
2021/22 Financial Year Highlights

May 2022

To the Members

2021/22 Financial Year Highlights

- All figures in this report reflect Steamship's combined position.
- Owned tonnage at 20 February 2022 was 110 million GT, a 14.8% increase over the previous year.
- Total entered tonnage, including chartered, was 195 million GT as at 20 February 2022.
- As at 20 February 2022, Free Reserves stood at US\$ 473 million, from US\$ 511 million the previous year, and in excess of the S&P AAA rating level.
- An overall 11.76% increase was achieved on renewing owned business.
- International Group Pool and Covid claims adversely impacted the combined ratio of 112.7%; the average combined ratio for the last six years is 105.3%.
- Investments recorded a loss of US\$ 2.8 million.

Financial Results

The Reports and Accounts of Steamship Mutual Underwriting Association Limited, The Steamship Mutual Underwriting Association (Bermuda) Limited, The Steamship Mutual Trust and Steamship Mutual Underwriting Association (Europe) Limited were approved by their respective Directors at Board Meetings held on 24 May. These reports and the combined financial position of the Steamship Mutual Group will be published in June.

The Directors noted an improvement in underwriting performance, even though premium income was insufficient to meet higher than projected Pool claims. Covid related claims, and premium reductions as a result of reduced activity, also affected the underwriting outcome.

Gross investment returns in the 2021/22 financial year recorded a loss of US\$ 2.8 million.

The solvency capital ratio remains one of the strongest in the International Group, despite a reduction in free reserves from US\$ 511 million to US\$ 473 million.

2022/23 Renewal

The Board decided upon a 12.5% general increase. Mutual premium, including the value of adjusted terms, increased by 11.6%. At renewal, approximately 9.5 million GT of new mutual business was entered and after adjusting for tonnage which did not renew, the net increase was 5 million GT. This new tonnage was drawn from a wide range of areas including China, Greece, Japan, Norway, Denmark, Cyprus, USA and Hong Kong. The Managers are very grateful for the confidence in Steamship which these entries reflect.

2019/20 Policy Year

The Directors reviewed the position in relation to the open years and resolved that the 2019/20 Class 1 P&I and Class 2 FD&D years be closed without further calls.

Release Calls

The Directors decided to move the present release call levels forward a year so that Class 1 (P&I) and Class 2 (FD&D) will be subject to release calls as follows:

2020/21: 12.5%

2021/22: 12.5%

2022/23: 15%

Club Circular E.49

Yours faithfully,

STEAMSHIP MUTUAL
UNDERWRITING ASSOCIATION (EUROPE) LIMITED