



1Q25 APRA lodgement and trading update

2 May 2025: Helia Group Limited (Helia or the Company) (ASX:HLI) provides the following updates in relation to its 1Q25 Australian Prudential Regulation Authority (APRA) lodgement and year to date trading.

1Q25 APRA lodgement

Helia notes that it finalised the submission of data in relation to the three months ended 31 March 2025 to APRA on 1 May 2025 (APRA lodgement).

The APRA lodgement includes 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 APRA lodgement does not provide a consolidated view of Helia or its subsidiaries, has not been externally reviewed or audited, and does not include a full review of claims reserving nor any associated adjustments to the profile of insurance revenue recognition.

The 1Q25 data submitted to APRA for Helia insurance Pty Limited included the following:

(\$m)	1Q24	1Q25
Gross written premium (GWP)	38.4	51.0
Insurance revenue	93.5	92.6
Total incurred claims ¹	-0.0	-14.4
Insurance service result	63.3	79.2
Net investment revenue	41.9	41.6
Net financial result ²	21.7	28.2
Statutory net profit after tax (NPAT)	53.0	68.2
Prescribed Capital Amount coverage ratio (PCA) (x)	1.86	1.91

¹ Total incurred claims is negative, caused by low levels of paid claims and a reduction in reserves.

² The net financial result represents net investment revenue/loss less an insurance finance income expense/benefit which incorporates the impact of interest accretion an interest rate movements on the value of insurance contract liabilities.

1Q25 trading update

GWP is up on the previous corresponding period (pcp), driven by increased levels of industry new housing loans written above an 80% LVR as well as an increase in Helia's market share. GWP continues to be negatively impacted by the Home Guarantee Scheme (HGS) and higher levels of lender self-insurance.

Insurance revenue is slightly down on pcp, following lower levels of GWP in recent years. The pcp was also impacted by negative experience variations on top-up premium credits, which were close to zero in the current period.

Total incurred claims are negative, reflecting a substantial benefit from changes to liabilities for prior incurred claims. This result was due to a combination of good experience and basis changes.

Net investment revenue is flat on pcp, reflecting a stable net running yield and some modest capital appreciation.

The regulatory capital base remains well above the PCA but is down on 31 December 2024, due to the payment of the 2024 final dividend, partly offset by organic capital generation.

Strategic update

Helia notes that both the Labor party and Liberal-National Coalition have announced proposed policy changes in relation to the Home Guarantee Scheme (HGS) as part of the current Federal election campaign. If implemented in the form proposed, changes to existing income caps, property price limits and an uncapped number of places are likely to significantly expand the existing program for eligible First Home Buyers (FHB). The existing HGS has seen the volume of FHB using LMI decline in recent years. FHBs accounted for approximately 25-30% of Helia's GWP in 2024.

Both Helia and the Insurance Council of Australia (ICA) are of the view that the proposed policies are counter-productive to improving accessibility for home ownership in Australia and introduce unnecessary risk to the stability of the financial sector and the ability of many Australians to access the home market.

Government has undertaken to consult with the Lenders Mortgage Insurance (LMI) industry and Helia will engage with Government as part of this process with the aim of seeing the policy modified to ensure an ongoing vibrant LMI industry that can continue to support home ownership in Australia.

Helia maintains its commitment to deliver market leading LMI services and continues to see partnership opportunities with new and existing lenders.

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