA) on 9 April 2026. The mid-points, which provide guidance on the ultimate expected underwriting performance of the syndicates, have shown positive development over the past quarter and are supportive of our earnings forecasts for the company in FY25 and FY26. With large 2023 YOA profits expected to be realised in May 2026, Helios has announced a renewed share buyback programme of £2.0m, which will add to attractive shareholder distributions, including ordinary dividends and potential special dividends. We maintain our valuation of 277p per share.

Year end	Revenue (£m)	PBT (£m)	EPS (p)	DPS (p)	P/E (x)	Yield (%)
12/24	36.0	20.9	25.60	10.00	7.9	4.9
12/25e	30.2	23.1	33.35	6.00	6.1	3.0
12/26e	38.6	27.1	39.56	6.00	5.1	3.0
12/27e	35.8	24.2	35.20	6.00	5.8	3.0

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. DPS does not include special dividends expected. Forecasts do not include any impact of the current geopolitical situation.

Syndicate mid-point forecasts represent the expected ultimate underwriting result per YOA as a percentage of syndicate underwriting capacity. For the 2023 YOA, the mid-point has increased from 16.1% to 17.0%, which is a very strong level compared to recent history (2022 YOA was 8.8% and 2021 YOA was 6.4%). The 2024 YOA experienced the majority of the California wildfire claims and above average catastrophe losses and saw the mid-point increase from 8.3% to 9.3%. We forecast a further increase to 10.8% by the end of this year (see our March 2026 note).

The 2025 YOA has so far experienced below average catastrophe losses. Although a mid-point is not yet available, Helios included a syndicate business forecast for an ultimate close-out result of 13.5%, which compares to our forecast of 14.0%. Our forecast for the 2026 YOA is lower at 12.5% and could be affected by the war in the Middle East.

The strong forecast 2023 YOA profits will be realised in May 2026, bolstering the holding company's cash position and supporting its strategy of deleveraging and enhanced shareholder distributions. As part of this strategy, Helios announced a share buyback programme of £2.0m. In addition to our forecast FY25 dividend of 6p per share, we also see the potential for a special dividend (4p per share was declared for FY24). We expect debt repayments to commence from FY28.

The updated mid-points support our FY25 EPS forecast of 33.4p (up 30.5%), growing by 18.6% to 39.6p in FY26, before a forecast decline in FY27 on lower deployed capacity and a softer underwriting cycle. We maintain our valuation of 277p per share based on a through-the-cycle return on net asset value of 12.2%.

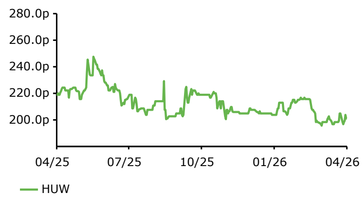
Q425 mid-points

Insurance

20 April 2026

Price	**202.50p**
Market cap	**£141m**
Net cash/(debt) at 30 June 2025	£18.9m
Shares in issue	69.6m
Free float	48.4%
Code	HUW
Primary exchange	AIM
Secondary exchange	N/A

Share price performance



Business description

Helios Underwriting was originally established in 2007, primarily to provide investors with a limited liability direct investment into the Lloyd's insurance market. It is an AIM-quoted holding company, providing underwriting participation across a diversified portfolio of selected Lloyd's syndicates via its subsidiaries. It reports as an investment company.

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