

Club Circular

Year End Results and Renewal Report

2024/25 Financial Year Highlights

May 2025

To the Members

At the Board meetings, held in London on 20 May 2025, the following developments were reported.

2024/25 Financial Year Highlights:

- Financial year surplus of US\$39.5 million, before adjustment for capital returns
- US\$42.8 million of capital distributed to renewing Members taking total funds returned to Members in the last 9 years to US\$156 million
- Free Reserves stable at US\$537 million.
- The Club's own claims experience for the 2024/25 policy year above budget due to an unusually high number of large losses.
- International Group Pool claims at record levels for the 2024/25 policy year.
- 2024/25 financial year combined ratio of 112.8%.
- Owned tonnage increased to 134 million GT at year end, an increase of 10 million GT over the previous year.
- Total entered tonnage at year end, including chartered, increased to 277 million GT from 244 million GT in 2023/24
- Investments recorded a gain of US\$94.6 million (a 6.6% return).

Financial Results

The Annual Report and Accounts of Steamship Mutual Underwriting Association Limited, Steamship Mutual Underwriting Association (Europe) Limited, The Steamship Mutual Underwriting Association (Bermuda) Limited, and The Steamship Mutual Trust were approved by their respective Directors at their Board Meetings.

The Directors noted the impact on the underwriting performance of increased large claims activity over the year particularly in the IG Pool. It was noted that despite this development, and the capital distribution to Members of US\$ 42.8 million, the financial position remains exceptionally strong.

Investments in the 2024/25 financial year recorded a gain of US\$94.6 million, 6.6%. The combined assets of the Club amount to US\$1.44 billion and the regulatory capital ratio stands at 205%.

Further information concerning the financial position, and a review of the year may be found in the 2025 Management Highlights which will be issued shortly.

2025/26 Renewal

In October 2024, the Board decided upon a 5% general increase alongside a capital distribution of 12.5% for all renewing mutual Members. The Club achieved an increase equivalent to 3.1% in mutual premium when adjusted for the value of changes in terms and conditions.

2022/23 Policy Year

The Directors reviewed the position in relation to the open years and resolved that the 2022/23 Class 1 P&I and Class 2 FD&D years be closed without further calls.

Release Calls

The Directors reviewed release call requirements and resolved that release call levels for Class 1 P&I and Class 2 FD&D should be set as follows:

- 2023/24: 0%
- 2024/25: 10%
- 2025/26: 10%

Capital Management

The Club remains one of the best capitalized in the International Group and is S&P “A” rated with a stable outlook.

In October of this year, as part of its annual overall review of projected capital requirements and resources, the Board will consider whether a further return of capital to Members is appropriate.

Appointments to the Board

The Directors approved the appointment of Mr Yongkyu Kim (Namsung Shipping) and Mr Nicolas Tirogalas (Tufton Group) as Directors of Steamship Mutual Underwriting Association (Bermuda) Limited.

Club Circular: L.462

Yours faithfully,

**STEAMSHIP MUTUAL UNDERWRITING
ASSOCIATION LIMITED.**