THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Hiscox Ltd interim results

For the six month period ended 30 June 2025

"Broad-based growth, strong profitability and book value creation."

	H1 2025	H1 2024
Insurance contract written premium[1,2]	$2,941.6m	$2,781.9m
Net insurance contract written premium[1,2]	$2,125.2m	$2,000.9m
Insurance service result	$196.2m	$240.7m
Investment result	$234.9m	$152.4m
Profit before tax	$276.6m	$283.5m
Earnings per share	67.2¢	75.1¢
Interim dividend per share	14.4¢	13.2¢
Net asset value per share[1]	1,133.3¢	989.0¢
Group combined ratio (undiscounted)[1]	92.6%	90.4%
Adjusted operating profit before tax[1]	$262.0m	$288.1m
Operating return on tangible equity (ROTE)[1]	14.5%	20.3%
Return on equity (ROE)[1]	12.8%	16.5%
Adjusted operating earnings per share[1]	63.9¢	76.5¢

Highlights

- Insurance contract written premium (ICWP) grew by 5.7% to $2,941.6 million (H1 2024: $2,781.9 million), with all three business segments growing and Retail contributing the majority of the growth.
- Undiscounted combined ratio of 92.6% (H1 2024: 90.4%) underpinned by margin expansion in Hiscox Retail, Hiscox London Market delivering a fifth consecutive undiscounted combined ratio in the 80s and Hiscox Re & ILS continuing to deliver underwriting profits after absorbing the California wildfires loss.
- Solid investment result of $234.9 million (H1 2024: $152.4 million) reflects the sustained earn-through of higher coupons and some fair value gains.
- Adjusted operating profit before tax of $262.0 million (H1 2024: $288.1 million), and operating ROTE of 14.5% (H1 2024: 20.3%).
- Interim dividend of 14.4 cents per share, one-third of prior year total dividend per share and an increase of 9.1% year-on-year.
- Ongoing share buyback increased by $100 million to $275 million, reflecting strong organic capital generation and capital management actions in the first half.

[1]Alternative performance measure definitions used by the Group are included within the condensed consolidated interim financial statements. ROE and ROTE are annualised.

[2]Following the completion of sale of DirectAsia in July 2025, DirectAsia is no longer included within Hiscox Retail, instead being included in the 'Other' segment from 1 January 2025. 2024 financials have been restated to report on a consistent basis.

Aki Hussain, Group Chief Executive Officer, Hiscox Ltd, commented:

“We have delivered a strong performance in the first half with profitable growth in each of our businesses. In Retail, growth momentum has continued in line with our expectations and we are expanding margins. The benefits of our diversified business model and the quality of our underwriting ecosystem are reflected in our Group results. The industry experienced the largest wildfire insurance event in history, despite this we achieved a strong operating ROTE of 14.5%.

Hiscox is successfully executing on strategy. Growth and earnings momentum continues to build in Retail as we capture the vast structural opportunities, and we are selectively deploying capital into attractive opportunities across our diverse big-ticket businesses.

Our balance sheet remains strong, and we are achieving sustained and strong capital formation which underpins our increased return of capital to shareholders, through step-ups in ordinary dividends and buybacks, over the last two years. In addition, following strong organic capital generation and capital management actions in the first half, we have the flexibility to take further steps to improve our balance sheet efficiency and reward shareholders immediately through an increase of $100 million to our ongoing share buyback, taking it from $175 million to $275 million. And our balance sheet remains in great shape, enabling us to keep investing to capture the opportunities ahead and accelerate Retail growth.”

ENDS

A conference call for investors and analysts will be held at 10:30 BST on Wednesday, 6 August 2025.

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The person responsible for arranging and authorising the release of this announcement on behalf of the Company is Marc Wetherhill, Group Company Secretary.

Notes to editors

About The Hiscox Group

Hiscox is a global specialist insurer, headquartered in Bermuda and listed on the London Stock Exchange (LSE:HSX). Our ambition is to continue to be a respected specialist insurer with a diverse portfolio by product and geography. We believe that building balance between catastrophe-exposed business and less volatile local specialty business gives us opportunities for profitable growth throughout the insurance cycle.

The Hiscox Group employs over 3,000 people in 13 countries, and has customers worldwide. Through the retail businesses in the USA, UK and Europe, we offer a range of specialist insurance products in commercial and personal lines. Internationally traded, bigger-ticket business and reinsurance is underwritten through Hiscox London Market and Hiscox Re & ILS.

Our values define our business, with a focus on people, courage, ownership and integrity. We pride ourselves on being true to our word, and our award-winning claims service is testament to that. For more information, visit www.hiscoxgroup.com.

CEO statement

Strategic execution

In the first six months, the Group increased ICWP by 5.7%, or $160 million, with all three business segments growing, Hiscox Retail has been the largest contributor. Despite the largest wildfire losses in history, our diverse portfolio and focus on underwriting discipline and profitable growth ensured the Group achieved a healthy annualised operating return on tangible equity (ROTE) of 14.5%, in line with our through-the-cycle mid-teens target. The adjusted operating profit before tax of $262.0 million is underpinned by strong underwriting profitability and an investment result that continues to benefit from high levels of cash and coupon income.

In Retail, all markets are positively contributing to our upwards momentum and we remain on track to achieve growth in excess of 6%, in constant currency, for the year. Hiscox Retail has delivered an improved undiscounted combined ratio of 92.7%, as we continue to deliver excellent loss ratio performance, now supplemented by emerging operational efficiencies. Our strategy to go deeper in our specialist sectors, and open new niches, expand distribution and enter more markets is progressing well. In the first half of the year, new distribution deals have been signed in the UK, USA and Europe. We have entered the Italian market through the acquisition of a small local player and in the USA we have agreed to acquire a small specialist insurtech, accelerating our product roadmap and expansion into new customer segments, such as technology start-ups and life sciences, while adding cutting-edge technology in the broker channel, complementing our investments in US DPD. These actions will contribute to building growth momentum into 2026 and beyond.

In big-ticket, while rates are generally softening, they are doing so from generational highs, with our portfolio continuing to be well-rated and attractive. Hiscox London Market benefits from a diverse portfolio, where we manage the cycle in some lines and continue to grow in others, as we find attractive opportunities. In the first half, we signed a new high-net-worth property distribution partnership and won new business in renewable energy construction. Hiscox Re & ILS is attracting new third-party capacity and delivered net premium growth driven by specialty classes and pro-rata business.

Our balance sheet remains strong, with the confidence level of reserves stable at 83% (FY 2024: 83%) and a Bermuda Solvency Capital Ratio (BSCR) of 239% (FY 2024: 229%). Our strong organic capital generation has been supplemented by the issuance of both new subordinated notes and a new catastrophe bond. Over 30% of the $175 million share buyback announced in February has been completed at the balance sheet date. Following the first half results, and as guided at our Capital Markets Day, I am pleased to confirm the Board has approved an interim dividend of 14.4 cents per share, an increase of 9.1% from last year reflecting the changing shape of the Group, with Retail expected to be a greater proportion as each of the businesses grow over time, and the confidence in the strategy. In addition, following strong organic capital formation and capital management actions in the first half, we have the flexibility to take further steps to improve our balance sheet efficiency and reward shareholders immediately through an increase of $100 million to our ongoing share buyback, increasing to a total of $275 million. Our balance sheet remains in a strong position, enabling us to continue investing to capture the opportunities ahead and accelerate Retail growth. Going forward, as is our custom, all capital returns will be considered on an annual basis, ahead of the full year results, including at full year 2025.

On 1 June 2025, Peter Clarke was appointed as Chair designate of Hiscox Ltd, and succeeded Colin Keogh as Chair on 1 July 2025. I thank Colin for his significant contribution over the years and we wish him all the best for the future. Peter brings significant expertise across financial services, growing businesses in the USA and in the big-ticket insurance market. Peter joins at an exciting time for Hiscox, and I very much look forward to working with him.

Accelerating change to unlock further profitable growth

At the Capital Markets Day in May 2025, we announced an acceleration of our ongoing change programme which will unlock additional growth capacity, optimise expense efficiency and enhance operating leverage in our Retail business. This programme will deliver an annualised P&L benefit of $200 million in 2028 and onwards. With over 300 initiatives identified and some already in flight, the change programme is gaining momentum and we are on track to deliver $25 million of benefit in 2025.

Technology as a business enabler

Investment in technology is a key enabler of our strategic execution. Across Retail, we are building on the foundations laid over recent years, through deploying new technology to broaden our market access and improve productivity.

We are continuing the rollout of AI-enhanced underwriting tools across Retail and have now deployed new business tools for cyber in US broker and commercial lines in both the UK and Ireland. This is an exciting development, following the successful launch in UK art and private client (APC) new business last year, which reduced case handling times by up to 40% and delivered material uplifts in both quote efficiency and conversion rates.

Technology is helping to deepen our market access. The launch of our UK high-value household product on e-trade has proved highly successful, with over 250 brokers now able to access our auto-underwriting capabilities. In June, Hiscox London Market launched a new cargo solution to auto-underwrite brokered small cargo risks. This digital innovation opens access to a new market, responding to demand for smaller cargo coverage.

Technology is also empowering our customers. In Europe, the core platform rollout remains on track, with France following in the footsteps of Germany to move to the new platform. In Germany, self-serve functionalities have been released on the direct portal, both enhancing the customer experience and driving efficiency.

Claims

As part of our claims change programme, we continue to deliver improvements in our fraud detection and recovery capabilities through the formation of a Group centre of excellence, the introduction of enhanced standards and new additions to our teams. As a result, fraud savings delivered in the first half are already materially ahead of those realised during the prior full year.

In the UK, a new fraud detection tool is being deployed that will score claims and provide analysis to claims managers, leading to faster and more informed data-driven decisions. These technologies will be extended to Europe and the USA over time.

Hiscox won the Counter Fraud Team of the Year award at the 2025 British Claims Awards, in recognition of our specialist and agile approach, which is testament to the progress we are making.

Procurement

In procurement, we have launched a Group-wide platform with enhanced governance to optimise the value delivered from vendors. Since the implementation of the new platform, supplier numbers have reduced from just over 10,000 to under 4,000, with an ambition to reduce this further to around 2,000. The greater transparency and reduction in supplier numbers enables Hiscox to achieve lower costs through consolidating contracts, use of expert negotiators and by obtaining volume discounts using the purchasing power of the Group.

Operational excellence

Our new Group transformation office has launched 18 workstreams to support our change programme. One example of our progress, which is leading to both efficiencies and a richer colleague experience, is the transformation of our People function. As a result of moving from duplicated teams across the globe to the creation of centres of excellence and the use of modern technology, we have introduced a new data-driven talent acquisition service, reducing dependency on agencies. In addition, we have launched Hiscox academies, providing a highly intuitive library of digitally enabled learning and development tools, that apply innovative gamification techniques to increase engagement. Our academies are focused on underwriting, data fluency and technology, claims and leadership skills. We remain committed to the ongoing development of colleagues as the work environment changes.

In addition, we are building a smart operating model by both upskilling our teams through the academies noted above and insourcing and developing strategic differentiating skills in centres of excellence, while outsourcing activities that are performed at scale and do not require customer contact. For example, in technology, we have insourced application development and cyber support at our Lisbon shared services hub, while outsourcing areas like data centre support. This approach optimises cost and allows us to protect and build critical capabilities while leaning on our partners for specialist knowledge.

Hiscox Retail[2]

Hiscox Retail comprises our retail businesses around the world: Hiscox UK, Hiscox Europe, and Hiscox USA. In this segment, our entrepreneurial culture, specialist sector and class of business knowledge, brand and market-leading distribution platforms reinforce our strong market position in an increasingly digital world.

Insurance contract written premium	$1,386.6 million (H1 2024: $1,304.3 million)
Net insurance contract written premium	$1,265.4 million (H1 2024: $1,180.6 million)
Insurance service result	$128.0 million (H1 2024: $130.1 million)
Profit before tax	$180.7 million (H1 2024: $151.4 million)
Adjusted operating profit before tax	$165.7 million (H1 2024: $139.7 million)
Combined ratio	88.6% (H1 2024: 87.9%)
Undiscounted combined ratio	92.7% (H1 2024: 93.1%)

Hiscox Retail ICWP is up 6.0% in constant currency with all three Retail markets in growth mode with improving momentum in both the UK and the USA. Hiscox Retail remains on track to grow in excess of 6%, in constant currency, for the year as momentum builds from distribution deals won over the last 12 months and other management actions.

Hiscox Retail's undiscounted combined ratio was 92.7%, within the 89%-94% undiscounted combined ratio target range and marking a 40 basis points improvement year-on-year, as growth is complemented by early benefits from our change programme. Retail rates, in aggregate, increased 2% over the period. The insurance result reflects strong growth, the improved undiscounted combined ratio and a reduction in the initial benefit from the discounting of claims.

In July 2025, the Group completed the sale of the remaining DirectAsia[2] business, in line with our disciplined focus on key markets where we see the greatest opportunities. DirectAsia has been excluded from both the 2025 and 2024 Retail metrics.

Hiscox UK

Hiscox UK provides commercial insurance and locally traded specialty insurance, as well as personal lines cover, including high-value household, fine art and luxury motor.

Hiscox UK grew ICWP by 6.0% in the first six months, on a constant currency basis, to $463.4 million (H1 2024: $427.4 million) underpinned by policy count growth.

Leveraging its market-leading position, the art and private client (APC) business continues to grow at a double-digit rate, benefitting from management actions over recent years across distribution, technology and brand. In commercial, growth in overall policy count more than offset moderating rates as the inflation-driven spike recedes. To build on our leadership in the technology sector, we have refreshed our technology product to become one of the first in the market to offer affirmative cover for artificial intelligence.

Our award-winning brand campaign continues to drive positive momentum, with spontaneous brand awareness having increased over 80% since the launch of the campaign. More importantly, return on investment metrics screen attractively. The campaign has continued to receive external recognition, with a further eight awards won at the 2025 Creative Circle Awards.

Schemes growth across both commercial and APC was very strong, as production builds from broker distribution deals won over the last couple of years. A further six new deals have been won in the first six months and will provide tailwinds over the coming periods, including our largest UK distribution partnership in recent times which went live in July.

Hiscox Europe

Hiscox Europe provides commercial insurance for micro- to medium-sized businesses, especially in the growing technology and emerging business sectors, and personal lines cover including high-value household, fine art and classic car.

Hiscox Europe ICWP grew strongly by 8.2% on a constant currency basis for the first six months of the year, with ICWP of $427.2 million (H1 2024: $400.4 million). Growth is broad-based across countries, channels and both commercial and personal lines.

We continue to build share in existing sectors including by strengthening our proposition, for example by launching a personal security plus module to our kidnap and ransom product in Germany. To help build further momentum we are launching several new products, including an embedded scheme for leased bikes in Germany, an innovative e-reputation product in France and a new start-ups product in Belgium.

Momentum from new distribution deals is building. More products are being launched on the pan-European digital managing general agent (MGA) platform and more professions are being added to the Iberian bancassurance partnership. The pipeline of future deals remains strong.

Consistent with Hiscox's strategy to selectively enter new geographies, Hiscox Europe has entered the Italian market through the acquisition of a small local player. This modest acquisition allows us to accelerate our build-out with immediate access to local knowledge, front-end technology and an established regional distribution team. Italy represents an exciting opportunity for Hiscox, as our deep broker relationships and expertise in small business mean we are well placed to serve a highly intermediated market with over four million nano and micro businesses.

Hiscox USA

Hiscox USA provides commercial insurance for small businesses and entrepreneurs across all 50 states, with omni-channel distribution through brokers, agents, digitally embedded partners and direct digital channels. Our aspiration is to build America's leading insurer for entrepreneurs and be the preferred partner for their advisors.

Hiscox USA ICWP grew by 4.1% to $496.0 million (H1 2024: $476.5 million) with sustained growth in US DPD and improving performance in US broker.

US DPD ICWP grew by 6.9% to $303.8 million (H1 2024: $284.2 million) with the digital direct business continuing to grow at a double-digit rate, driven by excellent levels of both retention and new business. The new brand campaign launched in March, "There's no business like small business", has already boosted brand awareness by over 30% and is expected to provide a tailwind going forward. US digital partnerships added 12 new partners over the first six months of the year, taking the total to over 195. The management actions taken over recent periods delivered improved growth in the second quarter. These included a growth-enhancing compensation strategy, ongoing alignment of underwriting appetite with individual partners and streamlining of the partner onboarding process. The team continues to work closely with partners to further accelerate momentum through a range of initiatives, including access to more agents with some carriers, expanding some partnerships into additional states and increasing opportunities for cross-selling.

US broker ICWP was flat at $192.2 million (H1 2024: $192.2 million), halting a multi-year decline. This performance is particularly pleasing as macro-economic uncertainty is driving a slower rate of new projects and new business in the second quarter, across both the entertainment and architects and engineers markets, two of our largest traded lines. We continue to take action to improve growth in the US broker channel. In the first half we have optimised the submissions and renewals processes in cyber, including the deployment of AI and automation tools. As part of the Group's change programme further initiatives are planned, with some already underway. Consistent with our strategy to expand solutions, distribution and our platform capabilities, through the acquisition of a small specialist insurtech we are accelerating our product roadmap and entering new customer segments – such as technology start-ups and life sciences – while adding cutting-edge technology in the broker channel which complements our investments in US DPD.

Hiscox London Market

Hiscox London Market uses the global licences, distribution network and credit rating of Lloyd's to insure clients throughout the world. It underwrites lines including property, marine and energy, casualty and other specialty insurance lines.

Insurance contract written premium	$667.7 million (H1 2024: $648.3 million)
Net insurance contract written premium	$448.4 million (H1 2024: $439.1 million)
Insurance service result	$61.8 million (H1 2024: $74.2 million)
Profit before tax	$106.9 million (H1 2024: $108.1 million)
Adjusted operating profit before tax	$98.5 million (H1 2024: $102.8 million)
Combined ratio	83.7% (H1 2024: 81.5%)
Undiscounted combined ratio	87.9% (H1 2024: 86.9%)

As expected, Hiscox London Market returned to growth, with ICWP increasing by 3.0% to $667.7 million (H1 2024: $648.3 million) and net ICWP up 2.1% to $448.4 million (H1 2024: $439.1 million).

While rates are down 4% in aggregate, the portfolio remains well rated, with cumulative rate up 67% since 2018. Our disciplined approach continues, as we manage the cycle where necessary and continue to push forward and grow where we find attractive opportunities.

Property is benefitting from the binders written in the second half of last year and a new high-net-worth distribution partnership. In commercial and major property, we are experiencing increased competition and rate pressure, and as such we are now in cycle management mode. We continue to see opportunities in other parts of our property division and have expanded into US middle market property, leveraging Hiscox Artificial Intelligence Laboratories (HAILO) capabilities to accelerate quoting.

In marine, energy and specialty, we are winning new business in renewable energy construction, following the investment made in the team over the last 18 months.

Casualty returned to growth, driven by increasing rates in general liability and the launch of our new financial institutions and technology E&O products. Hiscox London Market is reducing exposure in D&O and cyber where rates have fallen by a further 8% and 7% respectively in the first half, continuing a three-year trend.

Crisis management has reduced slightly, driven by product recall where we are reducing exposure as rates are declining despite a deteriorating market loss trend, as well as reduced demand for kidnap and ransom insurance from US NGOs. These were partially offset by terrorism, where the strength of the team, high service standards and AI underwriting tools have supported growth in a highly competitive market.

The undiscounted combined ratio of 87.9% (H1 2024: 86.9%) marks the fifth consecutive first half in the 80's, an excellent result as we execute our disciplined underwriting to manage the micro-cycles across our portfolio. Hiscox London Market achieved a strong insurance service result of $61.8 million (H1 2024: $74.2 million), with the year-on-year movement reflecting the impact of a change in business mix on acquisition costs, partially offset by an improvement in the loss ratio.

Hiscox Re & ILS

Hiscox Re & ILS comprises the Group's reinsurance businesses in London and Bermuda and insurance-linked securities (ILS) activity written through Hiscox ILS.

Insurance contract written premium	$887.3 million (H1 2024: $829.3 million)
Net insurance contract written premium	$411.4 million (H1 2024: $381.2 million)
Insurance service result	$8.5 million (H1 2024: $43.5 million)
Profit before tax	$54.0 million (H1 2024: $86.5 million)
Adjusted operating profit before tax	$45.8 million (H1 2024: $84.9 million)
Combined ratio	95.1% (H1 2024: 73.8%)
Undiscounted combined ratio	99.5% (H1 2024: 77.3%)

Hiscox Re & ILS net ICWP increased by 7.9% to $411.4 million (H1 2024: $381.2 million), driven by growth in specialty and pro-rata lines of business. ICWP grew by 7.0% to $887.3 million (H1 2024: $829.3 million), benefitting from increased third-party capital support in the form of both quota share partners and alternative capital investors.

Rates reduced by 6% in the period and, like London Market, while rates are falling in aggregate the Hiscox Re & ILS portfolio remains very well rated, having experienced cumulative rate increase of 81% since 2018. Consequently, there remain satisfactory technical margin and selective opportunities to deploy modest amounts of additional capital. We are seeing a bifurcation in pricing, with very substantial rate increases on loss-impacted business, and a continuing decline in 'clean' business as capital in the market remains more than adequate to meet rising demand. Despite pressure on pricing, terms and conditions have continued to broadly hold.

ILS assets under management (AUM) of $1.4 billion at 30 June 2025 (31 December 2024: $1.5 billion) reflect the impact of planned returns of capital to ongoing investors and the California wildfires. This was partially offset by over $300 million of capital raised from new and existing investors in the first half.

The insurance service result of $8.5 million (H1 2024: $43.5 million) and undiscounted combined ratio of 99.5% (H1 2024: 77.3%) were impacted by the California wildfires.

Claims

The first six months' performance was impacted by losses from California wildfires in the first quarter. In line with our expectations, the Group's initial wildfire loss estimate of $170 million is developing favourably.

The Group's loss experience has otherwise been within expectations, despite a number of man-made events within Hiscox London Market's marine, energy and specialty division.

Strong foundations

Reserves

As at 30 June 2025, the Group's net reserves are at the 83% confidence level (FY 2024: 83%, H1 2024: 82%) in line with our conservative reserving philosophy, with the risk adjustment above the best estimate of $279.0 million[3] (FY 2024: $267.5 million, H1 2024: $262.0 million). Net reserve releases of $132.1 million (H1 2024: $50.8 million) reflect our conservative reserving philosophy.

The Group's legacy portfolio transactions (LPTs) continue to protect certain lines of business, in particular those we have exited, and cover 36% of casualty gross reserves for 2019 and prior years from inflationary and other pressures.

Capital

The Group is strongly capitalised from both a regulatory and a ratings agency perspective. Strong organic capital generation has been supplemented by the issuance of a $200 million catastrophe bond in February and $500 million of Tier 2 capital raised, replacing the £261.2 million notes redeemed in June 2025.

As a result, the estimated Group BSCR ratio has increased to 239% at 30 June 2025 (FY 2024: 229%). This is after payment of the final 2024 dividend and with over 30% of the share buyback completed at the balance sheet date. The BSCR ratio includes 20% of the $154 million Bermuda deferred tax asset, consistent with our year-end figure.

In line with the policy announced at the Capital Markets Day and having considered the capital requirements of the business, the Board has approved the payment of an interim dividend[4] of 14.4 cents per share, which represents one-third of the total dividend per share paid in respect of 2024 and an increase to shareholders of 9.1%.In addition, following strong organic capital formation and capital management actions in the first half, we have the flexibility to take further steps to improve our balance sheet efficiency and reward shareholders immediately through an increase of $100 million to our ongoing share buyback, increasing to a total of $275 million, expected to complete ahead of the 2025 preliminary results. Our balance sheet remains in a strong position, enabling us to keep investing to capture the opportunities ahead and accelerate Retail growth. Going forward, as is our custom, all capital returns will be considered on an annual basis, ahead of the full year results, including at full year 2025. We will apply our normal capital allocation philosophy, prioritising high-quality growth, balance sheet resilience, and our commitment to a progressive dividend.

Liquidity

The Group, at the holding company level, continues to retain a significant level of liquidity, with fungible assets in excess of $1 billion comprised of liquid assets and undrawn borrowing facilities. During the period, the Group redeemed the £261.2 million, of the £275 million 6.125% subordinated notes, and issued new $500 million 7.000% subordinated notes. As a result, the leverage position as at 30 June 2025 for the Group is 18.4%[5], comfortably within historical levels.

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[3]Allows for the reclassification of legacy portfolio transactions (LPT) recoveries into claims.

[4]The record date for the dividend will be 15 August 2025 and the payment date will be 23 September 2025. The Board proposes to offer a Scrip alternative, subject to the terms and conditions of the Group's 2025 Scrip Dividend Scheme. The last date for receipt of Scrip elections will be 1 September 2025 and the reference price will be announced on 9 September 2025. Further details on the dividend election process and Scrip alternative can be found on the investor relations section of our corporate website, www.hiscoxgroup.com.

[5]Leverage defined as borrowings over borrowings and shareholder equity.

Investments

The investment result for the first half was $234.9 million (H1 2024: $152.4 million), or a year-to-date return of 2.9% (H1 2024: 1.9%). After adjusting for mark-to-market movement, the investment result included in operating profit before tax is $187.2 million (H1 2024: $155.2 million). Group invested assets as at 30 June 2025 were $8.9 billion (FY 2024: $8.2 billion). The fixed income portfolio saw some mark-to-market gains in the period, with the investment result largely driven by coupon and cash income.

Following the increased volatility experienced in April, markets reacted favourably to the deferral of trade tariffs by the US government, largely neutralising movements in bond yields and equities in the second quarter. Hiscox's investment portfolio remained resilient throughout this period as the Group's short duration of 2.0 years and high-quality fixed income portfolio, with an average credit rating of 'A', means that Hiscox is prudently positioned.

Tax

Bermuda's Corporate Income Tax (BCIT) came into effect on 1 January 2025, contributing to the increase in the Group's effective tax rate to 17.9%, which is within the expected range of 15%-20%.

Outlook

Our priority remains profitable growth. We have the strategy, capabilities and balance sheet to capture the vast opportunities in each of our markets, enabling us to get ahead of market trends as they develop.

In Retail, we expect the positive momentum to continue to build in the second half of the year as the breadth of actions we are taking gain further traction. We re-affirm the full year Retail guidance of growth in excess of 6% in constant currency as momentum builds from recently won distribution deals in all markets. In London Market, our diverse portfolio provides optionality, and we will selectively deploy capital as we navigate the micro-cycles across the portfolio. In Hiscox Re & ILS, the majority of this year's premium was written as usual in the first half, and a larger share will be earned in the second half, consistent with the risk profile of the business. We go into the second half of the year well capitalised and with an attractive portfolio of business.

As announced at the Capital Markets Day in May 2025, subject to final Board ratification ahead of full year 2025 results, the Group expects to increase its final 2025 dividend per share by 20% with a progressive dividend per share thereafter. This reflects the changing shape of the Group, with Retail becoming a greater part, and the confidence in our strategy.

Aki Hussain

Group Chief Executive Officer
5 August 2025

Hiscox Ltd interim results

Condensed consolidated interim income statement
For the six month period ended 30 June 2025

	Note	**Six months to 30 June 2025 (reviewed) $m**	Six months to 30 June 2024 (reviewed) $m
Insurance revenue	6	**2,105.5**	2,058.1
Insurance service expenses	6	**(1,991.4)**	(1,611.8)
Insurance service result before reinsurance contracts held		**114.1**	446.3
Allocation of reinsurance premiums	6	**(457.8)**	(476.6)
Amounts recoverable from reinsurers for incurred claims	6	**539.9**	271.0
Net expenses from reinsurance contracts held		**82.1**	(205.6)
Insurance service result	6	**196.2**	240.7
Investment result	9	**234.9**	152.4
Net finance expenses from insurance contracts		**(123.4)**	(90.5)
Net finance income from reinsurance contracts		**40.4**	29.9
Net insurance finance expenses		**(83.0)**	(60.6)
Net financial result	9	**151.9**	91.8
Other income	10	**40.9**	49.0
Other operational expenses	6	**(78.8)**	(58.1)
Net foreign exchange losses		**(4.4)**	(14.5)
Other finance costs	11	**(29.2)**	(25.4)
Profit before tax		**276.6**	283.5
Tax (expense)/credit	12	**(49.5)**	(24.6)
Profit for the period (all attributable to owners of the Company)		**227.1**	258.9

Earnings per share on profit attributable to owners of the Company			
Basic	14	**67.2¢**	75.1¢
Diluted	14	**65.5¢**	73.1¢

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim statement of comprehensive income

For the six month period ended 30 June 2025

	Note	**Six months to 30 June 2025 (reviewed) $m**	Six months to 30 June 2024 (reviewed) $m
Profit for the period		**227.1**	258.9
Other comprehensive (expense)/income			
Items that will not be reclassified to the income statement:			
Remeasurements of the net defined benefit pension scheme		**(1.1)**	(6.5)
Income tax effect		**0.3**	1.9
		(0.8)	(4.6)
Items that may be reclassified subsequently to the income statement:			
Exchange (losses)/gains on translation of foreign operations		**52.1**	(2.5)
Other comprehensive (expense)/income net of tax		**51.3**	(7.1)
Total comprehensive income for the period (all attributable to the owners of the Company)		**278.4**	251.8

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim statement of financial position
As at 30 June 2025

	Note	**30 June 2025 (reviewed) $m**	31 December 2024 (audited) $m
Assets			
Employee retirement benefit asset		**43.2**	40.0
Goodwill and intangible assets		**329.2**	308.8
Property, plant and equipment		**112.8**	125.6
Investments in associates		**0.4**	0.8
Deferred tax assets		**167.6**	179.4
Assets included in disposal group classified as held for sale		**56.8**	52.5
Reinsurance contract assets	13	**2,339.3**	1,976.8
Financial assets carried at fair value	16	**7,659.2**	7,077.6
Trade and other receivables		**309.8**	249.0
Current tax assets		**8.3**	3.3
Cash and cash equivalents		**1,313.2**	1,227.0
Total assets		**12,339.8**	11,240.8
Equity and liabilities			
Shareholders' equity			
Share capital		**37.9**	38.1
Share premium		**354.9**	405.6
Contributed surplus		**184.0**	184.0
Currency translation reserve		**(339.0)**	(391.1)
Retained earnings		**3,569.1**	3,452.2
Equity attributable to owners of the Company		**3,806.9**	3,688.8
Non-controlling interest		**1.1**	1.1
Total equity		**3,808.0**	3,689.9
Employee retirement benefit obligations		**–**	–
Deferred tax liabilities		**69.5**	75.8
Liabilities included in disposal group classified as held for sale		**60.6**	52.7
Insurance contract liabilities	13	**7,038.9**	6,396.3
Financial liabilities	16	**875.4**	663.5
Current tax liabilities		**36.9**	19.7
Trade and other payables		**450.5**	342.9
Total liabilities		**8,531.8**	7,550.9
Total equity and liabilities		**12,339.8**	11,240.8

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim statement of changes in equity
For the six month period ended 30 June 2025

	Share capital	Share premium	Contributed surplus	Currency translation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interest	Total equity
	$m	$m	$m	$m	$m	$m	$m	$m
Balance at 1 January 2025	**38.1**	**405.6**	**184.0**	**(391.1)**	**3,452.2**	**3,688.8**	**1.1**	**3,689.9**
Profit for the period	**–**	**–**	**–**	**–**	**227.1**	**227.1**	**–**	**227.1**
Other comprehensive income net of tax	**–**	**–**	**–**	**52.1**	**(0.8)**	**51.3**	**–**	**51.3**
Total comprehensive income	**–**	**–**	**–**	**52.1**	**226.3**	**278.4**	**–**	**278.4**
Employee share options:								
Equity settled share-based payments	**–**	**–**	**–**	**–**	**15.0**	**15.0**	**–**	**15.0**
Proceeds from shares issued	**0.1**	**3.3**	**–**	**–**	**–**	**3.4**	**–**	**3.4**
Share buyback*	**(0.3)**	**(56.4)**	**–**	**–**	**–**	**(56.7)**	**–**	**(56.7)**
Deferred and current tax on employee share options	**–**	**–**	**–**	**–**	**8.5**	**8.5**	**–**	**8.5**
Shares purchased for employee trust	**–**	**—**	**–**	**–**	**(32.1)**	**(32.1)**	**–**	**(32.1)**
Shares issued in relation to Scrip Dividend	**–**	**2.4**	**–**	**–**	**–**	**2.4**	**–**	**2.4**
Dividends paid to owners of the Company	**–**	**–**	**–**	**–**	**(100.8)**	**(100.8)**	**–**	**(100.8)**
Balance at 30 June 2025	**37.9**	**354.9**	**184.0**	**(339.0)**	**3,569.1**	**3,806.9**	**1.1**	**3,808.0**

* This represents the buyback of ordinary shares by the Company as part of buyback programme commenced on 27 February 2025.

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim statement of changes in equity (continued)
For the six month period ended 30 June 2024

	Share capital	Share premium	Contributed surplus	Currency translation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interest	Total equity
	$m	$m	$m	$m	$m	$m	$m	$m
Balance at 1 January 2024	38.8	528.8	184.0	(379.2)	2,923.2	3,295.6	1.1	3,296.7
Profit for the period	–	–	–	–	258.9	258.9	–	258.9
Other comprehensive income net of tax	–	–	–	(2.5)	(4.6)	(7.1)	–	(7.1)
Total comprehensive income	–	–	–	(2.5)	254.3	251.8	–	251.8
Employee share options:								
Equity settled share-based payments	–	–	–	–	9.4	9.4	–	9.4
Proceeds from shares issued	0.1	19.9	–	–	–	20.0	–	20.0
Share buyback*	(0.7)	(126.0)	–	–	–	(126.7)	–	(126.7)
Deferred and current tax on employee share options	–	–	–	–	0.9	0.9	–	0.9
Shares issued in relation to Scrip Dividend	–	1.5	–	–	–	1.5	–	1.5
Dividends paid to owners of the Company	–	–	–	–	(86.0)	(86.0)	–	(86.0)
Balance at 30 June 2024	38.2	424.2	184.0	(381.7)	3,101.8	3,366.5	1.1	3,367.6

*This represents the buyback of ordinary shares by the Company as part of buyback programme commenced on 5 March 2024.

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim statement of cash flows
For the six month period ended 30 June 2025

	Note	**Six months to 30 June 2025 (reviewed) $m**	Six months to 30 June 2024 (reviewed) $m
Profit before tax		**276.6**	283.5
Adjustments for:			
Net foreign exchange losses		**4.4**	14.5
Interest and equity dividend income	9	**(157.7)**	(153.1)
Interest expense	11	**29.2**	25.4
Net fair value gains on financial assets	9	**(61.1)**	(7.7)
Depreciation, amortisation and impairment	10	**31.8**	34.4
Charges in respect of share-based payments		**15.0**	25.5
Realised (gain)/loss on sale of subsidiary undertaking, intangible assets and property, plant and equipment		**(1.8)**	1.5
Changes in operational assets and liabilities:			
Insurance and reinsurance contracts		**112.1**	48.9
Financial assets carried at fair value		**(283.6)**	(99.1)
Financial liabilities carried at fair value		**0.5**	(0.3)
Financial liabilities carried at amortised cost		**0.4**	0.3
Other assets and liabilities		**35.9**	(132.3)
Interest received		**155.9**	140.9
Equity dividends received		**0.8**	0.5
Interest paid		**(18.5)**	(4.5)
Tax paid		**(30.5)**	(13.9)
Net cash flows from operating activities		**109.4**	164.5
Purchase of property, plant and equipment		**(1.0)**	(1.8)
Proceeds from the sale of property, plant and equipment		**1.8**	0.1
Purchase of intangible assets		**(22.2)**	(14.3)
Net cash flows used in investing activities		**(21.4)**	(16.0)
Proceeds from the issue of ordinary shares		**3.4**	3.8
Proceeds from the issue of loan notes		**496.8**	–
Distributions made to owners of the Company		**(98.4)**	(84.4)
Repayments of borrowings		**(355.4)**	—
Shares repurchased		**(56.7)**	(126.7)
Purchase of shares for employee trust		**(32.1)**	–
Principal elements of lease payments		**(11.3)**	(5.8)
Net cash flows used in financing activities		**(53.7)**	(213.1)
Net increase/(decrease)in cash and cash equivalents		**34.3**	(64.6)
Cash and cash equivalents at 1 January		**1,227.0**	1,437.0
Net increase/(decrease) in cash and cash equivalents		**34.3**	(64.6)
Effect of exchange rate fluctuations on cash and cash equivalents		**51.9**	(4.4)
Cash and cash equivalents at end of period	18	**1,313.2**	1,368.0

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Notes to the condensed consolidated interim financial statements

1. General information

Hiscox Ltd (the 'Company') is a public limited company registered and domiciled in Bermuda. The condensed consolidated interim financial statements for the Company as at, and for the six months ended, 30 June 2025 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in associates. The CEO's statement accompanying these condensed consolidated interim financial statements forms the Interim Statement for the half year ended 30 June 2025.

The Directors of Hiscox Ltd are listed in the Group's 2024 Report and Accounts. A list of current Directors is maintained and available for inspection at the registered office of the Company located at Chesney House, 96 Pitts Bay Road, Pembroke HM 08, Bermuda.

2. Basis of preparation

These condensed consolidated interim financial statements for the six months to 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*, the UK-adopted international accounting standards, and the Disclosure Guidance and Transparency Rules sourcebook issued by the Financial Conduct Authority.

The accounting policies applied, the significant judgements made, and the key sources of estimation uncertainty in the condensed consolidated interim financial statements are the same as those applied in Hiscox Ltd's 2024 consolidated financial statements.

The Group has applied the exception under the IAS 12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

These condensed consolidated interim financial statements are unaudited but have been reviewed by the auditor, PricewaterhouseCoopers LLP. The comparative results for the year ended 31 December 2024 and 30 June 2024 have been taken from the Group's 2024 Report and Accounts, and the 2024 Interim Statements. They should be read in conjunction with the audited consolidated financial statements of the Group as at, and for the year ended, 31 December 2024.

The condensed consolidated interim financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Board has reviewed the Group's current and forecast solvency and liquidity positions for the next 12 months and beyond. As part of this consideration, management uses scenario analysis and stress testing to assess the robustness of the Group's solvency and liquidity positions.

The Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence over a period of at least 12 months from the date of approval of the condensed consolidated interim financial statements. For this reason, they continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements.

Items included in the financial statements of each of the Group's entities are measured in the currency of the primary economic environment in which that entity operates ('the functional currency'). The condensed consolidated interim financial statements are stated in US Dollars which is the Group's presentation currency. Except where otherwise indicated, all amounts presented in the financial statements are in US Dollars millions ($m) rounded to the nearest hundred thousand Dollars.

These condensed consolidated interim financial statements were approved by the Board for issue on 5 August 2025.

2.1 New and amended accounting standards adopted by the Group

The Group has not early adopted any new standards, interpretations or amendments that have been issued but are not yet effective. Only one amendment applies for the first time in 2025 relating to IAS 21 *The Effects of Changes in Foreign Exchange Rates*. This amendment does not have a material impact on the condensed consolidated interim financial statements of the Group.

2.2 Significant accounting judgements and estimates

In preparing these condensed consolidated interim financial statements, management makes judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to and were disclosed in the Group's 2024 Report and Accounts.

3. Management of risk

The Group's principal risks and uncertainties are disclosed within the Group's 2024 Report and Accounts on pages 22 to 25. Updates on the principal risks and uncertainties are set out below.

Operational risk

The Group demonstrates continued operational resilience, underscoring the benefits of its business model, disciplined risk management and ongoing investment in technology and infrastructure.

Insurance risk

The insurance risks are consistent with those disclosed within the 2024 Report and Accounts on pages 190 to 193. The Group continues to assess, review and monitor its underwriting and reserving risk.

Financial risk

The Group continues to monitor all aspects of its financial risk appetite and the resultant exposure is taken with caution.

Reliability of fair value

As detailed in note 16, the Group's investment allocation is broadly comparable to that as at 31 December 2024. In order to assist users, the Group has disclosed the measurement attributes of its investment portfolio in a fair value hierarchy in note 17 in accordance with IFRS 13 *Fair Value Measurement*.

Price risk

The price risks are consistent with those disclosed within the 2024 Report and Accounts on page 194. The Group's equity and investment fund holdings are limited to a relatively small and controlled proportion of the overall investment portfolio. The equity and investment funds holdings are diversified over a number of companies and industries. The fair value of equities and investment fund assets in the Group's statement of financial position at 30 June 2025 was $216.5 million (31 December 2024: $210.2 million).

Interest rate risk

The interest rate risks are broadly consistent with those disclosed within the 2024 Report and Accounts on page 194. The fair value of the Group's investment portfolio of debt and fixed income holdings is normally inversely correlated to movements in market interest rates. When market interest rates decrease, the fair value of the Group's debt and fixed income investments would tend to increase and vice versa if credit spreads remained constant. The fair value of debt and fixed income assets on the Group's statement of financial position at 30 June 2025 was $7,201.4 million (31 December 2024: $6,660.9 million).

The fair value of private credit funds with exposures to interest rate risk at 30 June 2025 was $185.3 million (31 December 2024: $148.2 million) of which more than 90% are floating rate.

One method of assessing interest rate sensitivity is through the examination of duration-convexity factors in the underlying portfolio. Duration is the weighted average length of time required for an instrument's cash flow stream to be recovered, where the weightings involved are based on the discounted present values of each cash flow. A closely related concept, modified duration, measures the sensitivity of the instrument's price to a change in its yield to maturity. Convexity measures the sensitivity of modified duration to changes in the yield to maturity.

The Group has used a duration-convexity-based sensitivity analysis for the debt and fixed income holdings, and recalculated the discounting impact for the reinsurance contract assets and insurance contract liabilities, to estimate that a movement in interest rates may affect the Group equity and profit after tax for the period/year as follows:

Period end/Year end	**30 June 2025**	31 December 2024
	1% increase/decrease in interest rates	1% increase/decrease in interest rates
	Equity/profit after tax	Equity/profit after tax
	$m	$m
Reinsurance contract assets	**(29)/29**	(32)/32
Insurance contract liabilities	**87/(87)**	91/(91)
Debt and fixed income holdings	**(117)/117**	(113)/113
Private credit funds	0/0	0/0

The liability for incurred claims, reinsurance assets for incurred claims and certain reinsurance assets for remaining coverage are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk-free rates were derived using swap rates available in the market denominated in the same currency as the insurance contracts being measured. When swap rates are not available, highly liquid sovereign bonds with the highest credit ratings (for example, AAA/AA) are used. The following discount rates were applied for the currencies and periods presented below:

			Period end 30 June 2025			Year end 31 December 2024
	1 year	**3 year**	**5 year**	1 year	3 year	5 year
	%	**%**	**%**	%	%	%
USD	**3.95**	**3.58**	**3.65**	4.27	4.18	4.24
GBP	**4.08**	**3.97**	**4.08**	4.68	4.40	4.35
EUR	**2.03**	**2.20**	**2.48**	2.46	2.35	2.49
CAD	**2.59**	**2.67**	**2.85**	2.96	2.88	2.98

Credit risk
The credit risks are consistent with those disclosed within the 2024 Report and Accounts on pages 195 to 196.

The Group Reinsurance Credit Committee assesses the creditworthiness of all reinsurers by reviewing credit grades provided by rating agencies and other publicly available financial information detailing their financial strength and performance as well as details of recent payment history and the status of any ongoing negotiations between Group companies and these third parties. As at 30 June 2025, 99.1% (31 December 2024: 99.6%) of the Group's reinsurance assets are rated BBB or higher, or are fully collateralised. Individual operating units maintain records of the payment history for significant brokers and contract holders with whom they conduct regular business. The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset, where counterparties are both debtors and creditors of the Group, and are obtaining collateral from unrated counterparties.

The Group mitigates credit risk by investing predominantly in high-quality debt and fixed income instruments. As at 30 June 2025, 92.8% (31 December 2024: 92.8%) of the Group's debt and fixed income instruments and private credit funds are rated BBB or higher.

Liquidity risk
The liquidity risks are consistent with those disclosed within the 2024 Report and Accounts on pages 197 to 198.

The Group is exposed to daily calls on its available cash resources, mainly from claims arising from insurance and reinsurance contracts.

The Group's liquidity risk appetite is designed to ensure that appropriate cash resources are maintained to meet obligations as they fall due, both in business-as-usual and stressed circumstances. This is measured using a liquidity coverage ratio, which compares liquidity sources to stress-tested liquidity requirements.

A significant proportion of the Group's investments is in highly liquid assets which could be converted to cash in a prompt fashion and at minimal expense. The Group's exposure to equities is concentrated on shares and funds that are traded on internationally recognised stock exchanges.

The main focus of the investment portfolio is on high-quality, short-duration debt and fixed income securities and cash. Notwithstanding the regular interest receipts, and also the Group's ability to liquidate these securities and the majority of its other financial instrument assets for cash in a prompt and reasonable manner, the contractual maturity profile of the fair value of these securities is presented below.

Fair values at the end of the reporting period analysed by contractual maturity:

As at 30 June 2025	**Note**	**Within one year** $m	**Between one and two years** $m	**Between two and three years** $m	**Between three and four years** $m	**Between four and five years** $m	**Over five years** $m	**Total** $m
Debt and fixed income holdings	**16**	**1,199.6**	**1,131.2**	**1,320.9**	**1,089.8**	**1,220.4**	**1,239.5**	**7,201.4**
Cash and cash equivalents		**1,313.2**	**–**	**–**	**–**	**–**	**–**	**1,313.2**
Total		**2,512.8**	**1,131.2**	**1,320.9**	**1,089.8**	**1,220.4**	**1,239.5**	**8,514.6**

As at 31 December 2024	Note	Within one year $m	Between one and two years $m	Between two and three years $m	Between three and four years $m	Between four and five years $m	Over five years $m	Total $m
Debt and fixed income holdings	16	1,392.3	1,336.0	1,185.7	926.5	836.9	983.5	6,660.9
Cash and cash equivalents		1,227.0	–	–	–	–	–	1,227.0
Total		2,619.3	1,336.0	1,185.7	926.5	836.9	983.5	7,887.9

The Group's equities, equity funds, hedge funds and credit funds and other non-dated instruments have no contractual maturity terms but predominantly could be liquidated in an orderly manner for cash in a prompt and reasonable time frame within one year of the end of the reporting period.

The Group's private credit funds are not readily realisable and the principal will be returned over the life of the underlying assets which have a typical contractual maturity of five to seven years.

The following is an analysis by liability type of the estimated timing of net cash flows based on the liability for incurred claims. The estimated phasing of settlement is based on current estimates and historical trends and the actual timing of future settlement cash flows may differ materially from the disclosure below.

Liquidity requirements to settle the estimated profile of the net undiscounted liability for incurred claims on the statement of financial position:

As at 30 June 2025	**Within one year**	**Between one and two years**	**Between two and three years**	**Between three and four years**	**Between four and five years**	**Over five years**	**Total**
	$m	**$m**	**$m**	**$m**	**$m**	**$m**	**$m**
Total	**1,688.2**	**1,134.8**	**679.0**	**432.1**	**246.9**	**360.9**	**4,541.9**

As at 31 December 2024	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	Over five years	Total
	$m	$m	$m	$m	$m	$m	$m
Total	1,813.4	1,043.2	586.5	322.4	197.0	344.8	4,307.3

Currency risk
The currency risk is consistent with the disclosures in the 2024 Report and Accounts on pages 198 to 199. The Group remains susceptible to fluctuations in rates of foreign exchange, in particular between US Dollars, Euros and Sterling.

Capital risk management
The Group's capital risk management approach is consistent with the disclosures described within the 2024 Report and Accounts on pages 199 to 201. Prudent capital management is critical to ensure the Group is able to continue to serve its customers, pay valid claims and grow where opportunity permits. As a result, at 30 June 2025, the Group remains strongly capitalised against both our regulatory and rating agency requirements. The Group's available capital was $3,997.7 million (31 December 2024: $3,725.6 million), comprising net tangible asset value of $3,478.8 million (31 December 2024: $3,381.1 million) and subordinated debt of $518.9 million (31 December 2024: $344.5 million).

4. Seasonality and weather

The Group's material exposure to catastrophe losses on certain lines of business, such as reinsurance inwards and marine and major property risk mainly in Re & ILS segment, is greater during the second half of the calendar year, broadly in line with the most active period of the North Atlantic windstorm season.

In contrast, a majority of gross premium income written in these lines of business occurs during the first half of the calendar year. The Group actively participates in many regions and, if any catastrophic events do occur, it is likely that the Group will share some of the market's losses. Consequently, the potential for significant volatility in expected returns remains during the second half of the year.

5. Related-party transactions

Transactions with related parties during the period are consistent in nature and scope with those disclosed in note 30 of the Group's 2024 Report and Accounts.

6. Operating segments

The Group’s operating segment reporting follows the organisational structure and management’s internal reporting systems, which form the basis for assessing the financial reporting performance of, and allocation of resources to, each business segment.

The Group’s four primary business segments are identified as follows:

Hiscox Retail brings together the results of the Group’s retail business divisions in the UK, Europe and the USA. Hiscox UK and Hiscox Europe underwrite personal and commercial lines of business through Hiscox Insurance Company Limited, Syndicate 3624 and Hiscox Société Anonyme, together with the fine art and non-US household insurance business written through Syndicate 33. Hiscox USA comprises commercial, property and specialty business written by Hiscox Insurance Company Inc., Syndicate 33 and Syndicate 3624;

Hiscox London Market comprises the internationally traded insurance business written by the Group’s London-based underwriters via Syndicate 33, including lines in property, marine and energy, casualty and other specialty insurance lines;

Hiscox Re & ILS is the reinsurance division of the Hiscox Group, combining the underwriting platforms in Bermuda and London. The segment comprises the performance of Hiscox Insurance Company (Bermuda) Limited (HIB), including the open market placed reinsurance arrangements with other Hiscox Group entities, and the reinsurance contracts written by Syndicate 33. The segment also includes the performance and fee income from the Insurance Linked Securities (ILS) funds, along with the gains and losses made as a result of the Group's investment in the funds.

Other segment comprises other income and costs that are not directly attributable to the Group's principal operating segments, including finance costs and administrative costs associated with Group management activities and intragroup borrowings, foreign exchange gains and losses, as well as consolidation adjustments to eliminate the results relating to open market-placed intragroup reinsurance arrangements.

With effect from 2025, DirectAsia which is classified as a disposal group held for sale, is no longer considered part of the core Hiscox Retail segment and is now disclosed within Other segment. The comparative period has been restated to present on a consistent basis. In July 2025, the Group completed the sale of the remaining DirectAsia business. Additionally, following an increase in the level of HIB's participation in the business placed by Hiscox Retail and Hiscox London Market in the open market, the results of Hiscox Retail, Hiscox London Market and Hiscox Re & ILS now include the results of such open market-placed intragroup reinsurance arrangements, with the related consolidation adjustments being presented within Other segment.

All amounts reported on the following pages in respect of these segments represent transactions with external parties as well as various open market-placed intragroup reinsurance arrangements, which they enter into in the normal course of trade. The related results of these transactions are eliminated on consolidation, and the consolidation adjustments are included within Other segment. This is consistent with the information used by the chief operating decision-maker when evaluating the results of the Group. Performance is measured based on each reportable segment's profit or loss before tax and combined ratio.

6. Operating segments (continued)

Six months ended 30 June 2025 (reviewed)	Hiscox Retail	Hiscox London Market	Hiscox Re & ILS	Other	Total
	$m	$m	$m	$m	$m
Insurance revenue	1,223.3	520.6	343.4	18.2	2,105.5
Insurance service expenses	(1,039.7)	(377.7)	(555.7)	(18.3)	(1,991.4)
Incurred claims and changes to liabilities for incurred claims	(498.4)	(204.1)	(484.2)	(9.6)	(1,196.3)
Amortisation of insurance acquisition cash flows*	(345.0)	(112.7)	(41.5)	(4.7)	(503.9)
Other attributable expenses*	(193.6)	(60.9)	(30.0)	(4.0)	(288.5)
Losses on onerous contracts and reversals	(2.7)	–	–	–	(2.7)
Insurance service result before reinsurance contracts held	183.6	142.9	(212.3)	(0.1)	114.1
Allocation of reinsurance premiums	(113.0)	(158.9)	(185.8)	(0.1)	(457.8)
Amounts recoverable from reinsurers for incurred claims	57.4	77.8	406.6	(1.9)	539.9
Net expense from reinsurance contracts held	(55.6)	(81.1)	220.8	(2.0)	82.1
Insurance service result	128.0	61.8	8.5	(2.1)	196.2
Investment result	129.1	61.3	44.1	0.4	234.9
Net finance expense from insurance contracts	(59.5)	(38.5)	(24.6)	(0.8)	(123.4)
Net finance income from reinsurance contracts	7.5	15.9	16.6	0.4	40.4
Net insurance finance expense	(52.0)	(22.6)	(8.0)	(0.4)	(83.0)
Net financial result	77.1	38.7	36.1	–	151.9
Other income	7.5	15.8	17.0	0.6	40.9
Other operational expenses*	(31.1)	(9.2)	(7.3)	(31.2)	(78.8)
Net foreign exchange losses	–	–	–	(4.4)	(4.4)
Other finance costs	(0.8)	(0.2)	(0.3)	(27.9)	(29.2)
Share of profits of associates	–	–	–	–	–
Profit/(loss) before tax	180.7	106.9	54.0	(65.0)	276.6
Ratio analysis					
Claims ratio (%)	41.0	37.8	54.8		42.0
Acquisition cost ratio (%)	30.5	29.8	23.4		29.6
Administrative expense ratio (%)	17.1	16.1	16.9		16.9
Combined ratio (%)	88.6	83.7	95.1		88.5

*Total marketing expenditure for the period was $55.0 million (H1 2024: $50.3 million).

The claims ratio is calculated as incurred claims and losses on onerous contracts net of reinsurance recoveries, as a proportion of insurance revenue net of allocation of reinsurance premiums. The acquisition cost ratio is calculated as amortisation of insurance acquisition cash flows, as a proportion of insurance revenue net of allocation of reinsurance premiums. The administrative expense ratio is calculated as other attributable expenses, as a proportion of insurance revenue net of allocation of reinsurance premiums. The combined ratio is the total of the claims, acquisition and administrative expense ratios. All ratios are on an own share basis, which reflects the Group's share in Syndicate 33, and includes a reclassification of LPT premium from allocation of reinsurance premium into amounts recoverable from reinsurers as detailed below.

Non-attributable expenses and other costs allocated to Other segment are not included within the combined ratio. Consolidation adjustments for open market-placed intragroup reinsurance arrangements are included within the Group's combined ratio.

6. Operating segments (continued)

As noted above, the claims ratio, expense ratio and combined ratio include a reclassification of LPT premium from allocation of reinsurance premiums into amounts recoverable from reinsurers for incurred claims. The subsequent impacts of LPTs within reinsurance expenses and reinsurance income are analysed on a net basis within the net claims to provide a view of the underlying development on these contracts, against the corresponding development of the gross reserves, consistent with the focus on net performance when assessing underwriting performance. The impact on profit is neutral, however this reclassification for the ratios removes any volatility on a year-on-year comparison.

Six months ended 30 June 2025 (reviewed)	**Hiscox Retail**	**Hiscox London Market**	**Hiscox Re & ILS**	**Other**	**Total**
	$m	**$m**	**$m**	**$m**	**$m**
Insurance revenue	**1,223.3**	**520.6**	**343.4**	**18.2**	**2,105.5**
Allocation of reinsurance premiums	**(113.0)**	**(158.9)**	**(185.8)**	**(0.1)**	**(457.8)**
LPT premium	**20.0**	**17.0**	**19.4**	**–**	**56.4**
Allocation of reinsurance premiums after reclassifying LPT premium	**(93.0)**	**(141.9)**	**(166.4)**	**(0.1)**	**(401.4)**
Adjusted net insurance revenue	**1,130.3**	**378.7**	**177.0**	**18.1**	**1,704.1**
Incurred claims and changes to liabilities for incurred claims	**(498.4)**	**(204.1)**	**(484.2)**	**(9.6)**	**(1,196.3)**
Amounts recoverable from reinsurers for incurred claims	**57.4**	**77.8**	**406.6**	**(1.9)**	**539.9**
LPT premium	**(20.0)**	**(17.0)**	**(19.4)**	**–**	**(56.4)**
Amounts recoverable from reinsurers for incurred claims after reclassifying LPT premium	**37.4**	**60.8**	**387.2**	**(1.9)**	**483.5**
Adjusted net incurred claims	**(461.0)**	**(143.3)**	**(97.0)**	**(11.5)**	**(712.8)**
Remove benefit from discounting of claims	**(46.0)**	**(15.7)**	**(7.7)**	**(0.4)**	**(69.8)**
Undiscounted adjusted net incurred claims	**(507.0)**	**(159.0)**	**(104.7)**	**(11.9)**	**(782.6)**
The following ratios reflect the reclassification of LPT premium and remove the impact of discounting.					
Ratio analysis (undiscounted)					
Claims ratio (%)	**45.1**	**42.0**	**59.2**		**46.1**
Acquisition cost ratio (%)	**30.5**	**29.8**	**23.4**		**29.6**
Administrative expense ratio (%)	**17.1**	**16.1**	**16.9**		**16.9**
Combined ratio (%)	**92.7**	**87.9**	**99.5**		**92.6**

6. Operating segments (continued)

Six months ended 30 June 2024 (reviewed) (restated)	Hiscox Retail	Hiscox London Market	Hiscox Re & ILS	Other	Total
	$m	$m	$m	$m	$m
Insurance revenue	1,155.5	530.4	342.0	30.2	2,058.1
Insurance service expenses	(981.3)	(439.4)	(154.1)	(37.0)	(1,611.8)
Incurred claims and changes to liabilities for incurred claims	(469.0)	(277.5)	(83.7)	(21.9)	(852.1)
Amortisation of insurance acquisition cash flows	(320.9)	(107.1)	(40.0)	(7.1)	(475.1)
Other attributable expenses	(186.4)	(54.8)	(30.4)	(8.0)	(279.6)
Losses on onerous contracts and reversals	(5.0)	–	–	–	(5.0)
Insurance service result before reinsurance contracts held	174.2	91.0	187.9	(6.8)	446.3
Allocation of reinsurance premiums	(115.3)	(159.5)	(197.3)	(4.5)	(476.6)
Amounts recoverable from reinsurers for incurred claims	71.2	142.7	52.9	4.2	271.0
Net expense from reinsurance contracts held	(44.1)	(16.8)	(144.4)	(0.3)	(205.6)
Insurance service result	130.1	74.2	43.5	(7.1)	240.7
Investment result	79.1	44.9	28.0	0.4	152.4
Net finance expense from insurance contracts	(47.4)	(25.3)	(17.4)	(0.4)	(90.5)
Net finance income from reinsurance contracts	8.0	9.5	12.1	0.3	29.9
Net insurance finance expense	(39.4)	(15.8)	(5.3)	(0.1)	(60.6)
Net financial result	39.7	29.1	22.7	0.3	91.8
Other income	6.8	12.9	27.8	1.5	49.0
Other operational expenses	(24.8)	(7.9)	(6.7)	(18.7)	(58.1)
Net foreign exchange losses	–	–	–	(14.5)	(14.5)
Other finance costs	(0.4)	(0.2)	(0.8)	(24.0)	(25.4)
Share of profits of associates	–	–	–	–	–
Profit/(loss) before tax	151.4	108.1	86.5	(62.5)	283.5
Ratio analysis					
Claims ratio (%)	40.3	41.0	31.6		40.0
Acquisition cost ratio (%)	30.1	26.8	24.0		28.6
Administrative expense ratio (%)	17.5	13.7	18.2		16.8
Combined ratio (%)	87.9	81.5	73.8		85.4

6. Operating segments (continued)

The impact of the reclassification of LPT premium is shown in the following table.

Six months ended 30 June 2024 (reviewed)	Hiscox Retail	Hiscox London Market	Hiscox Re & ILS	Other	Total
	$m	$m	$m	$m	$m
Insurance revenue	1,155.5	530.4	342.0	30.2	2,058.1
Allocation of reinsurance premiums	(115.3)	(159.5)	(197.3)	(4.5)	(476.6)
LPT premium	27.4	29.4	21.9	–	78.7
Allocation of reinsurance premiums after reclassifying LPT premium	(87.9)	(130.1)	(175.4)	(4.5)	(397.9)
Adjusted net insurance revenue	1,067.6	400.3	166.6	25.7	1,660.2
Incurred claims and changes to liabilities for incurred claims	(469.0)	(277.5)	(83.7)	(21.9)	(852.1)
Amounts recoverable from reinsurers for incurred claims	71.2	142.7	52.9	4.2	271.0
LPT premium	(27.4)	(29.4)	(21.9)	–	(78.7)
Amounts recoverable from reinsurers for incurred claims after reclassifying LPT premium	43.8	113.3	31.0	4.2	192.3
Adjusted net incurred claims	(425.2)	(164.2)	(52.7)	(17.7)	(659.8)
Remove benefit from discounting of claims	(55.6)	(21.6)	(5.8)	0.1	(82.9)
Undiscounted adjusted net incurred claims	(480.8)	(185.8)	(58.5)	(17.6)	(742.7)
The following ratios reflect the reclassification of LPT premium and remove the impact of discounting.					
Ratio analysis (undiscounted)					
Claims ratio (%)	45.5	46.4	35.1		45.0
Acquisition cost ratio (%)	30.1	26.8	24.0		28.6
Administrative expense ratio (%)	17.5	13.7	18.2		16.8
Combined ratio (%)	93.1	86.9	77.3		90.4

7. Net asset value (NAV) per share and net tangible asset value per share

	Reviewed 30 June 2025		Audited 31 December 2024	
	Net asset value (total equity)	**Net asset value per share**	Net asset value (total equity)	Net asset value per share
	$m	**cents**	$m	cents
Net asset value	**3,808.0**	**1,133.3**	3,689.9	1,086.4
Net tangible asset value	**3,478.8**	**1,035.3**	3,381.1	995.5

The NAV per share is based on 336,015,035 shares (31 December 2024: 339,636,268), being the shares in issue at 30 June 2025, less those held in treasury and those held by the Group Employee Benefit Trust. Net tangible assets comprise total equity excluding intangible assets.

8. Return on equity (ROE)

	Reviewed Six months to 30 June 2025	Reviewed Six months to 30 June 2024
	$m	$m
Profit for the period	**227.1**	258.9
Opening total equity	**3,689.9**	3,296.7
Adjusted for the time-weighted impact of capital distributions, share buyback and issuance of shares	**(26.8)**	(36.6)
Adjusted opening total equity	**3,663.1**	3,260.1
Annualised return on equity (%)	**12.8**	16.5

The return on equity (ROE) is calculated by using profit or loss for the period divided by the adjusted opening total equity. The adjusted opening total equity represents the equity on 1 January of the relevant year as adjusted for time-weighted aspects of capital distributions, share buyback and issuing of shares or treasury share purchases during the period. The time-weighted positions are calculated on a daily basis with reference to the proportion of time from the transaction to the end of the period.

9. Net investment and insurance finance result

	Reviewed Six months to 30 June 2025	Reviewed Six months to 30 June 2024
	$m	$m
Investment income including interest receivable	**157.7**	153.1
Net realised gains/(losses) on financial investments at fair value through profit or loss	**22.1**	(5.7)
Net fair value gains on financial investments at fair value through profit or loss	**61.1**	7.7
Investment return – financial assets	**240.9**	155.1
Net fair value (losses)/gains on derivative financial instruments	**(2.3)**	0.1
Investment expenses	**(3.7)**	(2.8)
Total investment result	**234.9**	152.4
Net finance (expense)/income from insurance contracts:		
Interest accreted	**(110.3)**	(125.6)
Effects of changes in interest rates and other financial assumptions	**(13.1)**	35.1
Total net finance (expense)/income from insurance contracts	**(123.4)**	(90.5)
Net finance income/(expenses) from reinsurance contracts:		
Interest accreted	**35.4**	43.5
Effects of changes in interest rates and other financial assumptions	**5.0**	(13.6)
Total net finance income/(expenses) from reinsurance contracts	**40.4**	29.9
Net insurance finance (expense)/income	**(83.0)**	(60.6)
Net financial result	**151.9**	91.8

10. Other income and operational expenses

	Reviewed Six months to 30 June 2025	Reviewed Six months to 30 June 2024
	$m	$m
Other income	**40.9**	49.0
Staff costs	**165.3**	149.9
Depreciation, amortisation and impairment	**31.8**	34.4
Other expenses	**170.2**	153.4
Operational expenses	**367.3**	337.7

11. Other finance costs

	Reviewed Six months to 30 June 2025	Reviewed Six months to 30 June 2024
	$m	$m
Interest charge associated with borrowings	**24.2**	23.8
Other interest expenses	**5.0**	1.6
Other finance costs	**29.2**	25.4

12. Tax expense

The Company and its subsidiaries are subject to enacted tax laws in the jurisdictions in which they are incorporated and domiciled. The amounts charged in the consolidated interim income statement comprise the following:

	Reviewed Six months to 30 June 2025	Reviewed Six months to 30 June 2024
	$m	$m
Current tax expense	**40.4**	11.4
Deferred tax expense	**9.1**	13.2
Total tax charged to the income statement	**49.5**	24.6

The current tax charge of $49.5 million arises on taxable profits (i.e. after adjusting for non-deductible expenses) based on a forecast effective tax rate for the full year, and includes the adjustments in respect of prior year.

With effect from 1 January 2025, the Group is subject to Bermuda corporate income tax (Bermuda CIT) which applies at a rate of 15% on the profits of Hiscox's Bermudian constituent entities. In addition, the Group is now in scope of the Undertaxed Profits Rule (UTPR), meaning that 'top-up taxes' on profits in jurisdictions where the effective tax rate is below 15% may be payable in other jurisdictions across the Group.

13. Insurance contract liabilities and reinsurance contract assets

	Reviewed 30 June 2025	Audited 31 December 2024
	$m	$m
Insurance contract liabilities	**7,038.9**	6,396.3
Liabilities for remaining coverage	**533.4**	355.6
Liabilities for incurred claims	**6,505.5**	6,040.7
Reinsurance contract assets	**(2,339.3)**	(1,976.8)
Asset for remaining coverage	**(73.5)**	69.7
Asset for incurred claims	**(2,265.8)**	(2,046.5)
Net insurance contract liabilities	**4,699.6**	4,419.5
Net liabilities for remaining coverage	**459.9**	425.3
Net liabilities for incurred claims	**4,239.7**	3,994.2

Risk adjustment

For the incurred claim liabilities measurement purposes, the Group calculates the risk adjustment at each insurance undertaking entity in accordance with its risk profile, using a combination of value at risk method and scenario analysis targeting an overall confidence level for the aggregate risk distribution. Scenario analysis is used to determine the level of compensation that the Group requires for bearing uncertainty about the large event-driven claims, for example natural catastrophe. This element of the compensation for risk takes into consideration the range of potential outcomes from an event and the sensitivities of the loss positions in any modelled scenarios. Given the nature of the underlying business and losses, it is normal for new risks to become apparent or for the magnitude of existing risks to change over time.

Group diversification benefit is not considered at the individual insurance undertaking entity level but is considered in determining the confidence level at a consolidated level for disclosure purposes. At 30 June 2025, the risk adjustment in respect of the liability for incurred claims (LIC) net of reinsurance is at the 83rd percentile (31 December 2024: 83rd percentile).

Detailed reconciliations of changes in insurance contract balances during the year are included below.

13. Insurance contract liabilities and reinsurance contract assets (continued)

Net insurance contract liabilities

Net insurance contracts – analysis by remaining coverage and incurred claims

Six months to 30 June 2025 (reviewed)	Net liabilities for remaining coverage		Net liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
	$m	$m	$m	$m	$m
Opening assets	**69.7***	**–**	**(1,726.2)**	**(320.3)**	**(1,976.8)**
Opening liabilities	**346.2**	**9.4**	**5,427.5**	**613.2**	**6,396.3**
Net opening balance	**415.9**	**9.4**	**3,701.3**	**292.9**	**4,419.5**
Changes in condensed income statement					
Insurance revenue, net of allocation of reinsurance premiums†	**(1,647.7)**	**–**	**–**	**–**	**(1,647.7)**
Insurance service expenses, net of amounts recoverable from reinsurers					
Incurred claims and other attributable expenses	**–**	**(6.9)**	**1,084.6**	**61.4**	**1,139.1**
Amortisation of insurance acquisition cash flows	**503.9**	**–**	**–**	**–**	**503.9**
Adjustments to liabilities for incurred claims relating to past service	**–**	**–**	**(135.0)**	**(59.3)**	**(194.3)**
Losses and reversals of losses on onerous contracts	**–**	**2.7**	**–**	**–**	**2.7**
Effect of changes in non-performance risk of reinsurers	**–**	**–**	**0.1**	**–**	**0.1**
Total net insurance service expenses	**503.9**	**(4.2)**	**949.7**	**2.1**	**1,451.5**
Insurance service result	**(1,143.8)**	**(4.2)**	**949.7**	**2.1**	**(196.2)**
Net finance (income)/expenses from insurance contracts	**(4.3)**	**–**	**87.3**	**–**	**83.0**
Net foreign exchange losses	**37.1**	**0.1**	**121.3**	**9.5**	**168.0**
Total change recognised in comprehensive income	**(1,111.0)**	**(4.1)**	**1,158.3**	**11.6**	**54.8**
Investment components	**8.4**	**–**	**(8.4)**	**–**	**–**
Transfer to other items in statement of financial position	**(147.4)**	**–**	**(339.4)**	**(0.8)**	**(487.6)**
Net cash flows	**1,288.7**	**–**	**(575.8)**	**–**	**712.9**
Net closing balance	**454.6**	**5.3**	**3,936.0**	**303.7**	**4,699.6**

*The net liabilities for remaining coverage, excluding loss component, includes LPT ARC gross of premium payables of $407.0 million at 31 December 2024 and $359.7 million at 30 June 2025.
†Includes allocation of LPT premium of $56.4 million.

13. Insurance contract liabilities and reinsurance contract assets (continued)
Net insurance contract liabilities (continued)

Net insurance contracts – analysis by remaining coverage and incurred claims (continued)

Year to 31 December 2024 (audited)	Net liabilities for remaining coverage		Net liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
	$m	$m	$m	$m	$m
Opening assets	118.8*	–	(1,696.3)	(520.8)	(2,098.3)
Opening liabilities	346.9	7.5	5,427.8	821.8	6,604.0
Net opening balance	465.7	7.5	3,731.5	301.0	4,505.7
Changes in condensed income statement					
Insurance revenue, net of allocation of reinsurance premiums†	(3,463.1)	–	–	–	(3,463.1)
Insurance service expenses, net of amounts recoverable from reinsurers					
Incurred claims and other attributable expenses	–	(10.4)	2,089.9	57.6	2,137.1
Amortisation of insurance acquisition cash flows	1,075.6	–	–	–	1,075.6
Adjustments to liabilities for incurred claims relating to past service	–	–	(255.4)	(59.4)	(314.8)
Losses and reversals of losses on onerous contracts	–	12.3	–	–	12.3
Effect of changes in non-performance risk of reinsurers	–	–	(0.6)	–	(0.6)
Total net insurance service expenses	1,075.6	1.9	1,833.9	(1.8)	2,909.6
Insurance service result	(2,387.5)	1.9	1,833.9	(1.8)	(553.5)
Net finance (income)/expenses from insurance contracts	(10.0)	–	162.1	–	152.1
Net foreign exchange gains	(24.1)	–	(44.4)	(5.6)	(74.1)
Total change recognised in comprehensive income	(2,421.6)	1.9	1,951.6	(7.4)	(475.5)
Investment components	36.3	–	(36.3)	–	–
Transfer to other items in statement of financial position	(271.8)	–	(702.1)	(0.7)	(974.6)
Net cash flows					
Net premium received	3,440.6	–	–	–	3,440.6
Net claims and other insurance service expenses paid	–	–	(1,243.4)	–	(1,243.4)
Insurance acquisition cash flows	(833.3)	–	–	–	(833.3)
Total cash flows	2,607.3	–	(1,243.4)	–	1,363.9
Closing assets	69.7*	–	(1,726.2)	(320.3)	(1,976.8)
Closing liabilities	346.2	9.4	5,427.5	613.2	6,396.3
Net closing balance	415.9	9.4	3,701.3	292.9	4,419.5

*Includes LPT ARC gross of premium receivable $532.3 million at 31 December 2023 and $407.0 million at 31 December 2024.
†Includes allocation of LPT premium of $139.2 million.

14. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held in treasury as own shares.

	Six months to 30 June 2025 (reviewed)	Six months to 30 June 2024 (reviewed)
Profit for the period attributable to owners of the Company ($m)	**227.1**	258.9
Weighted average number of ordinary shares in issue (thousands)	**337,918**	344,899
Basic earnings per share (cents per share)	**67.2**	75.1

Diluted

Diluted earnings per share is calculated by adjusting the assumed conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares, share options and awards. For the share options, a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Six months to 30 June 2025 (reviewed)	Six months to 30 June 2024 (reviewed)
Profit for the period attributable to owners of the Company ($m)	**227.1**	258.9
Weighted average number of ordinary shares in issue (thousands)	**337,918**	344,899
Adjustment for share options (thousands)	**9,014**	9,078
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**346,932**	353,977
Diluted earnings per share (cents per share)	**65.5**	73.1

Diluted earnings per share has been calculated after taking account of Performance Share Plan (PSP) awards, options under SAYE schemes and employee share awards.

15. Dividends paid to owners of the Company

The Board has declared an interim dividend of 14.4¢ per share (30 June 2024: 13.2¢ per share) payable on 23 September 2025 to shareholders registered on 15 August 2025 in respect of the six months to 30 June 2025. The dividends will be paid in Sterling unless shareholders elect to be paid in US Dollars. The foreign exchange rate to convert the dividends declared in US Dollars into Sterling will be based on the average exchange rate in the five business days prior to the Scrip Dividend price being determined. On this occasion, the period will be between 2 September 2025 and 8 September 2025 inclusive.

When determining the level of dividend each year, the Board considers the ability of the Group to generate cash and the availability of that cash in the Group, while considering constraints such as regulatory capital requirements and the level required to invest in the business. This is a progressive policy and is expected to be maintained for the foreseeable future.

16. Financial assets and liabilities

i. Analysis of financial assets carried at fair value

	30 June 2025 (reviewed) $m	31 December 2024 (audited) $m
Debt and fixed income holdings	**7,201.4**	6,660.9
Equities and investment funds	**216.5**	210.2
Private credit funds	**185.3**	148.2
Total investments	**7,603.2**	7,019.3
Insurance-linked funds	**56.0**	58.3
Total financial assets carried at fair value	**7,659.2**	7,077.6

ii. Analysis of financial liabilities carried at fair value

	30 June 2025 (reviewed) $m	31 December 2024 (audited) $m
Derivative financial instruments	**0.5**	0.0
Financial liabilities carried at fair value	**0.5**	0.0

iii. Analysis of financial liabilities carried at amortised cost

	30 June 2025 (reviewed) $m	31 December 2024 (audited) $m
Borrowings	**856.6**	656.2
Accrued interest on borrowings	**18.3**	7.3
Financial liabilities carried at amortised cost	**874.9**	663.5
Total financial liabilities	**875.4**	663.5

On 24 November 2015, the Group issued £275.0 million 6.125% fixed-to-floating rate callable subordinated notes due 2045, with a first call date of 2025. On 2 June 2025, the Group announced an invitation to note holders to tender their notes for cash. The aggregate principal amount of the notes purchased and cancelled by the Group under this offer was £261.2 million. The aggregate principal value of the remaining outstanding notes is £13.8 million.

On 22 September 2022, the Group issued £250.0 million 6% notes due September 2027.

On 11 June 2025, the Group issued $500 million 7% fixed-to-floating rate callable subordinated notes due 2036, with a first call date of 2035.

17. Fair value measurements

In accordance with IFRS 13 *Fair Value Measurement*, the fair value of financial instruments, based on a three-level fair value hierarchy that reflects the significance of the inputs used in measuring the fair value, is set out below.

As at 30 June 2025 (reviewed)	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets				
Debt and fixed income holdings	**1,101.4**	**6,089.0**	**11.0**	**7,201.4**
Equities and investment funds	**–**	**190.5**	**26.0**	**216.5**
Private credit funds	**–**	**–**	**185.3**	**185.3**
Insurance-linked funds	**–**	**–**	**56.0**	**56.0**
Derivative financial instruments	**–**	**–**	**–**	**–**
Total	**1,101.4**	**6,279.5**	**278.3**	**7,659.2**
Financial liabilities				
Derivative financial instruments	**–**	**0.5**	**–**	**0.5**
Total	**–**	**0.5**	**–**	**0.5**

As at 31 December 2024 (audited)	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets				
Debt and fixed income holdings	1,127.5	5,523.4	10.0	6,660.9
Equities and investment funds	–	179.3	30.9	210.2
Private credit funds	–	–	148.2	148.2
Insurance-linked funds	–	–	58.3	58.3
Derivative financial instruments	–	–	–	–
Total	1,127.5	5,702.7	247.4	7,077.6
Financial liabilities				
Derivative financial instruments	–	–	–	–
Total	–	–	–	–

The levels of the fair value hierarchy are defined by the standard as follows:

- Level 1 – fair values measured using quoted prices (unadjusted) in active markets for identical instruments;
- Level 2 – fair values measured using directly or indirectly observable inputs or other similar valuation techniques for which all significant inputs are based on market observable data;
- Level 3 – fair values measured using valuation techniques for which significant inputs are not based on market observable data.

The fair values of the Group's financial assets are typically based on prices from numerous independent pricing services. The pricing services used by the investment manager obtain actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models.

Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

Investments in mutual funds comprise a portfolio of stock investments in trading entities which are invested in various quoted and unquoted investments. The fair value of these investment funds is based on the net asset value of the fund as reported by independent pricing sources or the fund manager.

Included within Level 1 of the fair value hierarchy are certain government bonds, treasury bills and corporate bonds having a quoted price in active markets, and exchange-traded funds which are measured based on quoted prices in active markets.

The fair value of the borrowings carried at amortised cost is estimated at $898.8 million (2024: $672.0 million) and is considered as Level 1 in the fair value hierarchy.

17. Fair value measurements (continued)

Level 2 of the hierarchy contains certain government bonds, US government agencies, corporate securities, asset-backed securities, mortgage-backed securities and certain commingled funds. The fair value of these assets is based on the prices obtained from independent pricing sources, investment managers and investment custodians as discussed above. The Group records the unadjusted price provided and validates the price through a number of methods including a comparison of the prices provided by the investment managers with the investment custodians and the valuation used by external parties to derive fair value. Quoted prices for US government agencies and corporate securities are based on a limited number of transactions for those securities and as such the Group considers these instruments to have similar characteristics to those instruments classified as Level 2. Also included within Level 2 are units held in collective investment vehicles investing in traditional and alternative investment strategies and over-the-counter derivatives.

Level 3 contains investments in limited partnerships, unquoted equity securities, private credit funds and insurance-linked funds which have limited observable inputs on which to measure fair value. Unquoted equities, including equity instruments in limited partnerships, are carried at fair value. Fair value is determined to be net asset value for the limited partnerships, and for the equity holdings it is determined to be the latest available traded price. The effect of changing one or more inputs used in the measurement of fair value of these instruments to another reasonably possible assumption would not be significant.

Private credit funds comprise holdings in funds which, in turn, hold debt investments in private companies that are not quoted on an active market. The fair value of the private credit funds is determined based on the net asset values reported by the investment managers. The underlying loan values, on which the investments are based, are valued by the investment managers using a discounted cash flow model. The inputs to the valuation are cash flows, risk-free rate and a credit spread. The cash flow projections are determined by the loan terms and the risk-free rate is the overnight rate for the issuing currency; these are all observable inputs. The credit spread applied is based on synthetic rating analysis, whereby an equivalent corporate bond rating is assigned to a private loan based on structural analysis of the issuer's statement of financial position and performance since investment. This is an unobservable input but is not deemed to be significant. Given the Group’s knowledge of the underlying investments and the size of the Group’s investment therein, the Group would not anticipate any material variance between the statements and the final net asset values reported by the investment managers.

At 30 June 2025, the insurance-linked funds of $56.0 million represent the Group’s investment in the unconsolidated Kiskadee funds (2024: $58.3 million).

The fair value of the Kiskadee funds is estimated to be the net asset value as at the end of the reporting period. The net asset value is based on the fair value of the assets and liabilities in the funds. The majority of the assets of the funds are cash and cash equivalents. Significant inputs and assumptions in calculating the fair value of the assets and liabilities associated with reinsurance contracts written by the Kiskadee funds include the amount and timing of claims payable in respect of claims incurred and periods of unexpired risk. The Group has considered changes in the net asset valuation of the Kiskadee funds if reasonably different inputs and assumptions were used and has found that a 12% change to the fair value of the liabilities would increase or decrease the fair value of funds by $3.3 million.

In certain cases, the inputs used to measure the fair value of a financial instrument may fall into more than one level within the fair value hierarchy. In this instance, the fair value of the instrument in its entirety is classified based on the lowest level of input that is significant to the fair value measurement.

There were no material transfers of assets into or out of Level 3 during the current period.

The table below sets forth a reconciliation of opening and closing balances for financial instruments classified under Level 3 of the fair value hierarchy:

	30 June 2025 (reviewed)	31 December 2024 (audited)
	$m	$m
Balance at 1 January	**247.4**	130.3
Fair value losses through profit or loss	**3.5**	(4.5)
Foreign exchange gains/(losses)	**6.6**	(0.8)
Purchases	**68.0**	136.6
Settlements	**(47.2)**	(14.2)
Closing balance	**278.3**	247.4
Net unrealised gains/(losses) in the period on securities held at the end of the period	**3.9**	(4.0)

The closing balance at year end comprised $11.0 million debt and fixed income holdings (31 December 2024: $10.0 million), $26.0 million equities and investment funds (31 December 2024: $30.9 million), $185.3 million private credit funds (31 December 2024: $148.2 million) and $56.0 million insurance-linked funds (31 December 2024: $58.3 million).

18. Condensed consolidated cash flow statement

The purchase, maturity and disposal of financial assets and liabilities, including derivatives, is part of the Group's insurance activities and is therefore classified as an operating cash flow.

Included within cash and cash equivalents held by the Group are balances totalling $196 million (30 June 2024: $172 million) not available for immediate use by the Group outside of the Lloyd's syndicate within which they are held. Additionally, $32 million (30 June 2024: $70 million) is pledged cash held against Funds at Lloyd's, and $20.7 million (30 June 2024: $16.2 million) is held within trust funds against reinsurance arrangements.

19. Events after the reporting period

In July 2025, the Group completed the sale of its entire interest in Direct Asia Insurance (Singapore) Pte Ltd (DAIS). As of the reporting date, the Group continues to consolidate DAIS as the disposal had not occurred and no conditions were met that would require adjustment to the financial statements.

Directors' responsibilities statement

The Directors confirm, to the best of our knowledge, that these condensed consolidated interim financial statements have been prepared in accordance with UK-adopted international accounting standard (IAS) 34 *Interim Financial Reporting* and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the Interim Statement includes a fair review of the information required by DTR 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year;
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last report and accounts.

The Interim Statement 2025 was approved by the Board for issue on 5 August 2025.

Alternative performance measures

The Group uses, throughout its financial publications, alternative performance measures (APMs) in addition to the figures that are prepared in accordance with UK-adopted international accounting standards. The Group believes that these measures provide useful information to enhance the understanding of its financial performance.

The APMs are: adjusted operating profit, adjusted operating earnings per share, return on equity, operating return on tangible equity, net asset value per share and net tangible asset value per share, insurance contract written premium, net insurance contract written premium, combined, claims and expense ratio, and prior-year developments. Most of these are common measures used across the industry, and allow the reader of the report to compare across peer companies. The APMs should be viewed as complementary to, rather than a substitute for, the figures prepared in accordance with accounting standards.

- **Adjusted operating profit (AOP) before tax and AOP after tax**

  During the year, Hiscox introduced AOP before tax and AOP after tax as new APMs. Hiscox uses AOP before tax and AOP after tax to evaluate the performance of its operating segments, as well as of the Hiscox Group as a whole.

  AOP before tax represents the pre-tax profit that the Group's ongoing core operating activities generate, including insurance and investment activity, adjusted to remove the impact of market volatility and other non-operating variables. We consider the presentation of AOP before tax to be useful and meaningful to investors because it enhances the understanding of the Group's underlying operating performance and the comparability of its operating performance over time. As such, it is used internally for decision making and performance management of our operating segments.

  AOP before tax excludes the impact of the following items which are a source of market volatility and do not reflect the underlying performance of the business:

  - unrealised fair value gains and losses arising on fixed income securities carried at fair value;
  - impact on discounting from changes in the yield curve included in insurance finance income and expenses;
  - net foreign exchange gains or losses.

  AOP before tax also excludes the impact of accelerated change costs relating to a well-defined programme that materially changes the scope of the Group's business or the manner in which it is conducted. This includes restructuring provisions associated with this programme.

  AOP before tax also excludes the impact of the following items which are not considered to reflect ongoing core operating activities:

  - one-off gains or losses arising on undertaking legacy portfolio transactions (LPTs);
  - gains or losses arising from significant acquisitions or disposals;
  - impairment of goodwill and acquired intangible assets;
  - pension administration cost including the impact of scheme amendments and buyout;
  - profit or loss arising from discontinued and non-core operations;
  - integration, restructuring or other significant one-off project costs impacting the income statement; and
  - share of profit or loss of associates after tax.

  The Group discloses AOP before tax as defined above. The Group also discloses AOP after tax, which reflects the AOP after taking into account the effective tax impact of the adjustments made to arrive at the AOP. The effective tax rate applied to these adjustments is consistent with the Group's effective tax rate.

  The Group AOP before tax should be viewed as complementary to IFRS measures. It is important to consider the Group AOP and profit before tax together to understand the performance of the business in the period.

Six months ended 30 June 2025 (reviewed)	**Note**	**Hiscox Retail $m**	**Hiscox London Market $m**	**Hiscox Re & ILS $m**	**Other $m**	**Total $m**
Profit before tax		**180.7**	**106.9**	**54.0**	**(65.0)**	**276.6**
Adjusted for:						
Unrealised fair value (gains) or losses on fixed income securities carried at fair value		**(26.2)**	**(12.4)**	**(9.0)**	**(0.1)**	**(47.7)**
Impact on discounting from changes in yield curve included in insurance finance income and expenses	9	**5.5**	**2.3**	**0.8**	**(0.5)**	**8.1**
Net foreign exchange (gains) or losses		**—**	**—**	**—**	**4.4**	**4.4**
Accelerated change costs		**—**	**—**	**—**	**8.8**	**8.8**
One-off (gains) or losses and non-core operations		**5.7**	**1.7**	**—**	**4.4**	**11.8**
Adjusted operating profit before tax		**165.7**	**98.5**	**45.8**	**(48.0)**	**262.0**
Income tax (expense)/credit on adjusted operating profit						**(46.2)**
Adjusted operating profit after tax						**215.8**

Six months ended 30 June 2024 (reviewed)	Note	Hiscox Retail $m	Hiscox London Market $m	Hiscox Re & ILS $m	Other $m	Total $m
Profit before tax		151.4	108.1	86.5	(62.5)	283.5
Adjusted for:						
Unrealised fair value (gains) or losses on fixed income securities carried at fair value		1.5	0.8	0.5	—	2.8
Impact on discounting from changes in yield curve included in insurance finance income and expenses	9	(13.2)	(6.1)	(2.1)	(0.1)	(21.5)
Net foreign exchange (gains) or losses		—	—	—	14.5	14.5
Accelerated change costs		—	—	—	—	—
One-off (gains) or losses and non-core operations		—	—	—	8.8	8.8
Adjusted operating profit before tax		139.7	102.8	84.9	(39.3)	288.1
Income tax (expense)/credit on adjusted operating profit						(24.2)
Adjusted operating profit after tax						263.9

- **Adjusted operating earnings per share (EPS)**

During the year, Hiscox introduced adjusted operating earnings per share as a new APM. Adjusted operating EPS is considered meaningful to stakeholders because it enhances the understanding of the Group's operating performance over time by adjusting for the effects of non-operating items. The adjusted basic operating EPS is calculated by dividing the Group AOP by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held in treasury as own shares.

The adjusted diluted operating EPS is calculated by adjusting the assumed conversion of all dilutive potential ordinary shares.

Please refer to Note 14 for details of the calculation of the weighted average number of ordinary shares.

	Note	**Six months to 30 June 2025**	Six months to 30 June 2024
Adjusted operating profit after tax ($m)		**215.8**	263.9
Weighted average number of ordinary shares in issue (thousands)	14	**337,918**	344,899
Adjusted basic operating earnings per share (cents per share)		**63.9**	76.5

Adjusted operating profit after tax ($m)		**215.8**	263.9
Weighted average number of ordinary shares for diluted earnings per share (thousands)	14	**346,932**	353,977
Adjusted diluted operating earnings per share (cents per share)		**62.2**	74.6

- **Return on equity (ROE)**

Use of return on equity is common within the financial services industry, and the Group uses ROE as one of its key performance metrics. While the measure enables the Group to compare itself against other peer companies in the immediate industry, it is also a key measure internally where it is used to compare the profitability of business segments, and underpins the performance-related pay and pre-2018 share-based payment structures. The ROE is shown in note 8, along with an explanation of the calculation.

- **Operating return on tangible equity (ROTE)**

During the year, Hiscox introduced operating ROTE as a new APM. Operating ROTE is considered meaningful to stakeholders because it measures the profitability of the Group's on-going core operating activities against tangible equity and is a key driver of valuation multiples in the insurance industry. The operating ROTE is calculated by using the Group AOP, divided by the adjusted opening total tangible equity. The adjusted opening total equity represents the equity on 1 January of the relevant year as adjusted for:

- time-weighted aspects of capital distributions, share buyback, issuing of shares or treasury share purchases during the period. The time weighted positions are calculated on a daily basis with reference to the proportion of time from the transaction to the end of the period;
- cumulative impact of opening unrealised fair value gains or losses on fixed income securities carried at fair value;
- cumulative impact of opening discounting of insurance contract liabilities and reinsurance contract assets; and
- opening goodwill and intangible assets.

	Note	**Six months to 30 June 2025 $m**	Six months to 30 June 2024 $m
Adjusted operating profit after tax		**215.8**	263.9
Opening total equity	8	**3,689.9**	3,296.7
Time-weighted impact of capital distributions, share buyback and issuance of shares	8	**(26.8)**	(36.6)
Cumulative impact of opening unrealised fair value (gains) or losses on fixed income securities carried at fair value		**(0.1)**	55.0
Cumulative impact of opening discounting of insurance contract liabilities and reinsurance contract assets		**(280.5)**	(268.2)
Opening goodwill and intangible assets		**(308.8)**	(323.9)
Adjusted opening total equity		**3,073.7**	2,723.0
Annualised operating return on tangible equity (%)		**14.5**	20.3

- **Net asset value (NAV) per share and net tangible asset value per share**

The Group uses NAV per share as one of its key performance metrics, including using the movement of NAV per share in the calculation of the options vesting of awards granted under performance share plans (PSP) from 2018 onwards. This is a widely used key measure for management and also for users of the financial statements to provide comparability across peers in the market. Net tangible asset value comprises total equity excluding intangible assets. NAV per share and net tangible asset value per share are shown in note 7, along with an explanation of the calculation.

- **Insurance contract written premium (ICWP) and net insurance contract written premium (NICWP)**

ICWP is the Group's top-line key performance indicator, comprising premiums on business incepting in the financial year, adjusted for estimates of premiums written in prior accounting periods, reinstatement premium and non-claim dependent commissions.

NICWP comprises premiums on business incepting in the financial period, net of reinsurers' share of premiums, and adjusted for reinstatement premium and non-claim dependent commissions, net of reinsurance commissions.

The tables below reconcile the ICWP back to insurance revenue and NICWP back to net insurance revenue.

Writing insurance policies is the Group's primary function and this measure allows a written premium measure alongside the earned premium basis adopted by the Group under the premium allocation approach for insurance revenue under IFRS 17.

	Six months to 30 June 2025 $m	Six months to 30 June 2024 (restated) $m
Insurance contract written premium	**2,941.6**	2,781.9
Change in unearned premium included in the liability for remaining coverage	**(860.5)**	(754.0)
Insurance revenue from other operations*	**24.4**	30.2
Insurance revenue	**2,105.5**	2,058.1

*Insurance revenue from other operations comprises insurance revenue from Other segment.

	Six months to 30 June 2025 $m	Six months to 30 June 2024 (restated) $m
Net insurance contract written premium	**2,125.2**	2,000.9
Change in unearned premium included in the liability for remaining coverage	**(860.5)**	(754.0)
Change in reinsurance provision for unearned premium included in asset for remaining coverage	**363.9**	308.9
Net insurance revenue from other operations*	**19.1**	25.7
Net insurance revenue (Insurance revenue less allocation of reinsurance premiums)	**1,647.7**	1,581.5

*Net insurance revenue from other operations comprises net insurance revenue from Other segment.

- **Combined, claims and expense ratios**

The combined, claims and administrative expense ratios are common measures, enabling comparability across the insurance industry, that measure the relevant underwriting profitability of the business by reference to its costs as a proportion of the insurance revenue net of allocation of reinsurance premiums. Claims are discounted under IFRS 17 which can introduce volatility to the ratios if interest rates move significantly during a period; therefore ratios are also presented on an undiscounted basis. The calculation is discussed in more detail in note 6, Operating segments. The combined ratio is calculated as the sum of the claims ratio and the expense ratio.

- **Prior-year developments**

Prior-year developments are a measure of favourable or adverse development on claims reserves, net of reinsurance, that existed at the end of the prior year.

The prior-year development is calculated as the positive or negative movement in ultimate losses on prior accident years during the year on an undiscounted basis adjusted for LPT premium.

Prior-year developments are a useful measure as it enables users of the financial statements to compare and contrast the Group's performance relative to peer companies and to understand the consistency of the Group's conservative approach to reserving.

The LPT premium reclass captures the LPT reinsurance recoveries due to changes in ultimate losses related to the covered business which is recognised in the reinsurance asset held for remaining coverage.

Prior-year development recognised for the period is favorable and amounts to $132.1 million (2024: $145.5 million) and comprises:

	Six months to 30 June 2025	31 December 2024 (audited)
	$m	$m
Adjustment to liabilities for incurred claims relating to past service, net of reinsurance recoveries (on a present value basis)	**194.3**	314.8
Adjustment for discounting impact	**(5.8)**	(30.1)
Adjustment for LPT premium and experience adjustment	**(56.4)**	(139.2)
	132.1	145.5