



## 1Q23 APRA GILLS lodgement and market update

**3 May 2023:** Helia Group Limited (Helia or the Company) (ASX:HLI) provides the following updates in relation to the Australian Prudential Regulation Authority (APRA) General Insurance Institution-Level Statistics (GILLS) lodgement, 1Q23 trading and strategic progress.

### *1Q23 APRA GILLS lodgement*

Helia notes that it finalised the submission of data in relation to the three months ended 31 March 2023 to APRA on 2 May 2023.

The data submitted to APRA is expected to be included in the GILLS for the March quarter and is currently scheduled to be published by APRA in May 2023.

The GILLS include data on two licensed general insurance entities which are both 100% owned subsidiaries of Helia; being Helia Insurance Pty Limited, the Company's main operating entity and Helia Indemnity Limited which is in run-off.

The GILLS do not provide a consolidated view of Helia or its subsidiaries, have not been externally reviewed or audited, and do not embrace a full review of claims reserving nor any associated adjustments to the earnings curve.

The 1Q23 data submitted to APRA for Helia Insurance Pty Limited is in accordance with AASB 1023 General Insurance Contracts (AASB 1023) and included the following:

(\$m)	1Q22	1Q23
Gross written premium (GWP)	106.4	51.0
Net earned premium (NEP)	108.3	94.0
Net incurred claims <sup>1</sup>	-20.0	-10.6
Underwriting result	106.6	81.4
Insurance result	49.2	120.7
Net profit after tax (NPAT)	17.6	106.7
Prescribed Capital Amount coverage ratio (PCA) (x) <sup>2</sup>	1.98	1.73

<sup>1</sup> Net claims incurred is negative caused by a reduction in reserves due to lower levels of delinquencies.

<sup>2</sup> The PCA coverage ratio is below the Helia Group Limited PCA coverage ratio due to the declaration of dividends.

### ***1Q23 trading update***

GWP is substantially lower than the previous corresponding period (pcp) in 1Q22, reflecting soft industry new loan commitments (especially for high LVR lending) and the impact of the Federal Government First Home Guarantee Scheme. NEP remains high, due to previous book year GWP as well as the level of cancellations, which remains elevated.

Net claims incurred remain negative, reflecting a continuation of low levels of delinquencies and claims incurred. Net claims incurred for FY23 are expected to increase toward long term average levels in response to higher interest rates, falling dwelling values, and expected modest increases in unemployment.

Investment income has benefitted from unrealised gains due to falls in bond yields in 1Q23, and higher running yields.

Helia will be applying AASB 17 Insurance Contracts (AASB 17) which replaces AASB 1023 from the 2023 half year reporting period in accordance with Australian accounting standards. Accordingly, the 1H23 statutory financial results will be on a different basis to APRA reporting. The Company expects to provide pro forma AASB 17 FY22 financials for analysts and investors in advance of the 1H23 financial result.

### ***Strategic progress update***

Helia is pleased to announce that it has recently renewed exclusive customer contracts with a non-major bank and a large customer-owned bank.

For more information, analysts, investors and other interested parties should contact:

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The release of this announcement was authorised by the Disclosure Committee.