

Progressing together towards a safer, more secure and sustainable future

Through Transport Mutual Insurance Association Limited
Annual Report and Consolidated Financial Statements
For the year ended 31 December 2025

TT CLUB
IS MANAGED
BY **THOMAS
MILLER**





**Through Transport Mutual Insurance
Association Limited**

**Annual Report and
Consolidated Financial Statements
for the Year Ended 31 December 2025**

Company registration number 1750

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Directors and Management

Chairman

M Engelstoff
Genoa 3,4,5,6

Deputy Chairman

J Küttel (retired 26 June 2025)
Lucerne 3,4,5

N Smedegaard (appointed as Deputy Chairman
on 26 June 2025)
DFDS, Copenhagen 3, 4, 5

Directors

A Abbott
Atlantic Container Line, New York

A Fullbrook
OEC Group, New York 6

L Audaz (appointed 26 June 2025)
Mediterranean Shipping Company, Geneva

M Hine
Specialist Director - Finance 1,2,5

G Benelli
Specialist Director – Investment 6

S Kanoo (appointed 26 June 2025)
YBA Kanoo, Jeddah

H-J Bertschi
Bertschi Group, Dürrenäsch

K King
Through Transport Mutual Services (UK) Ltd
London 5

M Calfas
NSW Ports, Sydney

N Mbongwa
Bidvest Freight, Durban

F Calje
PD Ports, Middlesbrough

R Murchison
Murchison Group, Argentina

J Chambers
Specialist Director - Insurance 1,2,5

J Neal (resigned 31 March 2025)
Carrix, Seattle

Chang Yen-I
Evergreen Group, Taipei

J Nixon
Ocean Network Express, Singapore 3

W Chien (resigned 3 September 2025)
Dimerco Express Group, Taipei

M d'Orey
Orey Shipping SL, Lisbon 1,2,3,4,5

J Chowdhury
Through Transport Mutual Services (UK) Ltd
London 5

R Owens
Nautilus International Holdings, Long Beach
Long Beach

S Edwards (resigned 31 December 2025)
Virginia Port Authority, Norfolk

K Svendsen
A P Møller-Maersk, Copenhagen

T Faries
Bermuda 5

S Tranantasin
RCL Group
Bangkok

C Fenton
Through Transport Mutual Services (UK) Ltd, London
London 5

1 Audit & Risk Committee member - Through Transport Mutual Insurance Association Limited (TTB)

2 Audit & Risk Committee member - TT Club Mutual Insurance Limited (TTI)

3 Nominations Committee member - TTB

4 Nominations Committee member - TTI

5 Management Committee member - TTB

6 Investment Committee member - TTB

Directors and Management - continued

Registered Office

Victoria Place, 5th floor
31 Victoria Street
Hamilton HM10
Bermuda
Company Registered Number 1750

Managers

Thomas Miller (Bermuda) Limited

Company Secretary

Thomas Miller (Bermuda) Limited
Telephone +1 441 292 4724

Independent Auditors

Deloitte LLP
1 New Street Square
London EC4A 3HQ
United Kingdom

Financial Highlights

	2025 US\$'000	2024 US\$'000
Income Statement		
Gross earned premiums ¹	285,607	284,238
Ceded earned premiums ³	(64,409)	(63,928)
Net earned premiums	<u>221,198</u>	<u>220,310</u>
Net claims incurred	(168,349)	(164,771)
Gross incurred brokerage ²	(31,069)	(29,736)
Commission income on reinsurances	9,533	7,193
Expenses ⁴	(61,023)	(60,668)
Net operating expenses	<u>(82,559)</u>	<u>(83,211)</u>
Underwriting deficit	(29,710)	(27,672)
Investment return	45,917	34,227
Exchange gains/(losses)	3,670	(1,231)
Taxation	210	(549)
Surplus on ordinary activities after tax	<u>20,087</u>	<u>4,775</u>
	2025	2024
Balance Sheet	US\$'000	US\$'000
Cash and investments	799,790	729,179
Ceded technical provisions ⁵	151,269	145,411
Other assets ⁶	89,832	89,014
Total assets	<u>1,040,891</u>	<u>963,604</u>
Gross technical provisions ⁵	(703,691)	(648,425)
Other liabilities ⁷	(34,910)	(32,976)
Total liabilities	<u>(738,601)</u>	<u>(681,401)</u>
Total surplus and reserves	<u>302,290</u>	<u>282,203</u>

1. Gross Earned Premiums is calculated as the sum of Gross Premiums Written and Gross Unearned Premium Reserve Movements.

2. Gross Incurred Brokerage is calculated as the sum of Gross Acquisition Costs and Deferred Acquisition Cost movements.

3. Ceded Earned Premiums is calculated as the sum of Ceded Written Premiums and Ceded Unearned Premium Reserve Movements.

4. Expenses are calculated as Net Operating Expenses excluding Brokerage and Commission Income on quota share reinsurances.

5. Technical Provisions include Gross and Ceded Unearned Premiums, Gross and Ceded Claims Reserves.

6. Other Assets include Debtors, Deferred Acquisition Costs, Prepayments and Accrued Income, Retirement Benefits and Obligations and Other Assets

7. Other Liabilities include Creditors, Accruals, Deferred Income, and Equity Minority Interest .

Chairman's Report

Introduction

I write to you at the end of a significant year for the Club, filled with both challenges and successes, and indeed opportunities, notably one which could alter the Club's future course. The year has been a successful one and I'm pleased to report that the Club achieved an outstanding annual surplus, as well as a near record year for new business – the second highest in its 57-year history. However, there is still work to be done to ensure that the Club performs to a sustainable loss ratio across its industry sectors, maintaining stability and resilience to ensure that it can continue to grow with strength and security for its Members.

For the global transport and logistics industry and the Club's membership, geopolitical instability has prompted further rerouting and disruption. I'm saddened by recent events in the Middle East; the human loss, displacement and destruction of vital infrastructure in Iran, Israel, the Gulf states, and beyond is deeply distressing and my thoughts are with all those affected by the conflict. Of course, I must also look at the situation from a commercial standpoint and focus on its financial impact on the Club. As the Club's portfolio is predominantly liability-based, with war exposures limited and excluding areas listed by the Joint War Committee, the impact of this recent conflict is not financially material to the Club. However, the Managers are providing all affected Members with guidance and support during this time.

Once again, our industry's resilience and adaptability have been demonstrated when faced with keeping global trade flowing in volatile times. There are certainly many challenges on the horizon, adapting to a changing climate, addressing evolving cargo security concerns and ensuring a safe working environment for supply chain professionals. I remain confident in the industry's capacity to address such challenges head on, and in the Club to continue to support it in doing so.

Financial performance

The Club's net result for 2025 is US\$ 20.1 million (2024: US\$ 4.8 million). Gross earned premium for 2025 is US\$ 286 million (2024: US\$ 284 million). This level of premium, only slightly up on that in 2024, masks somewhat the significant new business wins of the year. Indeed, the Club achieved unprecedented wins in its target premium bands. Faced with increasingly stiff competition in a softening market, shifts in the Club's portfolio are in clear alignment with its strategic objectives. These new business wins demonstrate the Club's ability to respond to Members' needs and provide innovative product offerings to remain competitive. Improvements can already be seen in the portfolio following the reshaping it has seen throughout 2025. Strong new business figures have been offset by higher than forecast lost business, primarily due to one large detachment. In addition, the Board has further strengthened the Club's claims reserves. Operating expenses have been closely managed to budget and the Club's investments have performed very well, returning 7.0% (2024: 5.6%), the combined ratio ending the year at 111% (2024: 112%).

US bodily injury remains a focus of the Club's claims team, where a number of good results were achieved over the past year and the development of the total incurred figure for open US bodily injury claims in this period has been encouraging. In contrast, logistics have shown some deterioration over the period, with several claims developing above initial expectations and contributing to higher projected settlement values. As in previous years the Club has not suffered any major claims from natural catastrophes and the hurricane season in the US presented only a benign claims exposure to the Club. There has been a number of ship casualties in 2025, including several notable ship fires, but none as significant as in some of the past years. The Club's handling of those remaining casualty matters has progressed in line with expectations.

The net result for the year is very strong and well ahead of the latest forecast for the year. Investment income is a major contributor to this result, but I am confident in the Board approved plans to improve the combined ratio in the years ahead.

Merger discussions

In November, the Board agreed to proceed with exploring a merger between TT Club and UK P&I Club, another Thomas Miller-managed mutual. The discussions focused on evaluating the possibility of the Clubs combining into a single entity, while preserving their independence in their respective markets and maintaining the strength of their distinctive brands and service propositions. A merger would create a market-leading maritime and transport insurance mutual, bringing together considerable resources and a diversified offering to provide a platform for improved Member service and future growth.

Delivering this merger would allow the Club to operate at a broader scale and scope, leveraging the two Clubs' complementary strengths to meet the evolving needs of the industry. The financial benefits of a joint reinsurance programme and a combined capital adequacy position would deliver tangible advantages to the Club's Members.

While discussions remain at an early stage, updates on the progress of these discussions will be disseminated throughout the coming year.

Chairman's Report - continued

Positioning the Club's systems for the future

This year, the Club progressed an ambitious transformation strategy to replace key systems and processes that will enable it to be more data driven, support long-term growth, reduce costs and ensure business safety and resilience. The Club must be competitive, efficient and agile, continue to meet Member expectations, respond quickly to technological change and operate in a cost-effective manner. The Managers' establishment of a dedicated technology and change function in 2024 has shown its full value this year, with learnings and growth areas clearly identified from the system upgrade project of recent years. The function's strategy is clear, deliver regular business value, iterate and adjust to bring the Club steadily but surely to its goal of becoming a digitally empowered organisation.

The approved strategy has been built into the Board's three-year business plan, with targets determined to drive the Club forwards to 2028. It is a vital step if the Club is to keep pace with a changing industry.

Directors and Board Committees

The Boards and Committees continued to meet according to their usual schedules in 2025, with the Board meeting in Sydney, Zürich and Bermuda as well as an additional meeting by video conference. I was delighted to meet many of our local Members and brokers at the events in Sydney and Auckland, and thank you to all Members for your ongoing commitment to the Club.

Four Directors retired from the Board in the year: Josef Küttel, Jaime Neal, Wendy Chien and Stephen Edwards, and I thank them all for their contributions during their time as Directors of the Club.

I must, in particular, give my thanks to Mr Küttel for his long service of 16 years to the Club. Having joined the Board in June 2009, he became Deputy Chairman of TTI in 2014 and Deputy Chairman of TT Bermuda in 2020 as well as serving on the Audit & Risk Committees and the Nominations Committees.

There has been no change to the Directors' fees paid in the year, fee levels will be kept under review and changes will be proposed when appropriate.

This year, the Club Board will meet in Singapore in March, Madrid in June and Buenos Aires in November. Member events will be held alongside these meetings and I look forward to seeing some of you there.

Conclusion

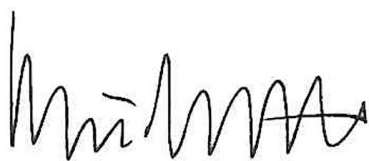
2025 has been a strong year for the Club. Of course, as any prudent business knows, there is no room for complacency and the Club is clear in its goals to ensure stability and strength in future years. However, I believe we can look back at 2025 with a sense of pride and achievement, seeing strong wins across the board in the Club's target bands; wins that enhance the balance in the Club's underwriting portfolio

I encourage you to read on to find out more about the impressive work of the Club's loss prevention team, work that demonstrates the Club's true value to its Members and grows year after year.

This has been a busy year for the executive team. In addition to their excellent ongoing work serving Members' needs and managing well the financial health of the Club, the team has been heavily engaged in putting together the proposed merger with the UK P&I Club. I would like to express my own and the Board's sincere appreciation for the work done by Kevin and his team.

The coming years are set to bring change to the Club. We are moving towards a strong digitally focussed future with ambitious plans in motion. Additionally, the possible merger between TT Club and UK P&I Club could result in significant change for the Club. Whilst I am excited by the potential future benefits this merger could bring to the Club's membership, the ongoing and future service to our members remains the clear and unwavering priority at all times. I look forward to the coming months and year ahead.

Finally, I must give thanks once again to our Members and brokers. The Club's membership and wider transport and logistics industry remain, as ever, the driving force behind the Club's mission to make the industry safer, more secure and more sustainable and I look forward to continuing to deliver on that mission for you.



M Engelstoff

Chairman

26 March 2026

Loss Prevention Report

Supporting the Club's Members in managing the risks they face remains paramount to the Club's core mission. Last year's customer satisfaction survey made it clear that Members sought more from the Club's loss prevention function and I am pleased to report in this section the progress made throughout 2025.

The team recruited a new member during the year, further increasing capacity and expanding expertise. The Managers have also sought to build loss prevention and risk management into the roles of some Claims Executives and Underwriters to continue to expand the depth and breadth of knowledge. Such expansion has yielded a significant increase in activity from Member engagement to resource production, industry collaboration and youth outreach.

Member engagement

The loss prevention team has delivered 370 engagements this year across 43 different countries, up from 230 engagements and 30 countries in 2024. Engagements ranged from risk assessments and bespoke presentations to webinars and in-person seminars as well as attending conferences and giving guest lectures at universities.

A notable development this year has been the facilitation of cross-Member introductions, enabling operators with common goals to collaborate and share best practice. The function has focused on creating tangible value beyond traditional consultancy services, where Members share their learnings for the betterment of the entire Club and industry. In this way, the loss prevention function has proved itself to be a trusted and vital conduit between Members, demonstrating value that is truly unique to the Club.

A tangible benefit of promoting shared learning this year was connecting Members with proven, innovation led risk reduction solutions. By identifying effective technologies and enabling direct Member to Member knowledge sharing, the Loss Prevention team was able to accelerate the adoption of tools that reduce incidents and strengthen operational safety. For example, Voxel AI's success at a US Member operation, where its computer vision platform drove significant improvements in safety performance, is now informing wider deployments, including at a terminal operator in Australia. Through targeted introductions, the team helped Members implement practical solutions that quantifiably reduce losses with the confidence of a peer-to-peer recommendation, facilitated by the Club.

Further, I am also pleased to see Members contributing to the Club's diverse risk management resources, including its recent Truck Driver Safety StopLoss, ESG toolkit case studies, Port Authority Bulletin and Supply Chain Security Bulletin. Core to the Club's mutual ethos is the sharing of guidance and learnings, so it is particularly encouraging to see so many examples of knowledge sharing throughout 2025.

Key Themes

The Club's loss prevention function covered an expansive range of topics this year. As I did in last year's message, I encourage you to read the function's annual publication "Loss prevention – a year in focus" to find out more about the key themes and activities throughout 2025. All themes and topics are chosen with Members in mind, based on your claims data as an entire membership, not just the large claims but the small, attritional losses that impact your day-to-day operations. The function identifies claims trends and learnings from the many risk assessments and Member visits it makes throughout the year to develop guidance most applicable to Members. Drawing on my earlier comments regarding the Club's digital future, the advances that will be made in leveraging artificial intelligence and data will inevitably yield outstanding efficiencies in this regard, at great advantage to Members.

Human safety remains at the heart of the Club's mission. This year saw the release of updated StopLoss guidance focused on truck driver safety, developed in collaboration with ICHCA International and supported by case studies from Club Members. This project aims to reduce injury risks in operational zones and reinforces the Club's commitment to protecting people across the supply chain, with the aim of ensuring all supply chain workers return home safely to their families.

The world's climate is changing. Insurers globally continue to pay close attention to the growing number of climate-related losses, many of which fall under the category of "non-peak peril", (these are the perils driving the general upwards trend if not hitting the headlines). In response to escalating climate risks, the Club published its Climate-Ready Supply Chain white paper, offering urgent guidance for ports, waterways and logistics operators. This resource provides a practical roadmap for resilience, covering adaptation measures, cost-benefit analysis and case studies. The initiative supports Members in mitigating long-term operational risks associated with so-called non-peak perils such as flooding, thunderstorms, windstorms, rising sea levels and drought.

Loss Prevention Report - continued

Freight crime continues to pose a significant and growing global threat. The Club produced various regional risk reports, including a dedicated study on Mexico following a spike in cargo theft incidents. The reports provide Members with actionable guidance on vetting processes, secure truck parking and technology adoption to combat evolving criminal tactics. In the UK, the team's efforts reached government level, where a Department for Transport Task and Finish Group focused on security at lorry parking facilities. The initiative culminated this year with a report on recommendations for both industry and the government to improve facility security, with the Club's work fundamental in effecting real change in the recording and investigation of freight crime.

Resources

The Club's loss prevention function produced or revised 21 publications in 2025, up from 16 in 2024, covering topics including freight crime, truck driver safety, climate resilience, the average clause and dangerous goods. The Club seeks to develop a wide range of guidance, such that there should be resources available to respond to Member queries covering all types of claims incidents. The TT Live podcast continues to grow as a key channel for delivering loss prevention insights, demonstrating the Club's close connections to myriad industry expert guests with more than 47,000 listens in the year.

Providing increasingly tailored guidance to Members has been a key focus this year. A prime example is the newly launched Port Authority Bulletin, designed to address the unique operational and regulatory challenges faced by port authorities. This targeted resource delivers practical insights and best practice recommendations, ensuring Members receive advice that is relevant, actionable and aligned with their specific risk profiles.

One notable development this year has been the introduction of the Club's Risk Maturity Tool, a pioneering initiative designed to give Members a clearer understanding of their operational risk management practices. Developed from decades of claims experience and industry insight, the tool enables organisations to benchmark themselves against best practice across six key areas, asset management, business continuity, health, safety and environment, organisation and people, policy and procedure, and security. By responding to a series of structured statements, Members receive a maturity rating and a detailed report highlighting strengths, gaps and practical recommendations. This self-assessment approach provides actionable insight to improve resilience, enhance safety and embed robust risk management frameworks, supporting Members across all modes in reducing exposure and adopting industry-leading standards.

A recent example of the quantifiable value of the tool to Members is the extensive rollout by long standing European logistics Member, which deployed the tool across more than 30 European depots, reporting that the assessment was easy to distribute, generated clear and comparable outputs, and provided actionable insights to guide targeted risk management. This experience highlights the tool's ability to produce expedient, consistent and insightful data that strengthens operational decision making and supports measurable loss reduction outcomes across member organisations.

Industry collaboration

The Managers understand the vital importance of keeping abreast of safety developments and ensuring involvement in industry-wide initiatives, without which it would be impossible to provide the market leading loss prevention resource the Club's Members expect. Collaboration this year has ranged from organisational to academic and governmental, growing the Club's industry influence and ability to effect change for its Members.

Innovation in safety has continued to be a cornerstone of the loss prevention strategy, driving initiatives that connect Members with innovators and peers implementing advanced safety solutions. In collaboration with ICHCA International, the TT Club Innovation in Safety Award brings innovative solutions to the fore, the latest round of which received a record 33 entries. The Award ensures that the Club's network of innovators grows year on year, with winners invited to collaborate in panel discussions and publications, as well as facilitating Member introductions, where appropriate, to reduce risk across the membership.

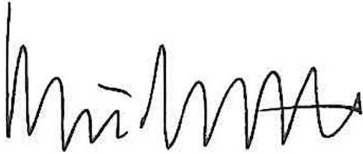
While the loss prevention team has long collaborated with associations such as FIATA and TAPA EMEA to champion the next generation of supply chain professionals, a new development in 2025 was the team's collaboration with universities and academic institutions in the UK. The loss prevention team ran a hackathon at the University of Sheffield, where students were tasked with developing a solution to cargo theft from containers. The team also gave guest lectures throughout the year at the Universities of Sheffield and Huddersfield. I am pleased to see the Managers' commitment to engaging the next generation, ensuring that those entering the supply chain do so with an insight into safe, secure and sustainable practices.

Loss Prevention Report - continued

Conclusion

As one of the Club's three core pillars of activity, the increased focus on loss prevention over recent years is plain to see. The Managers' emphasis on industry-leading loss prevention and risk management has been backed up by a growing team, both in size and expertise, as well as an ever-growing range of topics, resource types and network. The function's number of industry engagements has nearly quadrupled over the last three years, building a network of associations, innovators and operators that is second to none.

I have no doubt that it's the Club's mutual ethos that drives its success in advancing risk management across the industry. Building a network of like-minded organisations and leveraging that network to disseminate accessible guidance is what will inevitably move the dial when it comes to achieving the Club's mission. Knowing the loss prevention team's ambitious plans for the coming year and the exciting digital development on the horizon, I very much look forward to updating you next year on the Club's progress in making the global transport and logistics industry safer, more secure and more sustainable.



M Engelstoff

Chairman

26 March 2026

Strategic Report

Business review

The principal activities of Through Transport Mutual Insurance Association Limited ("TTB") and its subsidiaries, TT Club Mutual Insurance Limited ("TTI") and TT Club Mutual Insurance N.V. ("TTNV") – trading collectively as "TT Club" or "the Club" – during the year were the provision of insurance and reinsurance in respect of the property equipment and casualty liabilities of its Members in the international transport and logistics industry.

TT Club operates in the United Kingdom, the Netherlands, the United States of America and through branches in Australia, Hong Kong and Singapore.

Strategy and values

TT Club's business is the provision of asset and liability insurances and related risk management services to the international transport and logistics industry. It consists of two mutual insurance companies with separate corporate governance arrangements but operating as a single business, and is owned by its policyholders, also known as Members.

TTNV insures the Club's EEA business which is 100% reinsured to TTI. TTI has entered into a 90% quota share reinsurance contract with its parent company, TTB. The reinsurance contract also includes a stop loss element which attaches at a 105% loss ratio to protect TTI from an excess accumulation of claims within its 10% retention.

TT Club's business strategy is to provide superior insurance products and claims handling to its policyholder Members at a competitive price, whilst maintaining excellent financial security over the long term. Insurance is very much a cyclical business, with premium rates fluctuating in accordance with the supply of capital in the market and with the investment returns available to the owners of that capital. TT Club maintains a conservative investment policy.

TT Club's financial strategy, approved by the Board, is to maintain within the business sufficient capital to meet regulatory requirements, and to maintain an AM Best rating of A-minus (Excellent) over the insurance market cycle, with a substantial margin in each case. The Directors are satisfied that both elements of this strategy have been maintained throughout the year.

TT Club's business model is to outsource the entire management function, including that relating to investment management, to companies within the Thomas Miller Holdings Limited group of companies.

Financial performance, capital strength and solvency

The principal Key Performance Indicators ("KPIs") by which performance is monitored by the Board are set out below.

	2025	2024
AM Best rating	A- (Excellent)	A- (Excellent)
Surplus and reserves	US\$ 302.3m	US\$ 282.2m
Underwriting deficit	US\$ (29.7)m	US\$ (27.7)m
Investment return	US\$ 45.9m	US\$ 34.2m
Surplus after tax	US\$ 20.1m	US\$ 4.8m

Gross earned premiums amounted to US\$ 285.6 million which was slightly higher than the previous year due to Member volume growth.

The Club has entered into a three year quota share reinsurance agreement with Swiss Re which covers the 2023 to 2025 policy years with the cession being 15% for 2025 (2024: 15%). The Club has also agreed a further three-year quota share arrangement with Swiss Re covering the 2026 to 2028 policy years, with the cession for 2026 being 20%.

The latest forecast ultimate loss ratio for the 2025 policy year is 80% compared with the 2024 policy year loss ratio forecast of 77% as at 31 December 2024.

Prior accident year claims development has been higher than expected, resulting in a strengthening of prior year best estimate claims reserves, excluding currency effects and before quota share reinsurance, of US\$ 8.3 million (2024: strengthening of US\$ 8.2 million).

The underlying investment return, excluding currency effects was 7.0% (2024: 5.6% gain). The return was ahead of the budgeted return of 4.5% due to stronger than forecast equity and fixed income performance during the year.

Strategic Report - continued

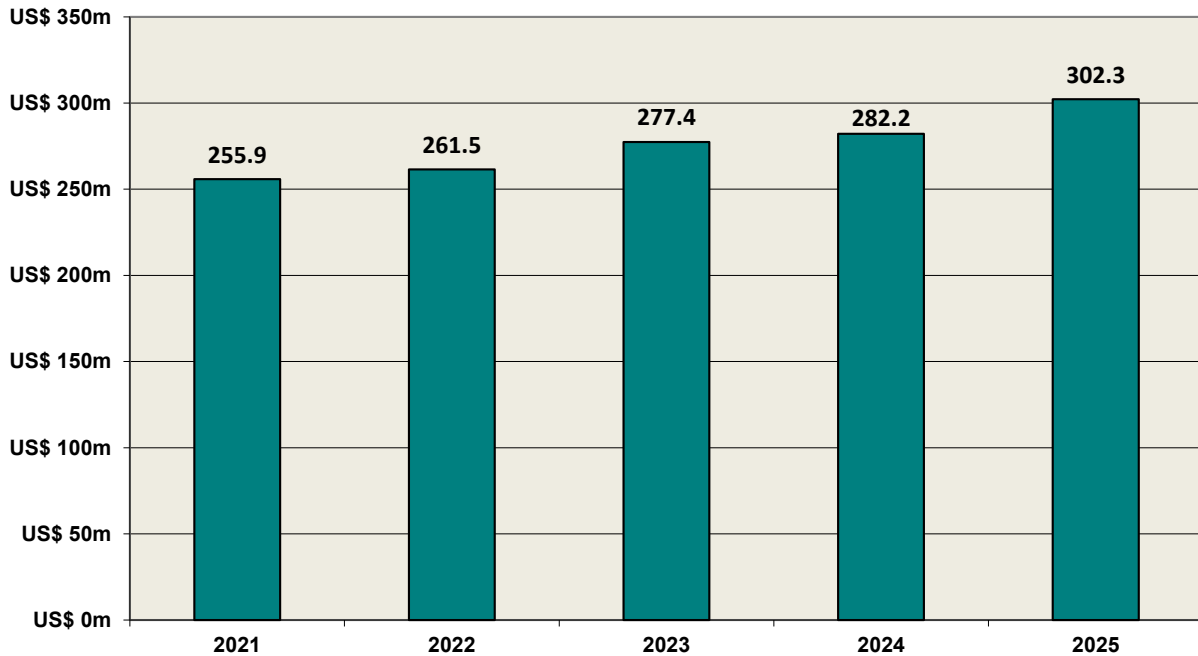
Key Performance Indicators

The principal KPIs by which performance is monitored by the Board are detailed below.

1. Financial strength - AM Best rating

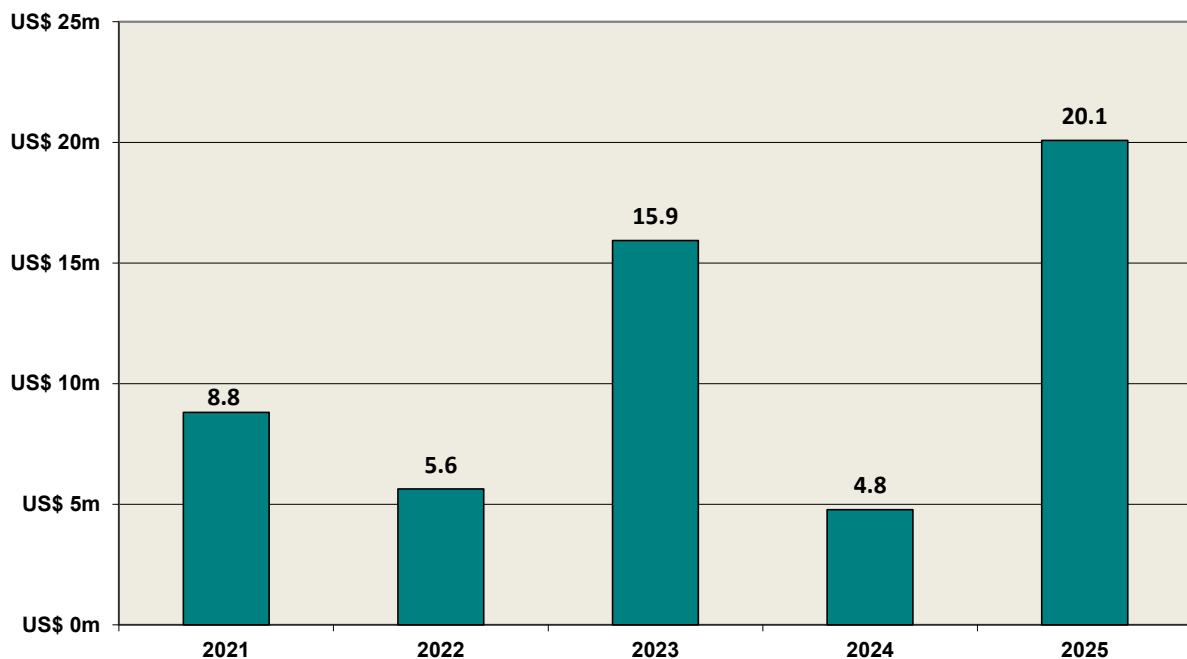
TT Club has had a rating of A- (Excellent) since 2006.

2. Capital - surplus and reserves



TT Club's financial strategy, approved by the Board, is to maintain within the business sufficient capital to meet regulatory requirements, and to maintain an AM Best rating of A- (Excellent) over the insurance market cycle, with a substantial margin in each case. The Directors are satisfied that both elements of this strategy have been maintained throughout the year.

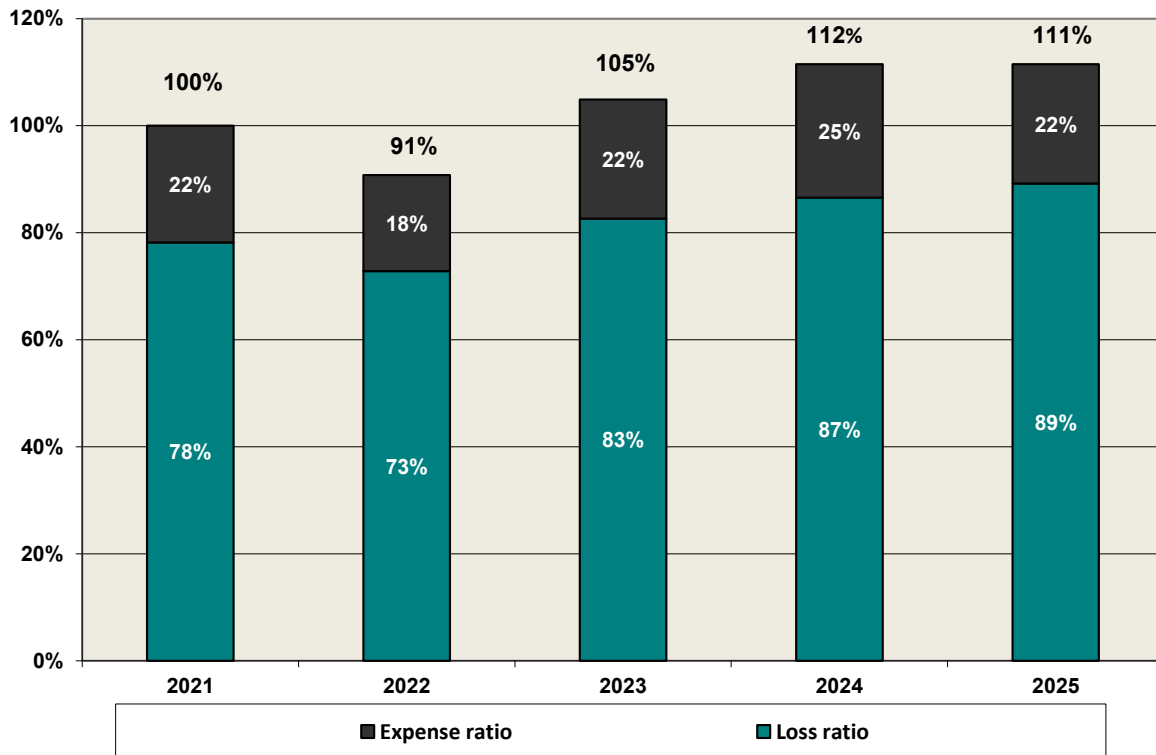
3. Net result - surplus/(deficit)



Strategic Report - continued

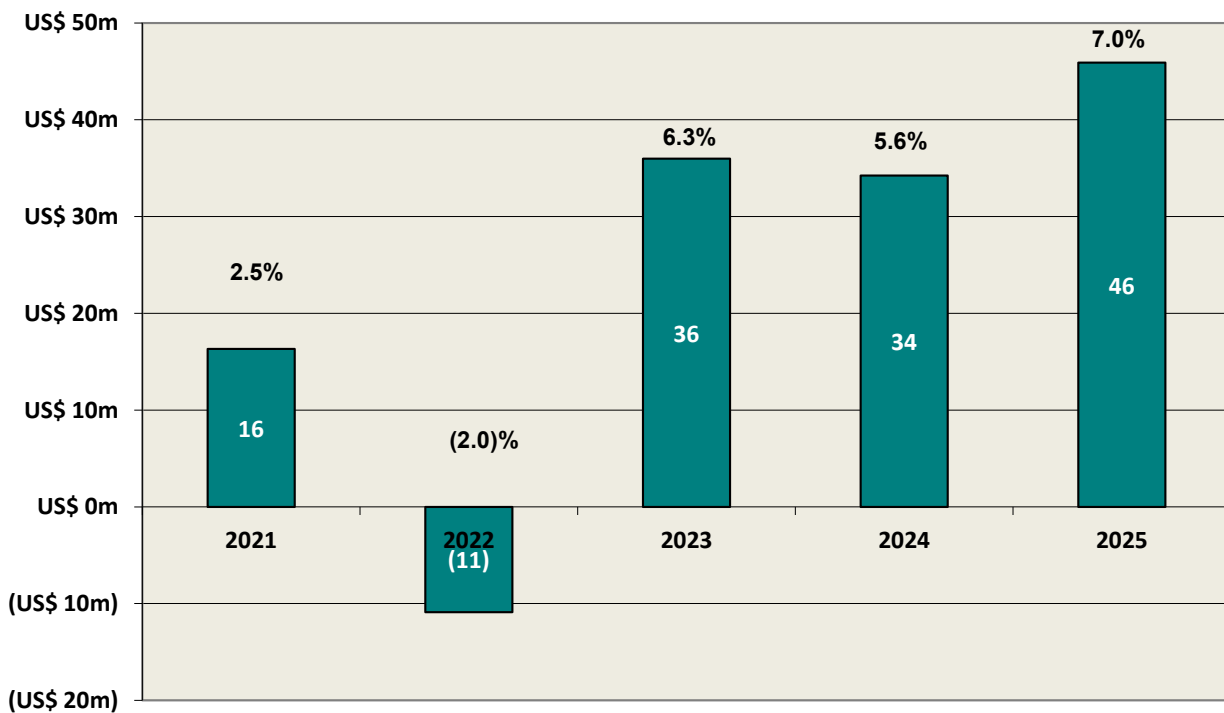
Key Performance Indicators - continued

4. Combined ratios - showing loss and expense ratios (inclusive of brokerage)



Included within the Club's expenses for 2025 are US\$ nil (2024 : US\$ 12.1m, 2023 : US\$ 7.9m, 2022 : US\$ 2.0m and 2021 : US\$ 9.0m) of costs relate to an ongoing IT project to modernise existing systems.

5. Investment returns - in monetary amounts and yields.



Strategic Report - continued

Risks and risk management

The Board has adopted a risk management policy which is designed to protect TT Club from occurrences that hinder sustainable achievement of its objectives and financial performance and to ensure that TT Club complies with regulatory requirements in the jurisdictions in which it operates.

The following key principles outline TT Club's approach to risk management:

- The Board is responsible for risk management and internal control;
- The Board is responsible for ensuring that a framework exists which sets out risk appetite, risk management and control and business conduct standards; and
- The Board is responsible for ensuring that the Managers implement and maintain a sound system of internal control.

All types of risk facing the business are identified and analysed, and each one is rated according to its probability of occurrence and impact, being an assessment of the significance of the event if it occurs, on the basis of financial, reputational, legal/regulatory and customer measures. The rating of each risk is carried out on the basis of both inherent risk and residual risk, the latter taking account of controls that are already operating. Risks are defined as 'Red', 'Amber' or 'Green' on both inherent and residual risk bases to assist the Board with the prioritisation of the management of risks, and also to demonstrate the importance of the mitigation or control that is in place.

All risks are summarised and categorised in a Risk Log, which is monitored and re-assessed on an annual basis. The Club has established mitigation and control in order to respond to the risks that are identified and assessed as above. These response activities reflect the nature of the Club's business. The appropriateness and adequacy of mitigation and control for each risk is monitored. The Board recognises and accepts that additional action may be disproportionate or not further reduce the risk exposure.

The principal risks and uncertainties faced by the business are summarised as follows:

Insurance risk

Insurance risk is the potential adverse financial impact on TT Club as a result of:

- Inaccurate pricing of risk when underwritten.
- Inadequate outwards reinsurance protection
- Fluctuations in the timing, frequency and severity of claims and claims settlements relative to expectations.
- Inadequate claims reserves.

Insurance risk is mitigated by means of:

- New business requires the prior approval of the Underwriting Director with the exception of small simple transport operator risks when all features are "target" as defined in the appetite guide.
- Renewals require the prior agreement of an Underwriter or above where no referral trigger as defined in the annual instructions are present.
- Renewals where referral triggers are present also require the prior agreement of the Underwriting Director.
- Underwriters' authority levels based on experience and competence.
- Technical underwriting and claims file reviews by management.
- Key performance indicators and key risk indicators relating to underwriting and claim functions are reviewed.
- Management review of outwards reinsurance ratings are undertaken.

Financial risks

Financial risks are explained and analysed in further detail at Note 4 to the financial statements and consist of:

- Market risk.
- Currency risk.
- Credit risk.
- Liquidity and cash flow risk.

Operational risk

Operational risk arises from inadequately controlled internal processes or systems, human error and from external events. Operational risks include, for example, risks arising from outsourcing, conduct, information technology, information security, project management, human resources, taxation, legal and regulatory, fraud and compliance.

The Club's IT systems are established and stable; with any development to follow standard project management methodologies. As noted in the Chairman's report the Club is undertaking a project to deliver an ambitious transformation strategy to become a digitally empowered organisation and this will be achieved through the replacement of key systems and processes. The risks in relation to this project are being closely managed through the engagement of a specialist external provider who will support the project team, throughout the process from planning to delivery and embedding. The overall project will be supervised by the dedicated technology and change function that will report to the Senior Management Committee with support and reviews by the Internal Audit and Risk and Compliance functions. There will be close oversight by the Audit & Risk Committees and both the TTI and TTB Boards.

Strategic Report - continued

Appropriate operational policies and procedures covering all aspects of the business have been embedded through the organisation. Management information supports the control framework and is subject to on-going validation and enhancement to ensure that it is appropriate to business requirements.

The Directors have assessed the mitigation and controls environment relating to each of these types of insurance, financial, and operational risk and have made an assessment of the capital required to meet the residual risks faced by the business.

Charitable donations

During the year there were charitable donations of US\$ 6,431 (2024: US\$ 2,865) none of which were to political parties.

Club's plan and mission

The Club's 3-year Business Plan approved by the Board in November 2025 states: The TT Club's mission is "to make the global transport and logistics industry safer, more secure and more sustainable".

To achieve this mission, the Club will be positioned as the preferred independent mutual specialist provider of insurance products and related risk management services to the industry.

A significant element of the value the Club provides to its Members is derived from the depth of expertise within the organisation. This expertise will be applied to ensure the Club is positioned to continue to meet the needs of the membership as those needs evolve.

Other than its Members who are both the mutual policyholders and owners of the Club, the Club's key stakeholders are its brokers, reinsurers, regulators, Managers (Thomas Miller) and Network Partners (who provide claims handling services to supplement those provided by its Managers).

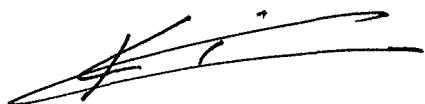
The delivery of the Club's mission is core to maintaining the success of the company. The Board has a strategic objective of maintaining the Club's financially stable platform, from which to provide risk management and loss prevention services to the industry. This continues to be achieved and is supported by the affirmation of the Club's A-minus (Excellent) financial strength rating by AM Best in 2025.

Throughout the year, the Board continued to receive reports at its meetings on the Club's loss prevention activities which benefit the Members, providing input and direction on key initiatives.

The Club continues to utilise data it collects, particularly in relation to claims, to assist its Members, as well as other industry stakeholders, in developing good operational practices, including embracing emerging technologies in a robust and considered manner. The Club utilises the data to interact with its membership to improve individual risk profiles and with the broader industry through frequent publications, conference presentations and webinars.

The Club has strong relationships with its brokers and reinsurers and through its Managers, the Club maintains contact and high level engagement with the senior management of its key brokers and reinsurers. During the year, the Board received updates on the Club's key broker and reinsurer relationships. At the end of 2025, the Club's general excess-of-loss reinsurance programme was successfully renewed for 2026.

By approval of the Board.



Thomas Miller (Bermuda) Limited

Company Secretary

26 March 2026

Directors' Report

Directors and officers

The names of the Directors of the Club who served during the year and up to the financial statement signing date are shown on page 2. All the Directors retiring at the Annual General Meeting and seeking re-election were re-elected. The Directors of TTI are shown at the front of the TTI annual report.

The Board of Directors has effected a Directors' and Officers' Liability Insurance policy to indemnify the Directors and Officers of TTB, TTI and TTNV against loss arising from any claim against them jointly or severally by reason of any wrongful act in their capacity as Directors or Officers. The cost of the insurance is included in net operating expenses.

Board of directors' meetings

The Board of the Club met formally on four occasions during the year to carry out the general and specific responsibilities entrusted to it by the Members under the Bye-Laws of the Club. Amongst the matters considered, the Directors received and discussed written reports from the Managers on TT Club's financial development, with particular reference to underwriting policy, investment of its funds, insurance reserves and major claims paid or outstanding.

Reports on the results of the negotiations for the renewal of Members at the start of and during the current policy year were received and the Directors reviewed the list of new entries and of those Members whose entries had terminated. The Directors confirmed their intention not to levy any supplementary premium on the 2024 policy year and in addition, close the 2022 policy year.

Board committees

The Boards of TTB and TTI have jointly delegated specific authority to a number of committees. The TTI Board is appraised as to the main issues discussed and all minutes of meetings of the committees are distributed to the TTB Board.

The TTB and TTI Nominations Committees ensure that the Board is appropriately skilled to direct a mutual insurance company, that the Directors are appropriately senior and representative of the membership, and that there is a proper balance of Directors taking account of the different categories of Member, different sizes of businesses insured and different locations of Members' businesses. The TTB and TTI Nominations Committees met on three occasions during 2025 (2024: three).

The TTB and TTI Audit & Risk Committees assist the Board in discharging its responsibilities for the integrity of TT Club's financial statements, the assessment of the effectiveness of the systems of internal control, monitoring the effectiveness and objectivity of internal and external auditors, and compliance with regulatory requirements in relevant jurisdictions. The TTB and TTI Audit & Risk Committees met on six occasions during 2025 (2024: seven).

The TTB Management Committee was formed in June 2020 in order to comply with economic substance requirements in Bermuda. The role of the committee is to oversee the Club's quota share reinsurance agreement with TTI and to consider and approve where appropriate, the business strategy, the business plan and the Group Own Risk and Solvency Assessment. The Committee met on two occasion during 2025 (2024: one)

The TTB Investment Committee makes recommendations to the Board in respect of investment policy and reviews in detail the performance of TT Club's investments. The Investment Committee met on three occasions during 2025 (2024: three)

Directors' Report - continued

Financial Instruments

The Club's financial instruments comprise its financial investments, cash and various items arising directly from operations, such as insurance and other debtors, technical provisions and creditors. The main risks arising from these financial instruments are insurance risk, market risk and credit risk. The Club's approach to management of these risks is disclosed in note 4 of the Financial Statements.

Future developments

Likely future developments of the club are discussed in the Chairman's Report and Strategic Report.

Engagement with Stakeholders

Further information on the Clubs's engagement with stakeholders including members, brokers, reinsurers, suppliers and employees is set out in the Strategic Report and Loss Prevention Report.

Approval of 2024 Annual Report and Financial Statements

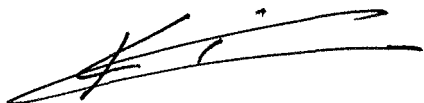
The Annual Report and Financial Statements for the year ended 31 December 2024 were laid and approved by the Members of the Club at the Annual General Meeting in June 2025.

Statement of disclosure of information to auditors

Each person who is a Director at the date of this report confirms that:

- So far as each of them is aware, there is no information relevant to the audit of the Club's financial statements for the year ended 31 December 2025 of which the auditors are unaware; and
- Each Director has taken all steps that he/she ought to have taken in his/her duty as a Director in order to make him/herself aware of any relevant audit information and to establish that the Club's auditors are aware of that information.

Deloitte LLP have indicated their willingness to continue in office and a resolution that they be re-appointed will be proposed at the annual general meeting in June 2026.



Thomas Miller (Bermuda) Limited
Company Secretary

26 March 2026

Directors' Responsibilities Statement

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable laws and regulations in Bermuda.

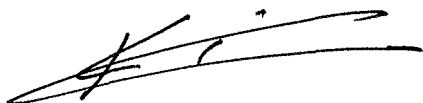
The directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards. The financial statements are required to give a true and fair view of the state of affairs of TT Club and of the profit or loss of TT Club for the year.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that TT Club and Parent Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of TT Club and to enable them to ensure that the financial statements comply with applicable law and United Kingdom Accounting Standards. They are also responsible for safeguarding the assets of TT Club and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the Through Transport Mutual Insurance Association website, www.ttclub.com, is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in Bermuda and the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Thomas Miller (Bermuda) Limited
Company Secretary
26 March 2026

Independent Auditor's Report to the Members of Through Transport Mutual Insurance Association Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Through Transport Mutual Insurance Association Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Bermuda Companies Act 1981.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated and parent statements of financial position;
- the consolidated statement of changes in surplus and reserves
- the parent statement of changes in surplus and reserves;
- the consolidated statement of cash flows; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Through Transport Mutual Insurance Association Limited - continued

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and those charged with governance about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

Independent Auditor's Report to the Members of Through Transport Mutual Insurance Association Limited - continued

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Bermuda Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included regulatory solvency requirements in Bermuda and in the UK, Hong Kong, Australia, Singapore and the Netherlands, including Solvency II, environmental regulations, data protection, regulatory compliance, the UK Bribery Act and the Financial Services and Markets Act 2000.

We discussed among the audit engagement team and relevant internal specialists such as actuarial and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the valuation of gross technical provisions and in particular the valuation of claims incurred but not reported and the margin applied within the actuarial best estimate. Our procedures performed to address it are described below:

- Gaining a detailed understanding of the end-to-end claims and reserving process and obtaining an understanding of relevant controls;
- Testing the data reconciliation controls and re-performing reconciliations on the actuarial data back to the financial ledger and source systems which have been audited;
- Engaging with our actuarial specialists to:
 - Inspect and challenge the reserving process undertaken through inspecting relevant documentation and conducting meetings with management;
 - Perform an independent estimate of reserves using our in-house software; and
 - Where relevant, to support our independent estimates, inspect and challenge management's methodology in determining the valuation of the gross technical provisions.
- Performing independent analysis on reserves to provide a distribution of reserves and using this to calculate an independent estimate of the margin. Then, comparing our result with management's calculation and inspecting and challenging management's methodology and key assumptions when setting the margin, including examining the underlying documentation prepared by management as part of their calculation; and
- Performing a 'stand back' test to challenge the reasonableness of the overall gross technical provisions estimate, in light of the facts and circumstances that existed at the reporting date.

We have concluded that the valuation of gross technical provisions is reasonable.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Independent Auditor's Report to the Members of Through Transport Mutual Insurance Association Limited - continued

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and those charged with governance concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, and reviewing correspondence with all relevant regulators.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 90 of the Bermuda Act 1981. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Deloitte LLP
Statutory Auditor
London, United Kingdom
26 March 2026

Consolidated Income Statement for the year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Technical account			
Gross premiums written	8	286,795	283,050
Reinsurance premiums ceded		(68,166)	(65,129)
Net premiums written		<u>218,629</u>	<u>217,921</u>
Change in provision for unearned premiums			
Gross	7	(1,188)	1,188
Reinsurers' share	7	3,757	1,201
		<u>2,569</u>	<u>2,389</u>
Net earned premiums		221,198	220,310
Allocated investment return transferred from the non-technical account		27,986	19,733
Total Income		<u>249,184</u>	<u>240,043</u>
Claims paid			
Gross	5(b)	(162,504)	(150,958)
Reinsurers' share	5(b)	33,061	30,524
		<u>(129,443)</u>	<u>(120,434)</u>
Change in the provision for claims			
Gross		(40,860)	(58,776)
Reinsurers' share		1,953	14,439
		<u>(38,907)</u>	<u>(44,337)</u>
Net claims incurred		(168,349)	(164,771)
Net operating expenses	9	(82,559)	(83,211)
Total Expenses		<u>(250,908)</u>	<u>(247,982)</u>
Balance on the technical account		<u>(1,724)</u>	<u>(7,939)</u>

Consolidated Income Statement for the year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Non-technical account			
Balance on the technical account		(1,724)	(7,939)
Net investment returns			
Investment income		21,080	22,052
Realised gains on investments		9,484	13,197
Unrealised gains/(losses) on investments		15,353	(1,022)
	10	<u>45,917</u>	<u>34,227</u>
Allocated investment return transferred to the technical account	10	<u>(27,986)</u>	<u>(19,733)</u>
		<u>17,931</u>	<u>14,494</u>
Exchange gains/(losses)		3,670	(1,231)
Surplus on ordinary activities before tax		<u>19,877</u>	<u>5,324</u>
Tax on ordinary activities	11	210	(549)
Surplus for the year		<u>20,087</u>	<u>4,775</u>

All activities derive from continuing operations and are attributable to members.
The notes on pages 28 to 52 form an integral part of these financial statements.

Consolidated and Parent Statements of Financial Position as at 31 December 2025

	Note	Consolidated		Parent company	
		2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Assets					
Investments					
Shares in subsidiary undertakings	12	-	-	-	12
Other financial investments	13	707,704	635,263	567,501	509,180
Derivative financial instruments	14	41	-	38	-
		<u>707,745</u>	<u>635,263</u>	<u>567,539</u>	<u>509,192</u>
Reinsurers' share of technical provisions					
Provision for unearned premiums	7	30,075	26,319	4,560	4,343
Claims outstanding	5(b),5(d)	121,194	119,092	18,544	11,019
		<u>151,269</u>	<u>145,411</u>	<u>23,104</u>	<u>15,362</u>
Debtors					
Arising out of direct insurance operations		67,282	67,279	6,655	8,721
Arising out of reinsurance operations		910	3,027	55,886	56,570
Amounts due from group undertakings		-	-	49,096	44,660
Other debtors		5,179	2,449	769	155
		<u>73,371</u>	<u>72,755</u>	<u>112,406</u>	<u>110,106</u>
Other assets					
Cash at bank		92,045	93,916	3,472	11,363
Retirement benefits and similar obligations	17	46	45	-	-
		<u>92,091</u>	<u>93,961</u>	<u>3,472</u>	<u>11,363</u>
Prepayments and accrued income					
Accrued interest		3,511	4,681	2,301	3,052
Deferred acquisition costs	6	12,028	11,322	1,210	1,502
Prepayments		876	211	155	91
		<u>16,415</u>	<u>16,214</u>	<u>3,666</u>	<u>4,645</u>
Total assets	4(b),4(c),4(d)	<u>1,040,891</u>	<u>963,604</u>	<u>710,187</u>	<u>650,668</u>

Consolidated and Parent Statements of Financial Position as at 31 December 2025

	Note	Consolidated		Parent company	
		2025	2024	2025	2024
		US\$'000	US\$'000	US\$'000	US\$'000
Liabilities and reserves					
Reserves					
Statutory reserve		240	240	240	240
Surplus and reserves		302,050	281,963	180,963	169,205
	4(b)	<u>302,290</u>	<u>282,203</u>	<u>181,203</u>	<u>169,445</u>
Gross technical provisions					
Provision for unearned premiums	7	111,066	109,879	68,363	72,046
Claims outstanding	5(b),5(d)	592,625	538,546	448,614	393,251
		<u>703,691</u>	<u>648,425</u>	<u>516,977</u>	<u>465,297</u>
Creditors					
Arising out of reinsurance operations		14,864	9,377	1,703	1,737
Derivative financial instruments		-	188	-	181
Other creditors including taxation and social security		3,264	18,499	386	12,955
		<u>18,128</u>	<u>28,064</u>	<u>2,089</u>	<u>14,873</u>
Other liabilities					
Accruals and deferred income		16,782	4,944	9,918	1,053
Equity minority interest		-	(32)	-	-
		<u>16,782</u>	<u>4,912</u>	<u>9,918</u>	<u>1,053</u>
Total liabilities and reserves		<u>1,040,891</u>	<u>963,604</u>	<u>710,187</u>	<u>650,668</u>

The notes on pages 28 to 52 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 26 March 2026. These were signed on its behalf by the Directors.

The parent company made a surplus of US\$11.8 million on ordinary activities after tax for the year ended 31 December 2025 (2024: surplus of US\$1.0 million). The Club has taken exemption under Section 408 of the Companies Act from preparing a Parent Company Statement of Income and Expenditure.



M Engelstoff
Director



N Smedegaard
Director

Company registration number 1750

Consolidated Statement of Changes in Surplus and Reserves for the year ended 31 December 2025

	Statutory reserve US\$'000	Surplus and reserves US\$'000	Total US\$'000
At 1 January 2024	240	277,188	277,428
Surplus for the year	-	4,775	4,775
At 31 December 2024	240	281,963	282,203
Surplus for the year	-	20,087	20,087
At 31 December 2025	240	302,050	302,290

Parent Company Statement of Changes in Surplus and Reserves for the year ended 31 December 2025

	Statutory reserve US\$'000	Surplus and reserves US\$'000	Total US\$'000
At 1 January 2024	240	183,247	183,487
Surplus for the year	-	958	958
Contribution of surplus to subsidiary company	-	(15,000)	(15,000)
At 31 December 2024	240	169,205	169,445
Surplus for the year	-	11,758	11,758
At 31 December 2025	240	180,963	181,203

Consolidated Statement of Cash Flows for the year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Cash flows from operating activities			
Premiums received, net of brokerage paid		255,357	244,831
Reinsurance premiums ceded paid		(63,914)	(66,535)
Claims paid		(164,422)	(148,096)
Reinsurance recoveries on claims		34,824	50,054
Management fees paid		(44,598)	(59,556)
Expenses paid		(6,260)	(6,881)
Overriding commission income on quota share reinsurance		11,989	6,681
Investment income		30,634	34,116
Other operating cash movements		2,434	(477)
Taxation paid		(1,251)	(336)
Net cash generated from operating activities		54,793	53,801
Cash flows from investment activities			
Cash flows used in purchases of investments		(891,687)	(914,271)
Cash flows from sales of investments		882,522	884,436
Net cash flows utilised in investing activities		(9,165)	(29,835)
Cash flows from financing activities			
Interest paid		-	-
Net cash flows utilised in financing activities		-	-
Cash and cash equivalents at the start of the year			
Cash and cash equivalents at the start of the year		110,188	93,277
Net increase in cash and cash equivalents		45,627	23,966
Effect of exchange rate fluctuations on cash and cash equivalents		4,833	(7,055)
Cash and cash equivalents at the end of the year	4(d)	160,648	110,188
Cash and cash equivalents at the end of the year consist of:			
Cash at bank		92,045	93,916
UCITS (included within Other Financial Investments in the Consolidated Statement of Financial Position)		68,603	16,272
Cash and cash equivalents at the end of the year	4(d)	160,648	110,188
(UCITS and cash at bank and in hand)			

Notes to the Consolidated Financial Statements

Note 1: Constitution and ownership

The Club was incorporated in Bermuda at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10 as Through Transport Mutual Insurance Association Limited ("TTB") under the Through Transport Mutual Insurance Association Limited Consolidation and Amendment Act 1993 as an exempted company.

The liability of Members is limited to the supplementary premiums set by the Directors. Under TTB's Byelaws, in the event of its liquidation, any net assets of the Club (including the Statutory Reserve of US\$ 240,000) are to be distributed equitably to those Members insured by it during its final underwriting year. There is no ultimate parent company or controlling party.

Note 2: Accounting policies

(a) Basis of preparation and statement of compliance

These Group financial statements which consolidate the financial statements of the Club and its subsidiary undertakings have been prepared under the Bermuda Companies Act 1981. The Club and its subsidiary undertakings have applied uniform accounting policies and on consolidation all intra-group transactions, profits, and losses have been eliminated.

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), Financial Reporting Standard 103, "Insurance Contracts" ("FRS 103") and United Kingdom Companies Act 2006 and the provisions of Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (The Regulations) relating to insurance companies.

The Club has taken exemption from presenting a Parent Company income and expenditure statement under section 408 of Companies Act 2006.

The Club has taken exemption from presenting a Parent Company Statement of Cash Flows under section 1.12(b) of FRS 102.

The Financial Statements have been prepared on the going concern basis. The Directors consider it appropriate to adopt the going concern basis of accounting in the preparation of these Financial Statements and are not aware of any material uncertainties to Group's ability to continue to do so for at least 12 months from the date of authorisation of these Financial Statements.

The preparation of financial statements in conformity with FRS 102 and FRS 103 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The functional currency of the Club is considered to be United States Dollar ("US\$") because that is the currency of the primary economic environment in which the Club operates. The consolidated financial statements are also presented in United States Dollars. Foreign operations are included in accordance with the policies set out below.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(b) Premiums

Premiums written relate to business incepted during the year, together with any differences between booked premiums for prior years and those previously accrued, and include estimates of provisions for anticipated adjustment premiums.

Premiums are stated before the deduction of commissions and brokerage but net of taxes and duties levied.

(c) Unearned premiums

Premiums written during the financial year are earned as revenue on a daily pro-rata basis over the period of cover provided, in line with the incidence of risk. For cargo insurance, premiums are recognised 100% on the voyage date. Although these policies are recognised as 1 day, the shipping duration may extend beyond this period, necessitating a different approach to recognising the earnings of premiums.

(d) Claims

Provision is made for all claims incurred during the year – whether paid, estimated, or unreported, claims management costs, and adjustments to claims provisions brought forward from previous years. In addition, claims management costs include an allowance for estimated costs expected to be incurred in the future in the management of claims.

Estimated claims stated in currencies other than the functional currency are converted at year-end rates of exchange and any exchange difference is included within claims incurred in the Income Statement.

Notes to the Consolidated Financial Statements - continued

Note 2: Accounting policies - continued

(d) Claims - continued

The provision for claims outstanding includes both estimates for known outstanding loss reserves ("OSLR") and for claims incurred but not reported ("IBNR"). The estimates for OSLR are based on the best estimate and judgement of the likely final cost of each individual claim based on current information. The estimation of claims IBNR is generally subject to a greater degree of uncertainty than the estimation of cost of settling OSLR already notified to the Club, where more information is generally available.

The Club takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures.

The best estimate of unreported claims on each policy year and the eventual outcome may vary from the original assessment. As a result of this inherent uncertainty, sophisticated estimation techniques are required to determine an appropriate provision. The estimate is made using a range of standard actuarial projection techniques, such as the Chain Ladder and Bornhuetter-Ferguson methods. Such methods extrapolate the development of claims for each policy year, based on the claims patterns of earlier years and the expected loss ratios. The main assumption underlying these techniques is that past claims development experience can be used to project ultimate claims costs. Judgement is used to assess the extent to which past trends may not apply in future and alternative approaches are applied as appropriate.

An estimate for Members and general reinsurance in relation to the provision for unreported claims has been made by reference to the relationship between gross and net claims on current and prior policy years and having due regard to recoverability.

(e) Unexpired risk reserve

Full provision is made for unexpired risks when it is anticipated that unearned premiums, net of associated acquisition costs, will be insufficient to meet the expected claims and expenses of business as at the Statement of Financial Position date, after taking account of future investment income.

Unexpired risk surpluses and deficits are offset where business classes are managed together and provision is made if a deficit arises. All the classes of TT Club are considered to be managed together.

(f) Reinsurance premiums

Contracts entered into by the Club with reinsurers, under which the Club is compensated for losses on one or more contracts issued by the Club and that meet the classification requirements for insurance contracts are classified as reinsurance contracts. Insurance contracts entered into by the Club under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts, provided there is significant transfer of insurance risk.

Reinsurance premiums are recognised in the Income Statement in the financial year as and when charged to the Club, together with a provision for any future costs of existing reinsurance policies. Reinsurance purchased during the financial year is recognised as being earned as time elapses during the underlying policy period.

(g) Reinsurance claim recoveries

The liabilities of the Club are reinsured above certain levels and for certain specific risks.

Claim recoveries recognised in the Income Statement includes receipts and amounts due to be recovered on claims already paid, together with changes in the amount of recoveries to be made on outstanding claims. An assessment is also made of the recoverability of reinsurance recoveries having regard to market data on the financial strength of each of the reinsurance companies.

Claim recoveries on known outstanding loss reserves ("OSLR") are estimated based upon the gross claims provisions, having due regard to collectability. Claim recoveries in respect of claims incurred but not reported ("IBNR") are assumed to be consistent with the historical pattern of such recoveries, adjusted to reflect changes in the nature and extent of the reinsurance programme over time.

The recoverability of reinsurance recoveries is assessed having regard to market data on the financial strength of each of the reinsurance companies. The reinsurers' share of claims incurred, in the Statement of Income, reflects the amounts received or receivable from reinsurers in respect of those claims incurred during the period. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised in the statement of income as 'Outward reinsurance premiums' when due.

Notes to the Consolidated Financial Statements - continued

Note 2: Accounting policies - continued

(h) Acquisition costs

Brokerage, commission payments, and other direct costs incurred in relation to securing new contracts and re-writing existing contracts are deferred to the extent that these are attributable to premiums unearned at the year end date and are shown as assets in the Statement of Financial Position. Amounts deferred are amortised over the life of the associated insurance contract.

(i) Commission income

Commission income is earned on the Club's outward reinsurance programmes and on outward reinsurances arranged by the Club on behalf of Members and others. Overriding commission on outward quota share reinsurances is recognised in the Statement of Income on an earned basis and shown as a reduction to net operating expenses.

(j) Management fee

The Club's business model is to outsource the entire management function to companies within the Thomas Miller Holding Limited group of companies. The managers of TTB are Thomas Miller (Bermuda) Limited and the managers of TTI are Through Transport Mutual (Services) UK Limited. The management fee (which includes an element in relation to claims handling) payable to the managers is agreed on an annual basis and covers the cost of managing the Club.

In addition to this the managers receive a performance related fee. The management fee (excluding the claims handling element) and performance related fee are included within net operating expenses. The claims handling element of the management fee is included within paid claims. All fees payable to the managers are charged to the Income Statement in the period they relate to.

(k) Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated in the Statement of Financial Position at current value, with unrealised gains and losses arising from changes in current value recognised in the Statement of Income and Retained Earnings for the period in which they arise. Current value is determined based on the net asset value ("NAV") at the reporting date. The Directors consider NAV to be the most appropriate measure of value, as the entity's value is primarily derived from its balance sheet position.

(l) Financial assets

The Club has applied the requirements of FRS 102 sections 11 and 12 to the measurement, presentation, and disclosure of its financial assets and financial liabilities. Financial assets are classified between the following categories: financial assets at fair value through profit or loss, loans and receivables, derivative financial instruments, and cash and cash equivalents. The classification depends on the purpose for which the assets were acquired and is determined at initial recognition. This is re-evaluated at every reporting date.

Fair value through profit and loss

Assets, including all investments of the Club, are classified as fair value through profit and loss and are designated as such by management to minimise any measurement or recognition inconsistency with the associated liabilities.

Investments are included in the Statement of Financial Position at market value translated at year-end rates of exchange. Fair values of investments traded in active markets are measured at bid price. Where there is no active market, fair value is measured by reference to other factors such as independent valuation reports.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions at an arm's length basis. If the above criteria are not met, the market is regarded as being inactive.

The costs of investments denominated in currencies other than the US dollars are translated into US dollars on the date of purchase. Any subsequent changes in value, whether arising from market value or exchange rate movements, are charged or credited to the Income Statement. The movement in unrealised investment gains and losses includes the reversal of previously recognised unrealised gains and losses on investments disposed of in the current period.

Net gains or losses arising from changes in fair value of financial assets at fair value through profit or loss are presented in the Income Statement within 'Unrealised gains/(losses) on investments' in the period in which they arise.

Notes to the Consolidated Financial Statements - continued

Note 2: Accounting policies - continued

(l) Financial assets - continued

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are initially recognised at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method. Receivables arising from insurance contracts are also classified in this category and are reviewed for impairment as part of the impairment review of loans and receivables. A provision is created against any balance that may be impaired. Commission payable to intermediaries is netted off against debtors arising from insurance operations. This netting off is permitted as there are legally enforceable netting agreements in place.

Derivative financial instruments

The Club designates derivatives as either: hedges of a firm commitment or of a highly probable forecast transactions; or non-hedge derivatives.

Non-Hedge Derivative Financial Instruments

Non-hedge derivative financial instruments include open foreign currency contracts. They are designated as fair value through profit and loss. They are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in fair value are charged or credited to the Income Statement. Fair values are obtained from quoted market prices in active markets. All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Hedge Derivative Financial Instruments

The Club documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedging transactions. The fair values of various derivative instruments used for hedging purposes are disclosed the notes.

The changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the Income Statement. The cumulative hedging gain or loss on the unrecognised firm commitment is recognised as an asset or liability with a corresponding gain or loss recognised in the Income Statement.

UCITS

The UCITS are Undertakings for Collective Investments of Transferable Securities, and are used as an alternative to short term cash deposits. These are short-term, highly liquid investments that can be readily converted to cash, with original maturities of three months or less. UCITS are treated as cash equivalents for the purpose of the Cash Flow Statement.

Cash at bank

Cash at bank includes cash in hand and deposits held at call with banks.

(m) Investment return

Investments in subsidiary undertakings are stated in the Statement of Financial Position at current value, with unrealized gains and losses arising from changes in current value recognised in the Statement of Income and Retained Earnings for the period in which they arise. Current value is determined based on the net asset value ("NAV") at the reporting date. The Directors consider NAV to be the most appropriate measure of value, as the entity's value is primarily derived from its balance sheet position.

Dividends are recognised as income on the date the relevant securities are marked ex-dividend. Other investment income is recognised on an accruals basis. Investment income accrued but not received at the year end is held as accrued income in the Statement of Financial Position.

The movement in unrealised gains and losses on investments represents the difference between the fair value at the Statement of Financial Position date and their purchase price (if purchased in the financial year) or the fair value at the last Statement of Financial Position date, together with a reversal of previously recognised unrealised gains and losses on investments disposed of in the current period.

The Club allocates a proportion of its actual investment return to the technical account based on the average ratio of outstanding claims to funds available to meet outstanding claims.

(n) Foreign currencies

Revenue transactions are translated into US Dollars at the rate applicable for the month in which the transaction took place. Monetary assets and liabilities have been translated at the closing US Dollar exchange rate. The resulting differences are shown separately in the Income Statement. Non-monetary assets and liabilities are carried at the exchange rate prevailing at the date of the transaction. For the purposes of foreign currency translation, unearned premiums and deferred acquisition costs are treated as if they are monetary items.

Exchange gains or losses arising on non-US dollar cash holdings are treated as realised and are included in the Income Statement.

Notes to the Consolidated Financial Statements - continued

Note 2: Accounting policies - continued

(o) Policy year accounting

When considering the results of individual policy years for the purposes of membership accounting - premiums, reinsurance premiums payable, claims, reinsurance recoveries, brokerage commission costs and overriding commission income are allocated to the policy years to which they relate based on the period of cover of each insurance policy. The fixed portion of the management fee is charged to the current policy year while any performance related management fee is allocated to the closed policy years (also known as the Reserve Fund). Net operating expenses are charged against the current policy year.

Investment return and exchange gains or losses are allocated proportionately to the average balance on each open policy year and the aggregate of all closed policy years (also known as the Reserve Fund). UK taxation, which is based on investment return, is allocated proportionately between the open policy years and the closed policy years (also known as the Reserve Fund). Other taxation is allocated entirely to the policy years to which it relates.

(p) Closure of policy years

On formal closure of a policy year, usually 36 months from inception, the cumulative surplus or deficit on that closed year is transferred from the open years' surplus and reserves, to the closed years' surplus and reserves (also known as the Reserve Fund).

For closed policy years, the surplus and reserves held (also known as the Reserve Fund) is used to meet the estimated net outstanding claims ("OSLR") and claims incurred but not reported ("IBNR") obligations on all closed years. Future adjustments to these claim obligations will result in changes to the Reserve Fund.

All investment returns attributable to closed policy years will also result in changes to the Reserve Fund.

(q) Taxation

Current Tax

Current tax is the amount of income and corporation tax payable in respect of the taxable profit for the current year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

As a mutual, the Club operates as a mutual in the United Kingdom and is exempt from UK corporation tax on its underwriting activities, although 10% of the Club's total investment returns are taxed at prevailing rates. For all other jurisdictions in which the Club operates, corporation tax is paid fully at the prevailing rates.

Deferred tax

Deferred taxation is provided in full on timing differences that result in an obligation at the Statement of Financial Position to pay more tax, or a right to pay less tax, at a future date. The rates used in these calculations are those which are expected to apply when the timing differences crystallise, based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that these will be recovered. Deferred tax balances are not discounted.

(r) Related parties

The Club has no share capital and is controlled by its members who are also the insureds. The insurance transactions are deemed to be related party transactions but these are the only transactions between the Club and its members.

The Club also discloses transactions with other related parties. Further details can be found in the notes.

Notes to the Consolidated Financial Statements - continued

Note 3: Accounting estimates and judgements and estimation uncertainty

The Club makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

There are no significant accounting judgements in the application of the Club's accounting policies.

Ultimate claims liability

The estimation of the ultimate liability arising from claims made under insurance contracts is the Club's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims. Estimates are made for the expected ultimate cost of claims, whether reported or unreported, at the end of the reporting period.

The estimate of claims incurred but not reported ("IBNR") is generally subject to a greater degree of uncertainty than that for known outstanding loss reserves ("OSLR"). In calculating the estimated liability, the Group uses a variety of estimation techniques based upon statistical analyses of historical experience which assumes past trends can be used to project future developments. Normal inflation is imputed within the estimates, whilst excess inflation is an explicit load, both of which are subject to uncertainties. Further explanation of uncertainties are contained in notes 2(d), 4(g)(i) and 5(d).

Note 4: Management of Financial Risk

Financial Risk Management Objectives

TT Club manages financial risk on a group basis only, to reflect the structure of the club, with TTB taking a 90% quota share of TTI and TTNV. For this reason, the club has presented its management of financial risk disclosures on a consolidated basis and parent company basis.

The Club is exposed to financial risk primarily through its financial investments, reinsurance assets, and liabilities to policyholders. In particular, the key financial risk is that the proceeds from financial investments are not sufficient to fund the obligations arising from insurance policies as they fall due. The most important components of this financial risk are market risk or investment risk (comprised of interest rate risk, equity price risk and currency risk) together with credit risk and liquidity risk.

The Club manages these risks using a risk governance structure incorporating the Managers' Risk Committee and the Audit and Risk Committee. Further details are set out in the Directors' Report.

The Boards of the Club are responsible, and advised by the Chief Executive working with the Investment Manager, for setting investment policy and the appropriate level of market or investment risk. This is set with reference to the overall risks faced by the Club which are analysed as part of the Own Risk and Solvency Assessment ("ORSA") process.

The processes used to manage risks within the Club are unchanged from the previous period and are set out in the Directors' Report.

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(a) Market risk

(i) Interest rate risk

Interest rate risk arises primarily from investments in fixed interest securities. In addition, to the extent that claims inflation is correlated to interest rates, liabilities to policyholders are exposed to interest rate risk.

TT Club's investment policy is set to ensure that the duration of the investment portfolio is appropriately matched to the duration of the policyholder liabilities. Interest rate risk is then monitored by comparing the mean duration of the investment portfolio against the mean duration of policyholder liabilities. The mean duration is an indicator of the sensitivity of the assets and liabilities to changes in current interest rates. The sensitivity analysis for interest rate risk illustrates how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates at the reporting date.

Results of the sensitivity testing are set out below, showing the impact on the market value of investments. The impact of a change in a single factor is shown as a 100 basis points increase or decrease in interest rates, with other assumptions unchanged.

Consolidated

	2025 US\$'000	2024 US\$'000
100 basis points increase in interest rates will decrease market value of investments by	(9,781)	(10,056)
100 basis points decrease in interest rates will increase market value of investments by	9,781	10,056

Parent Company

	2025 US\$'000	2024 US\$'000
100 basis points increase in interest rates will decrease market value of investments by	(7,899)	(7,592)
100 basis points decrease in interest rates will increase market value of investments by	7,899	7,592

(ii) Investment price risk

TT Club is exposed to price risk as a result of its equity investments. TT Club's investment policy sets limits on TT Club's exposure to equities.

(b) Currency risk

The Club is exposed to currency risk in respect of liabilities under policies of insurance denominated in currencies other than US dollar. The most significant currencies to which the Club is exposed to are GBP and EUR, which are translated into the functional currency of USD. From time to time the Club uses forward currency contracts or options to protect against adverse in year exchange movements.

The table on the following page shows the Club's assets and liabilities by currency. The Club seeks to mitigate such currency risk by matching the currency denominations of financial investments against the estimated foreign currency denominations of liabilities.

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(b) Currency risk - continued

Consolidated

	USD US\$'000	GBP US\$'000	EUR US\$'000	Other US\$'000	Total US\$'000
2025					
Debt securities	511,960	32,866	9,342	-	554,168
Equity shares	47,407	19,422	18,104	-	84,933
UCITS	55,693	5,119	7,791	-	68,603
Derivative financial instruments	41	-	-	-	41
Assets arising from reinsurance contracts held	147,537	52	611	3,979	152,179
Debtors arising from insurance contracts	43,916	4,740	14,440	4,186	67,282
Other debtors	3,811	583	776	9	5,179
Cash at bank	25,549	3,537	3,295	59,664	92,045
Other	13,576	640	209	2,036	16,461
Total assets	849,490	66,959	54,568	69,874	1,040,891
Total liabilities	(585,114)	(24,921)	(73,083)	(55,483)	(738,601)
Net assets/(liabilities)	264,376	42,038	(18,515)	14,391	302,290

	USD US\$'000	GBP US\$'000	EUR US\$'000	Other US\$'000	Total US\$'000
2024					
Debt securities	488,140	45,977	16,217	-	550,334
Equity shares	39,725	14,878	14,054	-	68,657
UCITS	7,695	1,406	7,171	-	16,272
Derivative financial instruments	-	-	-	-	-
Assets arising from reinsurance contracts held	140,443	622	869	6,504	148,438
Debtors arising from insurance contracts	48,416	4,672	9,289	4,902	67,279
Other debtors	2,340	287	181	(359)	2,449
Cash at bank	31,685	909	10,486	50,836	93,916
Other	14,255	699	28	1,277	16,260
Total assets	772,699	69,450	58,295	63,160	963,604
Total liabilities	(535,462)	(15,622)	(60,103)	(70,214)	(681,401)
Net assets/(liabilities)	237,237	53,828	(1,808)	(7,054)	282,203

Parent Company

	USD US\$'000	GBP US\$'000	EUR US\$'000	Other US\$'000	Total US\$'000
2025					
Debt securities	392,896	32,866	9,342	-	435,104
Equity shares	47,407	19,422	18,104	-	84,933
UCITS	38,467	1,901	7,096	-	47,464
Derivative financial instruments	38	-	-	-	38
Assets arising from reinsurance contracts held	75,054	3	14	3,919	78,990
Debtors arising from insurance contracts	32,265	-	-	23,486	55,751
Other debtors	777	(8)	-	-	769
Cash at bank	3,163	283	26	-	3,472
Other	3,041	453	178	(6)	3,666
Total assets	593,108	54,920	34,760	27,399	710,187
Total liabilities	(398,116)	(22,539)	(63,732)	(44,597)	(528,984)
Net assets/(liabilities)	194,992	32,381	(28,972)	(17,198)	181,203

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(b) Currency risk - continued

2024	USD	GBP	EUR	Other	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	365,335	45,976	16,217	-	427,528
Equity shares	39,725	14,878	14,054	-	68,657
UCITS	7,456	648	4,891	-	12,995
Derivative financial instruments	-	-	-	-	-
Assets arising from reinsurance contracts held	68,633	11	16	3,271	71,931
Debtors arising from insurance contracts	42,027	199	-	11,156	53,382
Other debtors	158	(3)	-	-	155
Cash at bank	11,205	138	20	-	11,363
Other	4,044	552	18	43	4,657
Total assets	538,583	62,399	35,216	14,470	650,668
Total liabilities	(365,398)	(17,584)	(52,144)	(46,097)	(481,223)
Net assets/(liabilities)	173,185	44,815	(16,928)	(31,627)	169,445

Consolidated

As at year end, the currency split of TT Club's claims estimates was as follows: US\$ 451.0 million in USD and currencies pegged to the USD (2024: US\$ 413.2 million), US\$ 24.1 million in GBP (2024: US\$ 18.9 million), US\$ 71.2 million in EUR (2024: US\$ 58.4 million) and US\$ 46.3 million in other currencies (2024: US\$ 48.0 million).

Results of the sensitivity testing are set out below, showing the impact on surplus and reserves before tax. The impact of a change in a single factor is shown as a 10% weakening or strengthening in GBP and EUR against USD, with other assumptions unchanged.

	2025	2024
	US\$'000	US\$'000
10% weakening of USD against GBP will increase surplus and reserves before tax by	3,822	4,893
10% strengthening of USD against GBP will decrease surplus and reserves before tax by	(3,822)	(4,893)
10% weakening of USD against EUR will decrease surplus and reserves before tax by	(1,683)	(164)
10% strengthening of USD against EUR will increase surplus and reserves before tax by	1,683	164

Parent Company

As at year end, the currency split of TT Club's claims estimates was as follows: US\$ 321.2 million in USD and currencies pegged to the USD (2024: US\$ 319.2 million), US\$ 21.8 million in GBP (2024: US\$ 17.1 million), US\$ 63.7 million in EUR (2024: US\$ 52.1 million) and US\$ 41.9 million in other currencies (2024: US\$ 42.6 million).

	2025	2024
	US\$'000	US\$'000
10% weakening of USD against GBP will increase surplus and reserves before tax by	2,944	2,134
10% strengthening of USD against GBP will decrease surplus and reserves before tax by	(2,944)	(2,134)
10% weakening of USD against EUR will decrease surplus and reserves before tax by	(2,634)	(806)
10% strengthening of USD against EUR will increase surplus and reserves before tax by	2,634	806

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(c) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main areas where TT Club is exposed to credit risk are:

- Amounts due from policyholders;
- Amounts due from insurance intermediaries;
- Amounts due from reinsurers in respect of claims already paid;
- Amounts due from reinsurers in respect of claim estimates not yet paid;
- Amounts due from corporate bond issuers; and
- Counterparty risk with respect to derivative transactions.

Reinsurance is used to manage insurance risk. This does not, however, discharge TT Club's liability as primary insurer. If a reinsurer fails to pay a claim, TT Club remains liable for the payment to the policyholder. The creditworthiness of a reinsurer is considered before it is used and strict criteria are applied (including the financial strength of the reinsurer) before a reinsurer is approved.

Counterparty limits based on credit ratings are also in place in relation to amounts due from bond issuers and cash and bank deposits.

The following tables provide information regarding aggregated credit risk exposure, for financial assets with external credit ratings. The credit ratings are sourced from independent ratings agencies.

Consolidated

	AAA	AA	A	BBB+ and lower or unrated	Total
2025	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	42,054	478,458	33,108	548	554,168
Equity shares	-	-	-	84,933	84,933
UCITS	68,603	-	-	-	68,603
Derivative financial instruments	-	-	-	41	41
Assets arising from reinsurance contracts held	-	119,698	530	31,951	152,179
Debtors arising from insurance contracts	-	-	-	67,282	67,282
Other debtors	-	-	-	5,179	5,179
Cash at bank	-	57,925	34,120	-	92,045
Other	-	-	-	16,461	16,461
Total assets bearing risk	110,657	656,081	67,758	206,395	1,040,891

	AAA	AA	A	BBB+ and lower or unrated	Total
2024	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	53,732	468,436	28,166	-	550,334
Equity shares	-	-	-	68,657	68,657
UCITS	16,272	-	-	-	16,272
Derivative financial instruments	-	-	-	-	-
Assets arising from reinsurance contracts held	-	119,121	6,787	22,530	148,438
Debtors arising from insurance contracts	-	-	-	67,279	67,279
Other debtors	-	-	-	2,449	2,449
Cash at bank	-	57,221	36,695	-	93,916
Other	-	-	-	16,259	16,259
Total assets bearing risk	70,005	644,778	71,648	177,174	963,603

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(c) Credit risk - continued

Parent Company

	AAA	AA	A	BBB+ and lower or unrated	Total
2025	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	30,806	379,897	23,853	548	435,104
Equity shares	-	-	-	84,933	84,933
UCITS	47,464	-	-	-	47,464
Derivative financial instruments	-	-	-	38	38
Assets arising from reinsurance contracts held	-	18,905	56,005	4,080	78,990
Debtors arising from insurance contracts	-	-	49,096	6,655	55,751
Other debtors	-	-	-	769	769
Cash at bank	-	2,209	1,263	-	3,472
Other	-	-	-	3,666	3,666
Total assets bearing risk	78,270	401,011	130,217	100,689	710,187

	AAA	AA	A	BBB+ and lower or unrated	Total
2024	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	25,472	383,024	19,032	-	427,528
Equity shares	-	-	-	68,657	68,657
UCITS	12,995	-	-	-	12,995
Derivative financial instruments	-	-	-	-	-
Assets arising from reinsurance contracts held	-	11,677	56,845	3,409	71,931
Debtors arising from insurance contracts	-	-	44,660	8,722	53,382
Other debtors	-	-	-	155	155
Cash at bank	-	10,666	697	0	11,363
Other	-	-	-	4,657	4,657
Total assets bearing risk	38,467	405,367	121,234	85,600	650,668

The Club's policy is to make a full provision against all reinsurance debts with an age in excess of two years and a 50% provision for reinsurance debts between one and two years old. The Club also provides against all amounts due from policyholders and insurance intermediaries that are more than nine months overdue.

After assessing all other financial assets at the end of the year, no objective evidence was found to suggest that any were impaired (2024: no impairments).

(d) Liquidity and cash flow risk

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations as they fall due at a reasonable cost.

TT Club maintains holdings in short term deposits to ensure there are sufficient funds available to cover anticipated liabilities and unexpected levels of demand. At year end, TT Club's short term deposits (comprising cash and UCITS) amounted to US\$ 160.6 million (2024: US\$ 110.2 million).

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued**(d) Liquidity and cash flow risk - continued**

The tables below provide an overdue and impaired analysis of TT Club's risk-bearing assets.

Consolidated

	Neither past due nor impaired	0 to 3 months	3 to 6 months	6 months to 1 year	1 year or greater	Impaired	Carrying value in the balance sheet
2025	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	554,168	-	-	-	-	-	554,168
Equity shares	84,933	-	-	-	-	-	84,933
UCITS	68,603	-	-	-	-	-	68,603
Derivative financial instruments	41	-	-	-	-	-	41
Assets arising from reinsurance contracts held	152,179	-	-	-	-	-	152,179
Debtors arising from insurance contracts	45,384	16,982	4,916	-	-	-	67,282
Other debtors	5,179	-	-	-	-	-	5,179
Cash at bank	92,045	-	-	-	-	-	92,045
Other	16,461	-	-	-	-	-	16,461
Total assets bearing risk	1,018,993	16,982	4,916	-	-	-	1,040,891

	Neither past due nor impaired	0 to 3 months	3 to 6 months	6 months to 1 year	1 year or greater	Impaired	Carrying value in the balance sheet
2024	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	550,334	-	-	-	-	-	550,334
Equity shares	68,657	-	-	-	-	-	68,657
UCITS	16,272	-	-	-	-	-	16,272
Derivative financial instruments	-	-	-	-	-	-	-
Assets arising from reinsurance contracts held	148,438	-	-	-	-	-	148,438
Debtors arising from insurance contracts	55,883	8,357	2,928	111	-	-	67,279
Other debtors	2,449	-	-	-	-	-	2,449
Cash at bank	93,916	-	-	-	-	-	93,916
Other	16,259	-	-	-	-	-	16,259
Total assets bearing risk	952,208	8,357	2,928	111	-	-	963,604

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued**(d) Liquidity and cash flow risk - continued**

The tables below provide an overdue and impaired analysis of TT Club's risk-bearing assets.

Parent Company

	Neither past due nor impaired US\$'000	0 to 3 months US\$'000	3 to 6 months US\$'000	6 months to 1 year US\$'000	1 year or greater US\$'000	Impaired US\$'000	Carrying value in the balance sheet US\$'000
2025							
Debt securities	435,104	-	-	-	-	-	435,104
Equity shares	84,933	-	-	-	-	-	84,933
UCITS	47,464	-	-	-	-	-	47,464
Derivative financial instruments	38	-	-	-	-	-	38
Assets arising from reinsurance contracts held	78,990	-	-	-	-	-	78,990
Debtors arising from insurance contracts	54,157	1,581	13	-	-	-	55,751
Other debtors	769	-	-	-	-	-	769
Cash at bank	3,472	-	-	-	-	-	3,472
Other	3,666	-	-	-	-	-	3,666
Total assets bearing risk	708,593	1,581	13	-	-	-	710,187

	Neither past due nor impaired US\$'000	0 to 3 months US\$'000	3 to 6 months US\$'000	6 months to 1 year US\$'000	1 year or greater US\$'000	Impaired US\$'000	Carrying value in the balance sheet US\$'000
2024							
Debt securities	427,527	-	-	-	-	-	427,527
Equity shares	68,657	-	-	-	-	-	68,657
UCITS	12,995	-	-	-	-	-	12,995
Derivative financial instruments	-	-	-	-	-	-	-
Assets arising from reinsurance contracts held	71,931	-	-	-	-	-	71,931
Debtors arising from insurance contracts	52,055	1,215	113	-	-	-	53,383
Other debtors	155	-	-	-	-	-	155
Cash at bank	11,363	-	-	-	-	-	11,363
Other	4,657	-	-	-	-	-	4,657
Total assets bearing risk	649,340	1,215	113	-	-	-	650,668

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(d) Liquidity and cash flow risk - continued

The table below provides a maturity analysis of the Club's financial assets and liabilities:

Consolidated

	Under 6 months or on demand	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	5 years or greater	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2025						
Debt securities	181,999	58,886	25,963	247,606	39,714	554,168
Equity shares	84,933	-	-	-	-	84,933
UCITS	68,603	-	-	-	-	68,603
Derivative financial instruments	41	-	-	-	-	41
Reinsurers' share of claims outstanding	21,665	21,666	28,208	38,230	11,425	121,194
Assets arising from reinsurance contracts held	5,539	5,539	7,212	9,774	2,921	30,985
Debtors arising from insurance contracts	53,686	13,596	-	-	-	67,282
Other debtors	5,179	-	-	-	-	5,179
Cash at bank	92,045	-	-	-	-	92,045
Other	16,461	-	-	-	-	16,461
Total financial assets	530,151	99,687	61,383	295,610	54,060	1,040,891
Creditors	(145,976)	-	-	-	-	(145,976)
Claims outstanding	(105,943)	(105,943)	(137,934)	(186,938)	(55,867)	(592,625)
Total financial liabilities	(251,919)	(105,943)	(137,934)	(186,938)	(55,867)	(738,601)
Net financial assets/(liabilities)	278,232	(6,256)	(76,551)	108,672	(1,807)	302,290
	Under 6 months or on demand	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	5 years or greater	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2024						
Debt securities	205,257	23,393	77,534	194,818	49,332	550,334
Equity shares	68,657	-	-	-	-	68,657
UCITS	16,272	-	-	-	-	16,272
Derivative financial instruments	-	-	-	-	-	-
Reinsurers' share of claims outstanding	21,645	21,645	27,624	36,518	11,660	119,092
Assets arising from reinsurance contracts held	5,334	5,334	6,807	8,998	2,873	29,346
Debtors arising from insurance contracts ⁽¹⁾	55,403	11,792	84	-	-	67,279
Other debtors	2,449	-	-	-	-	2,449
Cash at bank	93,916	-	-	-	-	93,916
Other	16,259	-	-	-	-	16,259
Total financial assets	485,192	62,164	112,049	240,334	63,865	963,604
Creditors	(142,855)	-	-	-	-	(142,855)
Claims outstanding	(97,882)	(97,882)	(124,919)	(165,135)	(52,728)	(538,546)
Total financial liabilities	(240,737)	(97,882)	(124,919)	(165,135)	(52,728)	(681,401)
Net financial assets/(liabilities)	244,455	(35,718)	(12,870)	75,199	11,137	282,203

⁽¹⁾Comparative split has been revised to maintain consistency with the current year classification.

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(d) Liquidity and cash flow risk - continued

Parent Company

The table below provides a maturity analysis of the Club's financial assets and liabilities:

	Under 6 months or on demand	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	5 years or greater	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2025						
Debt securities	155,301	36,031	15,642	197,331	30,799	435,104
Equity shares	84,933	-	-	-	-	84,933
UCITS	47,464	-	-	-	-	47,464
Derivative financial instruments	38	-	-	-	-	38
Reinsurers' share of claims outstanding	3,315	3,315	4,316	5,852	1,746	18,544
Assets arising from reinsurance contracts held	10,805	10,806	14,067	19,075	5,693	60,446
Debtors arising from insurance contracts	54,548	1,203	-	-	-	55,751
Other debtors	769	-	-	-	-	769
Cash at bank	3,472	-	-	-	-	3,472
Other	3,666	-	-	-	-	3,666
Total financial assets	364,311	51,355	34,025	222,258	38,238	710,187
Creditors	(80,370)	-	-	-	-	(80,370)
Claims outstanding	(80,198)	(80,198)	(104,404)	(141,566)	(42,248)	(448,614)
Total financial liabilities	(160,568)	(80,198)	(104,404)	(141,566)	(42,248)	(528,984)
Net financial assets/(liabilities)	203,743	(28,843)	(70,379)	80,692	(4,010)	181,203
	Under 6 months or on demand	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	5 years or greater	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2024						
Debt securities	173,736	1,989	71,361	139,477	40,965	427,528
Equity shares	68,657	-	-	-	-	68,657
UCITS	12,995	-	-	-	-	12,995
Derivative financial instruments	-	-	-	-	-	0
Reinsurers' share of claims outstanding	2,003	2,003	2,556	3,379	1,078	11,019
Assets arising from reinsurance contracts held	11,073	11,073	14,127	18,678	5,961	60,913
Debtors arising from insurance contracts	53,383	-	-	-	-	53,382
Other debtors	155	-	-	-	-	155
Cash at bank	11,363	-	-	-	-	11,363
Other	4,657	-	-	-	-	4,657
Total financial assets	338,022	15,064	88,044	161,534	48,004	650,668
Creditors	(87,972)	-	-	-	-	(87,972)
Claims outstanding	(71,489)	(71,489)	(91,204)	(120,584)	(38,485)	(393,251)
Total financial liabilities	(159,461)	(71,489)	(91,204)	(120,584)	(38,485)	(481,223)
Net financial assets/(liabilities)	178,561	(56,424)	(3,160)	40,950	9,519	169,445

(e) Capital management

TT Club's capital is made up of policyholders' funds (surplus and reserves). TT Club's strategy is to maintain sufficient capital to meet regulatory requirements and to maintain an AM Best financial strength rating of A-minus (Excellent) over the insurance market cycle, with a substantial reserve margin in each case. This is consistent with the Club's risk profile and the regulatory requirements of the business.

TT Club continues to be regulated in the United Kingdom by the Prudential Regulation Authority ("PRA") and the Financial Conduct Authority ("FCA"). Throughout the current year, TT Club complied with Solvency UK regulations. The Club assesses and maintains the amount of capital in excess of the amount required to meet the risks that it faces based on a 99.5 per cent confidence level of solvency.

At year end, the Club's surplus and reserves on a GAAP basis US\$ 302.0 million (2024: US\$ 282.0 million). TT Club makes adjustments to the reserves on a GAAP basis to calculate the regulatory capital available, with adjustments typically leading to the regulatory capital being in excess of the reserves on a GAAP basis.

At year end, TT Club received letters of credit totalling US\$ 15.1 million from its reinsurers (2024: US\$ 18.2 million). In the event of reinsurer failure, TT Club can draw upon these sums as cash to support its capital requirements.

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(f) Fair value estimations

As a financial institution, TT Club applies the requirements of paragraph 34.22 of FRS 102. This requires financial instruments that held at fair value in the balance sheet to be disclosed according to the following fair value hierarchy:

- Level 1 – Quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions.
- Level 3 – Valuation techniques using observable and unobservable market data

All of TT Club's financial assets that are measured at fair value at the year end fall into Level 1, with the exception of Derivative financial instruments which fall into Level 2.

Consolidated	2025			2024		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	554,168	-	554,168	550,334	-	550,334
Equity shares	84,933	-	84,933	68,657	-	68,657
UCITS	68,603	-	68,603	16,272	-	16,272
Derivative financial instruments	-	41	41	-	-	-
Financial assets held at fair value through profit and loss	707,704	41	707,745	635,263	-	635,263

Parent	2025			2024		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Debt securities	435,104	-	435,104	427,528	-	427,528
Equity shares	84,933	-	84,933	68,657	-	68,657
UCITS	47,464	-	47,464	12,995	-	12,995
Derivative financial instruments	-	38	38	-	-	-
Financial assets held at fair value through profit and loss	567,501	38	567,539	509,180	-	509,180

(g) Insurance risk

TT Club's exposure to insurance risk is initiated by the underwriting process and incorporates the possibility that an insured event occurs, leading to a claim on TT Club from a policyholder. The risk is managed through the underwriting process, the purchase of reinsurance cover, the management of claims costs and the reserving process.

Results of sensitivity testing are set out below, showing the impact on surplus before tax. The impact of a change in a single factor is shown as a 5% increase or decrease in net claims reserves, with other assumptions unchanged.

Consolidated	2025	2024
	US\$'000	US\$'000
5% increase in net claims reserves will decrease the surplus and reserves before tax by	(23,572)	(20,973)
5% decrease in net claims reserves will increase the surplus and reserves before tax by	23,572	20,973
Parent Company		
	2025	2024
	US\$'000	US\$'000
5% increase in net claims reserves will decrease the surplus and reserves before tax by	(21,503)	(19,112)
5% decrease in net claims reserves will increase the surplus and reserves before tax by	21,503	19,112

(i) Underwriting process

Underwriting authority is delegated to specific individuals who operate under set underwriting instructions and parameters with the on-going guidance and review of senior management. These parameters cover areas such as pricing, categories of business, limits of cover and new business risks to ensure that they fall within TT Club's guidelines for acceptable risk.

Notes to the Consolidated Financial Statements - continued

Note 4: Management of Financial Risk - continued

(g) Insurance risk - continued

(ii) Reinsurance

The establishment of TT Club's reinsurance programme is driven by the Board's objective to manage risk to an acceptable level and to optimise TT Club's capital position. The programme comprises facultative reinsurance to protect against specific risks, whole account excess of loss reinsurance cover to protect against individual large losses, whole account quota share reinsurance to protect against an accumulation of retained claims and to help manage TT Club's solvency.

(iii) Management of claims cost

Claims performance is monitored by senior management on a weekly basis through the use of management information and exception reports. Movements in notified claims costs are also monitored on a monthly basis with comparisons made against actuarial expected development. Half yearly claims developments are actuarially reviewed and approved by the reserving committee and the boards.

(iv) Reserving process

TT Club establishes provisions for unpaid claims, both known outstanding loss reserves ("OSLR") and estimates of claims incurred but not reported ("IBNR"), plus related loss adjustment expenses ("LAE") to cover its expected ultimate liability. These provisions are established through the application of actuarial techniques and assumptions as set out in note 5(d) as directed and reviewed by the Boards. In order to minimise the risk of understating these provisions, the assumptions made and actuarial techniques employed are reviewed in detail by senior management, then approved by the reserving committee and the boards.

TT Club considers that the liability for insurance claims recognised in the Statement of Financial Position is adequate. However, actual experience will differ from the expected outcome.

Note 5: Claims

(a) Claims paid

Claims paid include claims handling charges paid to the Managers totalling US\$ 13.1 million (2024: US\$ 13.9 million).

(b) Claims incurred

Consolidated	2025			2024		
	Gross US\$'000	Ceded US\$'000	Net US\$'000	Gross US\$'000	Ceded US\$'000	Net US\$'000
Claims outstanding at beginning of the year	538,546	(119,092)	419,454	491,222	(104,748)	386,475
Claims (paid)/received	(162,504)	33,061	(129,443)	(150,958)	30,524	(120,434)
Claims incurred/(recovered)	203,364	(35,014)	168,350	209,733	(44,963)	164,770
Exchange differences	13,219	(149)	13,070	(11,451)	95	(11,357)
Claims outstanding at end of the year	592,625	(121,194)	471,431	538,546	(119,092)	419,454

Parent Company	2025			2024		
	Gross US\$'000	Ceded US\$'000	Net US\$'000	Gross US\$'000	Ceded US\$'000	Net US\$'000
Claims outstanding at beginning of the year	393,251	(11,019)	382,232	357,985	(7,056)	350,929
Claims (paid)/received	(120,743)	2,938	(117,805)	(112,486)	2,789	(109,697)
Claims incurred/(recovered)	164,252	(10,376)	153,876	158,024	(6,799)	151,225
Exchange differences	11,854	(87)	11,767	(10,272)	47	(10,225)
Claims outstanding at end of the year	448,614	(18,544)	430,070	393,251	(11,019)	382,232

(c) Movement in prior year's provision for claims outstanding

There was a prior year reserves release of US\$ 9.5 million during the year (2024: strengthening of US\$ 3.4 million).

(d) Claims development tables

The development of insurance liabilities provides a measure of TT Club's ability to estimate the ultimate value of claims. The top half of each table below illustrates how TT Club's estimate of total claims outstanding for each accident year has changed at successive year-ends. The bottom half of the table reconciles the cumulative claims to the amount shown in the Statement of Financial Position.

Notes to the Consolidated Financial Statements - continued

Note 5: Claims - continued

(d) Claims development tables

(i) Assumptions underlying insurance balances

The risks associated with insurance contracts are complex and subject to a number of variables. The Club's claims reserving process uses several statistical and actuarial techniques based on past claims development experience. This includes indications such as average claims cost and ultimate claim numbers. The key methods used by the Club in estimating claim liabilities are as follows and there have been no changes in these methods since the previous year end:

- Chain ladder.
- Bornhuetter-Ferguson.
- Other statistical and benchmarking techniques.

Significant delays are experienced in the notification and settlement of certain types of insurance claims, the ultimate cost of which may vary from the original assessment. Adjustments to claims provisions established in previous years are reflected in the financial statements for the period in which the adjustments are made.

(ii) Insurance claims - gross

Estimates of ultimate claims costs by policy years.

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
End of reporting year	123,738	132,620	138,946	138,942	138,586	159,049	169,405	188,430	214,310	220,426
1 years later	119,149	114,054	122,196	123,550	132,531	159,285	191,057	182,165	208,231	-
2 years later	117,031	109,590	122,042	121,562	132,755	145,400	202,300	200,292	-	-
3 years later	112,326	110,068	125,970	121,136	134,908	145,623	205,620	-	-	-
4 years later	110,458	108,293	132,004	117,635	131,789	138,076	-	-	-	-
5 years later	112,375	105,497	130,364	117,672	125,007	-	-	-	-	-
6 years later	109,766	103,759	125,885	117,207	-	-	-	-	-	-
7 years later	109,141	102,611	122,480	-	-	-	-	-	-	-
8 years later	108,007	102,214	-	-	-	-	-	-	-	-
9 years later	107,825	-	-	-	-	-	-	-	-	-
Ultimate claim estimates	107,825	102,214	122,480	117,207	125,007	138,076	205,620	200,292	208,231	220,426
Payments to date	106,131	99,122	115,754	107,357	105,446	106,225	137,390	96,415	66,600	21,608
Claim liabilities on SOFP	1,694	3,092	6,727	9,850	19,562	31,852	68,230	103,877	141,632	198,818
Total claim liabilities on the past ten years										585,332
Other claims liabilities on the prior years										7,293
Total claims outstanding included in Statement of Financial Position										592,625

(iii) Insurance claims - net

Estimates of ultimate claims costs by policy years.

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
End of reporting year	105,471	118,540	103,469	105,075	106,121	123,747	124,461	154,413	165,378	179,755
1 years later	98,323	101,968	91,910	92,742	104,899	119,815	147,883	148,360	165,966	-
2 years later	91,623	97,422	92,546	90,272	104,528	110,056	152,922	160,823	-	-
3 years later	92,844	96,215	93,756	88,151	105,793	109,479	156,285	-	-	-
4 years later	91,232	94,272	97,512	86,792	103,240	103,810	-	-	-	-
5 years later	90,892	91,196	96,518	86,703	96,831	-	-	-	-	-
6 years later	89,444	90,233	93,412	86,314	-	-	-	-	-	-
7 years later	89,249	88,883	90,672	-	-	-	-	-	-	-
8 years later	88,164	89,121	-	-	-	-	-	-	-	-
9 years later	88,241	-	-	-	-	-	-	-	-	-
Ultimate claim estimates	88,241	89,121	90,672	86,314	96,831	103,810	156,285	160,823	165,966	179,755
Payments to date	86,591	86,203	85,654	78,989	81,759	79,864	102,710	78,543	55,214	18,278
Claim liabilities on SOFP	1,650	2,918	5,018	7,325	15,072	23,946	53,575	82,279	110,752	161,477
Total claim liabilities on the past ten years										464,013
Other claims liabilities on the prior years										7,417
Total claims outstanding included in Statement of Financial Position										471,431

Notes to the Consolidated Financial Statements - continued

Note 6: Deferred acquisition costs

Consolidated	Gross	
	2025 US\$'000	2024 US\$'000
At beginning of the year	11,322	11,400
Acquisition costs of insurance contracts deferred	706	(78)
At end of the year	12,028	11,322

Parent Company	Gross	Gross
	2025 US\$'000	2024 US\$'000
At beginning of the year	1,502	1,449
Acquisition costs of insurance contracts deferred/(incurred)	(292)	53
At end of the year	1,210	1,502

Note 7: Provision for unearned premiums

Consolidated	Gross		Reinsurers' share	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
At beginning of the year	109,878	111,066	26,319	25,118
Premiums on in/reinsurance contracts deferred/(earned)	1,188	(1,188)	3,757	1,201
At end of the year	111,066	109,878	30,075	26,319

Parent Company	Gross		Reinsurers' share	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
At beginning of the year	72,046	72,165	4,343	2,898
Premiums on in/reinsurance contracts (earned)/deferred	(3,683)	(119)	217	1,445
At end of the year	68,363	72,046	4,560	4,343

Notes to the Consolidated Financial Statements - continued

Note 8: Regional information

The Club writes only marine and transport business.

Gross premiums written by registered region of primary assured and category of business is as follows:

2025

	Policyholders located in Asia Pacific US\$'000	Policyholders located in EMEA US\$'000	Policyholders located in Americas US\$'000	Total US\$'000
Cargo	925	3,935	6,721	11,581
Containers and Chassis	16,742	29,628	17,386	63,756
Logistics	21,139	36,726	54,408	112,273
Ports and Terminals	20,284	28,414	18,192	66,890
Property	2,979	12,290	15,772	31,041
Other	307	860	87	1,254
	62,376	111,853	112,566	286,795

2024

	Policyholders located in Asia Pacific US\$'000	Policyholders located in EMEA US\$'000	Policyholders located in Americas US\$'000	Total US\$'000
Cargo	103	2,782	5,763	8,648
Containers and Chassis	16,493	25,534	17,990	60,017
Logistics	20,253	31,674	51,306	103,233
Ports and Terminals	21,892	25,742	27,189	74,823
Property	2,201	9,985	22,884	35,070
Other	420	734	105	1,259
	61,362	96,451	125,237	283,050

Notes to the Consolidated Financial Statements - continued

Note 9: Net operating expenses

	2025 US\$'000	2024 US\$'000
Acquisition costs		
Brokerage and commission		
Direct	23,788	17,619
Indirect	7,986	12,038
Change in deferred acquisition costs (refer note 6)	(706)	78
Management fee in respect of underwriting	25,486	24,543
	<u>56,554</u>	<u>54,279</u>
Administrative expenses		
Management fee in respect of administration and performance related	24,294	29,244
General expenses	8,299	4,346
Directors' fee	921	944
Directors' travelling costs	700	656
Auditors' remuneration		
Parent company audit	208	180
Subsidiary company audit	588	334
Audit related assurance services, audit of regulatory returns	512	408
Non-audit services pursuant to legislation, audit of regulatory returns	16	14
	<u>35,538</u>	<u>36,125</u>
Commission income		
Commission on reinsurance contracts	<u>(9,533)</u>	<u>(7,193)</u>
Net operating expenses	<u>82,559</u>	<u>83,211</u>

Included within the current year's management fee is an additional fee paid to the Thomas Miller Holdings Limited group of companies ("Thomas Miller") of US\$ nil in relation to a project to modernise TT Club's IT systems (2024: US\$ 12.1 million).

The Club had no employees during the year (2024: none).

Note 10: Investment return

	2025 US\$'000	2024 US\$'000
Investment income		
Income from financial assets held at fair value through profit or loss	22,989	23,868
Unrealised (losses)/gains on market value movements	15,353	(1,022)
Realised gains on sales	9,484	13,197
	<u>47,826</u>	<u>36,043</u>
Investment expenses		
Investment management expenses	<u>(1,909)</u>	<u>(1,816)</u>
Investment return	<u>45,917</u>	<u>34,227</u>
Investment return is analysed between:		
Investment return allocated to the technical account	27,986	19,733
Investment return allocated to the non-technical account	17,931	14,494
	<u>45,917</u>	<u>34,227</u>

In the current year, the allocation methodology for investment return was updated to remove foreign exchange gains and losses not arising from investment activities; the change did not affect comparative figures.

Notes to the Consolidated Financial Statements - continued

Note 11: Tax on ordinary activities

(a) Analysis of tax charge on ordinary activities

	2025 US\$'000	2024 US\$'000
UK tax for the current period	(1,037)	(790)
Foreign tax for the current period	(1)	(119)
Adjustments in respect of prior periods	1,248	360
	<u>210</u>	<u>(549)</u>

(b) Reconciliation from statutory to effective tax rate

	2025 US\$'000	2024 US\$'000
Surplus on ordinary activities before tax	<u>19,877</u>	<u>5,324</u>
Tax at the Bermuda statutory rate of 0% (2024: 0%)	<u>-</u>	<u>-</u>
Tax levied outside Bermuda:		
United Kingdom	(1,037)	(790)
United States of America	-	-
Australia	-	-
Hong Kong	-	-
Singapore	(1)	-
Netherlands	-	(119)
	<u>(1,038)</u>	<u>(909)</u>
Adjustments in respect of prior periods:		
United Kingdom	19	10
United States of America	1,256	350
Australia	-	-
Hong Kong	-	-
Singapore	(27)	-
	<u>1,248</u>	<u>360</u>
Tax charge for the year	<u>210</u>	<u>(549)</u>

The taxation charge comprises a charge for UK taxation at 25.0% (2024: 25.0%) based on 10% of TT Club's investment return. The UK tax rate remains at 25.0%, consistent with statutory rates applicable throughout 2025. The investment return subject to UK taxation excludes the element of Through Transport Mutual Insurance Association Limited's investment return already taxed in the United States of America, where taxation is levied at the prevailing statutory tax rate.

Notes to the Consolidated Financial Statements - continued

Note 12: Shares in subsidiary undertakings

Name of subsidiary	Address	Class of shares held	Principal activity	Proportion of shares held or voting rights
TT Club Mutual Insurance Limited	90 Fenchurch Street, London EC3M 4ST, United Kingdom	N/A	General insurance and reinsurance	100%
TT Club Mutual Insurance N.V.	Wilhelminakade 953A Rotterdam 3072 AP Netherlands	Ordinary	General insurance and reinsurance	100%*
TT (Bermuda) Services Limited	31 Victoria Street, Victoria Place, 5th Floor, Hamilton, BD HM10 Bermuda	Ordinary	Intermediate holding company	90%

* Held by TT Club Mutual Insurance Limited

The investment in TT (Bermuda) Services Limited is stated at US\$ nil (2024: US\$12,000) in the Statement of Financial Position at year end, as recorded in the parent company accounts. TT (Bermuda) Services Limited was dissolved during the year ended 31 December 2025, and the investment was derecognised accordingly.

The Directors consider the value of these investments to be supported by their underlying assets. No impairment is required.

Note 13: Other financial investments

The Club's financial investments are summarised below by measurement category:

Consolidated	Carrying value		Purchase price	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Held at fair value through profit and loss:				
Debt securities	554,168	550,334	545,173	549,113
Equity shares	84,933	68,657	66,731	58,637
UCITS	68,603	16,272	68,603	16,272
Financial assets held at fair value through profit and loss	<u>707,704</u>	<u>635,263</u>	<u>680,507</u>	<u>624,022</u>
Parent Company				
Held at fair value through profit and loss:				
Debt securities	435,104	427,528	429,795	427,360
Equity shares	84,933	68,657	66,731	58,637
UCITS	47,464	12,995	47,464	12,995
Financial assets held at fair value through profit and loss	<u>567,501</u>	<u>509,180</u>	<u>543,991</u>	<u>498,992</u>

The UCITS are Undertakings for Collective Investments of Transferable Securities, and are used as an alternative to short term cash deposits. UCITS are classified as cash equivalents as these are short term, highly liquid investments that can be readily converted into cash.

The debt securities with a maturity of less than one year total US\$ 240.9 million (2024: US\$ 228.6 million) with the remainder recoverable within one year or more.

Notes to the Consolidated Financial Statements - continued

Note 14: Derivative financial instruments

(a) Hedged fair value derivatives

The Club uses forward currency contracts to hedge the foreign exchange risks of converting USD to GBP that it is exposed to on future management fees payable in GBP.

The forward currency contracts taken out to hedge against the future management fee payments have been designated as fair value hedges. As a result, both the fair value of the contracts and the hedged item are shown on the Statement of Financial Position, with the mark-to-market gain or loss shown in the Income Statement.

(b) Unhedged derivatives

Forward currency contracts are entered into in order to manage the currency exposure of the investment portfolio. The contracts are for the forward sale of currencies which are matched by holdings of those currencies. The open contracts have been re-valued at year-end exchange rates. The profit or loss arising on marking-to-market the valuation of these contracts is included within exchange gains and losses. These are economic hedges which do not meet the hedge accounting criteria.

Consolidated	2025			
	Contract/ notional amount	Fair value asset	Fair value liability	Fair value per accounts
	US\$'000	US\$'000	US\$'000	US\$'000
Unhedged derivatives	12,059	-	(150)	(150)
Hedged fair value derivatives	74,794	4,935	(4,744)	191
Total derivatives	86,853	4,935	(4,894)	41

Consolidated	2024			
	Contract/ notional amount	Fair value asset	Fair value liability	Fair value per accounts
	US\$'000	US\$'000	US\$'000	US\$'000
Unhedged derivatives	15,514	-	(101)	(101)
Hedged fair value derivatives	61,280	32	(119)	(87)
Total derivatives	76,794	32	(220)	(188)

Parent Company	2025			
	Contract/ notional amount	Fair value asset	Fair value liability	Fair value per accounts
	US\$'000	US\$'000	US\$'000	US\$'000
Unhedged derivatives	12,059	-	(153)	(153)
Hedged fair value derivatives	74,794	4,935	(4,744)	191
Total derivatives	86,853	4,935	(4,897)	38

Parent Company	2024			
	Contract/ notional amount	Fair value asset	Fair value liability	Fair value per accounts
	US\$'000	US\$'000	US\$'000	US\$'000
Unhedged derivatives	15,514	-	(94)	(94)
Hedged fair value derivatives	61,280	32	(119)	(87)
Total derivatives	76,794	32	(213)	(181)

Notes to the Consolidated Financial Statements - continued

Note 15: Guarantees and commitments

At the year end, TT Club issued letters of credit totalling US\$ 35.5 million for the benefit of regulators, policyholders and cedants (2024: US\$ 35.4 million). Collateral pledged to support the letters of credits issued to regulators, policyholders and cedants amount to US\$ 52.9 million (2024: US\$ 50.7 million).

The Club has issued a parental guarantee, not to exceed US\$ 2.5 million (2024: US\$ 2.5 million), to its wholly-owned subsidiary, TT Club Mutual Insurance Limited to enable it to comply with the solvency margin requirements of the Financial Services and Markets Act 2000. The amount withdrawn at year end amounted to US\$ nil (2024: US\$ nil).

Note 16: Related party transactions

(a) TT Club Mutual Insurance Limited ("TTI")

The Club reinsures its subsidiary, TT Club Mutual Insurance Limited ("TTI"), located at 90 Fenchurch Street, United Kingdom, under a 90% whole account quota share agreement. All transactions and balances of TT Club Mutual Insurance Limited ("TTB") are included within the consolidated financial statements. TT Club Mutual Insurance N.V ("TTNV"), located at Wilhelminakade 953A, Rotterdam, 3072 AP, Netherlands is a 100% owned subsidiary of TT Club Mutual Insurance Limited ("TTI").

Transactions and balances on the quota share agreement	2025 US\$'000	2024 US\$'000
Income Statement		
Written premiums ceded by TTI to TTB	154,497	150,364
Recoveries on paid claims received by TTI from TTB	104,739	79,775
Commissions received by TTI from TTB	30,863	41,104
Statement of Financial Position		
Reinsurers' share of provision for unearned premiums ceded by TTI to TTB	55,875	61,484
Reinsurers' share of provision for outstanding claims recovered by TTI from TTB	372,247	334,988

During the year TTB made a US\$ nil (2024: US\$ 15 million) contribution of surplus to TTI in order to strengthen TTI's capital and solvency position.

(b) Thomas Miller (Bermuda) Limited

Through Transport Mutual Insurance Association Limited is managed by Thomas Miller (Bermuda) Limited. Under this arrangement, all day-to-day operations of the Club are outsourced to Thomas Miller (Bermuda) Limited. Total fees paid to Thomas Miller (Bermuda) Limited and related companies are disclosed in note 9.

At the year end, the outstanding management fees payable to Thomas Miller (Bermuda) Limited amounted to US\$ 8.6 million (2024: US\$ 2.0 million). Other than the management fees disclosed, no further payments were made to Thomas Miller (Bermuda) Limited, its related companies, or its Directors.

Note 17: Retirement benefits and similar obligations

TT Club Mutual Insurance Limited manages a defined benefit pension scheme which was taken over following the acquisition of Scottish Boatowners in 2017. The fair value of plan assets at the year end are US\$ 192,335 (2024: US\$ 190,365) and the defined benefit obligation is US\$ 146,605 (2024: US\$ 145,086) and all movements in the year are immaterial for further disclosure.