

20 June 2024

THE BRITANNIA GROUP REPORTS IMPROVED FINANCIAL RESULTS FOR 2024

KEY POINTS

- Overall result for year 2023/24 is a surplus of USD58.2m.
- Capital distribution of USD10.0m to Class 3 Mutual Members on risk on 24 October 2023, with total capital distributions of USD130.0m since May 2017.
- Satisfactory 2024/25 renewal with owned tonnage remaining steady at 141.7m gt.
- Underwriting result continues to improve with a combined ratio of 102% (down from 107% in 2023 and 116% in 2022).
- Investment performance was, again, volatile but the year-end return of USD63.6m showed positive contributions from all areas of the portfolio and recoups the loss seen in the prior year.
- S&P rating remains A (with a negative outlook).
- The Britannia Group remains in robust financial shape with USD549.9m of free reserves as at 20 February 2024 (up from USD501.7m a year ago).

FINANCIAL OVERVIEW

The result for the Britannia Group for the year 2023/24 is a surplus of USD58.2m, which consists of an underwriting deficit of USD5.3m and an investment return of USD63.5m. The Britannia Group's strategic goal is to return to underwriting balance equivalent to a combined ratio of 100%. We continue to use our financial strength to achieve that goal over a sustainable timeline. The combined ratio for the year ended 20 February 2024 is 102% (compared to 107% in 2023 and 116% in 2022). Further progress has been made at the 2024 renewal through a combination of measures, including rate increases, changes in deductibles and some targeted remedial action. Calls and premiums were USD288.8m (compared with USD258.1m for the prior year). This rise reflects the increased tonnage and our move towards underwriting balance. Reinsurance costs were higher, both for the General Excess of Loss and the other reinsurances bought by the Britannia Group. The year ended 20 February 2024 was challenging for investment markets but resulted in a very positive investment return for the year as a whole.

CLAIMS

Claims incurred in the financial year were slightly higher than the prior year, but the claims ratio showed a welcome fall from 84% to 80%. While the five year average claim numbers and values have increased, this in part mirrors the growth in the Britannia Group's entered tonnage. As at 20 February 2024, there were 20 claims above USD1m in respect of the 2023/24 policy year. While 20 is in line with the five year average, their USD75m

aggregate value is 12.5% higher than the five year average. As at 20 February 2024, 12 Pool claims had been notified within the IG for the 2023/24 policy year, with a total ground up value of USD256.4m and of which USD136.4m is covered by the Pool. This compares to four Pool claims at the same stage in 2022/23 with a cost to the Pool of USD74.6m.

CHAIRMAN'S STATEMENT

Anthony Firmin, the Britannia Group's Chairman, commented as follows:

"As in the past years, the result of the 20 February 2024 renewal confirms our Members' loyalty to the Britannia Group and their appreciation of the consistent high level of service and financial stability. The quality of our membership remains at the highest level.

The Britannia Group's strategic targets sit comfortably with our proven, long-term guiding values; financial stability, a superior level of service to Members, active cost control and conservative growth. Aligned with our targets, the Britannia Group has made further investments in the organisation, specifically in the regional hubs and loss prevention."

KEY FINANCIAL METRICS

	20 Feb 2024	20 Feb 2023
	(million gt)	(million gt)
Entered P&I tonnage (owned)	141.7	142.0
Entered P&I tonnage (chartered)	55.2	51.0
	USD('000)	USD('000)
Calls and premiums	288,815	258,140
Net claims incurred	(181,261)	(169,933)
Investment income	63,573	(63,781)
Net operating expenses	(50,245)	(46,490)
Net surplus/(deficit) after taxation	58,243	(77,837)
Free reserves	549,931	501,688
Combined ratio	102.3%	106.6%
Expense ratio*	15.48%	15.39%
Standard & Poor's rating	A (negative)	A (negative)

* In accordance with the International Group Agreement 2021 the Britannia Group is required to disclose the average expense ratio for its P&I business for the past five years. This measures all of the Britannia Group's costs, except those related directly to the management of claims, as a percentage of call, premium and investment income for a five year period.

For further details please refer to the [full report](#) available on our website.

ENDS

Contact

Neil Smith, Head of Communications, the Managers of the Britannia Group: +44 (0)7741 800 420

About the Britannia Group and Tindall Riley

Established in 1855, The Britannia Group (or Britannia P&I) is a mutual P&I Club that provides P&I and FD&D cover to shipowners and charterers worldwide. The Britannia Group consists of:

- The Britannia Steam Ship Insurance Association Holdings Limited (Britannia Holdings), which has the controlling interest in its providers:
 - The Britannia Steam Ship Insurance Association Europe (Britannia Europe) and
 - The Britannia Steam Ship Insurance Association Limited (Britannia (UK)) and
- Two Bermudian based reinsurers:
 - Universal Shipowners Marine Insurance Association Limited (USMIA) and
 - Hydra Insurance Company Limited – Britannia Cell.

Britannia Europe is regulated by the Commissariat aux Assurances (CAA) and its branches are regulated by the PRA/FCA (UK), Insurance Authority (Hong Kong), Japanese Financial Services Agency (Japan) and Monetary Authority of Singapore (Singapore). Britannia (UK) is registered by the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA).

Britannia P&I Club was the first P&I Club in the market and remains a leader in the [International Group of P&I Clubs](#) and currently holds the positions of the IG Chair and also Chair of the IG's Reinsurance Committee. It has held its prominent position by focusing on providing an exceptional standard of service for the benefit of its Members based on the essential values and principles of mutuality combined with commercial strength. More information about The Britannia Group is available at www.britanniapandi.com

The administration and management functions of Britannia P&I are provided by Tindall Riley Europe Sàrl and Tindall Riley (Britannia) Limited. Tindall Riley & Co Limited currently manages three insurance businesses: it provides protection and indemnity insurance for shipowners and professional indemnity insurance for architects and also for brokers/intermediaries. More information about Tindall Riley is available at www.tindallriley.co.uk