Helia

2023 Full Year Results Investor Presentation

27 February 2024

Disclaimer

This presentation contains general information in summary form which is current as at 31 December 2023. It may present financial information on both a statutory basis (prepared in accordance with Australian accounting standards which comply with International Financial Reporting Standards (IFRS)) and non-IFRS basis. The information in this presentation has not been externally audited or reviewed. However, the following information has been extracted from Helia's 2023 financial report, which was externally audited by the independent auditor of Helia:

- financial information from the consolidated statement of comprehensive income for FY23 and comparative information for FY22 (restated); and
- financial information from the consolidated statement of financial position as at 31 December 2023 and comparative information as at 31 December 2022 (restated).

Financial information from the consolidated statement of comprehensive income for 1H23 and financial information from the consolidated statement of financial position as at 30 June 2023 has been extracted from Helia's 1H23 financial report, which was externally reviewed. For the other comparative periods of FY21 and 2H22 Helia has restated figures to align with AASB 17 using consistent processes and methodologies as those adopted in Helia's 2023 financial report. These restated figures have not been reviewed by Helia's independent auditor.

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Helia Group Limited ABN 72 154 890 730 (**Helia**).

Agenda

Overview

1

Pauline Blight-Johnston

Chief Executive Officer and Managing Director

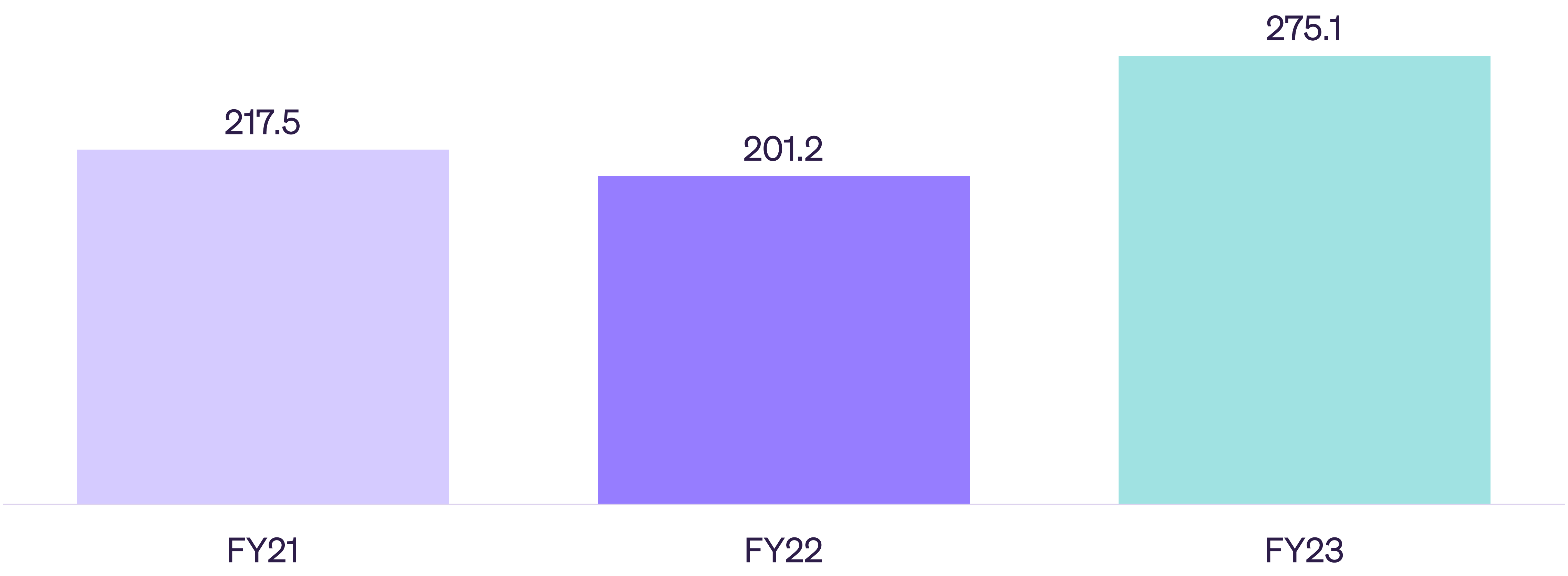
FY23 highlights

Strong financial results	Key financial drivers	Strategic progress	Capital management
Underlying NPAT[1] $248m	Insurance revenue $427m	NPS up 2 points to +79	PCA coverage ratio 1.86x
Statutory NPAT $275m	Total claims incurred[2] ($67m)	Won Great Southern Bank	FY23 dividends of 59cps[3]
Insurance service result $358m	Net investment return 5.5%	Increased lender API connectivity	Extension of existing buy-back to AGM

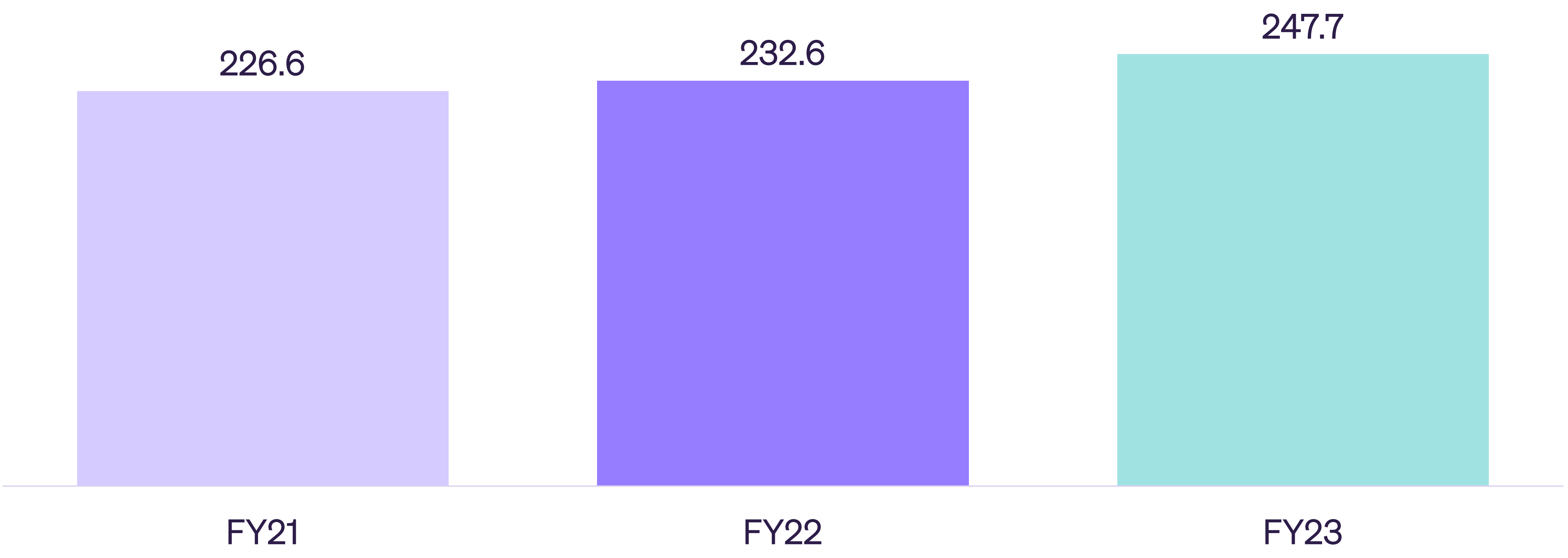
1. Underlying NPAT excludes FX, unrealised gains / (losses) on the shareholder funds, FY22 separation costs and impairment of equity-accounted investees.
2. Net claims incurred for FY23 were negative, driven by a release of reserves.
3. Fully franked ordinary dividends of 14cps and 15cps in 1H23 and 2H23 fully franked, respectively, and unfranked special dividend of 30cps in 2H23.

Key performance measures

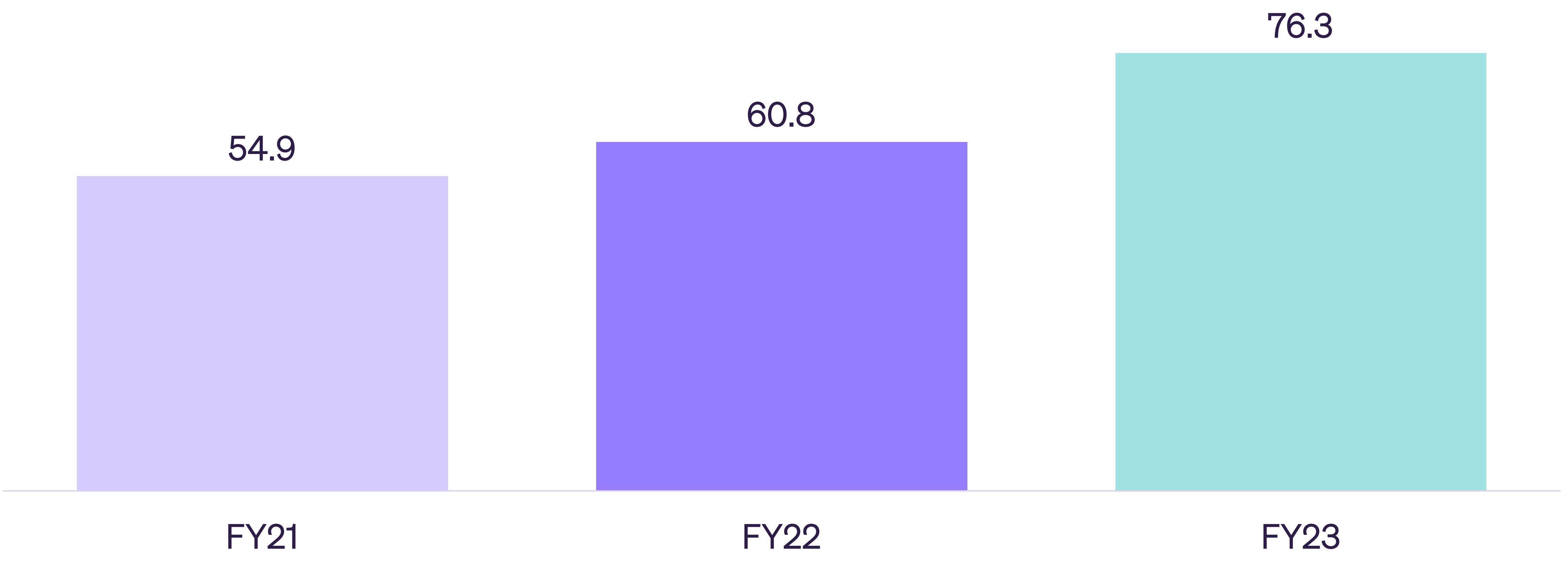
Statutory NPAT ($ millions)



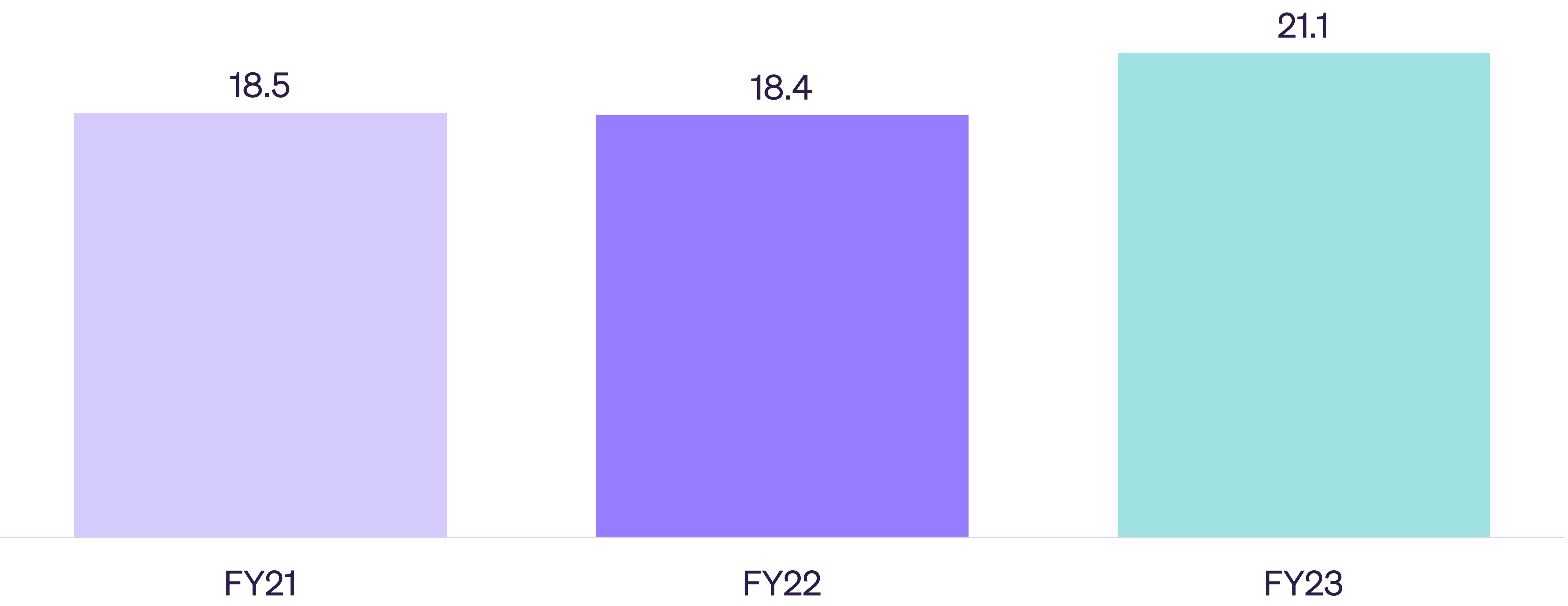
Underlying NPAT ($ millions)



Underlying diluted EPS (cps)

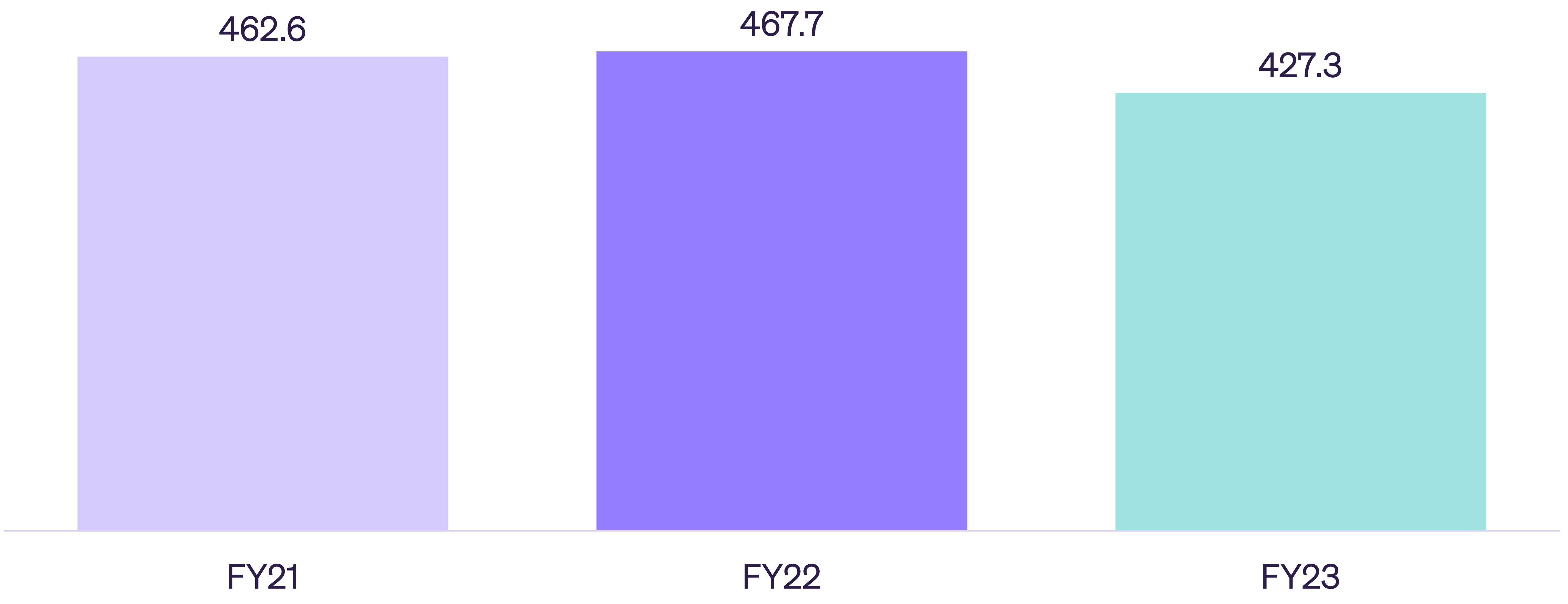


Underlying ROE (%)

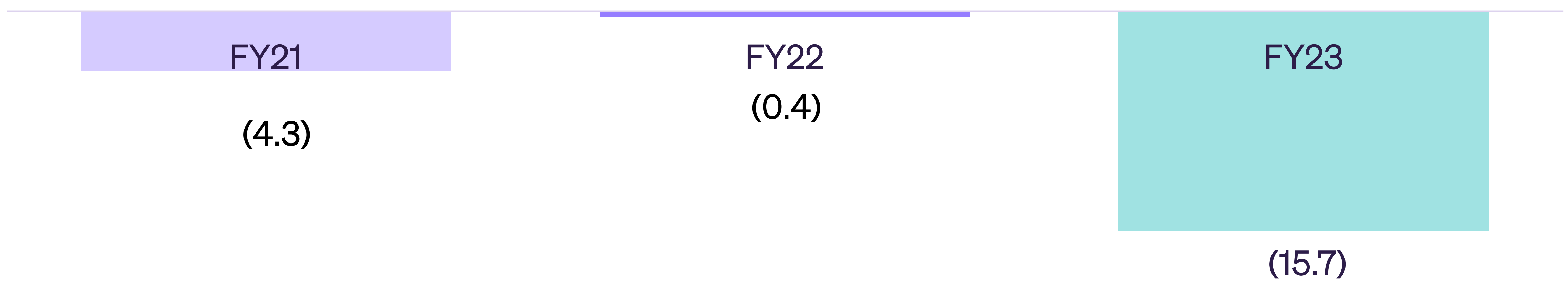


Key performance measures

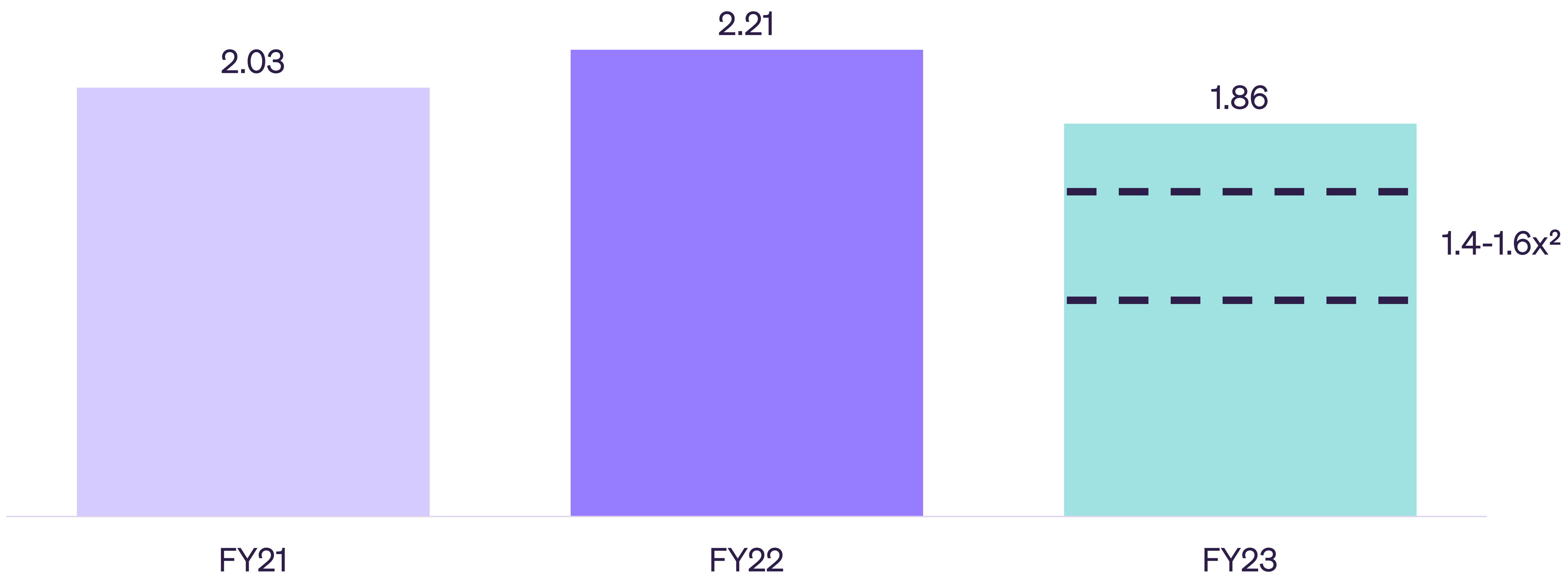
Insurance revenue ($ millions)



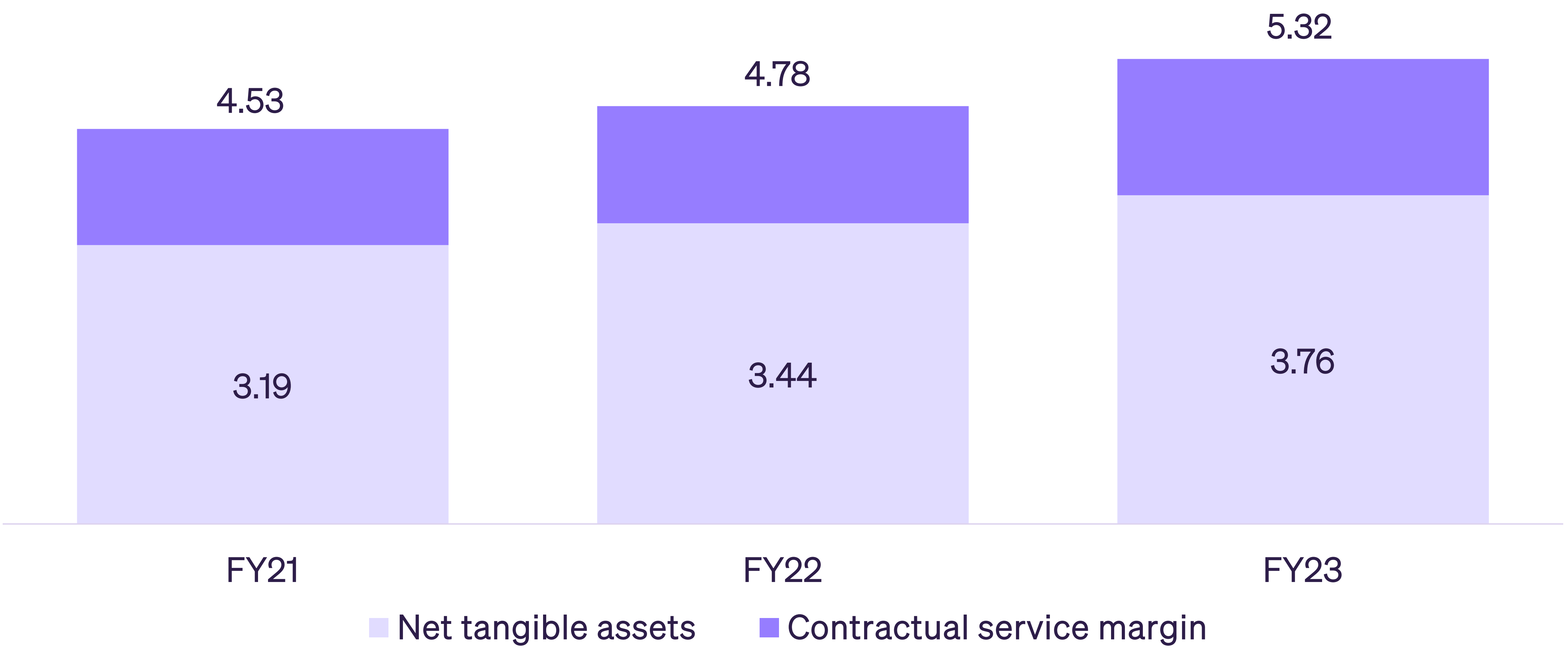
Total incurred claims ratio (%)



PCA coverage ratio (x)[1]



NTA and CSM per share ($)[3]



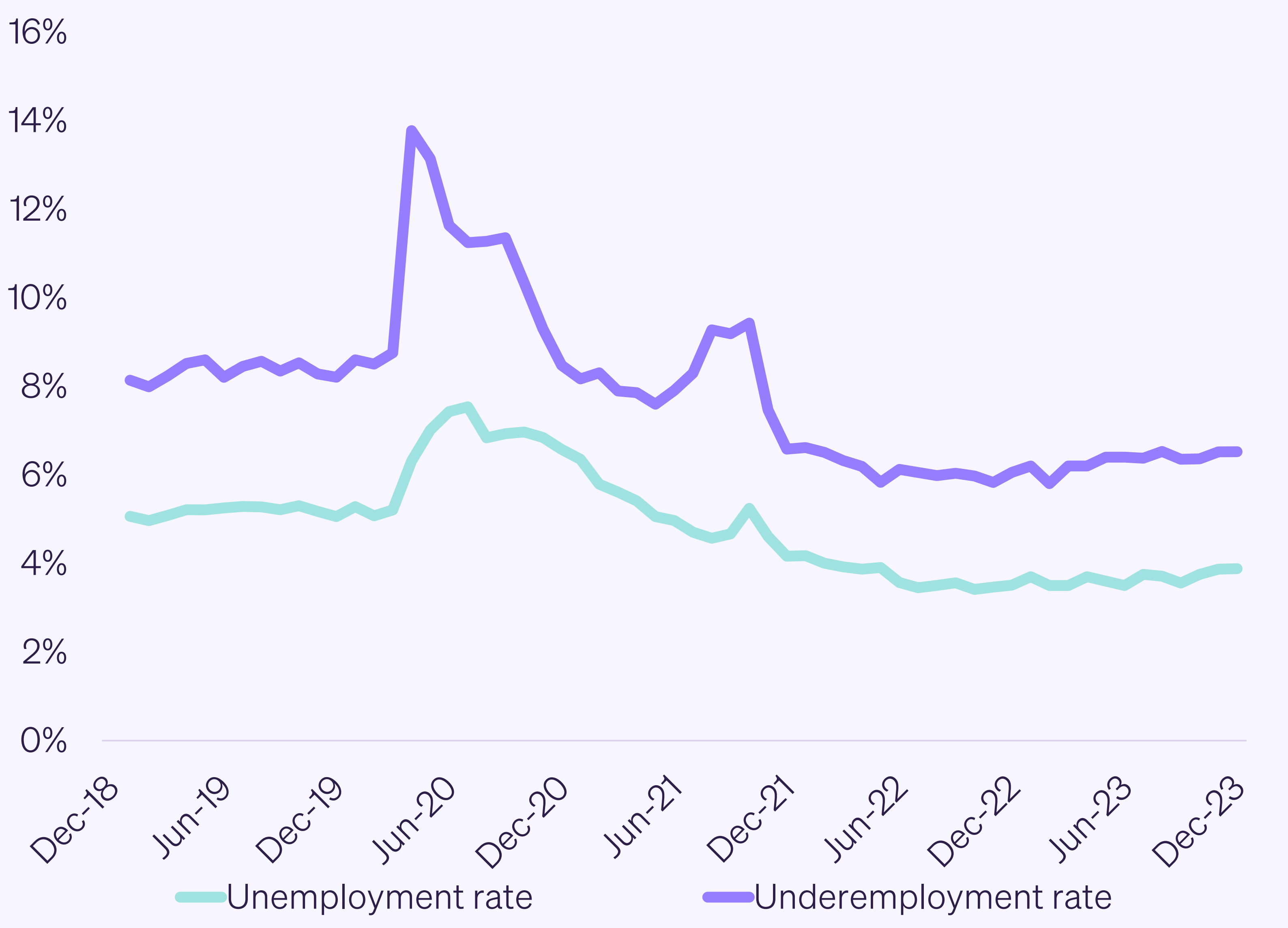
1. FY21 reported on AASB 1023 basis.
2. Board targeted PCA coverage ratio range.
3. CSM is net of 30% tax.

Economic environment

Labor force resilient

Unemployment remained low at 3.9% at end of 2023

Annual wage growth increased 4.2% improving medium term serviceability

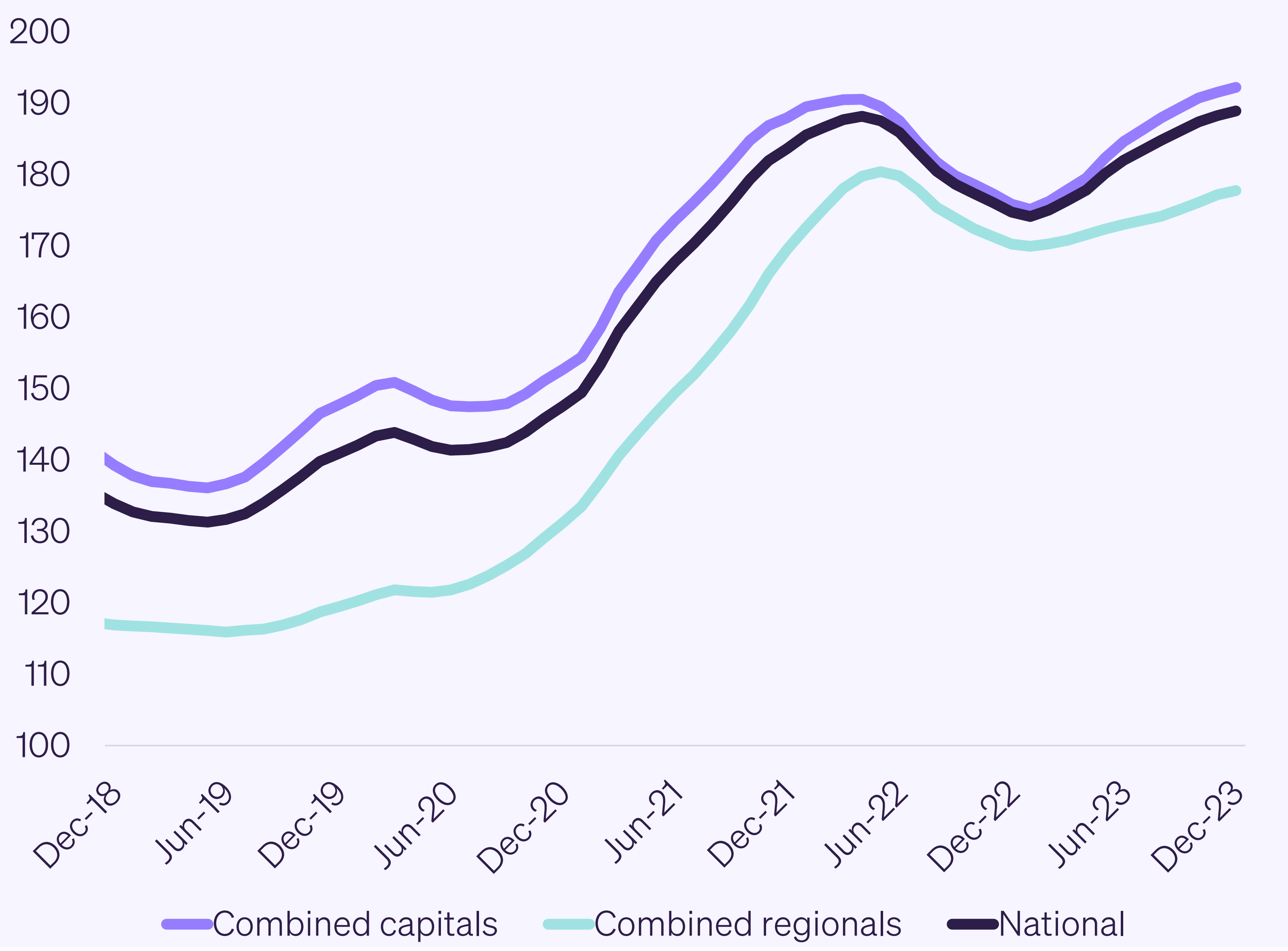


Source: ABS Labour Force Australia seasonally adjusted for December 2023 and ABS Wage Price Index seasonally adjusted as at December 2023.

Dwelling values rising

National home dwelling values up 8.1% in 2023 to new record

Dwelling values have reversed prior market fall of 7.5%

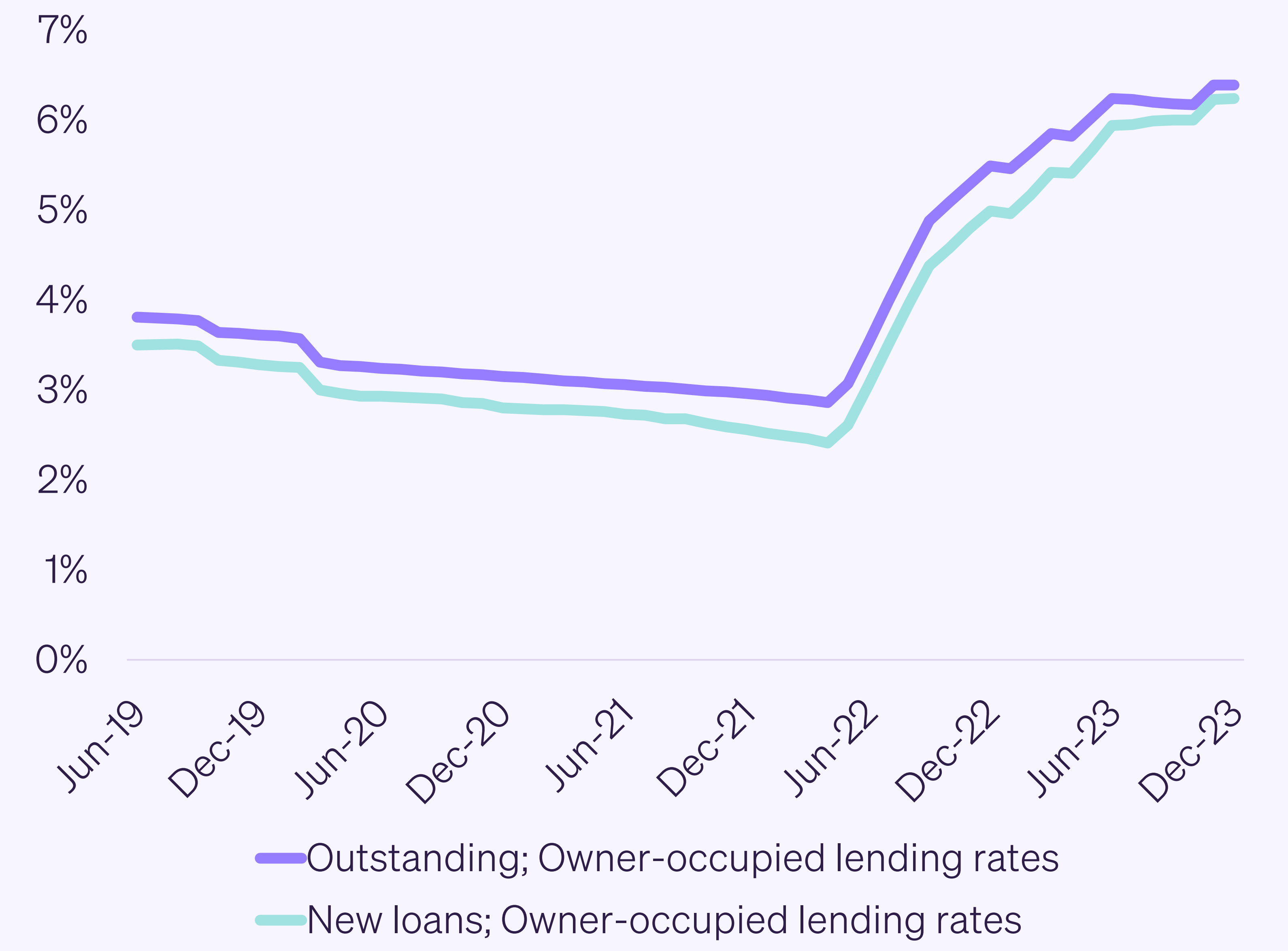


Source: CoreLogic's Hedonic Home Value Index as at December 2023.

Higher interest rates

RBA cash rate target increased 125bps in FY23 to 4.35%

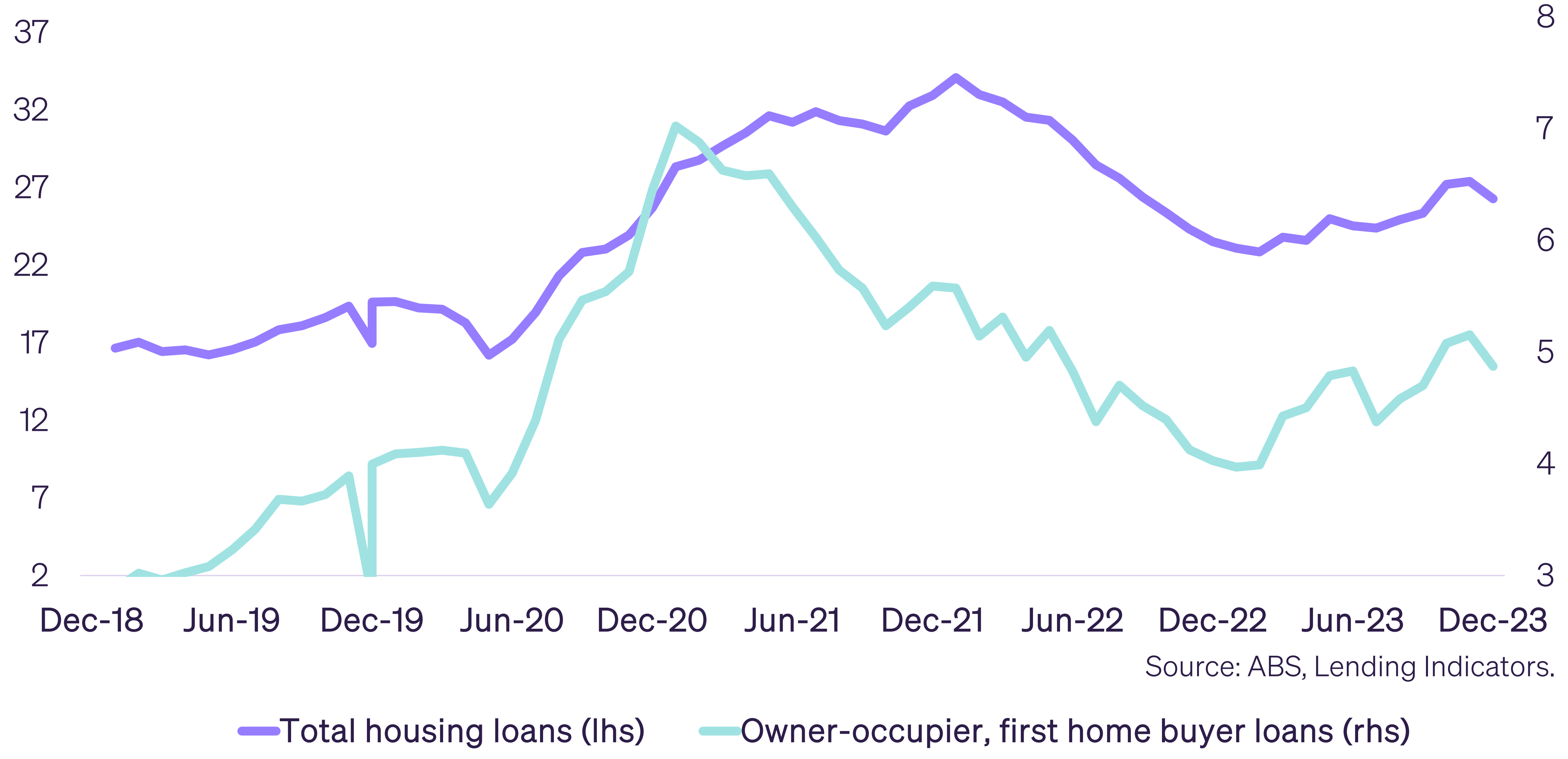
Average new owner-occupied variable rate at 6.2%



Source: APRA, RBA as at December 2023.

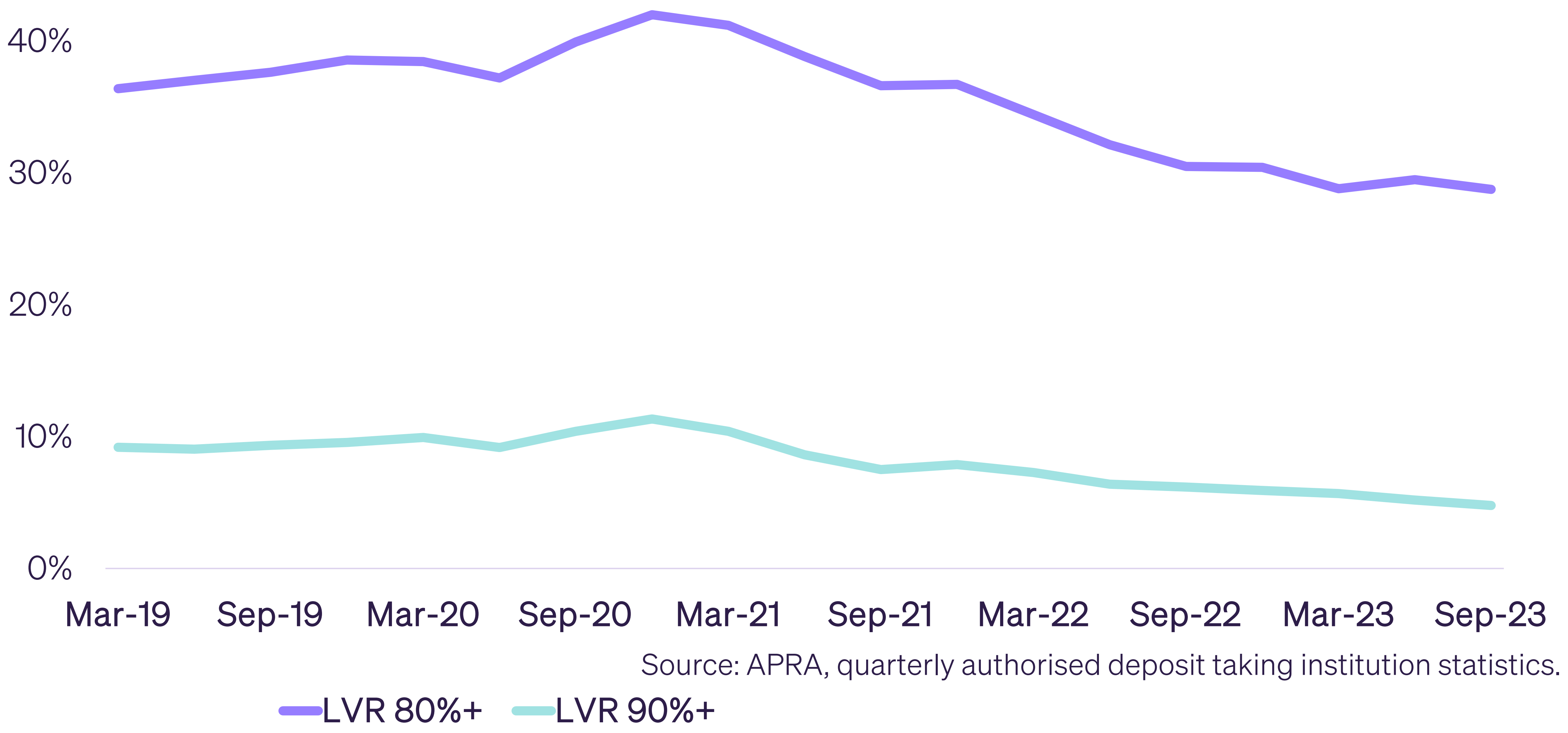
Cyclical and structural factors driving residential mortgage market

Industry housing new loan commitments ($ billions)[1]



Source: ABS, Lending Indicators.

Share of high LVR residential lending (% of total lending)



Source: APRA, quarterly authorised deposit taking institution statistics.

FY23 commentary:

- Industry new loan commitments down 23% from peak but first home buyer volumes started to pick up in 2H23
- Level of refinancing remains high and was up 10% over 2023
- High LVR lending has fallen to 29% of residential lending, which is ~6 percentage points below long term average levels

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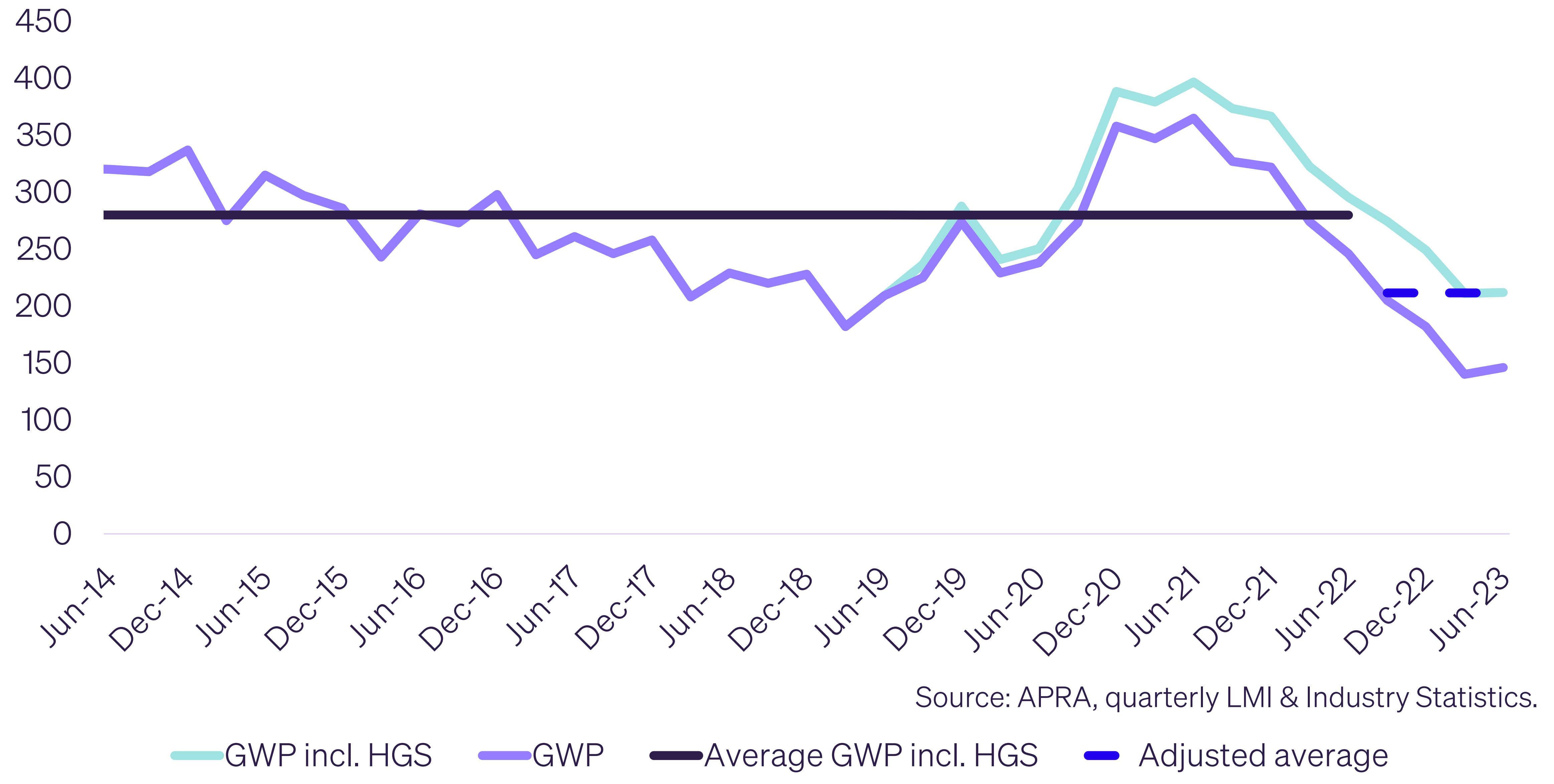
1. Seasonally adjusted; excluding refinancing. Series to December 2023.

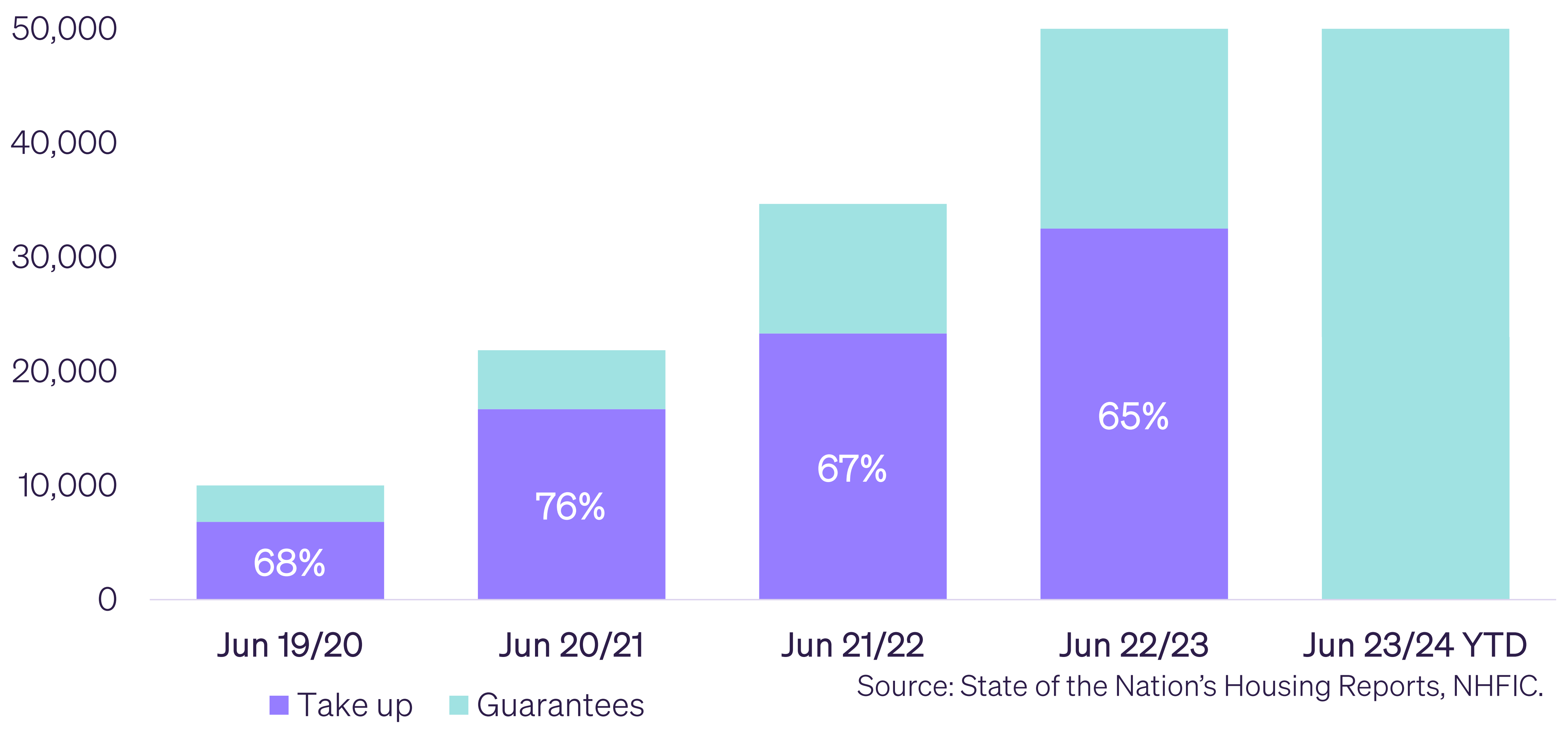
Impact of cyclical and structural factors on LMI market volumes

Industry quarterly GWP ($ millions)[1]



Source: APRA, quarterly LMI & Industry Statistics.

Government Guarantees allocated and take up



Source: State of the Nation's Housing Reports, NHFIC.

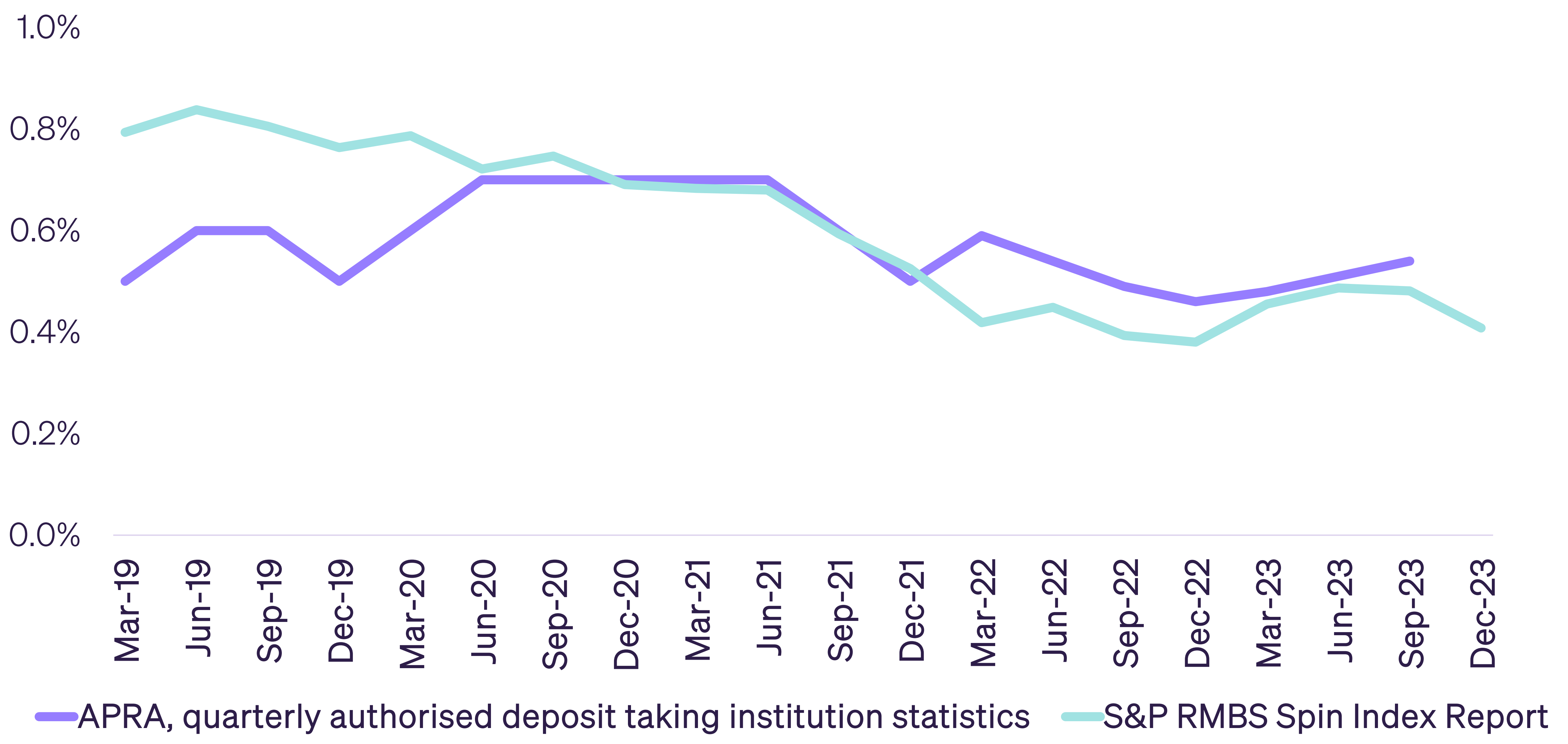
FY23 commentary:

- Fall in high LVR lending has reduced LMI industry GWP to below long term average levels
- Lender LMI waivers and retention of risk have also impacted LMI market growth
- Current Home Guarantee Scheme is estimated to have reduced the addressable market by ~$250m per annum

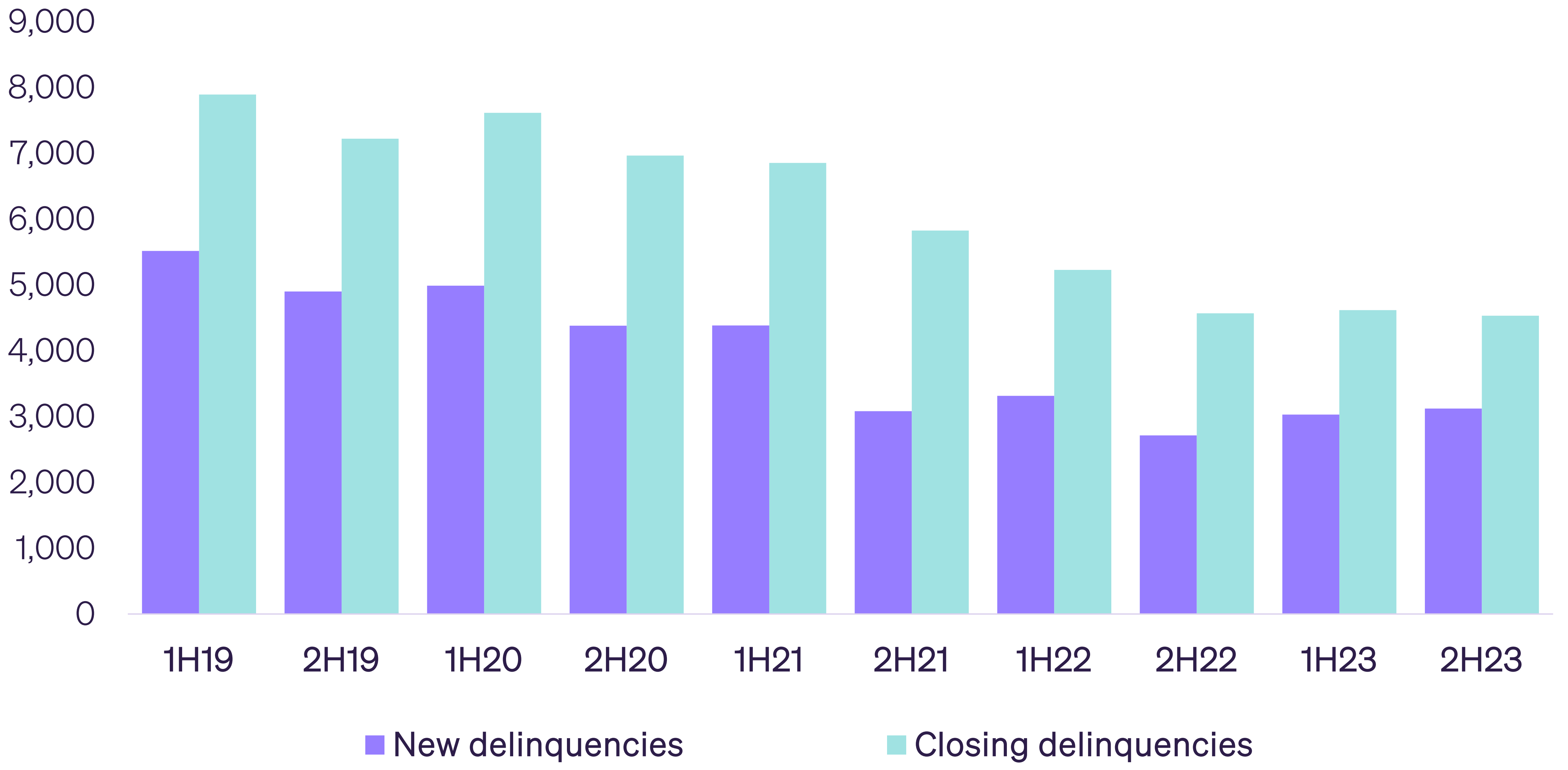
1. GWP incl. Home Government Scheme (HGS) includes average GWP per industry policy x number of guarantee placements taken up.

Delinquencies remain very low

Industry 90+ day arrears



Helia delinquencies (number of)



FY23 commentary:

- Modest increases in industry mortgage arrears to date
- New delinquencies up 2% on pcp and remain very low
- Closing delinquencies flat on pcp, and remain at historically low levels

Leading partner of choice for flexible home ownership solutions

Home loan lenders

Top 10[1]		
1.	CBA	Helia
2.	WBC	Peer 2
3.	NAB	Peer 1
4.	ANZ	Captive
5.	MQG	Self-insured
6.	BOQ	Helia
7.	BEN	Helia
8.	ING	Helia
9.	SUN	Peer 1
10.	HSBC	Peer 1

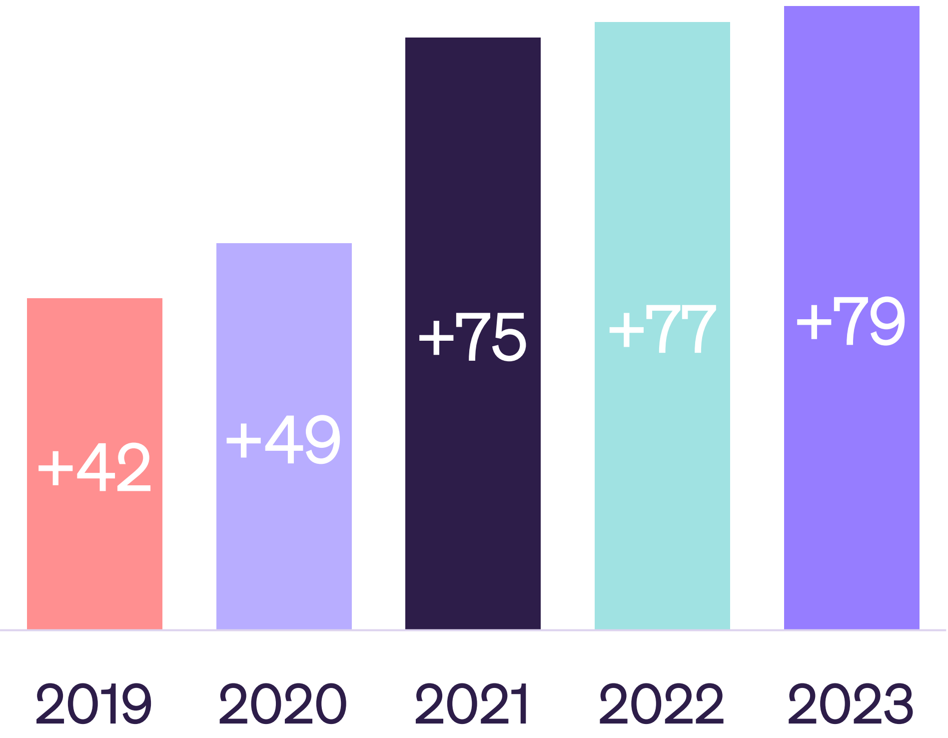
Wins

Great Southern Bank

Renewals

4

Net promoter score (NPS)[2]

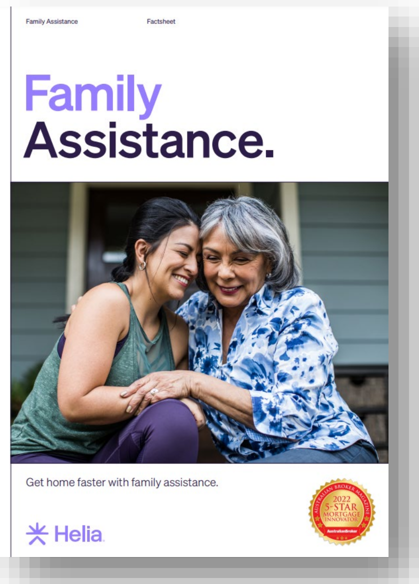


Lender interface

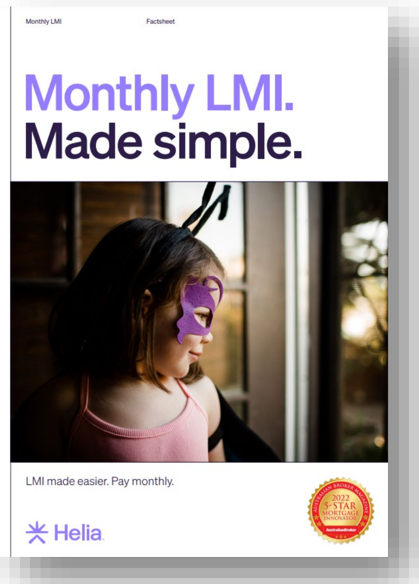
- APIs
- Onboarding
- DUA

Home buyers

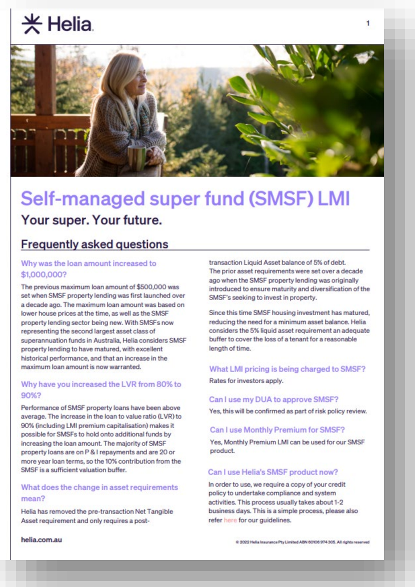
Family Assistance



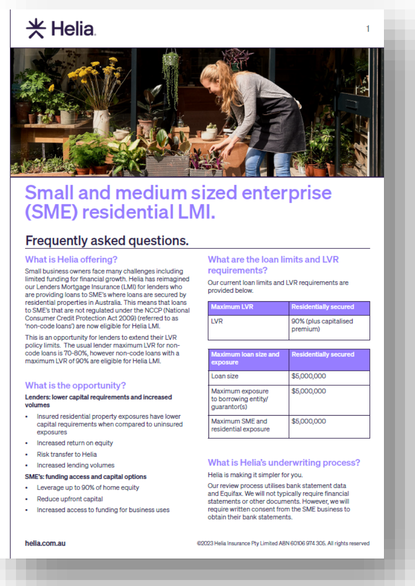
Monthly



SMSF



SME Residential



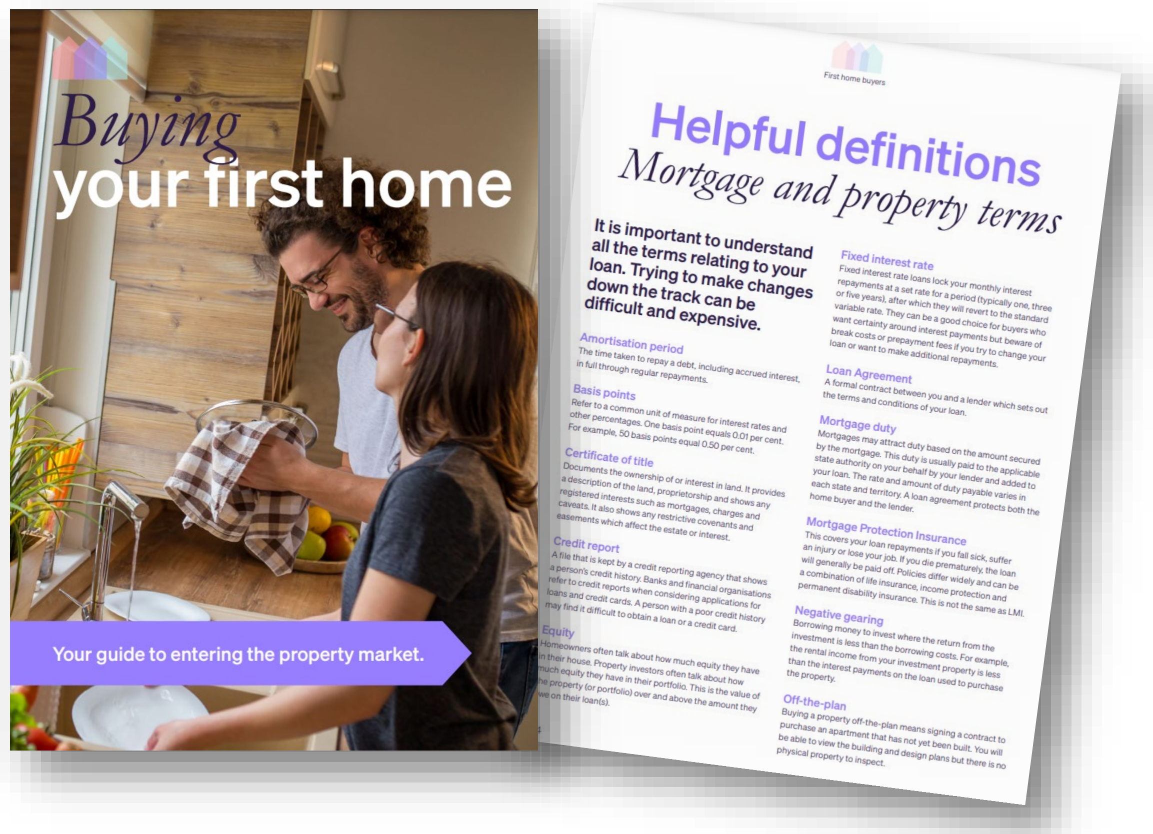
Partnerships[3]

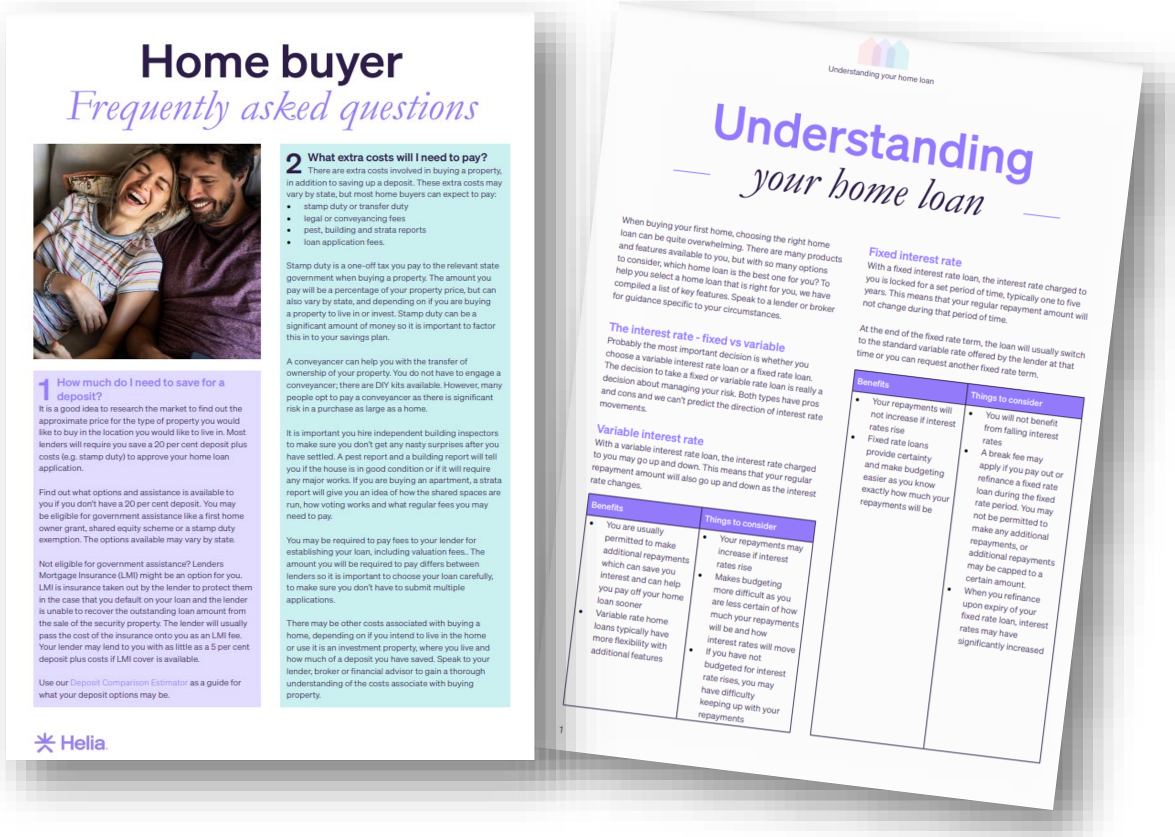
Household Capital | Tiimely

Improving broker and borrower education

First home buyer resources

Case studies



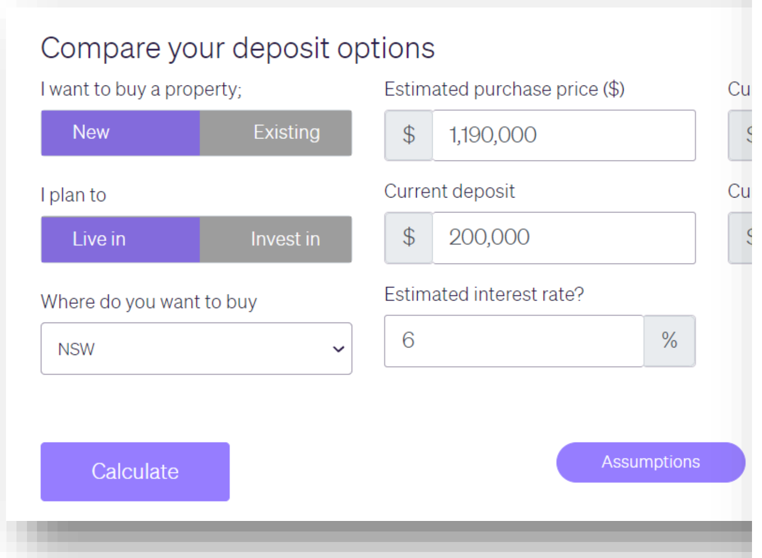


it's my home

Annual lifestyle and educational magazine

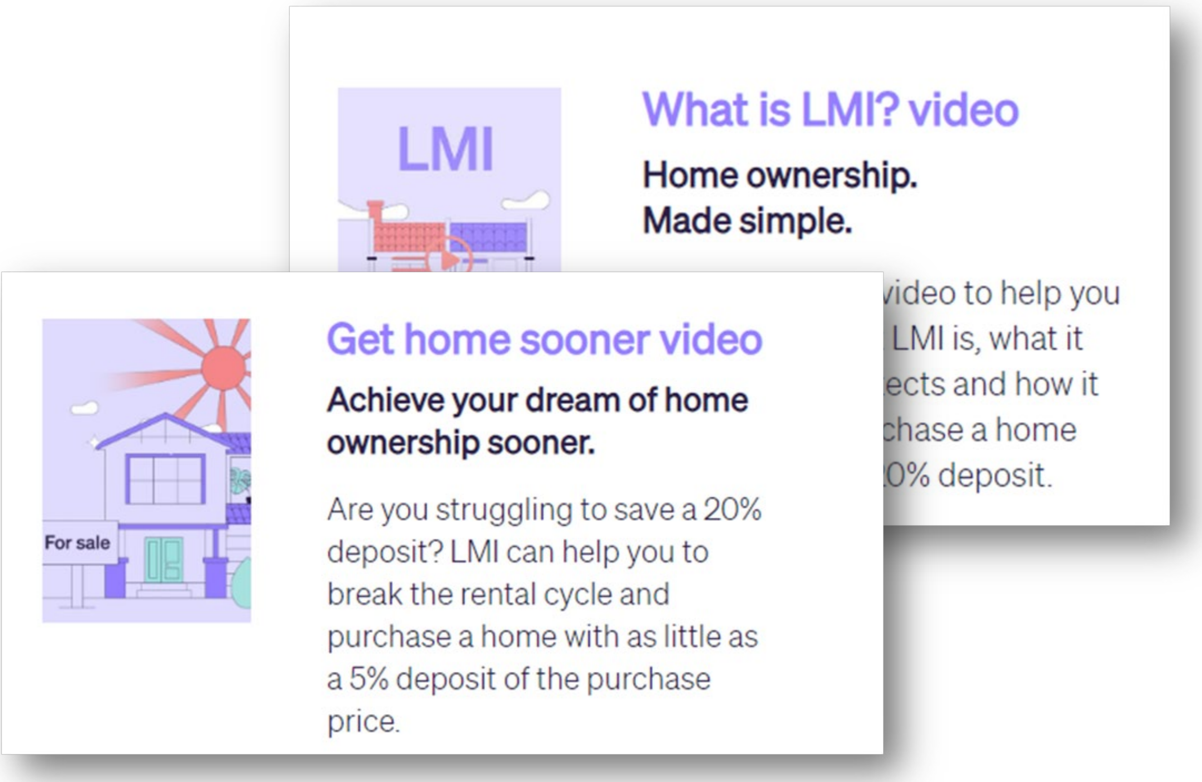
LMI education

Deposit estimators and resources



Infographics

Videos



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Progress on sustainability commitments

Driving financial wellbeing & housing accessibility

- 42,641 home buyers helped into homes
- 9,064 hardships supported keeping people in homes

Enhancing climate resilience

- Achieved 100% net zero commitment for Scope 1 & 2 emissions
- Using data to understand impact of climate on mortgage risk

Demonstrating good corporate citizenship

- Greater than 40% women in leadership and achieved gender pay equity
- 2023 engagement score in top quartile of financial services industry

Capital management

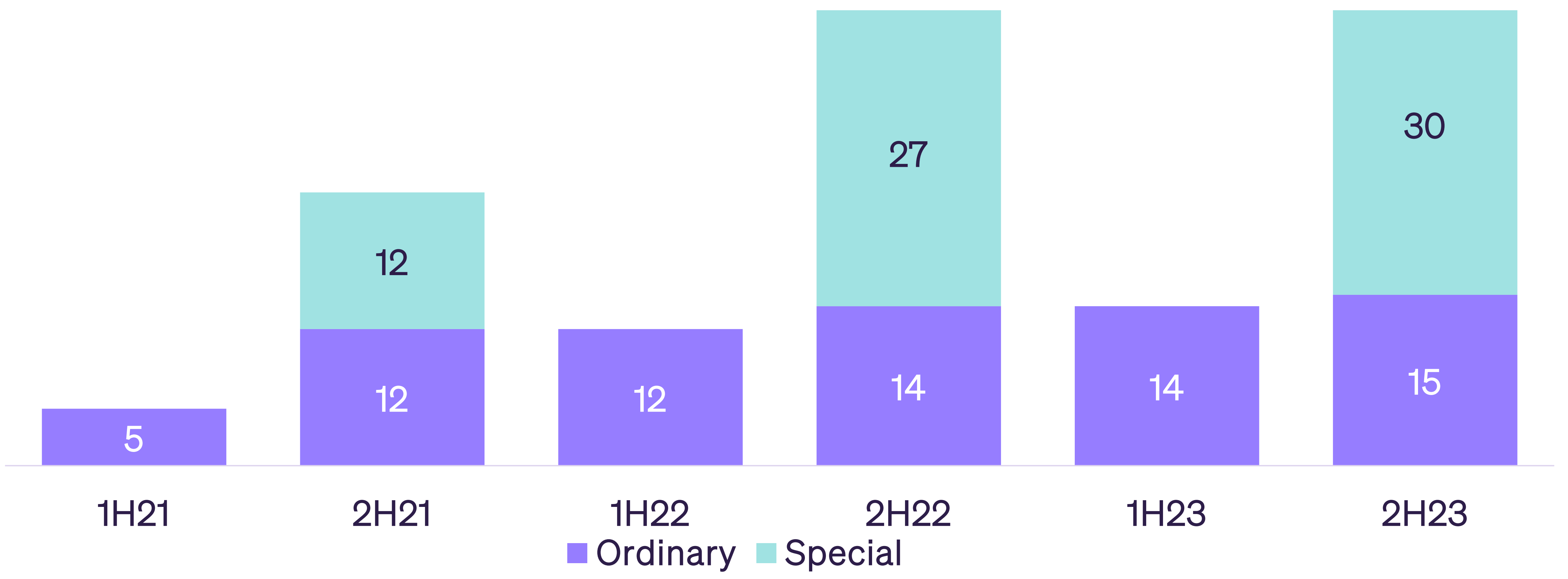
Principles

- Deploy capital at attractive returns for shareholders
- Return to and then operate within Board target range of 1.40 – 1.60x PCA over time
- Target stable fully franked ordinary dividend
- Declare special dividends and conduct buy-backs to return excess capital

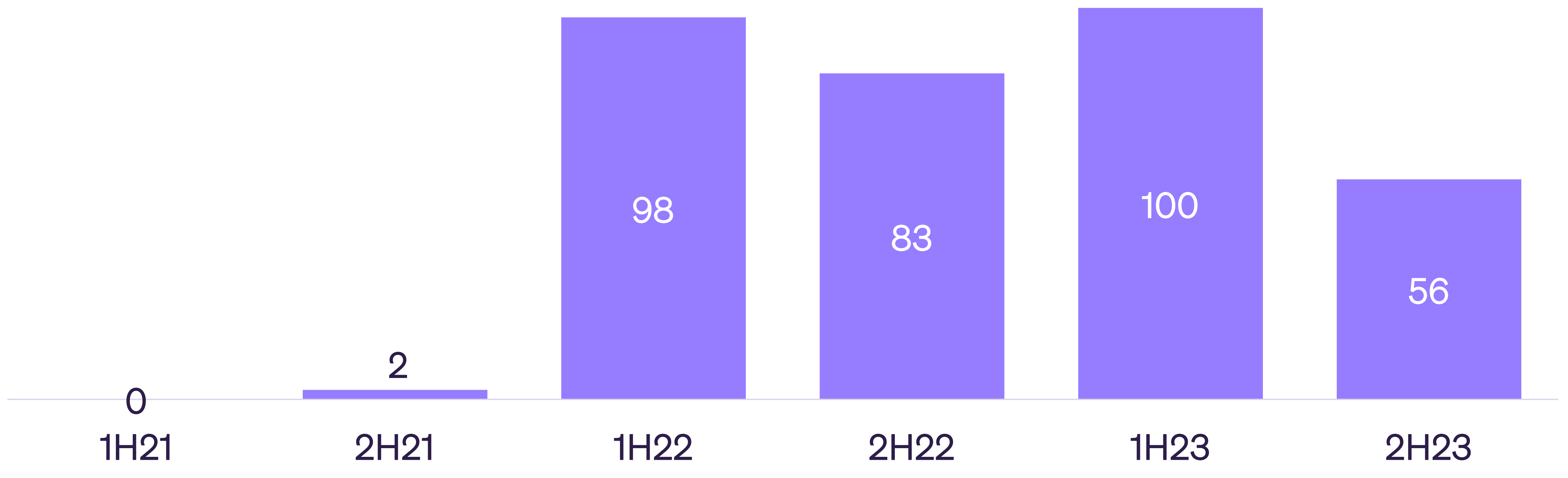
FY23 initiatives

- PCA coverage ratio of 1.86x, above Board targeted range[1]
- Final FY23 ordinary dividend of 15cps fully franked and special dividend of 30cps unfranked due to one-off impact of a change in tax legislation to align with AASB 17
- Completed $156m of on-market share buy-backs (13.4% of shares on issue)

Dividend per share (cps)



On-market buy-backs ($ millions)



1. Pro forma of 1.67x assuming completion of announced year-end dividends and on-market share buy-back.

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FY23 Financial results

Michael Cant

Chief Financial Officer

2

Income Statement

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23	FY23 v FY22 (%)
Insurance revenue	216.2	251.4	467.7	219.8	207.4	427.3	(8.6)
Total incurred claims	8.0	(6.3)	1.7	40.9	26.3	67.2	N.M.[1]
Other insurance service expenses	(50.3)	(57.8)	(108.1)	(45.9)	(48.9)	(94.7)	(12.3)
Net expense from reinsurance contracts	(31.5)	(28.9)	(60.5)	(20.1)	(21.3)	(41.3)	(31.7)
Insurance service result	**142.4**	**158.4**	**300.8**	**194.8**	**163.6**	**358.4**	**19.1**
Net investment revenue / (loss)[2]	(142.2)	57.7	(84.5)	65.3	105.5	170.8	N.M.
Net finance (expense) / income from insurance and reinsurance contracts	95.2	7.3	102.4	(28.6)	(60.7)	(89.3)	N.M.
Net financial result	**(47.0)**	**65.0**	**17.9**	**36.7**	**44.8**	**81.5**	**N.M.**
Other operating expenses	(9.5)	(10.9)	(20.4)	(9.9)	(9.0)	(19.0)	(7.3)
Financing costs	(5.2)	(7.4)	(12.6)	(8.3)	(9.3)	(17.6)	39.7
Share of loss of equity-accounted investees, net of tax	-	(1.1)	(1.1)	(2.5)	(2.4)	(4.9)	N.M.
Impairment of equity-accounted investees	-	-	-	-	(3.6)	(3.6)	-
Profit before income tax	**80.7**	**204.0**	**284.6**	**210.7**	**184.2**	**394.9**	**38.7**
Income tax expense	(22.9)	(60.5)	(83.4)	(63.3)	(56.6)	(119.8)	43.6
Statutory net profit after tax	**57.7**	**143.4**	**201.2**	**147.5**	**127.6**	**275.1**	**36.7**
Underlying net profit after tax	**104.0**	**128.5**	**232.6**	**137.2**	**110.5**	**247.7**	**6.5**
Statutory diluted EPS	**14.4**	**39.2**	**52.6**	**43.6**	**41.0**	**84.7**	**61.3**
Underlying diluted EPS	**26.0**	**35.1**	**60.8**	**40.6**	**35.5**	**76.3**	**25.5**

FY23 commentary:

- Insurance revenue down on pcp due to lower in-force volumes
- Total incurred claims were negative driven by good experience flowing through to lower reserves
- Net investment revenue well up on pcp due to higher interest and dividend income and mark to market investment gains (losses in pcp)
- Net finance (expense) / income primarily reflects impact of interest rates used to value insurance liabilities
- Statutory NPAT higher than underlying NPAT mainly due to unrealised gains on the shareholder funds investment portfolio

Note: Totals may not sum due to rounding.
1. N.M. Not Meaningful (increases or decreases greater than 100%).
2. Investment revenue net of investment expenses.

Insurance revenue

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Expected insurance service expenses incurred	84.4	88.3	172.7	76.0	88.1	164.1
Risk adjustment recognised in revenue	25.3	26.3	51.5	23.9	25.1	49.1
Premium experience variations	(4.5)	16.5	12.0	13.5	(0.1)	13.4
CSM recognised in profit or loss	77.7	86.7	164.4	73.1	65.8	138.8
Share of premium for acquisition costs	33.3	33.7	67.1	33.3	28.6	61.9
Total insurance revenue	216.2	251.4	467.7	219.8	207.4	427.3

Ratios[1]

(% LRC balance)	1H22	2H22	FY22	1H23	2H23	FY23
Expected incurred recognition proportion	20.0	22.2	21.5	21.3	27.4	24.1
Risk adjustment recognition proportion	25.8	28.0	27.6	27.4	31.1	29.6
CSM recognition proportion	21.1	25.6	22.7	22.1	19.8	20.8

FY23 commentary:

- Insurance revenue down 9% on pcp
- Expected incurred component is lower reflecting a lower LRC from book run off
- CSM recognised is lower as new business volumes have not compensated for back book run off

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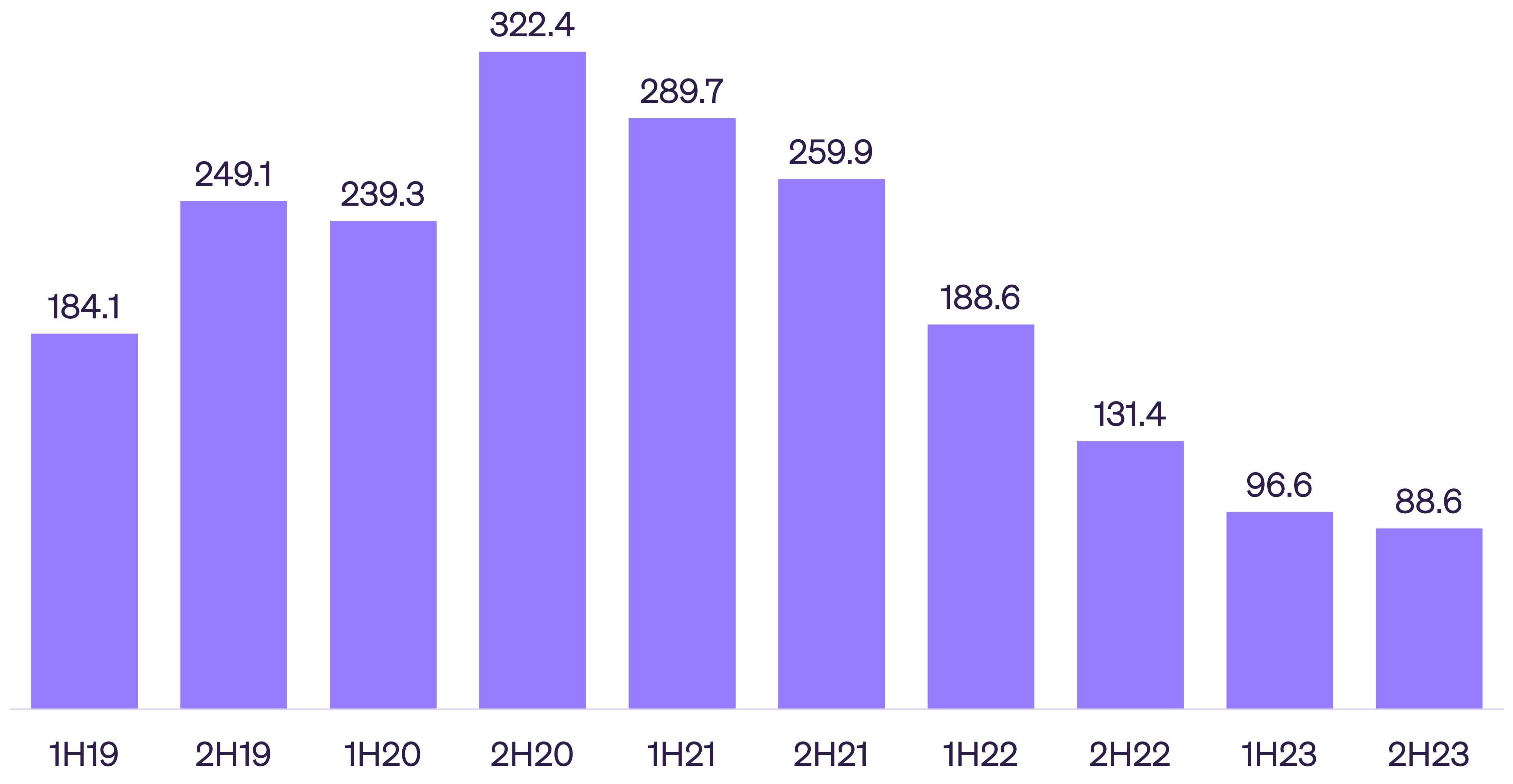
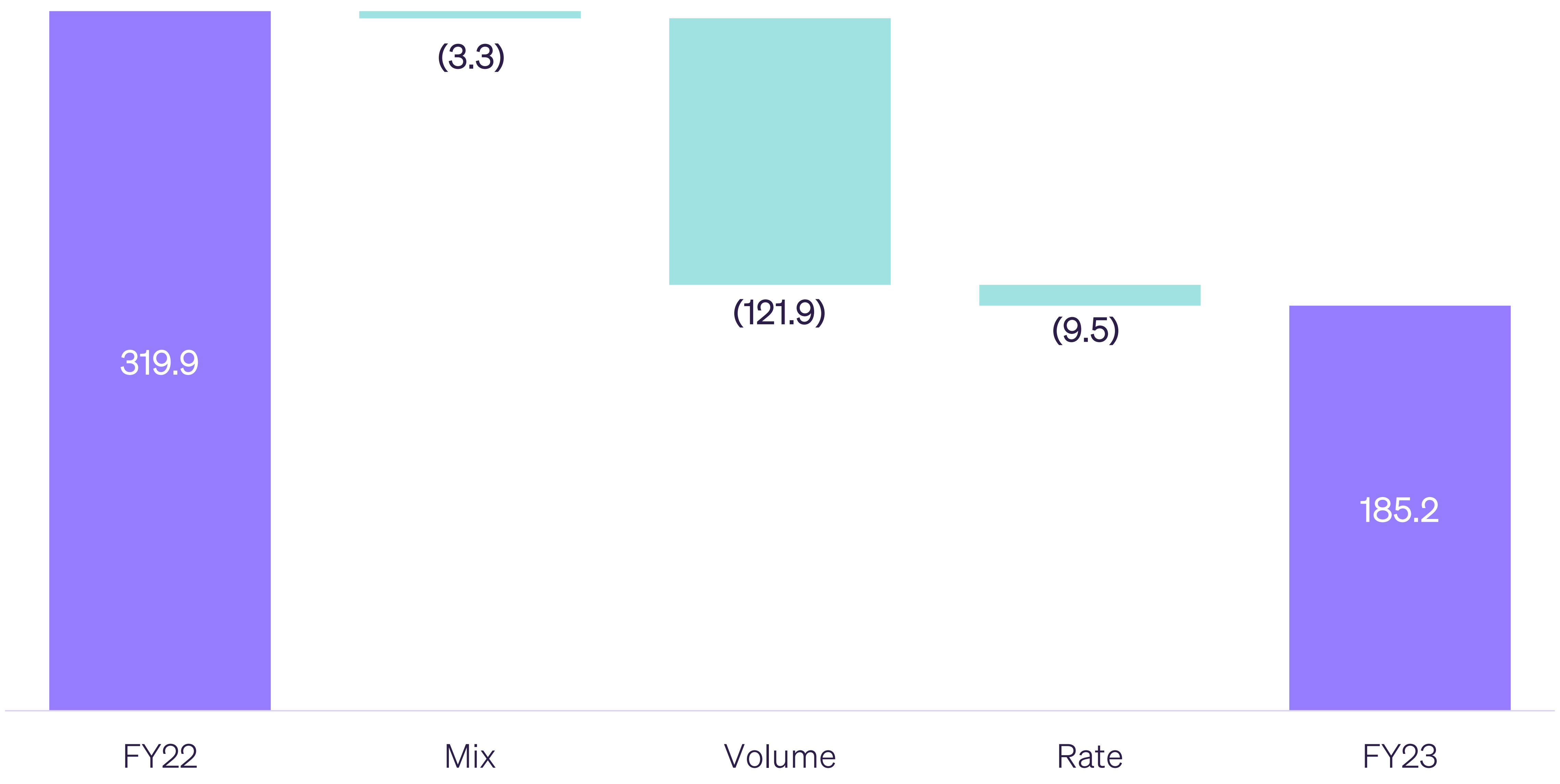
Note: Totals may not sum due to rounding.
1. For calculation refer to glossary.

Gross written premium (GWP)

GWP ($ millions)



GWP walk ($ millions)



FY23 commentary:

- GWP was down 42% on pcp, reflecting lower industry lending volumes and the impacts of Government Schemes
- The proportion of CBA high LVR loans insured by Helia averaged ~60% in FY23 and is expected to continue to reduce toward the lower end of the contractual 50-70% range
- Minor impacts from mix and rate

Note: Totals may not sum due to rounding.

Insurance service expense

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Incurred claims from current period	38.0	22.6	60.7	44.7	19.9	64.6
Changes to liabilities for prior incurred claims	(46.0)	(16.4)	(62.4)	(85.6)	(46.2)	(131.8)
Total incurred claims	(8.0)	6.3	(1.7)	(40.9)	(26.3)	(67.2)
Insurance expenses	20.8	24.6	45.4	22.2	27.0	49.2
Amoritisation of insurance acquisition cash flows	33.3	33.7	67.1	33.3	28.6	61.9
Onerous contract losses / (reversals)	(3.8)	(0.5)	(4.3)	(9.6)	(6.8)	(16.3)
Insurance service expense	42.3	64.0	106.4	5.0	22.5	27.5

Ratios[1]

(% gross insurance revenue)	1H22	2H22	FY22	1H23	2H23	FY23
Current period incurred claims	17.6	9.0	13.0	20.3	9.6	15.1
Total incurred claims	(3.7)	2.5	(0.4)	(18.6)	(12.7)	(15.7)
Total insurance expense	25.0	23.2	24.0	25.2	26.8	26.0

FY23 commentary:

- Insurance service expense down 74% driven by a substantial benefit from the change in liabilities for prior incurred claims
- Incurred claims from current period remain light
- Benefit from onerous contract reversals, largely due to amortisation of past losses in respect of 2008-2013 cohorts

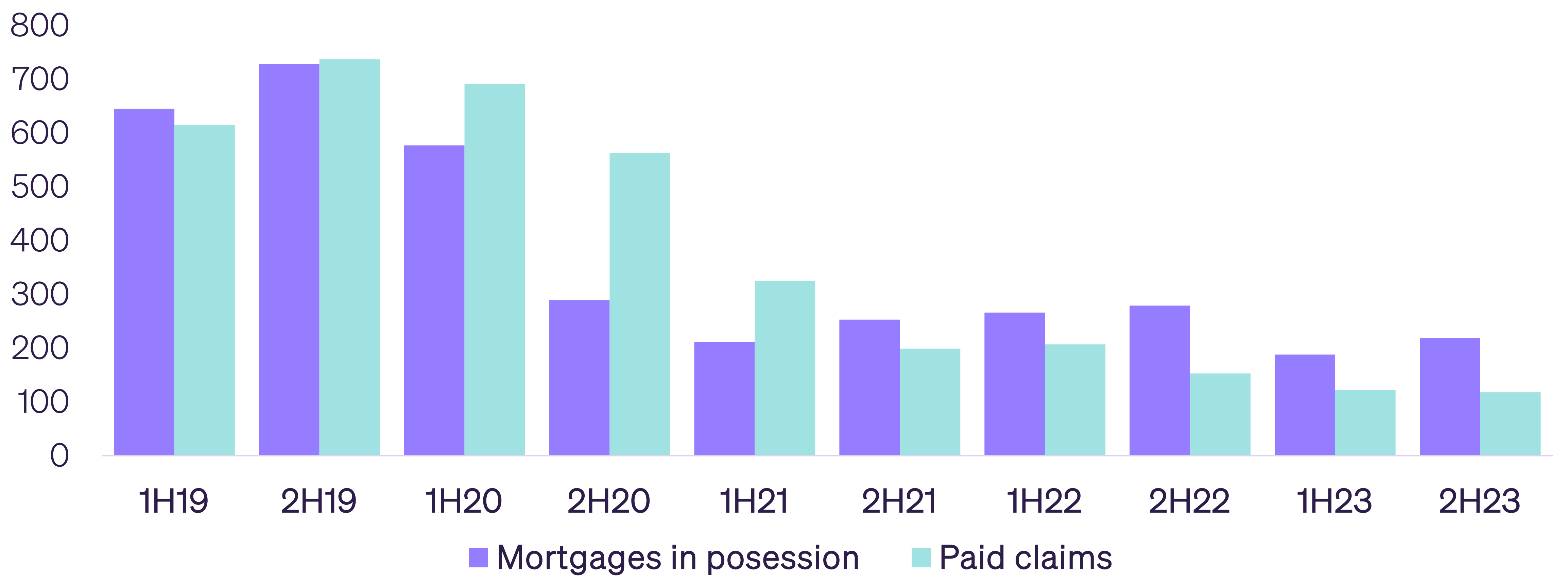
Note: Totals may not sum due to rounding.
1. For calculation refer to glossary.

Claims paid and delinquencies

FY23 commentary:

- Number of paid claims down 33% on pcp and the number of MIPs fell 22%
- New and closing delinquencies remain at low levels
- Policies in negative equity remain at historic low of 1.0%

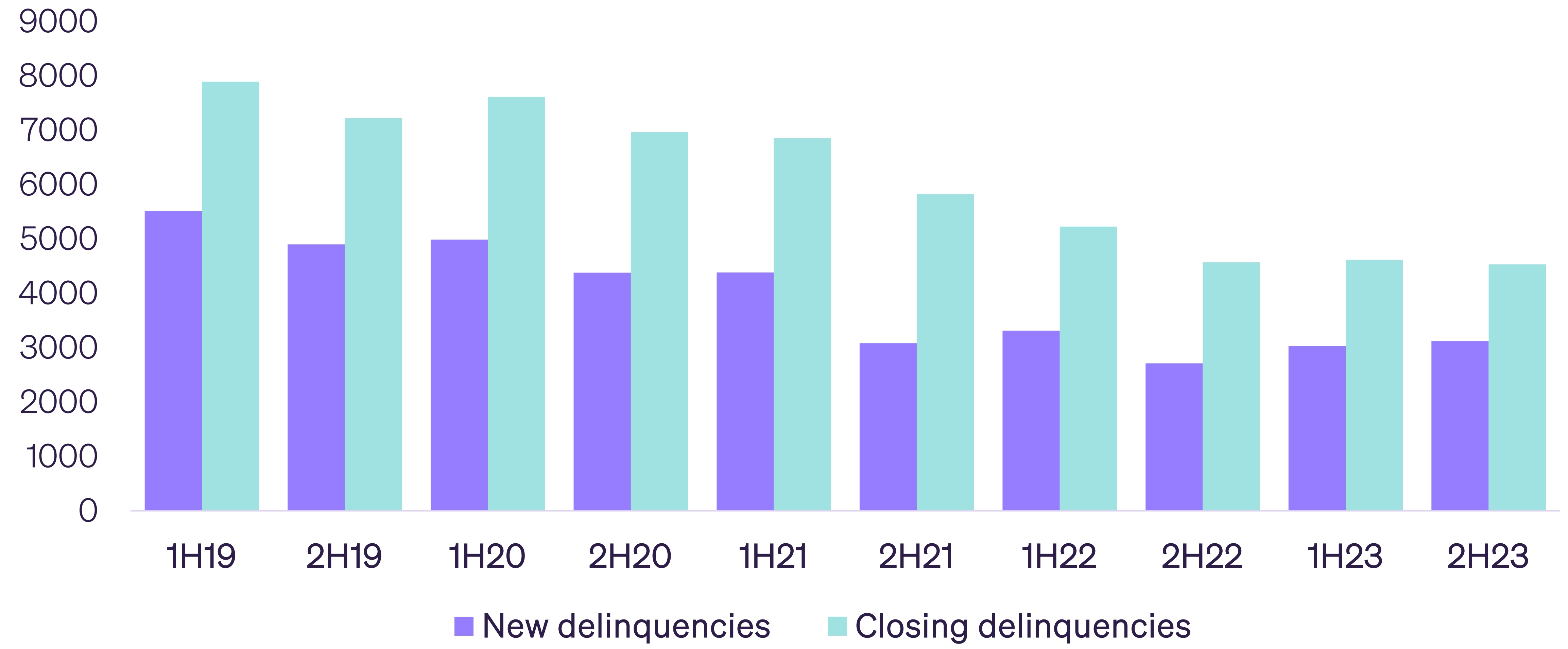
Mortgages in possession and paid claims (number of)



Claims paid

($ millions unless otherwise stated)	1H22	2H22	FY22	1H23	2H23	FY23
Number of paid claims	207	153	360	122	118	240
Number of MIPs	266	279	279	188	219	219
Average paid claim exc. CHE ($'000)	53.3	78.6	64.0	77.2	74.7	75.9
Claims handling expenses	3.3	4.1	7.4	3.6	3.4	7.0
Net claims paid	14.3	16.1	30.4	13.0	12.2	25.2

Delinquencies (number of)



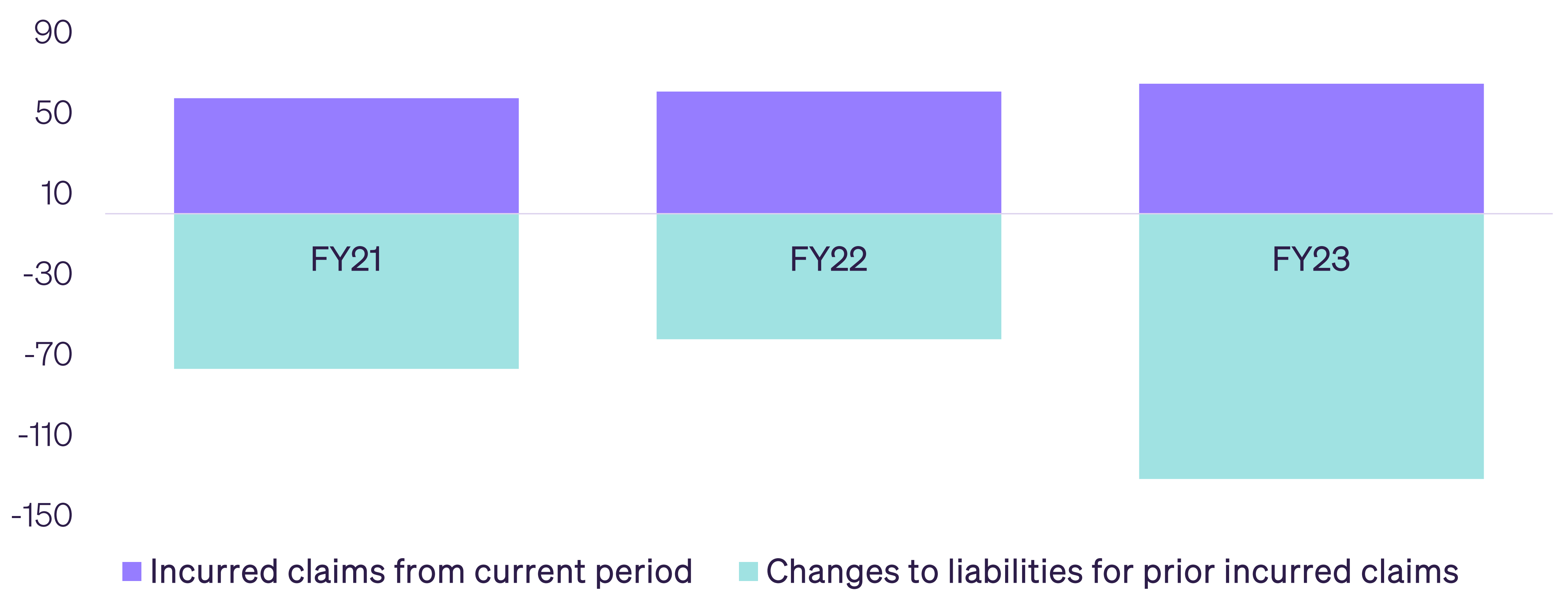
Note: Totals may not sum due to rounding.

Incurred claims

FY23 commentary:

- Current period incurred claims remain well below long term historical levels
- Large benefit from changes to liabilities for prior incurred claims due to:
  - High cancellations (refinancing) and sold no claims (strong dwelling values)
  - Favourable net ageing (strong employment levels and wage growth)
  - Changes to the reserving basis

Composition of total incurred claims ($ millions)



($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Opening LIC balance	437.2	399.3	437.2	386.7	336.8	386.7
Incurred claims from current period	38.0	22.6	60.7	44.7	19.9	64.6
Changes to liabilities for prior incurred claims	(46.0)	(16.4)	(62.4)	(85.6)	(46.2)	(131.8)
Insurance finance expenses - LIC	(15.6)	(2.8)	(18.4)	4.1	9.5	13.6
Claims paid	(14.3)	(16.1)	(30.4)	(13.0)	(12.2)	(25.2)
Closing LIC balance	399.3	386.7	386.7	336.8	307.9	307.9

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Incurred claims for current period (A)	38.0	22.6	60.7	44.7	19.9	64.6
Sold no claim / cancellations[1]				(38.7)	(32.9)	(71.6)
Net ageing[1]				(16.7)	(1.5)	(18.2)
Paid claims gap vs. reserves	1.4	1.5	2.8	(2.4)	(1.7)	(4.0)
Impact of experience for the period	(57.8)	(2.4)	(60.2)	(57.8)	(36.0)	(93.8)
Basis changes	11.8	(14.0)	(2.2)	(27.8)	(10.2)	(38.0)
Changes to liabilities for prior incurred claims (B)	(46.0)	(16.4)	(62.4)	(85.6)	(46.2)	(131.8)
Total incurred claims (A+B)	(8.0)	6.3	(1.7)	(40.9)	(26.3)	(67.2)

Note: Totals may not sum due to rounding.
1. Sold no claim / cancellation and ageing reserve movements split not available for FY22 due to the introduction of a new actuarial reserving model.

Insurance service result

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Contractual service margin recognised	77.7	86.7	164.4	73.1	65.7	138.8
Risk adjustment recognised in revenue	25.3	26.3	51.5	23.9	25.2	49.1
Net expense from reinsurance contracts	(31.5)	(28.9)	(60.5)	(20.1)	(21.2)	(41.3)
Expected insurance service result	71.4	84.0	155.4	77.0	69.6	146.6
Variations in incurred claims from current period	32.3	48.1	80.4	26.5	49.6	76.1
Changes to liabilities for prior incurred claims	46.0	16.4	62.4	85.6	46.2	131.8
Other	(2.9)	(6.4)	(9.4)	(7.8)	(1.7)	(9.5)
Premium experience variations	(4.5)	16.5	12.0	13.5	(0.1)	13.4
Experience variations[1]	71.0	74.5	145.4	117.8	94.0	211.8
Insurance service result	142.4	158.4	300.8	194.8	163.6	358.4

Ratios[2]

(% insurance revenue)	1H22	2H22	FY22	1H23	2H23	FY23
Expected insurance service result	33.0	33.4	33.2	35.0	33.6	34.3

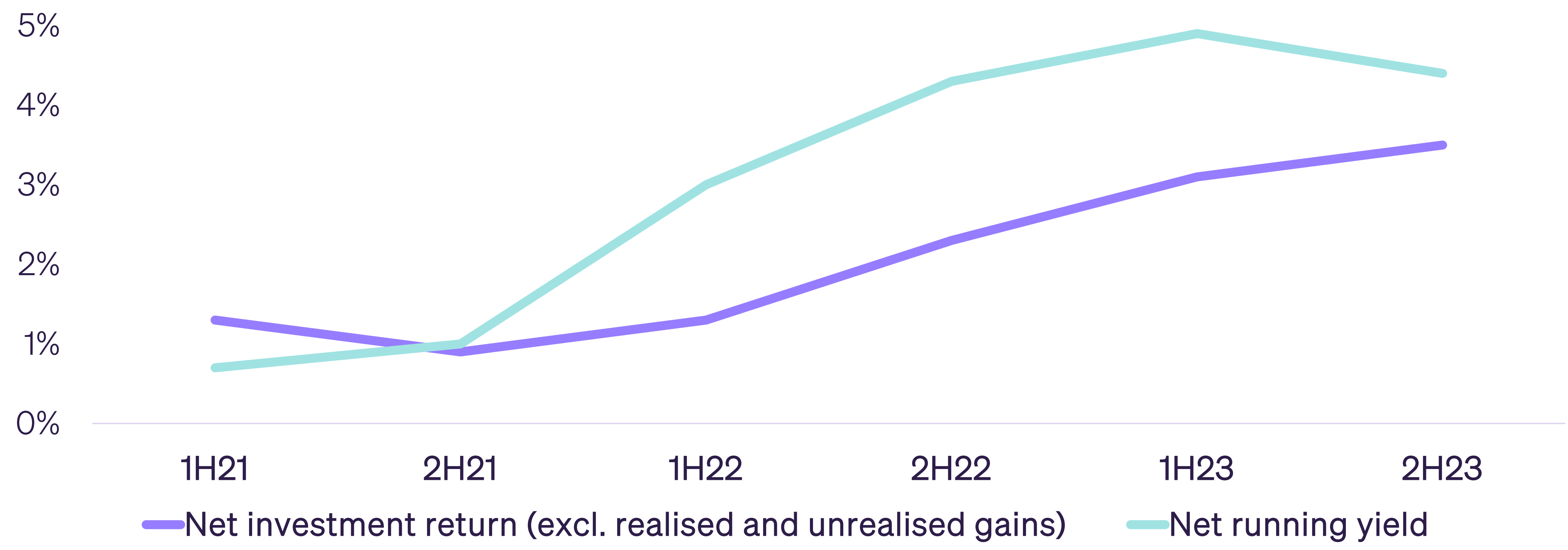
FY23 commentary:

- Experience variations were a net benefit of $212m for the period, largely due to claims experience
- Total new incurred claims were $76m lower than expected and $132m benefit from prior incurred claims
- Premium experience variations reflect lower premium credits than expected given subdued top-up volumes

Note: Totals may not sum due to rounding.
1. Includes changes in current incurred, prior incurred, and future incurred contracts which are onerous.
2. For calculation refer to glossary.

Net investment revenue / (loss)

Annual return on total investments



FY23 commentary:

- Interest and dividend income up due to higher average interest rates during the period
- Unrealised gains reflect mark to market movements mainly in 2H23 due to falling bond rates
- Interest and dividend income return increasing towards closing net running yield of 4.4%

Net investment revenue

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Interest income and dividend income	24.9	39.3	64.2	50.2	53.5	103.8
Realised and unrealised gains / (losses)	(165.1)	19.2	(145.9)	16.4	53.3	69.7
investment revenue	(140.2)	58.6	(81.6)	66.6	106.9	173.4
Investment expense	(2.0)	(0.9)	(2.9)	(1.3)	(1.3)	(2.7)
Net investment revenue (expense)	(142.2)	57.7	(84.5)	65.3	105.5	170.8
Investment revenue (expense) on technical funds	(93.0)	8.4	(84.6)	20.8	40.9	61.8
Net investment revenue (expense) on shareholder funds	(49.2)	49.3	0.1	44.5	64.6	109.0
Net investment return per annum	(8.0%)	3.5%	(2.4%)	4.2%	7.1%	5.5%
Net running yield per annum	3.0%	4.3%	4.3%	4.9%	4.4%	4.4%

Note: Totals may not sum due to rounding.

Net insurance finance (expense) / income

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Interest accreted to liabilities	(6.6)	(11.0)	(17.6)	(28.5)	(32.7)	(61.2)
Changes in interest rates	101.4	18.2	119.6	(0.3)	(28.3)	(28.7)
Insurance finance income / (expense)	94.9	7.2	102.1	(28.8)	(61.1)	(89.9)
Reinsurance finance income	0.3	0.1	0.3	0.3	0.4	0.6
Net insurance and reinsurance finance (expense) / income	95.2	7.3	102.4	(28.6)	(60.7)	(89.3)

FY23 commentary:

- Interest accreted rose due to the unwind of higher discount rates
- Net finance (expense) / income incorporates the effects of higher discount rates on insurance liabilities and largely offsets impact of changing interest rates on the assets backing technical funds

Interest rate sensitivity analysis

Change in discount rate	($ millions)		
	Financial assets[1]	Liabilities	Net
+1.0%	(76.6)	(44.0)	(32.6)
-1.0%	76.6	46.4	30.3

Note: Totals may not sum due to rounding.
1. Including bond futures.

Balance Sheet

($ millions)	31 Dec 22	30 Jun 23	31 Dec 23
Assets			
Cash	23.8	29.0	57.0
Accrued investment income	21.8	23.9	26.7
Financial assets (including derivatives)	3,240.0	2,970.8	2,907.6
Equity-accounted investees	27.4	24.9	19.0
Deferred tax assets (DTA)	124.7	127.4	148.5
Goodwill and intangibles	12.1	11.2	10.6
Other assets	11.2	17.5	33.7
Total assets	3,461.0	3,204.8	3,203.2
Liabilities			
Liability for remaining coverage[1]	1,599.9	1,505.6	1,434.2
Liability for incurred claims	386.7	336.8	307.9
Insurance and reinsurance contract liabilities	1,986.6	1,842.4	1,742.1
Other payables	73.0	53.3	123.0
Employee benefits provision	7.1	7.6	7.6
Interest bearing financial liabilities	188.7	188.9	189.2
Total liabilities	2,255.3	2,092.3	2,061.9
Net assets	1,205.7	1,112.5	1,141.4
Book value per share	3.47	3.52	3.79
Net tangible assets per share	3.44	3.49	3.76

FY23 commentary:

- Cash and financial assets are down pcp due to the payment of the dividends and the on-market share buy-back
- DTA largely represents tax impact of timing differences in the accounting liabilities. DTA is expected to reduce with new tax legislation and offset by a corresponding reduction in current tax payable
- Insurance contract liabilities fell due to:
  - Lower LRC from the run-off on the back book exceeding new business
  - Lower LIC due to number and mix of delinquencies, and a some changes in reserving basis

Note: Totals may not sum due to rounding.
1. Net of assets for insurance acquisition cash flows.

Cash and financial assets

($ millions)	31 Dec 22	%	30 Jun 23	%	31 Dec 23	%
Commonwealth[1]	476.1	35.8	377.3	31.4	360.8	32.1
State Gov't	436.0	32.8	427.1	35.5	404.4	36.0
Corporate / other	379.9	28.5	371.7	30.9	304.2	27.1
Cash & short term deposits	39.0	2.9	26.9	2.2	53.4	4.8
Technical funds	1,331.2	100.0	1,203.0	100.0	1,122.8	100.0
Corporate / other	1,404.0	72.6	1,324.4	73.7	1,363.6	74.0
Cash & short term deposits	120.0	6.2	60.0	3.3	83.9	4.6
Equities	208.1	10.8	215.2	12.0	187.0	10.2
Unlisted infrastructure	191.4	9.9	195.4	10.9	197.1	10.7
Derivatives	9.1	0.5	1.9	0.1	10.5	0.6
Shareholder funds	1,932.7	100.0	1,796.9	100.0	1,841.9	100.0
Total cash and financial assets	3,263.8	100.0	2,999.8	100.0	2,964.7	100.0

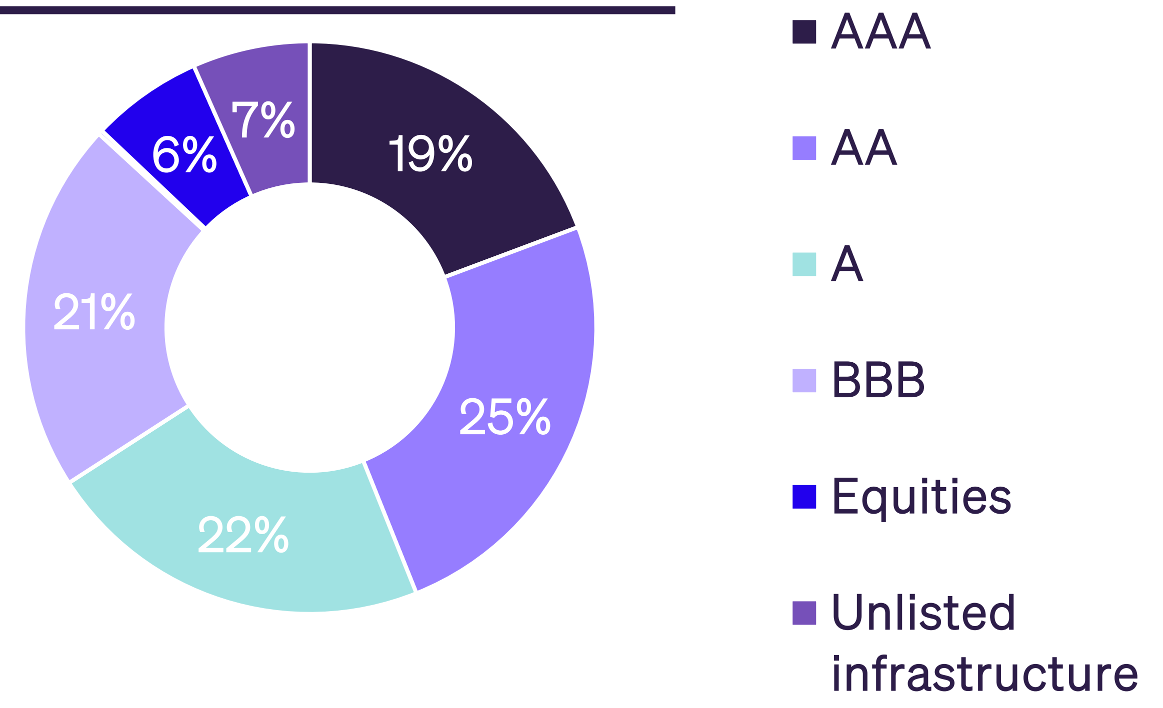
Technical funds

- Average duration 3.7 years[2]
- 100% fixed interest and cash
- Duration closely matches expected claims profile

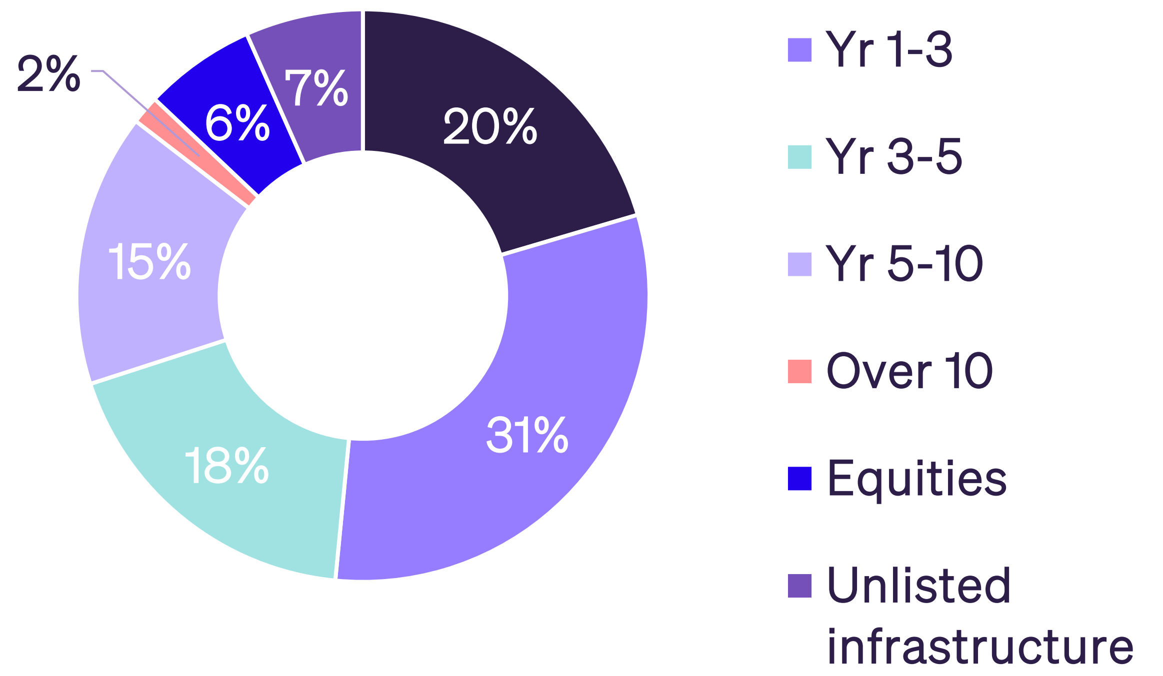
Shareholder funds

- Average duration increased from 0.7 years at FY22 to 2.4 years[2] at FY23 due to the transition of bond portfolios from floating to fixed
- Higher risk / return profile compared to technical funds

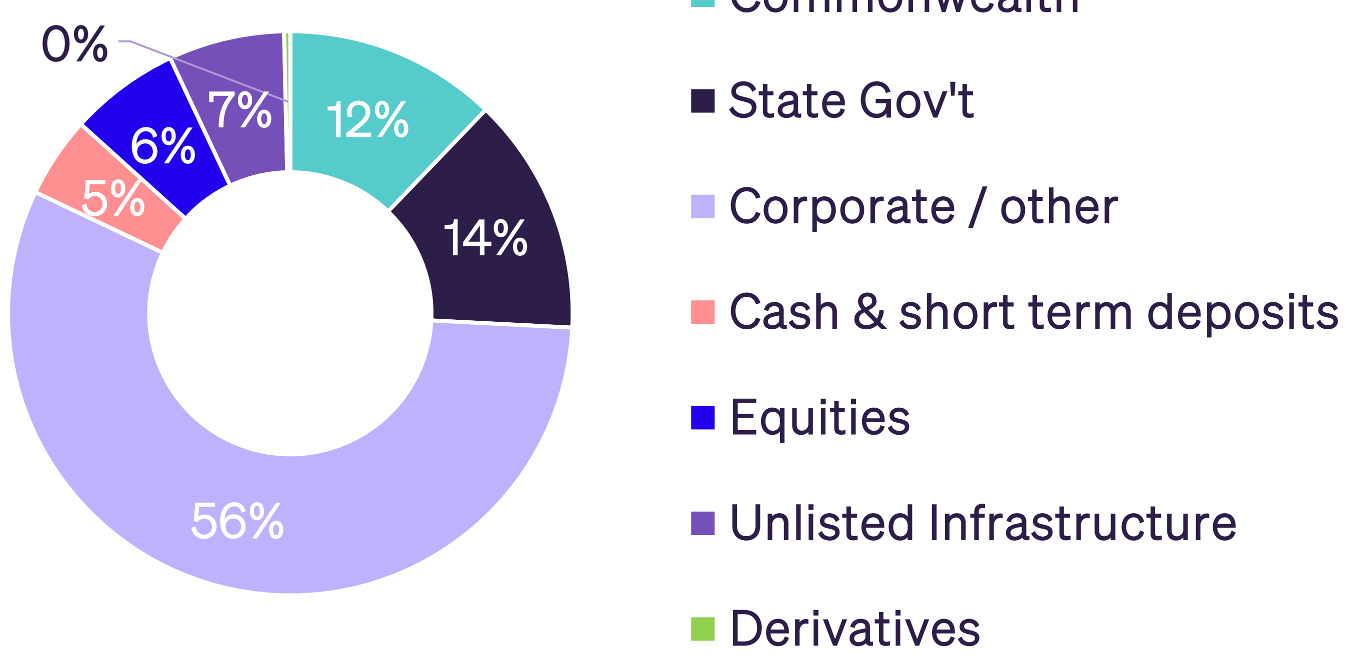
Portfolio by rating[3]



Portfolio by maturity



Portfolio by type



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Note: Totals may not sum due to rounding.
1. Includes bonds with an explicit guarantee from the Commonwealth.
2. Duration excludes equities and unlisted infrastructure but includes the effect of bond futures.
3. The ratings are the lower equivalent rating of either Standard & Poor's or Moody's using the methodology set out in APRA's prudential standard GPS 001.

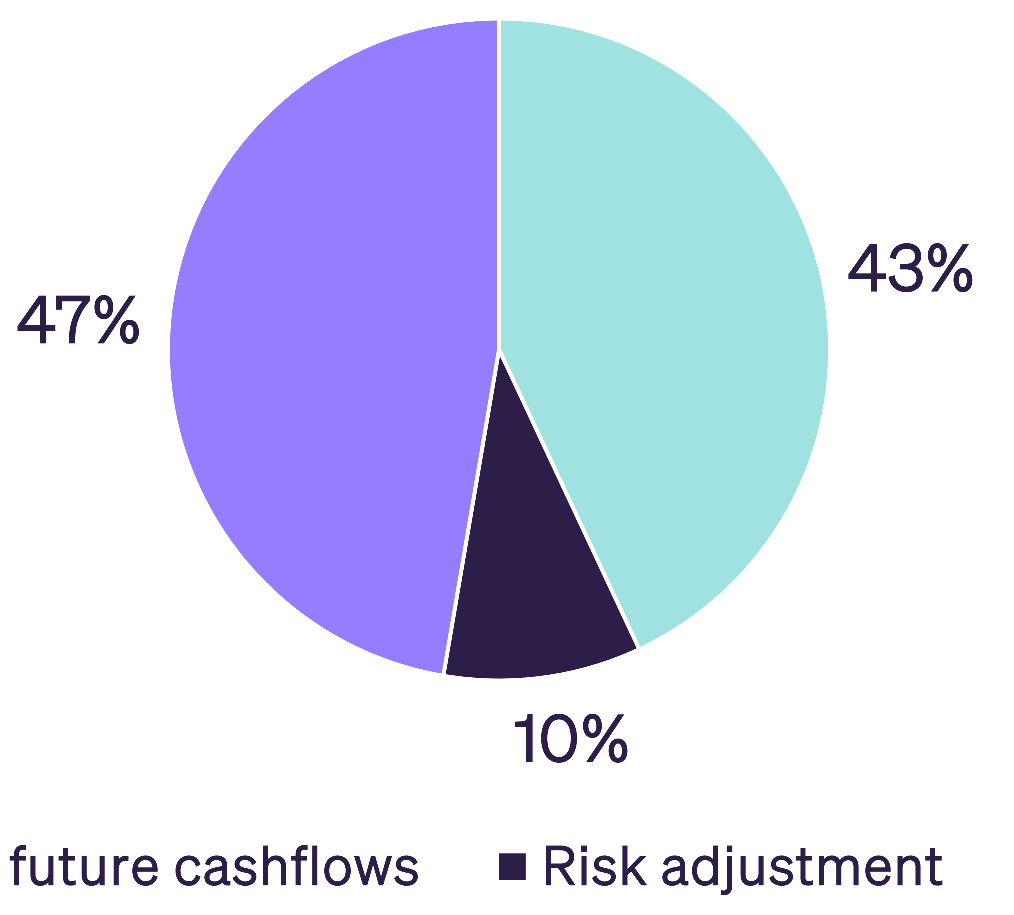
Insurance and reinsurance contract liabilities

($ millions unless otherwise stated)	31 Dec 22	30 Jun 23	31 Dec 23
PV future cashflows	755.3	675.3	608.7
Risk adjustment	178.4	170.7	153.0
Contractual service margin (CSM)	665.9	657.4	669.2
Liability for remaining coverage (LRC)	**1,599.5**	**1,503.4**	**1,431.0**
PV future cashflows	330.6	288.0	264.9
Risk adjustment	56.0	48.8	42.9
Liability for incurred claims (LIC)	**386.7**	**336.8**	**307.9**
Assets for insurance acquisition cash flows	(10.6)	(8.0)	(7.1)
Reinsurance contract liabilities	11.0	10.2	10.3
Total insurance and reinsurance contract liabilities	**1,986.6**	**1,842.4**	**1,742.1**

FY23 commentary:

- LRC fell due to lower in-force and top-up volumes
- CSM accounts for a large proportion of LRC and represents expected future profits
- LIC fell due to number and mix of delinquencies and changes in the reserving basis

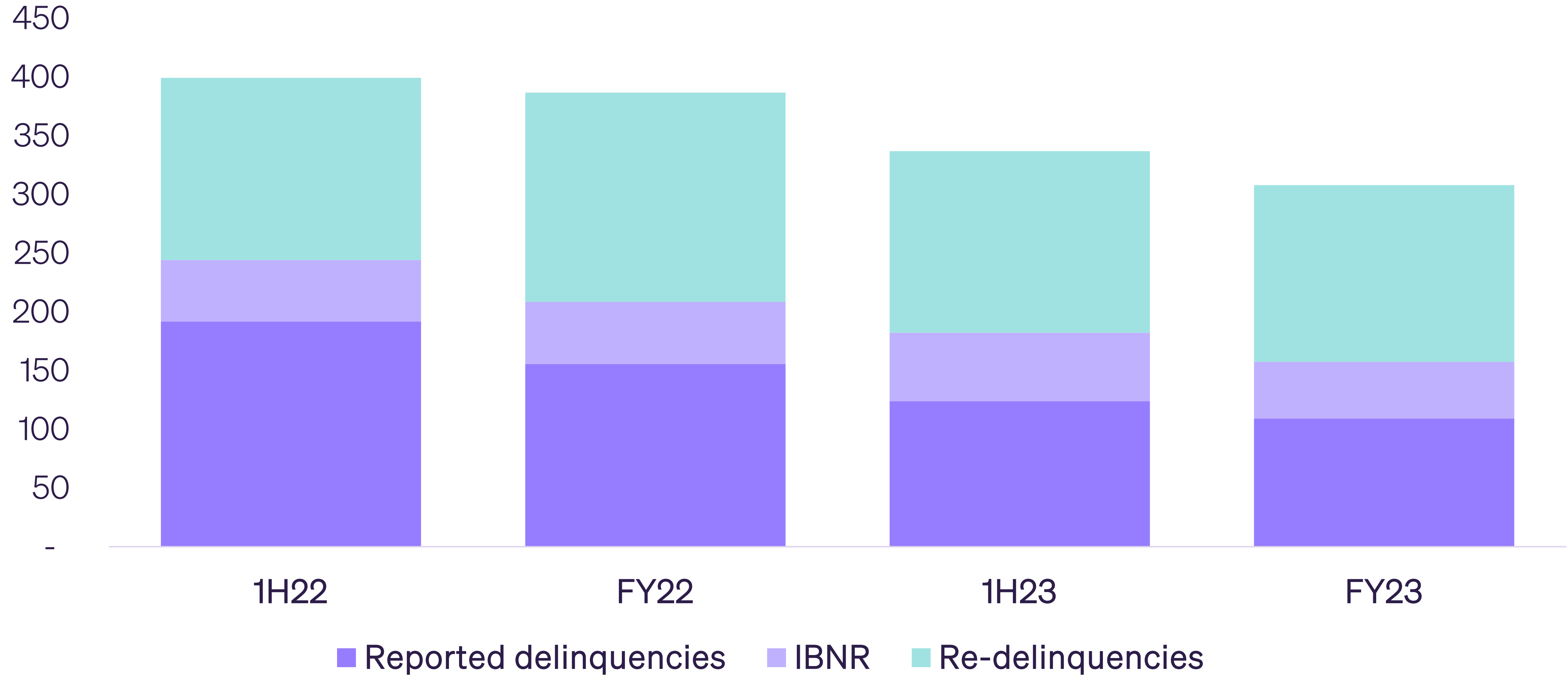
LRC composition as at 31 Dec 23



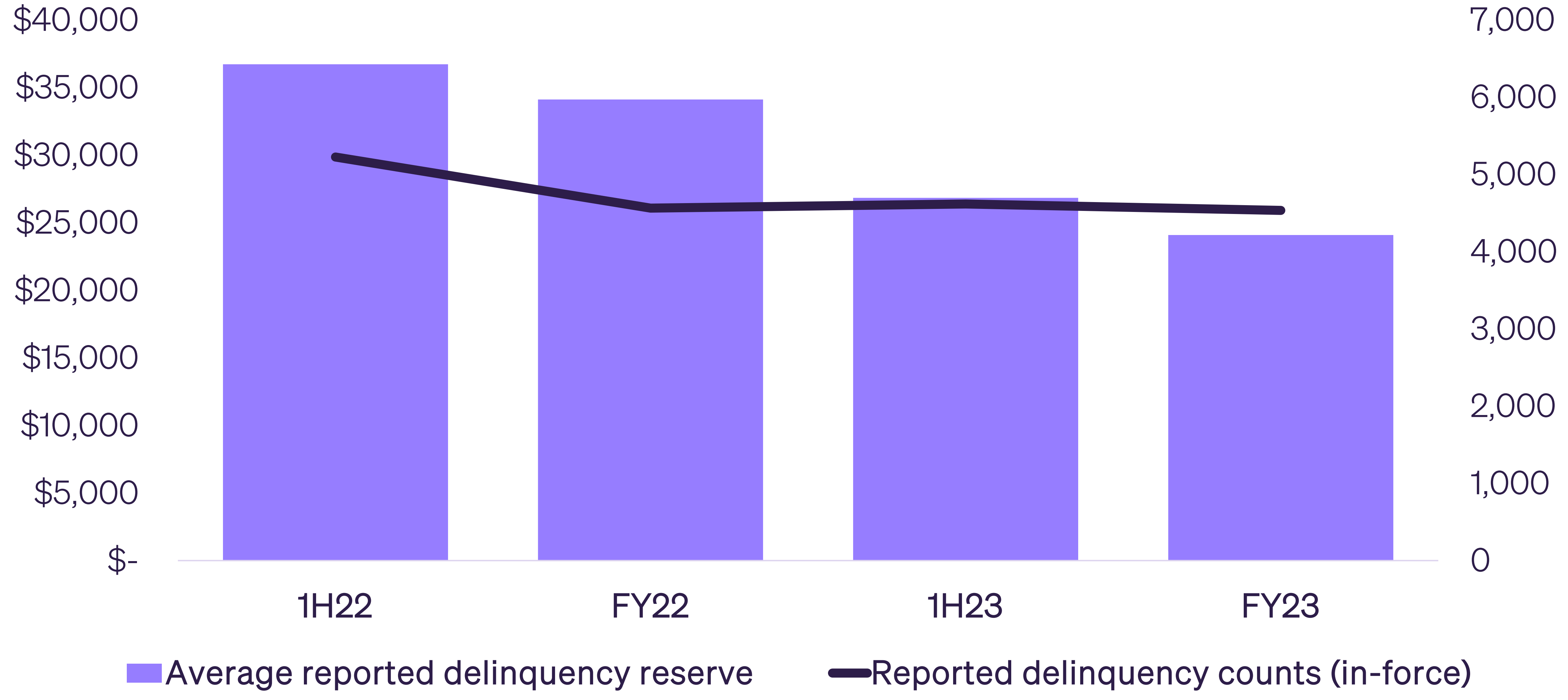
Helia. Note: Totals may not sum due to rounding.

Liability for incurred claims (LIC)

Liability for incurred claims ($ millions)



Reported delinquencies



FY23 commentary:

- Number of deliquencies continues to reduce, particularly in late stage delinquencies, which have the highest reserves
- Reported delinquency reserve down due to lower average reserve, driven by mix of delinquencies and some changes in reserving basis
- Re-delinquency reserve reducing due to continuing drop in number of previously delinquent policies

Claims sensitivity to economic conditions

Economic assumptions as at 31 December 2023[1]

Property price

Stabilising housing market with HPA of 3% by end 2024

Mortgage rates

RBA cash rate to fall to 3.85% by end of 2024

Unemployment rates

Gradual increase to 4.6% by end of 2024

Claims sensitivity[2]

($ millions)	LRC Excluding CSM[3]	LIC
Liability (base)	761	308
Upside economics		
Unemployment -1%	(20)	(5)
Mortgage rate -1%	(10)	(10)
HPA +5%	(20)	(15)
Downside economics		
Unemployment +1%	35	5
Mortgage rate +1%	15	10
HPD -5%	20	15

FY23 commentary:

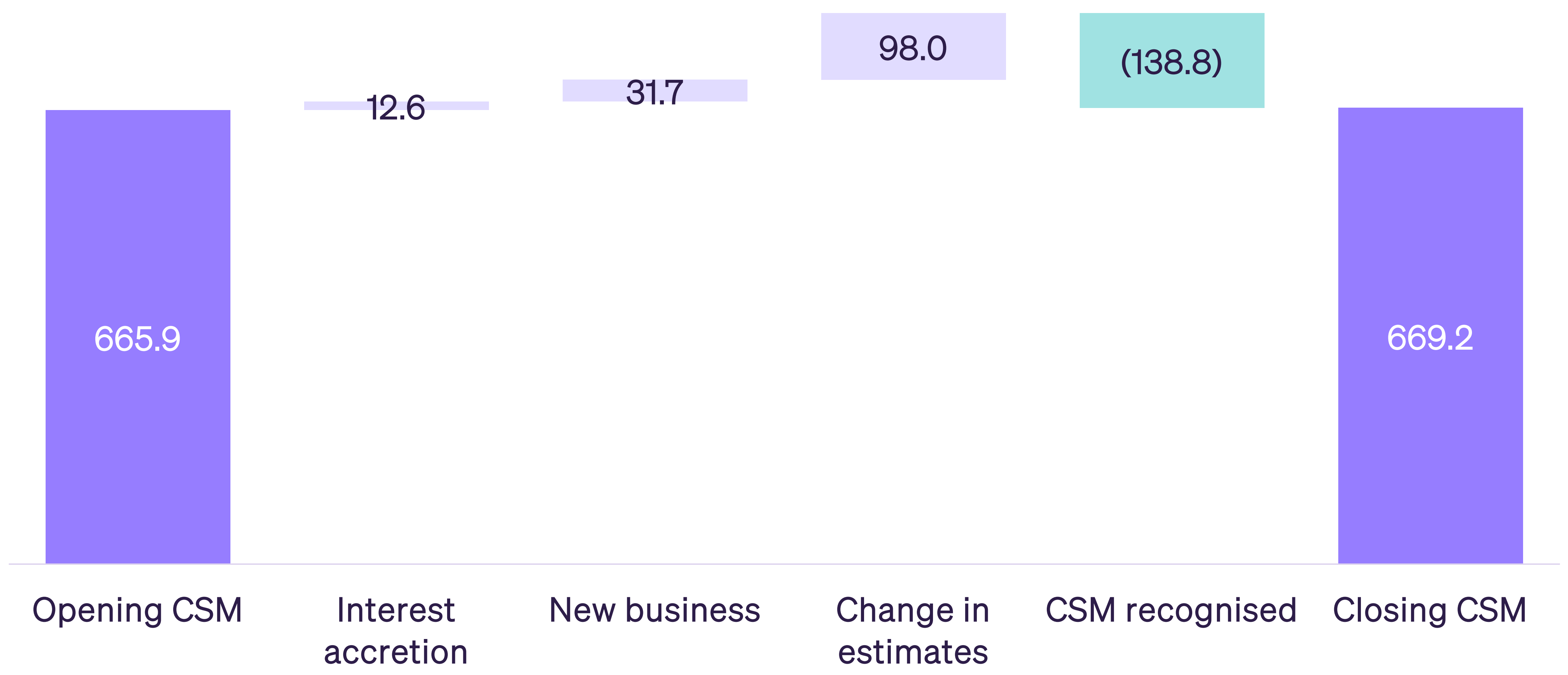
- Delinquencies expected to increase but low unemployment and low effective LVRs are expected to limit extent of claims
- Sensitivities are present value impacts on insurance contract liabilities as at FY23
- Movements in LRC PV of future cash flows are largely offset in the CSM
- Income Statement LIC changes have an immediate impact, while the impact of the LRC changes emerges over future years.

Helia.

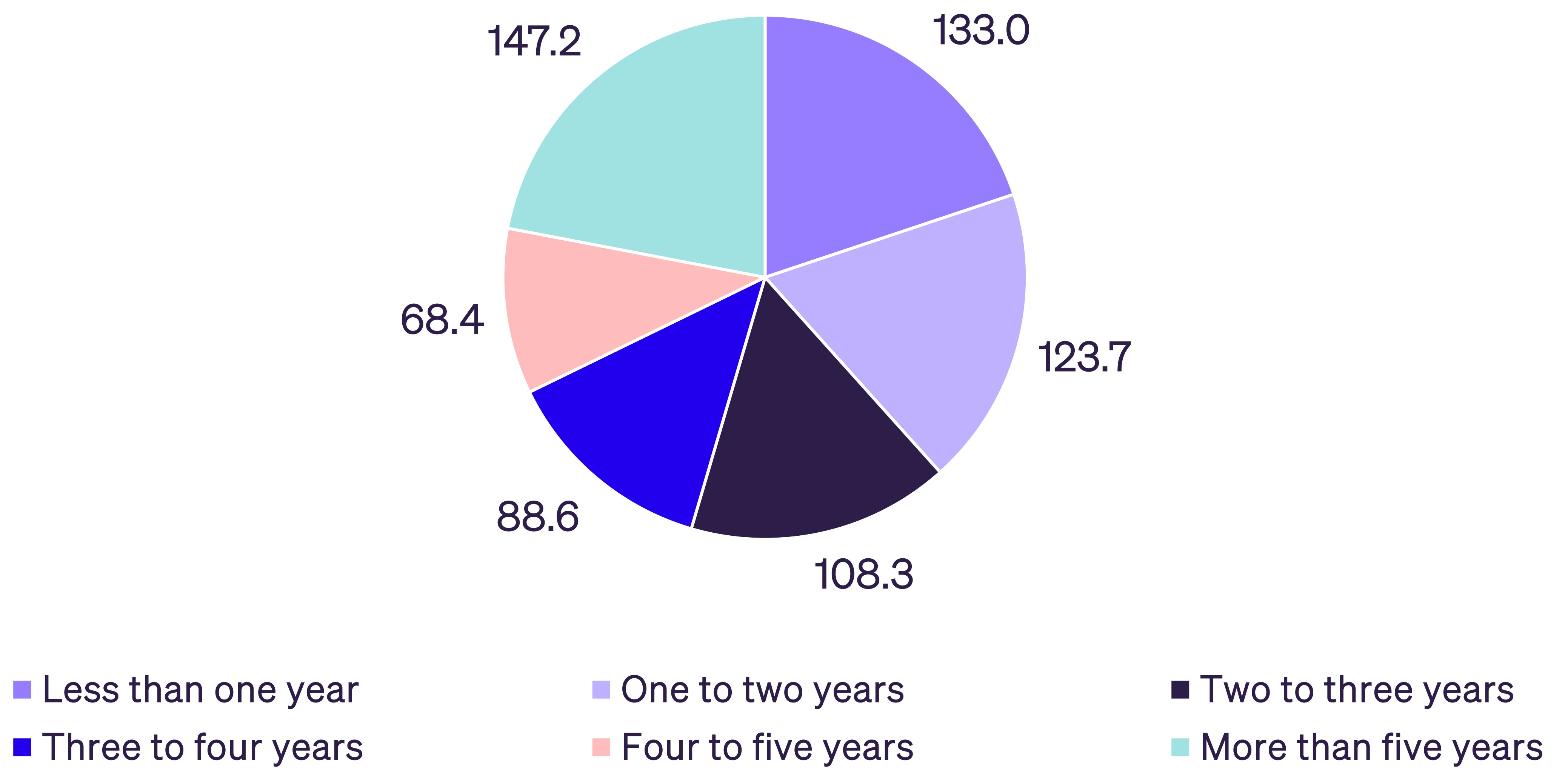
1. Based on a mean view of external economic forecasts.
2. Sensitivities shown are a 3-year shock before reversion to base case and are rounded to the nearest $5m.
3. LRC excluding CSM comprises the PV of cash flows and associated risk adjustment.

Contractual service margin (CSM)

CSM walk ($ millions)



Remaining CSM to be recognised ($ millions)



FY23 commentary:

- CSM flat on pcp reflecting:
  - CSM recognised was greater than new business due to low GWP
  - Offset by assumption changes driven by lower than expected premium credits
- $133m of CSM expected to emerge over the next 12 months excluding new business

Regulatory capital

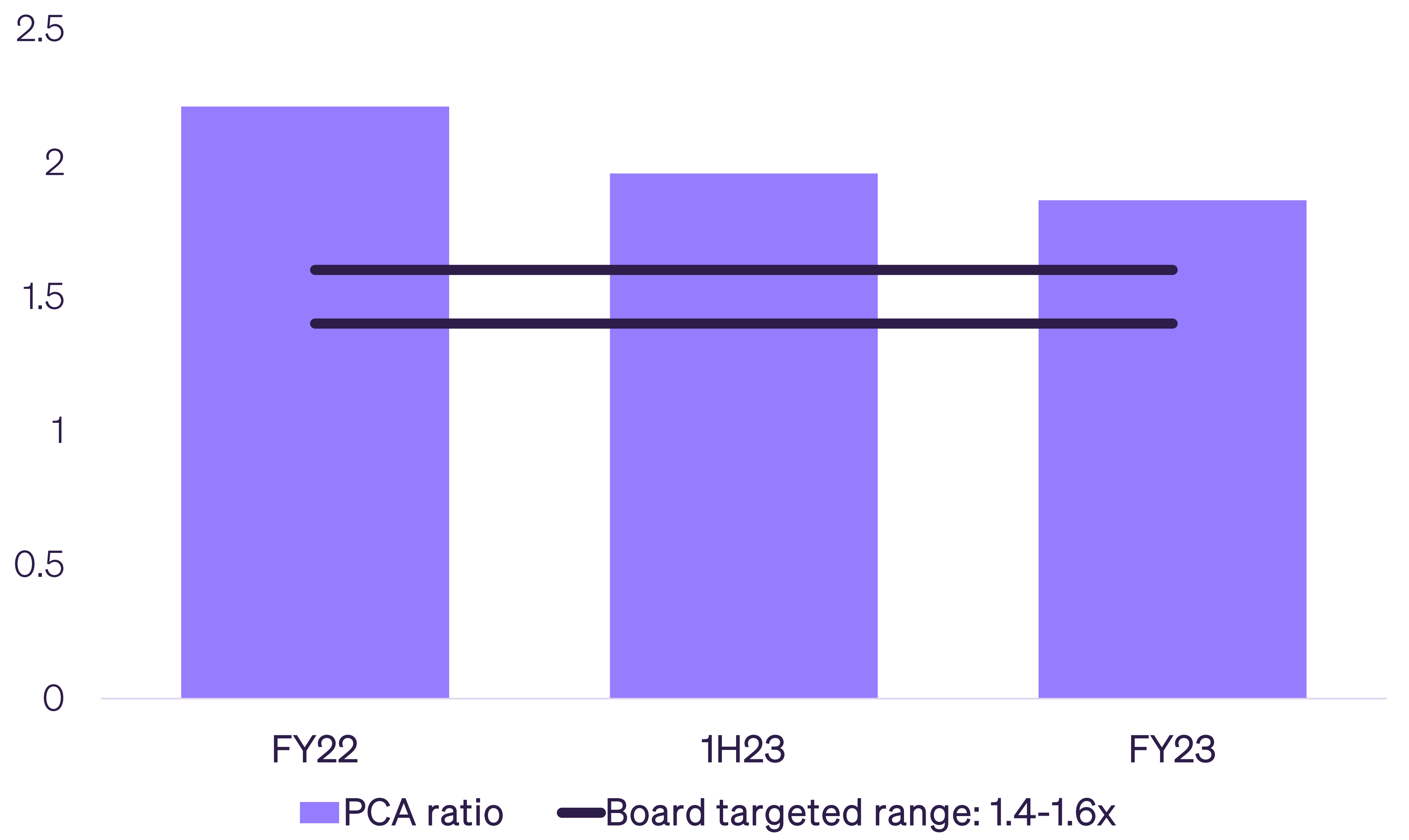
($ millions)	31 Dec 22	30 Jun 23	31 Dec 23
Capital base			
Net assets	1,205.7	1,112.5	1,141.4
Regulatory adjustments	(17.2)	(37.4)	(22.5)
Net surplus relating to insurance liabilities	509.9	501.3	472.6
Common equity Tier 1 capital base	1,698.4	1,576.4	1,591.5
Tier 2 capital	190.0	190.0	190.0
Regulatory capital base	1,888.4	1,766.4	1,781.5
Capital requirement			
Probable maximum loss (PML)	1,485.1	1,356.5	1,206.7
Net premiums liability deduction	(312.5)	(285.4)	(269.4)
Capital credit for reinsurance	(729.6)	(548.3)	(330.7)
Insurance concentration risk charge (ICRC)	442.9	522.9	606.6
Asset risk charge	233.7	223.6	208.5
Insurance risk charge	236.8	213.9	202.2
Operational risk charge	33.7	31.0	28.0
Aggregation benefit	(91.5)	(90.0)	(86.6)
Prescribed capital amount (PCA)	855.5	901.4	958.8
PCA coverage ratio (x)	2.21x	1.96x	1.86x

Note: Totals may not sum due to rounding. Based on APRA prudential standards applicable from 1 July 2023.

FY23 commentary:

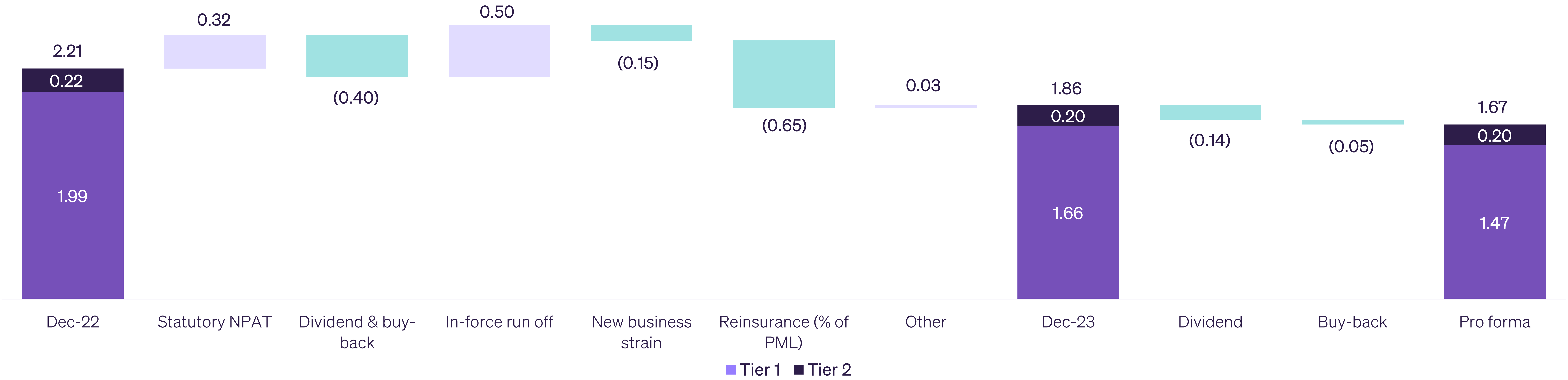
- PML reduced due to low new business, high cancellations and portfolio seasoning
- Reinsurance capital credit down due to a lower quantum of reinsurance and reducing PML limiting the capital credit
- PCA coverage ratio of 1.86x represents $247m capital above Board targeted range

PCA ratio (x)



Capital walk

PCA coverage ratio walk (x)[1]



FY23 commentary:

- Capital return of $343m exceeded statutory NPAT
- Capital released from in-force run off significantly exceeded capital required for new business
- Reinsurance credit fell to 27% of PML creating capital headroom for the future

Note: Totals may not sum due to rounding. Based on APRA prudential standards applicable from 1 July 2023.
1. Capital credit for reinsurance is assumed to move in proportion to the Probable Maximum Loss (dropping to $593m). 'Reinsurance (% PML)' reflects it at the FY23 amount of $331m.

Closing comments

Pauline Blight-Johnston

Chief Executive Officer and Managing Director

3

Outlook and FY24 guidance

Insurance revenue

- FY24 insurance revenue expected to be within range of $360m to $440m

Total incurred claims

- Total incurred claims ratio expected to increase towards ~30% which is representative of Helia's expectations through the cycle

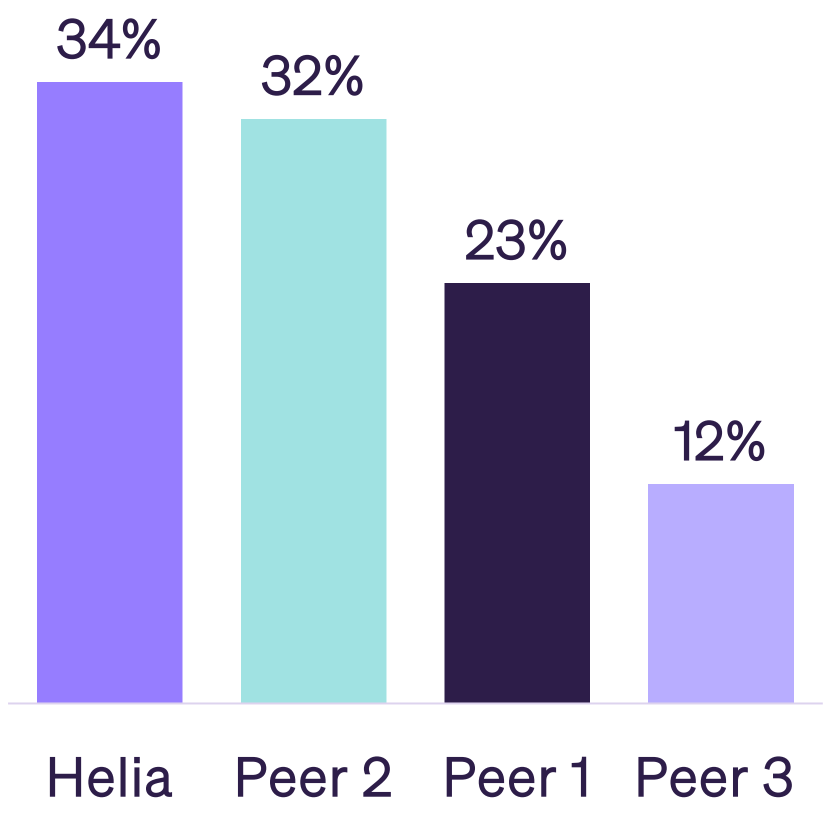
Capital and dividends

- FY24 annual ordinary dividend is expected to be at a level similar to FY23, reflecting the Board's preference for stable ordinary dividends

Accelerating financial wellbeing through homeownership

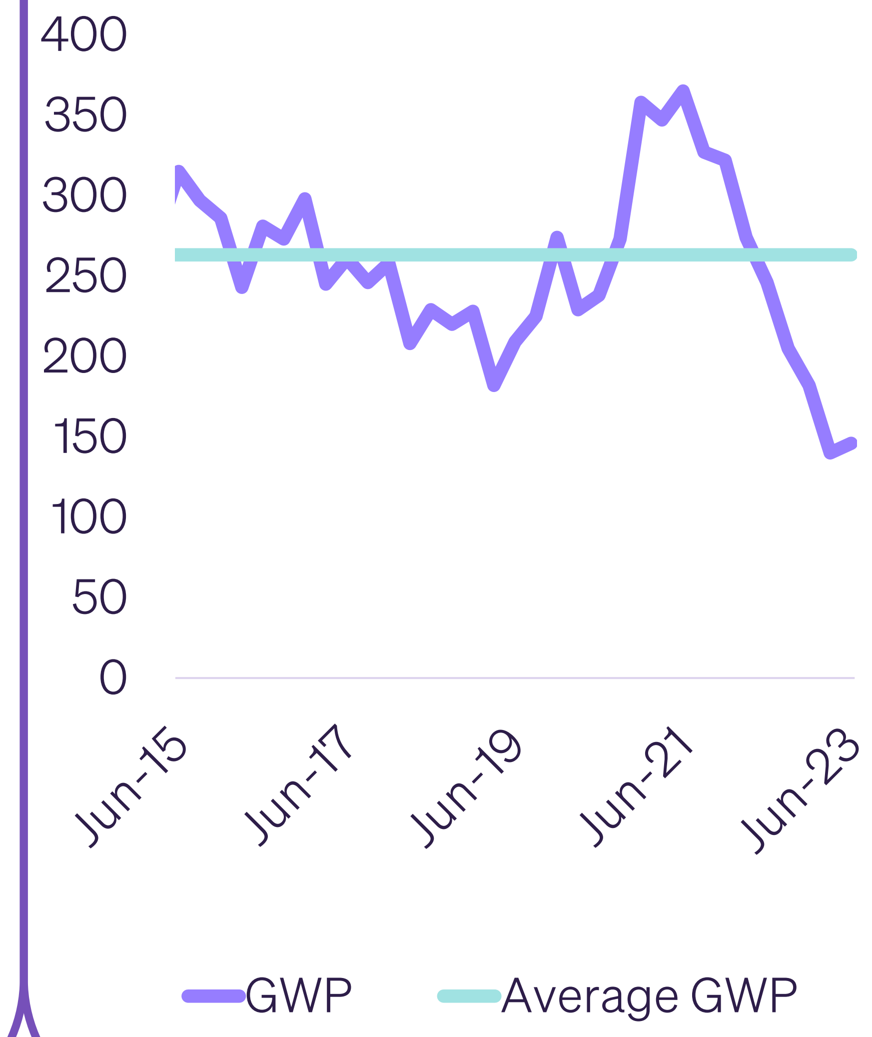
Australia's leading LMI provider

LMI market share[1]



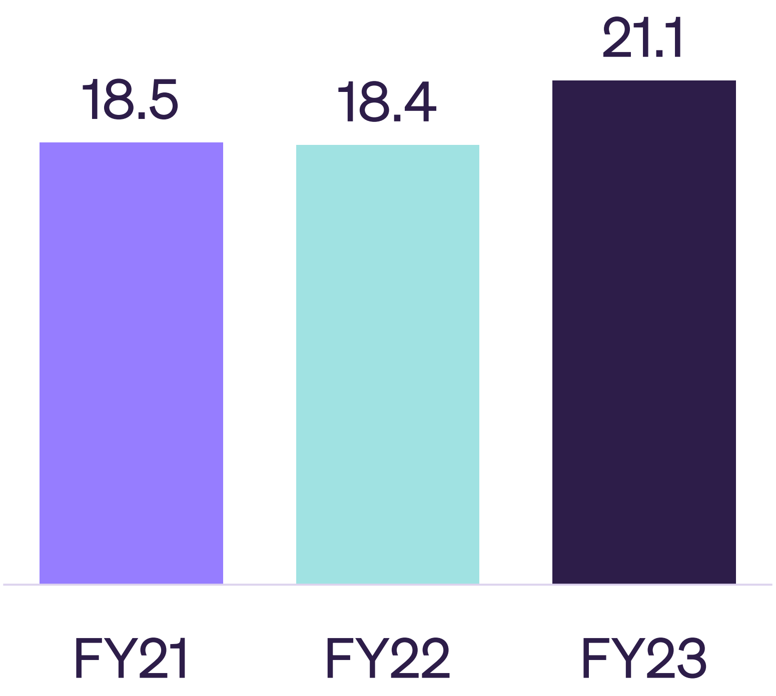
Cyclical market[2]

($ millions)



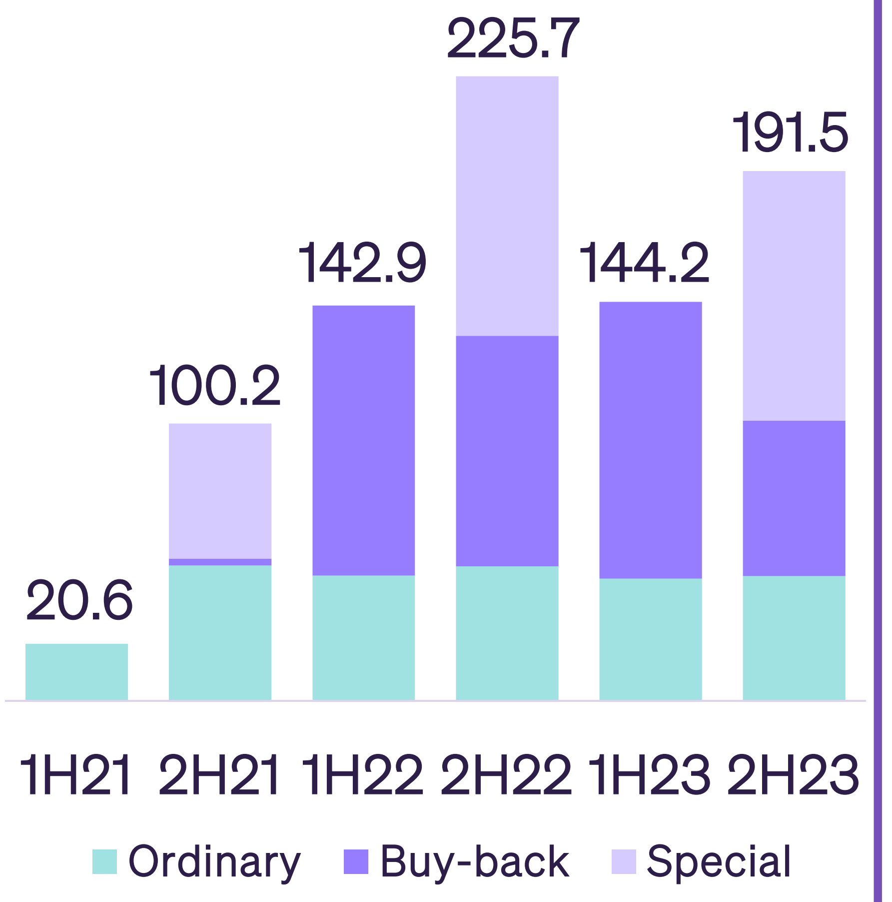
Positioned for profitable growth

Underlying ROE (%)



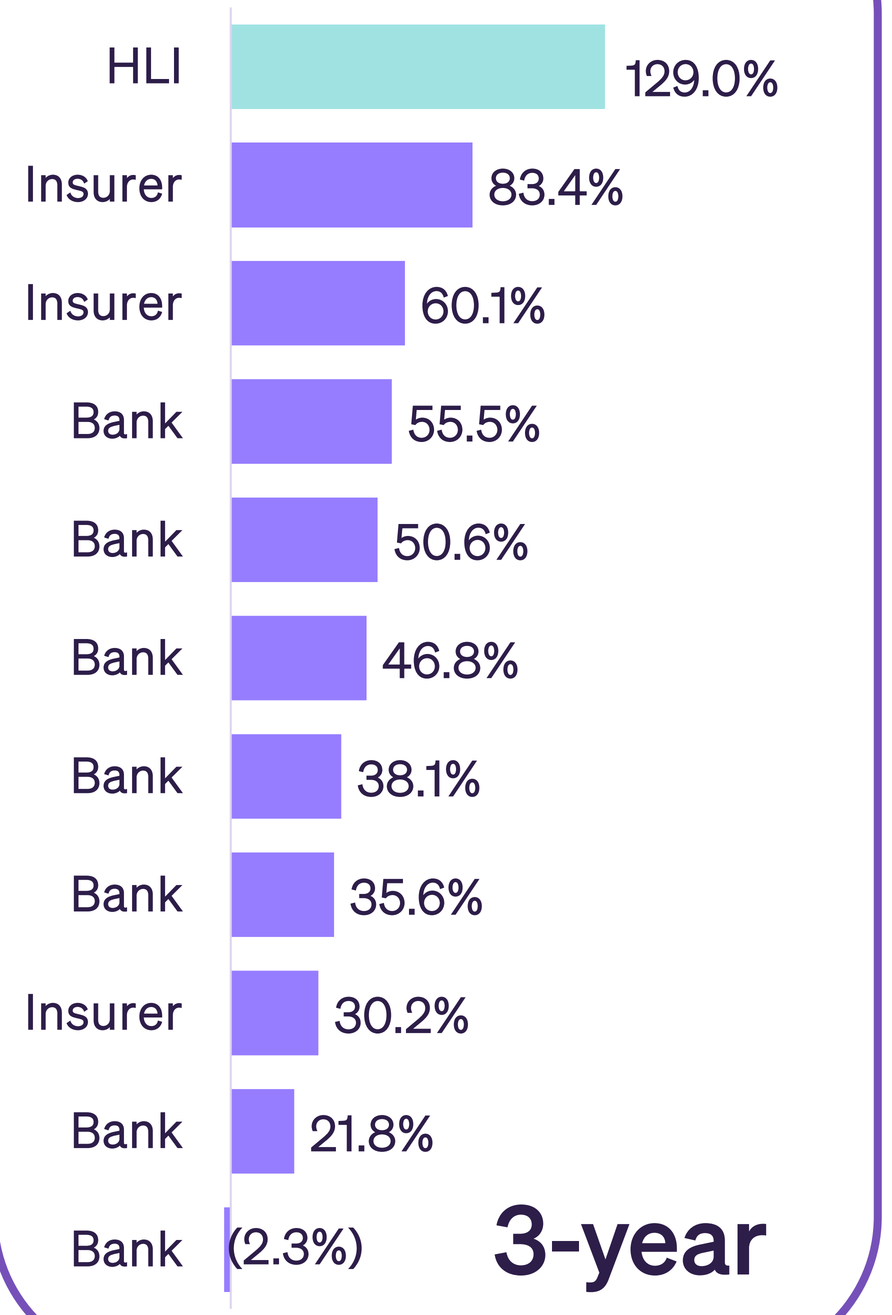
Capital management

($ millions)



Note: dividends declared in respect of the relevant period and buy-backs executed in the relevant period.

Delivering strong TSR[3]



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1. APRA, quarterly LMI & Industry Statistics as at 30 June 2023 (12-month rolling).
2. APRA, quarterly LMI & Industry Statistics as at 30 June 2023.
3. 3-year FactSet data to 31/12/2023.

Q&A

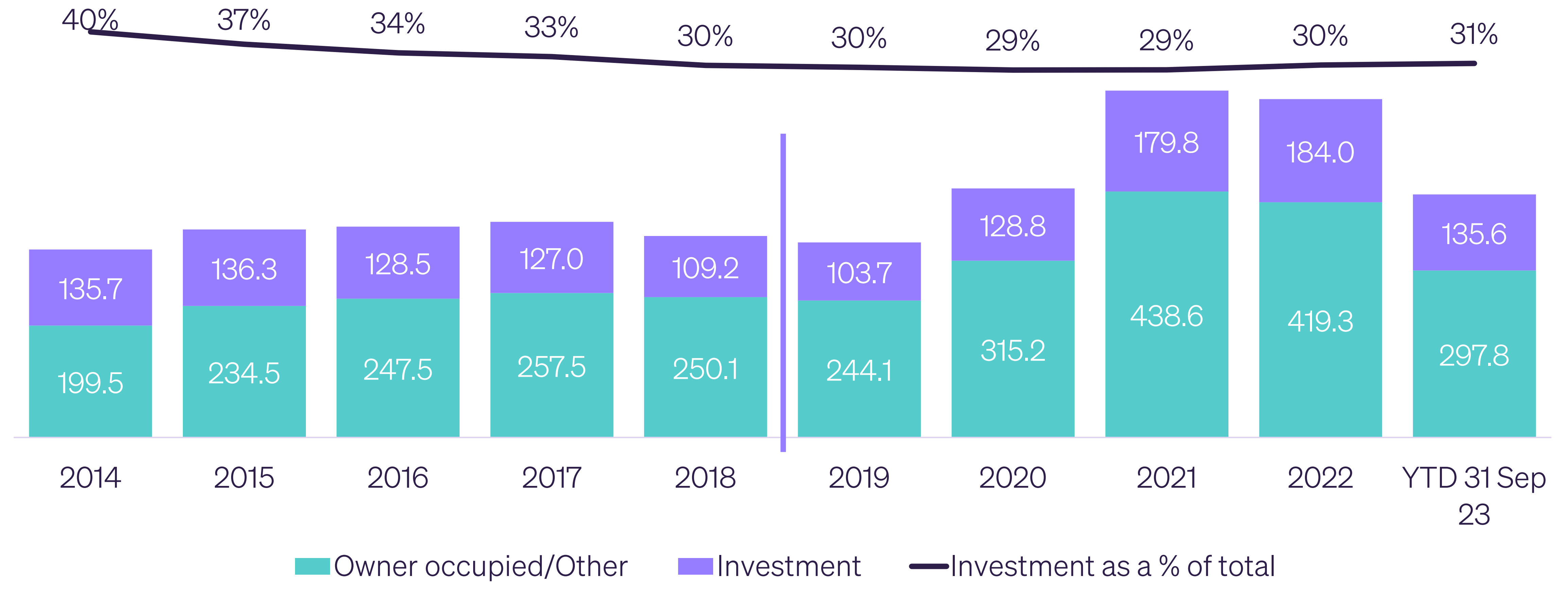
Supplementary information

4

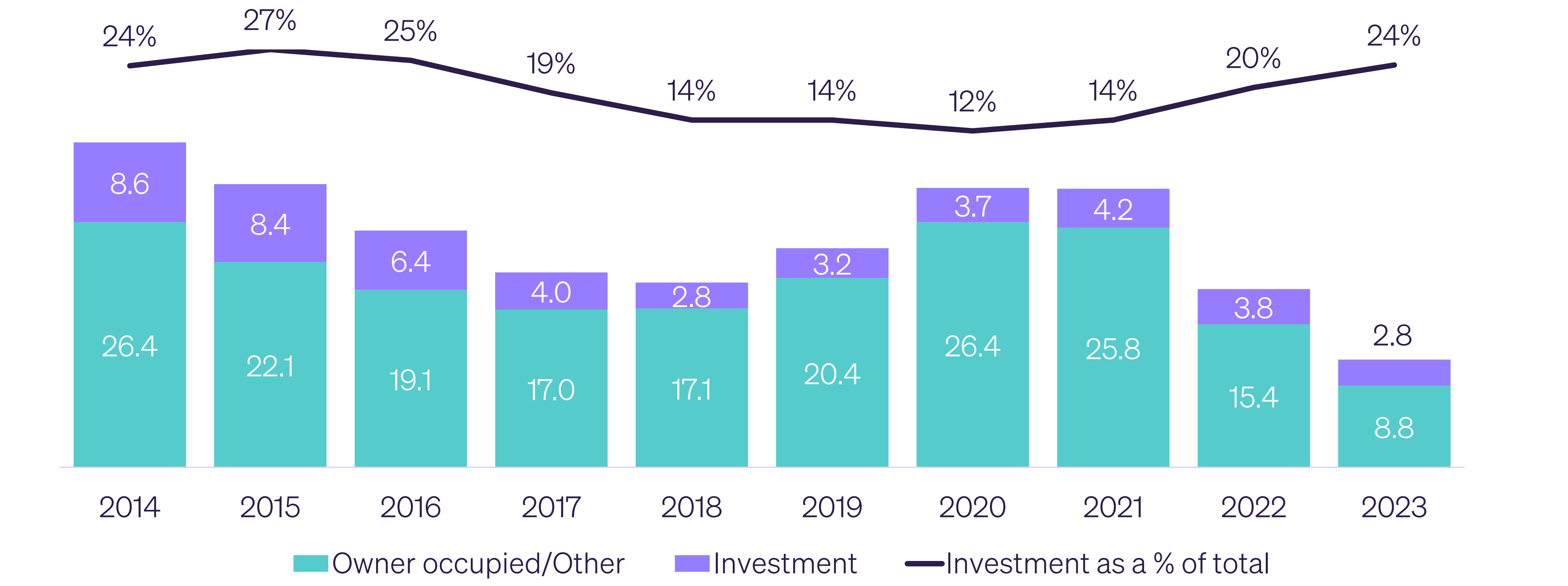
Residential mortgage lending market

Originations and HLVR penetration[1]

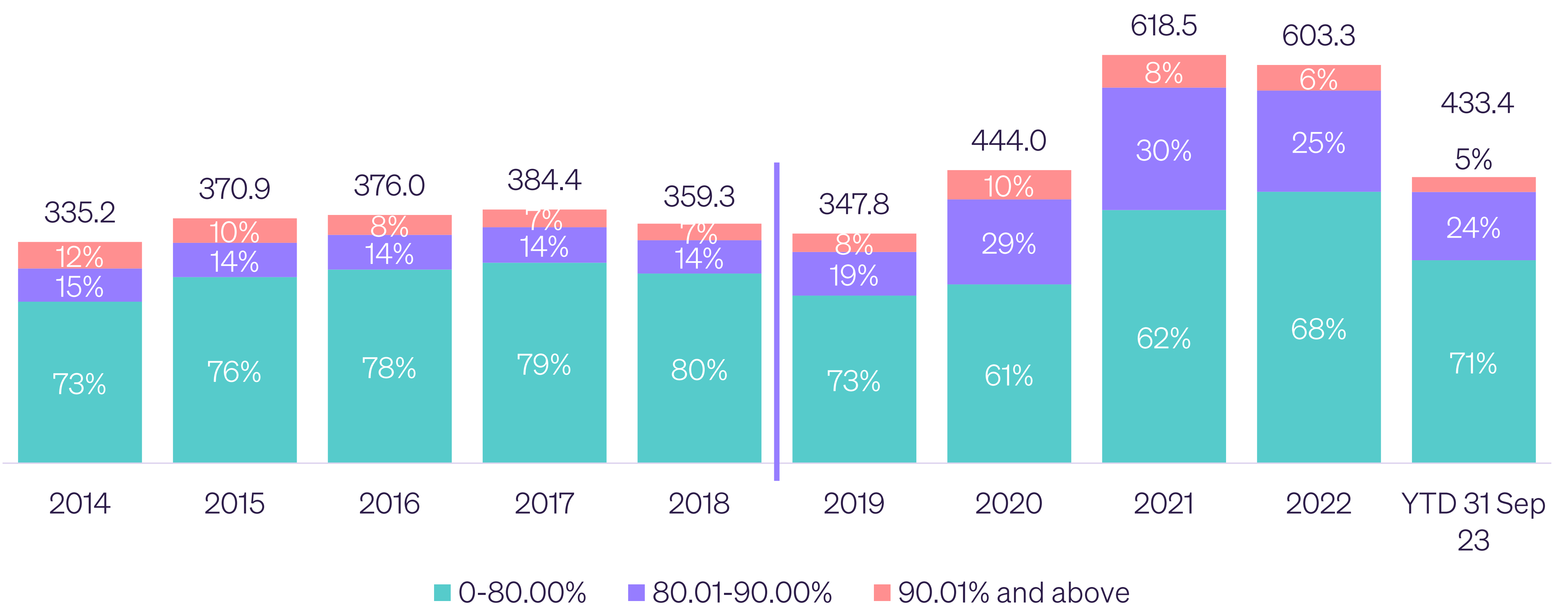
Industry loan approvals: Investment vs. owner occupied ($ billions, %)



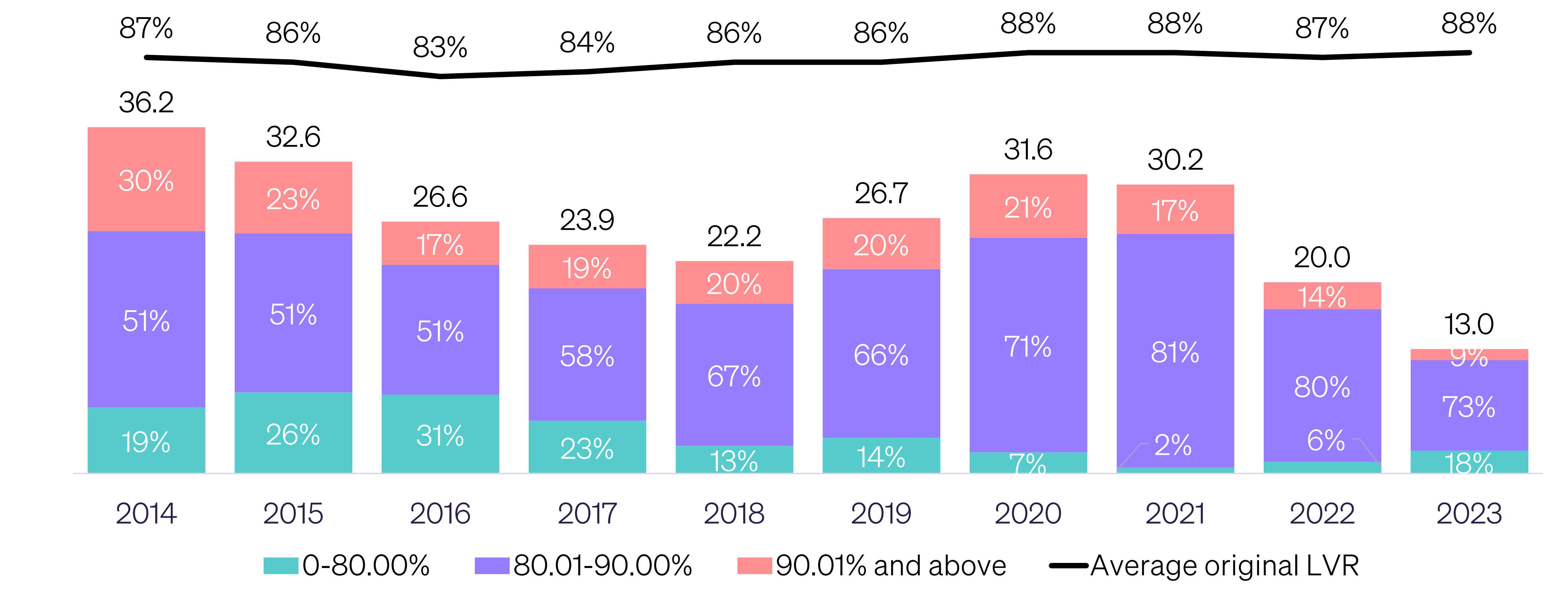
Helia NIW: Investment vs. owner occupied ($ billions, %)[2]



Industry loan approvals by LVR band ($ billions, %)



Helia NIW[3] by original LVR[4] band ($ billions, %)



1. Prior periods have been restated in line with market updates.
2. Flow NIW only.
3. NIW includes capitalised premium. NIW excludes excess of loss insurance (excess of loss insurance includes the Bermudian entity transaction).
4. Average original LVR excludes capitalised premium and excess of loss insurance.

Industry source: APRA quarterly ADI property exposure statistics (ADI's new housing loan funded).
Note: APRA discontinued its data series on new housing loan approvals from 1 October 2019, commencing a new series from 1 October 2019.

Insurance in-force

As at 31 December 2022

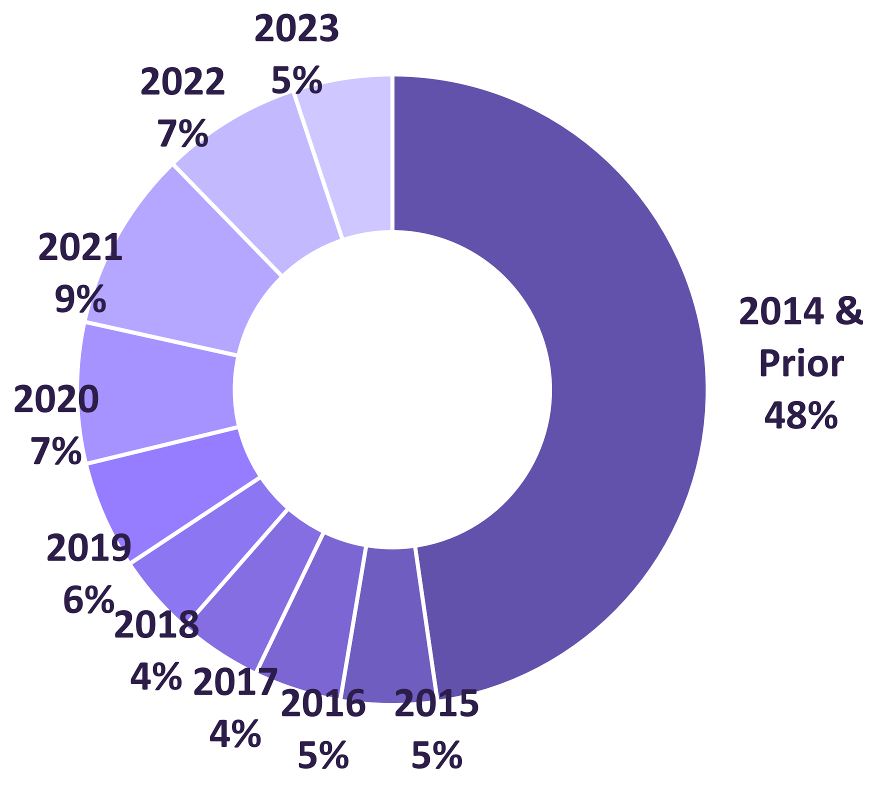
Book year	$ billions	%	Original LVR	Effective LVR	Change in house price %
2013 & Prior	91.4	34.8%	84.1%	26.6%	119.4%
2014	13.9	5.3%	87.3%	48.1%	57.1%
2015	13.8	5.3%	86.2%	50.4%	49.7%
2016	13.3	5.1%	83.5%	50.4%	45.9%
2017	12.0	4.6%	86.0%	55.2%	40.6%
2018	12.3	4.7%	87.6%	60.1%	35.5%
2019	15.1	5.7%	87.9%	62.0%	36.5%
2020	22.1	8.4%	88.1%	66.7%	30.9%
2021	29.2	11.1%	88.1%	76.4%	15.4%
2022	21.5	8.2%	87.8%	87.2%	1.1%
Total flow	244.7	93.2%	86.0%	44.2%	65.5%
Portfolio	17.8	6.8%	62.3%	17.4%	108.6%
Total/ weighted avg.	262.5	100.0%	84.4%	40.8%	69.9%

As at 31 Dec 2023

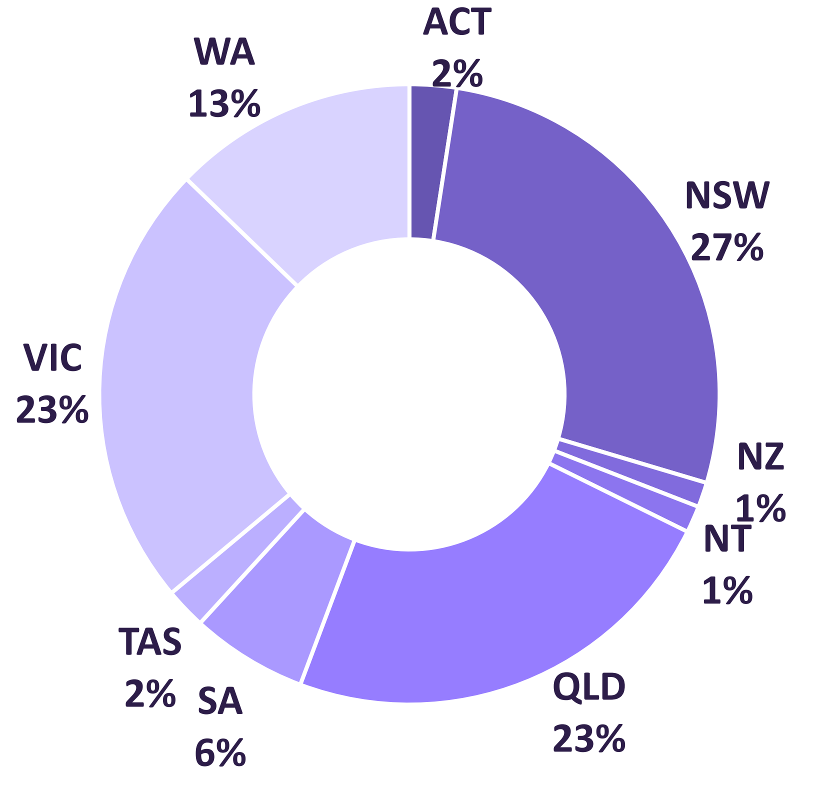
Book year	$ billions	%	Original LVR	Effective LVR	Change in house price %
2014 & Prior	89.4	37.9%	84.2%	27.2%	122.0%
2015	11.8	5.0%	86.0%	47.1%	58.5%
2016	11.5	4.9%	83.3%	47.2%	53.8%
2017	10.4	4.4%	85.8%	52.1%	47.9%
2018	10.3	4.4%	87.5%	56.5%	43.3%
2019	12.5	5.3%	87.8%	58.5%	43.9%
2020	17.5	7.4%	88.0%	63.1%	37.7%
2021	24.1	10.3%	88.1%	72.0%	21.6%
2022	19.0	8.0%	87.8%	81.8%	6.9%
2023	12.8	5.4%	87.6%	86.2%	3.0%
Total flow	219.3	93.1%	85.9%	45.5%	64.9%
Portfolio	16.2	6.9%	62.1%	16.9%	117.3%
Total/ weighted avg.	235.5	100.0%	84.3%	41.7%	70.3%

Note: Excludes inward reinsurance, excess of loss insurance, NZ and Helia Indemnity Limited. Calculated on an estimated house price adjusted effective LVR, using the CoreLogic Hedonic Home Price Index and assumes 30-year principal and interest amortising loan, with the mortgage rate remaining unchanged through the period. Effective LVR is not adjusted for prepayments, redraws or non-amortising residential mortgage loans insured. Original LVR excludes capitalised premium.

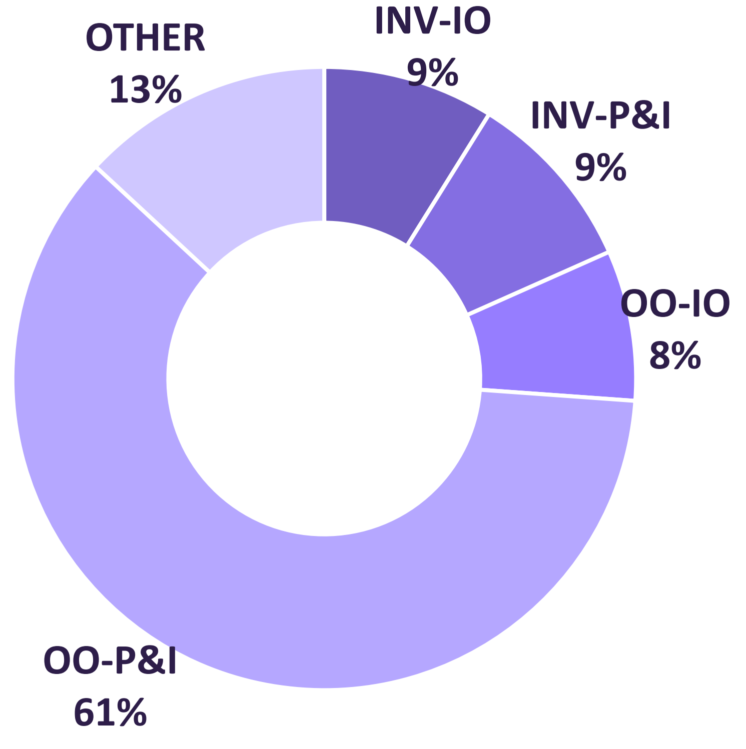
Book year



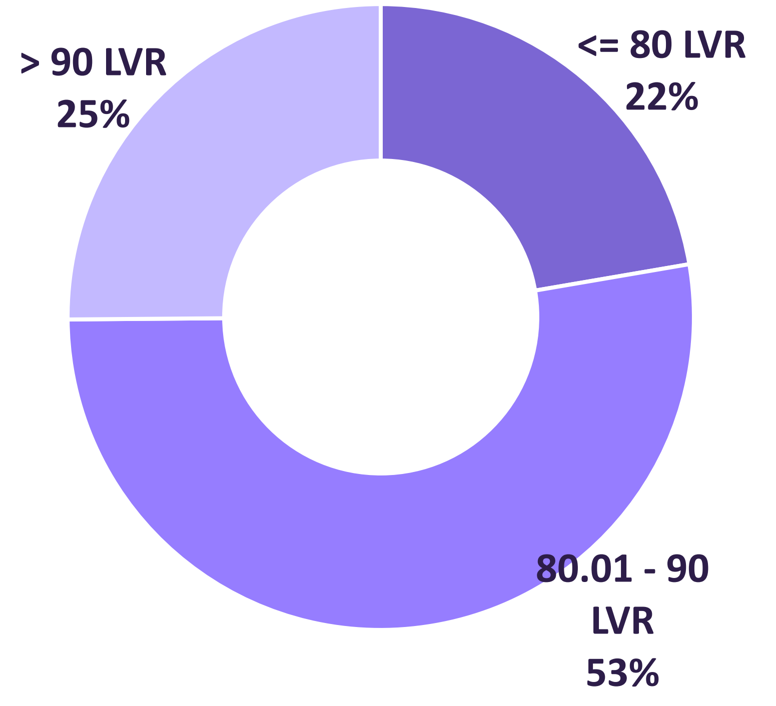
State



Loan type at origination



LVR at origination



Primary Insurance	FY19	FY20	FY21	FY22	FY23
Insured policies in-force (#)	1,290,216	1,195,907	1,118,328	976,137	871,230
Insurance in-force ($m)	307,355	305,668	304,529	276,835	249,298

Helia

Delinquency trends

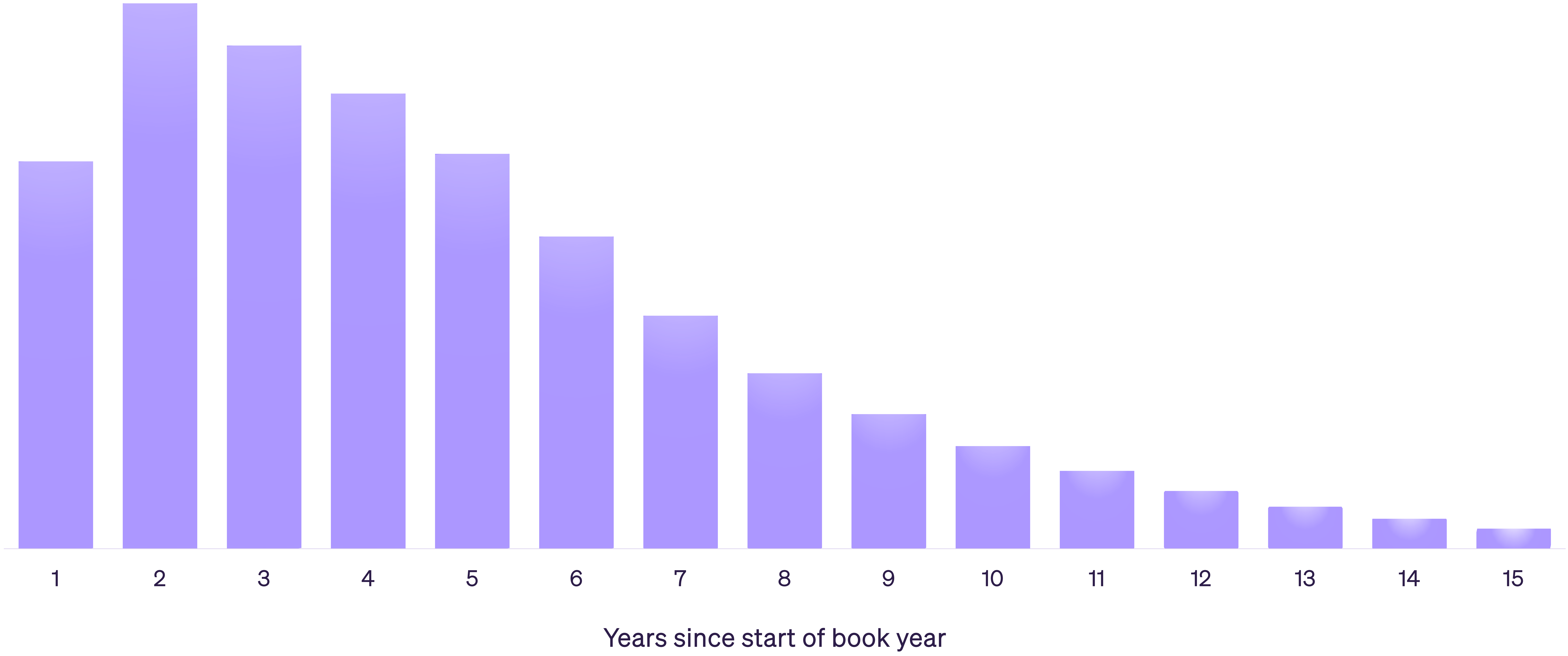
Number of delinquencies	1H22	2H22	FY22	1H23	2H23	FY23
Opening balance	5,826	5,228	5,826	4,569	4,616	4,569
New delinquencies	3,315	2,713	6,028	3,030	3,121	6,151
Cures	(3,706)	(3,219)	(6,925)	(2,861)	(3,087)	(5,948)
Paid claims	(207)	(153)	(360)	(122)	(118)	(240)
Closing delinquencies	5,228	4,569	4,569	4,616	4,532	4,532
Delinquency rate[1]	0.51%	0.47%		0.51%	0.52%	
Cure rate[2]	63.6%	61.6%		62.6%	66.9%	

Delinquencies by book year[3]	Dec 22	%	Jun 23	%	Dec 23	%
2011 and prior	2,109	0.47	1,949	0.43	1,855	0.46
2012	281	0.75	265	0.77	234	0.75
2013	314	0.75	319	0.81	319	0.85
2014	420	0.80	391	0.92	357	0.82
2015	331	0.69	294	0.77	269	0.68
2016	210	0.47	228	0.65	207	0.56
2017	210	0.52	218	0.67	199	0.62
2018	215	0.55	221	0.68	201	0.62
2019	156	0.37	180	0.50	188	0.56
2020	170	0.29	217	0.44	219	0.48
2021	126	0.17	217	0.35	252	0.44
2022	27	0.03	114	0.28	196	0.43
2023	-	-	3	0.02	36	0.11
Total	4,569	0.47	4,616	0.51	4,532	0.52

Delinquencies by geography	Dec 22	%	Jun 23	%	Dec 23	%
New South Wales	927	0.40	955	0.45	1,004	0.49
Victoria	940	0.41	1,108	0.52	1,141	0.55
Queensland	1,246	0.54	1,140	0.53	1,068	0.52
Western Australia	822	0.67	760	0.67	694	0.64
South Australia	400	0.54	399	0.58	370	0.56
Australian Capital Territory	64	0.31	74	0.39	69	0.38
Tasmania	86	0.27	89	0.29	101	0.34
Northern Territory	67	0.56	72	0.63	72	0.65
New Zealand	17	0.08	19	0.09	13	0.06
Total	4,569	0.47	4,616	0.51	4,532	0.52

1. The delinquency rate is calculated by dividing the number of reported delinquent policies insured by the number of in-force policies (excluding excess of loss insurance).
2. The cure rate is calculated by dividing the number of cures in a period by the number of delinquencies at the beginning of that period.
3. Shows the number of delinquencies and the portfolio delinquency rate, calculated by dividing the number of delinquencies by the number of policies in-force (~871k policies as at Dec 2023). Methodology for all periods have been readjusted to view delinquencies by latest top-up year i.e., assign delinquent policies with top-ups to their latest top-up book year rather than original underwriting book year.

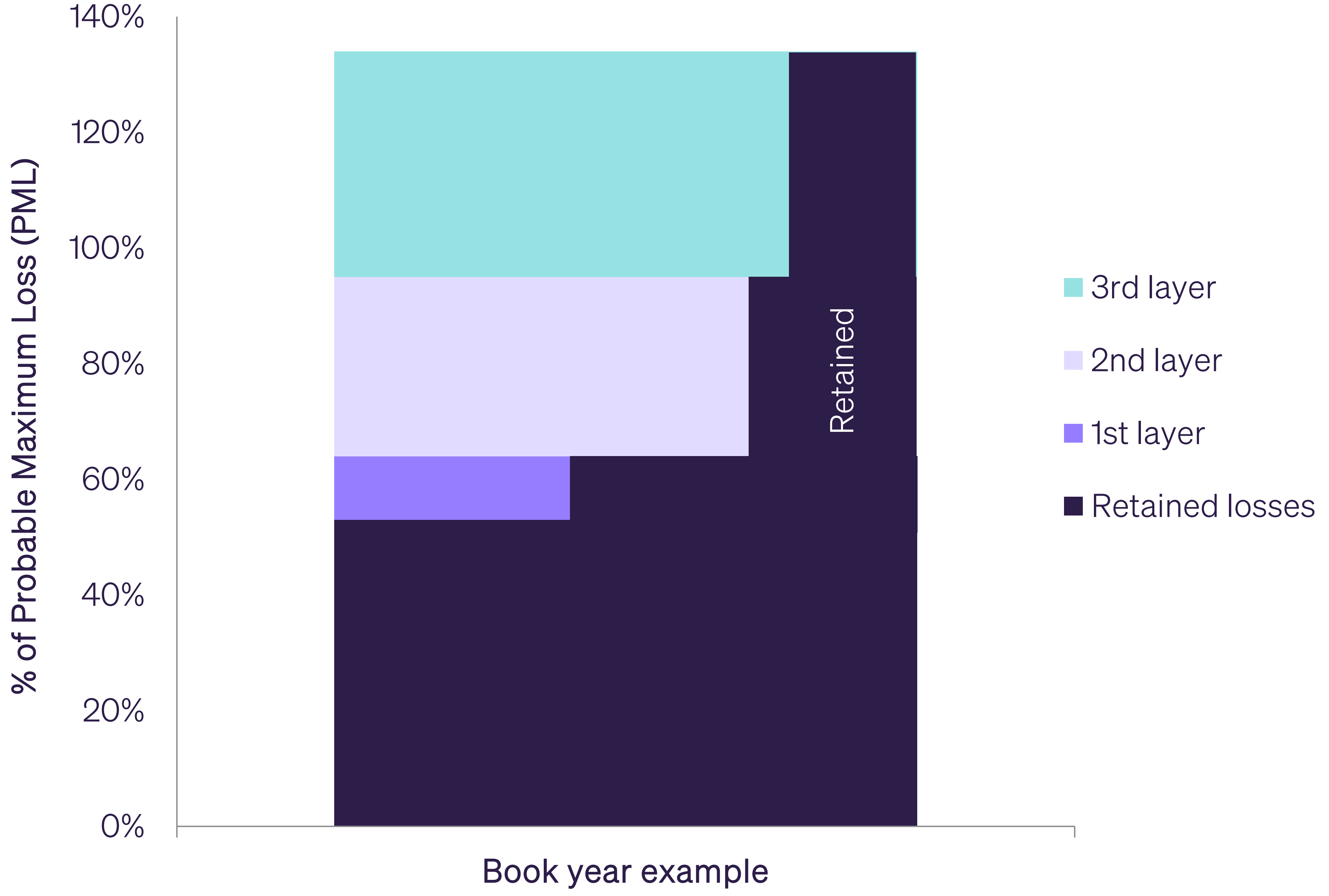
Illustrative AASB 17 profile of insurance revenue recognition



Note: Illustrative of new book years only.

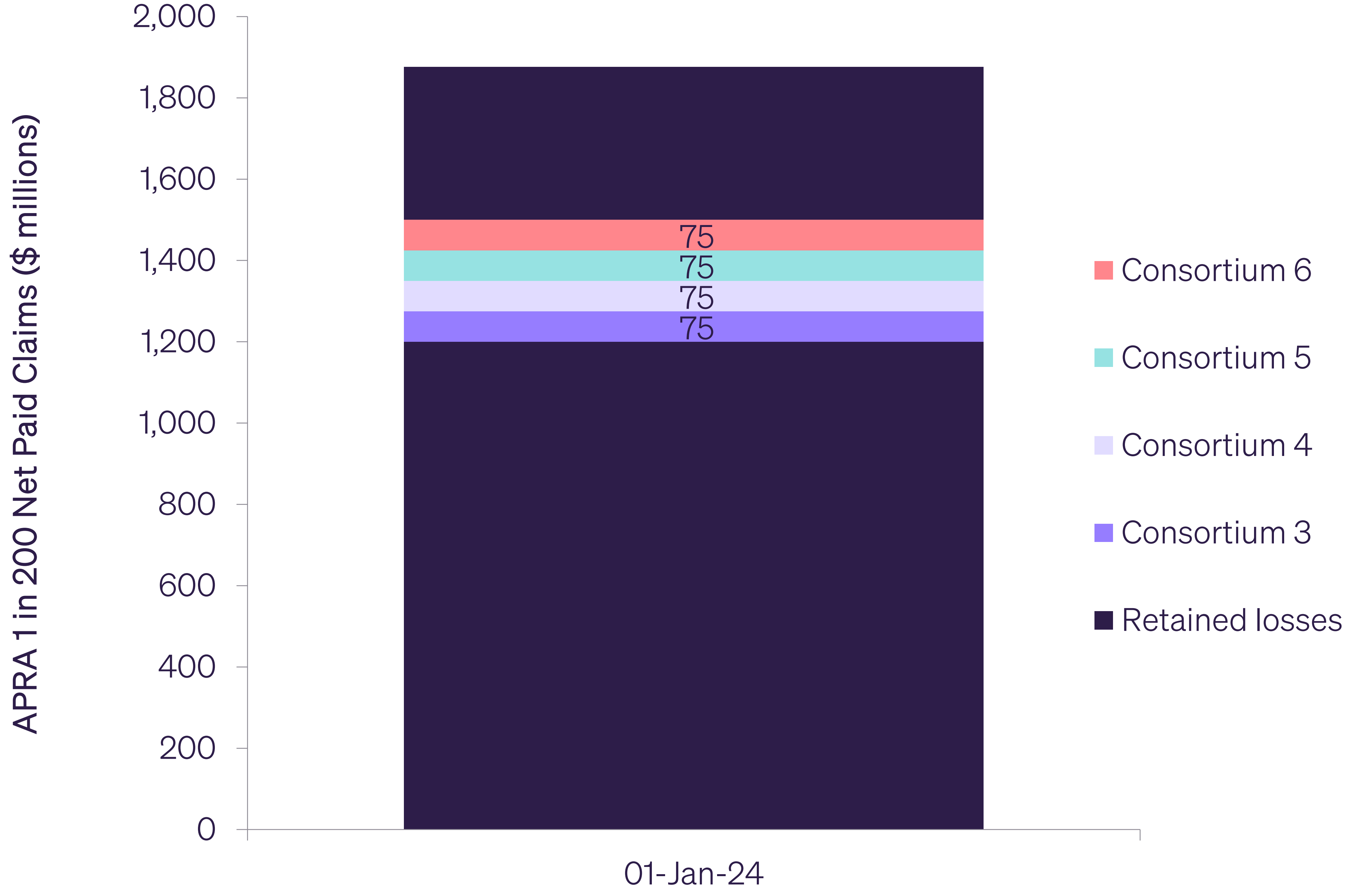
Reinsurance programme from 1 January 2024

Illustrative book year coverage by layer (% of PML)[1]



- Introduction of a book year programme initiated with cover commencing 1 January 2023 and additionally at 1 January 2024, view to continue adding future book years. Placement in book year programmes is set as a % of PML, driven by new business mix and volumes
- Duration is up to 10 years from the end of the book year with a call option after seven years. From 31 December each year, the attachment point locks and the detachment (and coverage) amortises in line with APRA's 1 in 200 Net Paid Claims requirement
- 2023 book year coverage was $79m at 1 January 2024

Back book coverage by layer



- Helia retains the first $1.20b of paid claims after which excess of loss reinsurance cover of $300m is in place (2023: $600m of back book coverage)
- Cover is for one year, with an option to extend to a full term (varying between 7-10 years depending on the layer)

1. The example shows 2024 book year placement and is meant to be illustrative in nature as past and future book year programs may differ.

Reconciliations

Expenses

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Expenditure incurred	66.1	70.0	136.0	59.4	69.7	129.1
Less investment expenses	(2.0)	(0.9)	(2.9)	(1.3)	(1.6)	(2.9)
Less claims handling expenses	(3.3)	(4.1)	(7.4)	(3.6)	(3.4)	(7.0)
Less new acquisition costs incurred	(30.5)	(29.5)	(60.0)	(22.4)	(28.7)	(51.1)
Add amortisation of acquisition cash flows	33.3	33.7	67.1	33.3	28.6	61.9
Total expenses	**63.6**	**69.3**	**132.8**	**65.4**	**64.6**	**130.0**

Insurance expenses	20.8	24.6	45.4	22.2	27.0	49.2
Add amortisation of acquisition cash flows	33.3	33.7	67.1	33.3	28.6	61.9
Other operating expenses	9.5	11.0	20.4	9.9	9.0	19.0
Total expenses	**63.6**	**69.3**	**132.8**	**65.4**	**64.6**	**130.0**

Statutory NPAT to underlying NPAT[1]

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Statutory NPAT	57.7	143.4	201.2	147.5	127.6	275.1
Unrealised (gains) / losses on shareholder funds and FX	63.4	(23.4)	40.0	(14.7)	(29.6)	(44.2)
Separation costs	2.7	2.1	4.8	-	-	-
Impairment of equity-accounted investees	-	-	-	-	3.6	3.6
Adjustment for tax (expense) / credits	(19.8)	6.4	(13.5)	4.4	8.9	13.3
Underlying net profit / (loss) after tax	**104.0**	**128.5**	**232.6**	**137.2**	**110.5**	**247.7**

Statutory ROE

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Statutory NPAT	57.7	143.4	201.2	147.5	127.6	275.1
Opening equity	1,327.5	1,190.6	1,327.5	1,205.7	1,112.5	1,205.7
Closing equity	1,190.6	1,205.7	1,205.7	1,112.5	1,141.4	1,141.4
Average equity	1,259.0	1,198.1	1,266.6	1,159.1	1,127.0	1,173.6
Statutory ROE	9.2%	23.9%	15.9%	25.4%	22.6%	23.4%

Underlying ROE

($ millions)	1H22	2H22	FY22	1H23	2H23	FY23
Underlying NPAT	104.0	128.5	232.6	137.2	110.5	247.7
Average equity	1,259.0	1,198.1	1,266.6	1,159.1	1,127.0	1,173.6
Underlying ROE (%)	16.5%	21.5%	18.4%	23.7%	19.6%	21.1%

Note: Totals may not sum due to rounding. Based on APRA prudential standards applicable from 1 July 2023.
1. Underlying NPAT excludes FX, unrealised gains / (losses) on the shareholder funds, separation costs and impairment of equity-accounted investees.

Australian key economic indicators

Change in dwelling values (%)	3 months	6 months	12 months
Sydney	0.8%	3.4%	11.1%
Melbourne	(0.2%)	1.1%	3.5%
Brisbane	3.7%	7.9%	13.1%
Perth	5.1%	9.4%	15.2%
Adelaide	3.7%	7.2%	8.8%
Hobart	0.4%	0.5%	(0.8%)
Canberra	0.6%	1.0%	0.5%
Darwin	0.4%	1.0%	(0.1%)
Regional NSW	1.0%	1.8%	2.4%
Regional vic	0.5%	(0.2%)	(1.6%)
Regional QLD	2.3%	4.9%	8.7%
Regional WA	3.6%	5.1%	8.4%
Regional SA	1.5%	3.6%	9.4%
Regional tas	0.3%	(1.1%)	(0.1%)
Combined capitals	1.5%	4.1%	9.3%
Combined regionals	1.5%	2.7%	4.4%
Australia	1.5%	3.8%	8.1%

Source: CoreLogic's Hedonic Home Value Index at December 2023.

Rental vacancies (%)	Dec 22	Jun 23	Dec 23
Sydney	1.8	1.7	1.7
Melbourne	1.7	1.3	1.5
Brisbane	1.1	1.0	1.2
Perth	0.5	0.6	0.5
Adelaide	0.6	0.6	0.6
Hobart	0.6	1.9	1.1
Canberra	1.9	2.1	2.1
Darwin	1.5	0.9	1.9
National	**1.3**	**1.3**	**1.3**

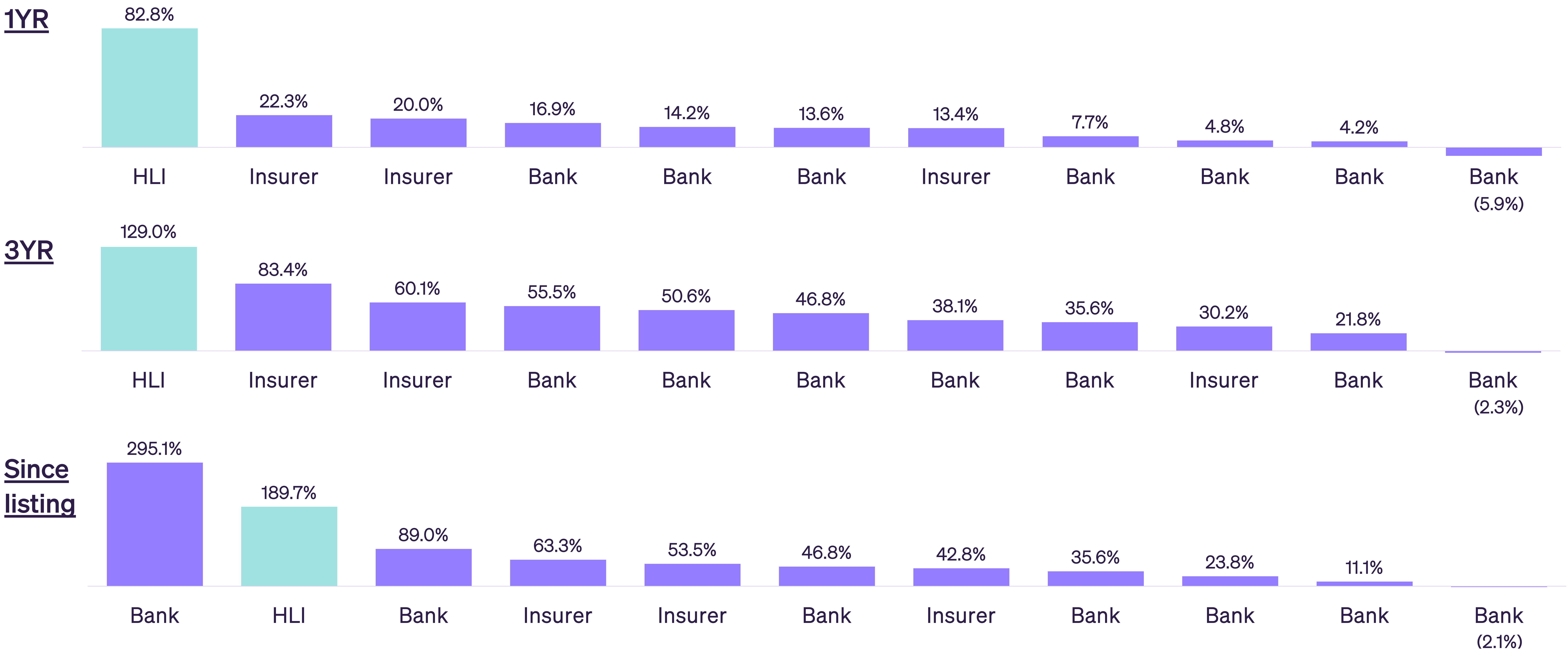
Data sourced from https://sqmresearch.com.au/ as at December 2023.

Unemployment by state (%)	Dec 22	Jun 23	Dec 23
New South Wales	3.1	2.9	3.4
Victoria	3.5	3.7	4.0
Queensland	3.8	3.6	4.3
Western Australia	3.5	3.6	3.9
South Australia	3.9	4.2	3.9
Tasmania	3.6	3.5	3.6
Australian Capital Territory	2.8	3.9	3.9
Northern Territory	4.0	3.3	4.5
National	**3.5**	**3.5**	**3.9**

Data sourced from The Australian Bureau of Statistics at December 2023.

History of strong Total Shareholder Return (TSR) delivery

TSR to 31 December 2023



Source: FactSet.

Glossary

5

Glossary

As at 31 Dec 2023

Term	Definition
Ageing	Movement in reserves on any insurance policy that remains in a delinquent state
API	Application programming interface
APRA	The Australian Prudential Regulation Authority
Book year	The calendar year an LMI policy is originated
CAGR	Compound annual growth rate
Cancellations	The termination of policies before their expiration, typically by the insured
Capitalised premium	The cost of the LMI premium and related costs added to the loan balance(s) covered by the policy
Common equity tier 1 or CET1	Consists of total accounting equity, adjustments for certain reserves and adjustments for certain other items, such as intangible assets, which are excluded from the capital base
CPS	Cents Per Share
CSM (contractual service margin)	The unearned profit component of the insurance contract liability presented in the balance sheet and recognised in the income statement as a company provides services under insurance contracts
CSM recognition proportion	CSM recognised in profit or loss / CSM balance, annualised
Cures	A policy that either clears arrears to below 3 months of missed payments, or sells the underlying securities with enough equity in the property to clear the arrears
Current period incurred claims ratio	Incurred claims from current period / insurance revenue, annualised where required
Delinquency	Any insured loan which is reported as one or more months of repayments in arrears
DTA (deferred tax assets)	A DTA is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised
DUA	Delegated underwriting authority
Excess of loss	A type of insurance in which the insurer indemnifies the insured for losses that exceed a specified limit
Expected incurred recognition proportion	Expected incurred claims (including claims handling expenses) / average LRC PV cash flows, annualised where required
Expected insurance service expenses incurred	The insurer's prospective view of the cost of claims and expenses that expected to be incurred in the reporting period
Expected insurance service result ratio	CSM and risk adjustment released to insurance revenue less net expenses from reinsurance contracts / insurance revenue, annualized where required
Experience variations	The difference between expected premium credits/refunds/claims/expenses to be incurred and actual premium credits/refunds/claims/expenses incurred
GWP	Gross written premium, representing total expected premium to be received from contracts issued in the period

Term	Definition
HPA / HPD / HPI	House price appreciation / depreciation / index
IBNR	Incurred but not reported - Delinquent loans that have been incurred but not reported, policies which have missed 1 or 2 monthly repayments (or equivalent)
IFRS	International Financial Reporting Standards
Insurance in-force	The original principal balance of all mortgage loans currently insured (excludes excess of loss insurance)
Insurance revenue	The amount of revenue depicted in profit or loss to reflect the provision of coverage and other services arising from a group of insurance contracts that reflects the consideration to which the entity expects to be entitled in exchange for those services
Insurance service expense	Claims and expenses (including amortisation of insurance acquisition cash flows) incurred in the period as well as losses and reversals of losses on onerous contracts
Insurance service result	Insurance revenue less insurance service expense less net expenses from reinsurance contracts
INV	Investment loans
IO	Interest Only loans
Level 2	A term defined by APRA under GPS 001 referring to a consolidated insurance group
LIC (liability for incurred claims)	Insurer's obligation to pay amounts related to services provided
LMI	Lenders mortgage insurance
LRC (liability for remaining coverage)	Insurer's obligation to provide insurance contract services after the reporting date and includes CSM
LVR / HLVR	Loan to value ratio High LVR – This LVR benchmark is commonly 80% Original LVR – Calculated using the base LVR at the time of settlement Effective LVR – Calculated using the (estimated current balance)/(approximate house price) of the loan
MIP	Mortgage in possession
Net investment return	Net investment revenue divided by the average balance of the opening and closing cash and financial assets balance for the period, annualised
Net running yield	For bonds the annualised return anticipated if the security is held until the earlier of maturity or the expected call date. For listed equities the ASX300 trailing 12 month dividends divided by the current price. For infrastructure the distributions from the underlying assets to the unit trust divided by the average value over the trailing 12 months. All net of investment fees and hedging costs.
NIW	New insurance written reflects the total loan amount that is insured in the relevant period. NIW for Helia reporting purposes excludes excess of loss business written
NTA (net tangible assets) per share	Net tangible assets (net assets less goodwill and other intangible assets) divided by the number of shares on issue, at the end of the period.
Onerous contracts	If a group of contracts has exhausted its CSM (because movements in the value of future claims, expenses and risk adjustment exceeds the remaining CSM), that group becomes onerous and the shortfall (or reversal of any previous shortfall) is immediately recognised in the Income Statement

Glossary

As at 30 June 2023

Term	Definition
PCA	Prescribed capital amount is an APRA formula (set out in Prudential Standard GPS 110) designed to ensure an insurer has adequate capital against risk
PCA coverage ratio	The PCA coverage is calculated by dividing the regulatory capital base by the prescribed capital amount
pcp	Prior corresponding period
PML	Probable Maximum Loss – The loss determined by applying the formula set out in APRA GPS 116, designed to determine the losses expected to arise from a catastrophic three year event such that the size of loss is equal to a loss with a 0.5 per cent probability of occurrence. The formula has specific factors for probability of default and loss given default and other components
PV	Present value of future cash flows, discounted in accordance with the standard
RBA	Reserve Bank of Australia
Regulatory capital base	The regulatory capital base is the sum of Tier 1 Capital and Tier 2 Capital
Risk adjustment	The compensation an entity requires for bearing the uncertainty about the amount and timing of future cash flows arising from non-financial risk as the entity fulfils insurance contracts
Risk adjustment recognition proportion	Risk adjustment recognised as revenue / average LRC risk adjustment balance, annualised where required
ROE	Return on equity – ROE is NPAT divided by the average of the opening and closing equity balance for a financial period, annualised where required
Shareholder funds	The cash and financial assets in excess of the Technical funds
Statutory NPAT	Statutory net profit after tax
Technical funds	The cash and financial assets held to support insurance contract liabilities
Tier 1 Capital	As defined by APRA GPS 112, Tier 1 Capital comprises the highest quality components of capital that fully satisfy all of the following essential characteristics: (a) Provide a permanent and unrestricted commitment of funds; (b) Are freely available to absorb losses; (c) Do not impose any unavoidable servicing charge against earnings; and (d) Rank behind claims of policyholders and creditors in the event of winding up
Tier 2 Capital	As defined by APRA GPS 112, Tier 2 Capital comprises other components of capital that to varying degrees, fall short of the quality of Tier 1 Capital but nonetheless contribute to the overall strength of a regulated institution and its capacity to absorb losses
Total incurred claims ratio	Total incurred claims / insurance revenue, annualised where required
Total insurance expense ratio	Insurance expenses plus amortisation of insurance acquisition cash flows / insurance revenue
Total shareholder return (TSR)	Calculated as the total return to shareholders (share price movement including value of dividends) over the performance period, expressed as a percentage of the starting share price

Term	Definition
Underlying diluted earnings per share	Underlying NPAT divided by the weighted average number of shares outstanding for the period, adjusted for the effects of all dilutive potential ordinary shares
Underlying NPAT	Underlying NPAT excludes the after-tax impact of unrealised gains/(losses) on the shareholder funds, the impact of foreign exchange rates on Helia's investment portfolio, separation costs and impairment of equity-accounted investees.
Underlying ROE	The Underlying ROE is calculated by dividing Underlying NPAT by the average of the opening and closing equity balance for a financial period, annualised where required
YTD	Year to date

Helia

Investor materials can be found at:

Helia.com.au

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The release of this announcement was authorised by the Board.

27 February 2024