

Year End Results and Renewal Report

2025/26 Financial Year Highlights

May 2026

To the Members

At the Board meeting, held in Monaco on 26 May 2026, the following developments were reported in respect of the Steamship Mutual group of companies.

2025/26 Financial year highlights:

- Free Reserves increase to \$578.3m
- Financial year surplus of \$41.3m
- Investments recorded a gain of \$104.3m, a 7.0% return
- Owned tonnage increased to 138m GT after renewal
- Total entered tonnage, including chartered, increased to 283m GT
- Combined ratio of 112.0%
- The Club's own large loss experience for the 2025 policy year was higher than expectations
- International Group claims costs for the 2025 policy year in line with expectations
- Prior year claim releases less than expected

Financial results and position

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 for the Club's own claims in the 2025 policy year. There were releases for prior year claims, but less than expected on account of deterioration in the 2024 policy year. This experience placed pressure on underwriting results and contributed to the combined ratio of 112.0%.

The Board is satisfied that the Club remains well placed, supported by strong capital, and a long-term approach to risk.

2026 Policy year renewal

The Board continues to take a disciplined approach to underwriting and capital management ensuring fairness and consistency in decision making.

- A general increase of 8% was set for the 2026 policy year renewal
- 6.7% was achieved after taking changes in terms into account

These measures ensure that the Club continues to respond proactively to claims experience and maintain financial resilience.

Capital management

In October 2026, as part of its annual overall review of available and projected capital requirements and resources, the Board will consider whether a further return of capital to Members is appropriate.

2023 Policy year

The Directors reviewed the position in relation to the open years and resolved that the 2023 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:

- 2024 policy year: **5%** (from 10%)
- 2025 policy year: **10%** (from 15%)
- 2026 policy year: **10%**

Appointment of new Director

The Directors agreed to Mr Marios Kyriakopoulos, from Erasmus Shipinvest Group, joining the Bermuda Club and Europe Club Boards.

Further information concerning the financial position and a review of the year may be found in the 2026 Management Highlights which will be issued shortly.

Yours faithfully,
Steamship Mutual Underwriting Association Limited

Circular No. L.481