



UK P&I Club N.V.

Annual Report

For the year ended 20 February 2026

UK P&I CLUB
IS MANAGED
BY **THOMAS
MILLER**



Company Information

Name:	UK P&I Club N.V.
Address	Wilhelminakade 953A 3072 AP Rotterdam The Netherlands
Chamber of Commerce Regulatory number (DNB)	73217484 R161589
Accounting year	20 February 2025 12.00 PM GMT – 20 February 2026 11.59AM GMT

Supervisory Board

O. Paymans	Chairman
B. van der Weide	Member
J. Valkier	Member
P. Bagh	Member
A. Hadjipateras	Member

Audit & Risk Committee

B. van der Weide	Chairman
O. Paymans	Member

Management Board

P. van den Brom	Chief Executive Officer
J. Kyenkyenhene	Chief Financial Officer
R. Doff	Chief Risk Officer (until 1 June 2025)

Key function holders

R. Doff	Risk management (until 1 June 2025)
A. Hogenbirk	Compliance (until 1 June 2025)
A. Hogenbirk	Risk & Compliance (from 1 June 2025)
P. Green	Actuarial Function Holder
A. Holder-Holdsworth	Internal auditor

External auditor and consultants

Deloitte Accountants B.V.	External auditor
NautaDutilh N.V.	Legal advisors
KPMG Meijburg & Co B.V.	Tax advisors

Table of Contents

Management Board Report	3
Supervisory Board Report	8
Balance sheet	11
Profit and loss account.....	12
Cash flow statement	14
Notes to the financial statements.....	15
Other information	33

Management Board Report

General

UK P&I Club N.V. (hereafter “UKNV” or “the Company”), incorporated and domiciled in The Netherlands, is a public limited liability company organised under Dutch law. The Company was incorporated on 27 November 2018 and registered with the Chamber of Commerce under number 73217484. The office is located at Wilhelminakade 953A, 3072 AP Rotterdam. UKNV received its insurance license on 19 March 2019.

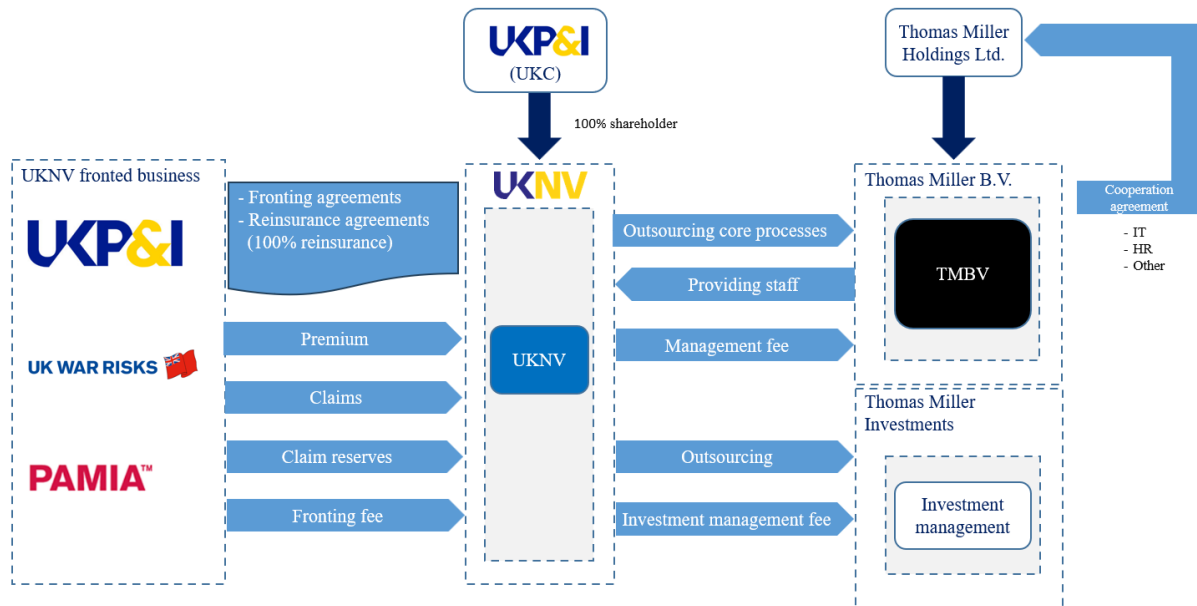
The principal activities of UKNV are the insurance and reinsurance of risks on behalf of the Members of the Fronted Clubs (see below). UKNV is a 100% subsidiary of United Kingdom Mutual Steam Ship Assurance Association Limited (“UKC” or “the Club”) and forms part of the UK P&I Club, which is a mutual marine insurance business providing cover to its Members for protection and indemnity (“P&I”) risks. Members of the Club are globally dispersed and so are the risks covered.

Mission and operating model

UKNV has been established by the Club to keep servicing Members with risks within the European Economic Area (EEA) after the United Kingdom left the European Union. In addition, it offers the possibility to other mutual insurance Clubs managed by Thomas Miller Holdings Ltd. to act on their behalf as fronting insurer in respect of EEA risks. The following clubs have made full use of UKNV’s fronting capabilities for its EEA risks:

- The UK P&I Club: Protection & Indemnity insurer for the shipping industry
- The UK War Risks Club (UKWR): war risks insurer for the shipping industry
- PAMIA: professional indemnity insurer for patent and trademark attorneys

The diagram below provides a schematic overview of UKNV’s operating model as of 20 February 2025. Operational processes are mostly outsourced to various partners, which is further detailed below.



Business update

The P&I market faced significant structural and cyclical changes impacting the UK P&I Club. Claims severity increased, and several major incidents made insurance results for the policy year challenging. The surge in transport of new hazardous cargoes, such as lithium batteries and electric vehicles, added to persistent high-risk exposures, highlighting the unpredictable and volatile nature of P&I liabilities. Inflation continued to drive up claim costs, particularly for repairs, legal expenses and compensation awards, while geopolitical disruptions—especially in the Red Sea—altered trading routes, increased operational risks and affected claims experience. Strong investment returns helped offset underwriting deficits and supported club solvency, but concerns remain about reliance on investment income. Renewals across the market saw a shift towards targeted rating and risk-based underwriting, focusing on restoring technical balance at a Member level rather than broad premium increases.

For UKNV, which plays a central role in supporting the Club's European regulatory and operational footprint, these external conditions underscored the importance of its compliance, governance, and oversight functions. As the European arm through which the Club fulfils local substance, reporting, and regulatory obligations, UKNV remained focused on sustaining high-quality governance while ensuring adherence to evolving supervisory expectations. In an environment of heightened claim costs and operational uncertainty, UKNV's ability to maintain robust internal controls and provide timely oversight contributed to the stability of the Club's European operations.

In the previous financial year, two insurance portfolios (ITIC and TT) were transferred, with fronting still maintained for one TT Club member due to legal restrictions. This member was transferred to TT Club Mutual Insurance N.V. as of 1 June 2025 with totalling of US\$ 2.7 million of reserves transferred out, meaning that from this moment, all fronting activities for TT Club have ceased.

As of Autumn 2025, the UK P&I Club and TT Club are in discussions about a possible merger. Both mutual insurers, managed by Thomas Miller, are considering formally joining forces to build on their longstanding collaboration. The aim is to create a combined Club with wide expertise in the maritime and transport sectors, offering enhanced services and better addressing industry needs. The merger would align with both Clubs' strategic goals of growth, efficiency, and financial stability. It is expected that these discussions will not yet have a material impact on UKNV's results and operations in 2026.

Financial performance

The financial position of UKNV as of 20 February 2026 is presented below.

Metric (amounts in US\$'000)	20-Feb-26	20-Feb-25
Gross premium written	84,269	110,496
Fronting income	2,926	3,744
Operating expenses	(3,703)	(3,845)
Investment return	3,341	3,241
Net income before taxation	2,657	3,012
Solvency II-ratio	220.33%	331%

UKNV demonstrated consistent financial results for the year ended 20 February 2026, reporting income before tax of US\$ 2,657k compared to US\$ 3,012k in the previous financial year (2024/25). The income before tax is fully driven by the investment result. Gross written premium for the year amounted to US\$84.3 million, representing a reduction of US\$26.2 million compared to the prior financial year. This decline is attributable to the cessation of fronting arrangements for TT Club and ITIC, notwithstanding the prevailing challenging and competitive market conditions. Operating expenses remained primarily linked to management and professional fees. Despite inflationary pressures and currency fluctuations, UKNV kept its cost base aligned with expectations. The investment portfolio outperformed initial targets, with returns rising to 5.4% (US\$ 3,341k), significantly contributing to the Company's performance. UKNV had sufficient liquidity throughout the accounting year to honour claims as far as they have arisen, in part due to the efficiency of the operational processes and the reinsurance agreements that are in place. UKNV's Solvency II ratio remained strong at 220%, well above the Company's risk appetite and comfortably above statutory requirements, even after a dividend payment of US\$31.5 million to UKC. The decline compared to the prior year-end reflects the unwinding of a previously elevated ratio following the withdrawal of TT and ITIC, which materially reduced the SCR in the prior year, as well as the subsequent capital repayment in line with the UK P&I Club N.V. capital policy. Despite this, UKNV's solvency position remains robust amid ongoing market and economic volatility.

Governance

UKNV is not a listed entity and is not obliged to abide by the Dutch Corporate Governance Code. UKNV has decided to abide to certain requirements of the Corporate Governance Code based on a proportional implementation.

Composition of the Board of Directors

UKNV operates a two-tier board system in line with Dutch regulation. The Supervisory Board exercises independent oversight on the functioning of the Management Board. The Management Board (MB) is responsible for the day-to-day operations of the Company. The MB comprises of the following members:

- Paul van den Brom (CEO; 1964)
- Jeffrey Kyenkyenhene (CFO; 1990)

In the Netherlands, on 1 January 2022 a new law entered into force requiring that large Dutch companies start the process to adopt appropriate target figures for gender diversity: (i) of the Management Board, (ii) of the Supervisory Board, and (iii) at sub-board level. The rules apply to new appointments and there is no obligation to make changes to existing positions yet. In general terms, with some exceptions, any new appointment must contribute towards at least one-third of the members being female. UKNV falls within the definition of a large company and will, in cooperation with its shareholder, plan to meet the appropriate ratios.

The Management Board consisted of only men during this period. Over time, there will be an attempt to include more diversity in its composition. It should be noted that diversity is considered wider than only gender.

The Management Board had formal meetings at least monthly and informally as often as required. The communication lines within the team had been short and efficient. In addition to overseeing day-to-day operations, the main achievements include:

Outsourcing

UKNV's primary operational activities are outsourced by Thomas Miller B.V. (hereafter "TMBV"), which has been granted delegated underwriting authority up till 20 February 2026.

TMBV seconds staff to UKNV and offers full support. The Management Board stays accountable for outsourced operations and tracks performance quarterly through KPIs. Some functions are further outsourced to Thomas Miller in the UK to leverage their expertise with Fronted Clubs. UKNV also outsources investment portfolio management to Thomas Miller Investments.

Employees

UKNV does not have any employees, instead it is serviced by Thomas Miller B.V. which employs all the personnel engaged in UKNV's business.

Contacts with the regulator

The primary regulator overseeing UKNV is De Nederlandsche Bank ("DNB"), with which UKNV maintains a positive and proactive relationship. The main topic discussed in 2025 was the approach to replacing the departing risk manager by combining this role with that of the compliance officer. Additionally, the regulator was informed about the ongoing VAT investigation by the Dutch Tax Authorities and the favourable outcome for the company. Once the merger discussions started, UKNV reached out the regulator to inform them.

UKNV has submitted all required regulatory filings on time, including Financial Reports, QRTs, ORSA, and surveys related to non-financial risks and climate change.

Sanctions

Monitoring of sanctions is at the heart of UKNV's operations due to its global reach. Given the increase of international and geopolitical tensions, new sanctions have been issued throughout the year. UKNV has ensured that it is always compliant with all sanction restrictions in place. UKNV has had well-established Know Your Client, Anti-Money Laundering and Sanctions compliance procedures in place. The procedures include policies, employee training, third party review resources and frequent automated screening. The regulator evaluated the electronic tooling in use for sanction screening and concluded that it provides the expected results.

Sustainability: health, safety and environment

UKNV's impact. UKNV ensures its operations align with global sustainability standards by working jointly with the Club. UKNV supports the Club's sustainability programme and participation in the UN Global Compact. The Club most recent Sustainability Report is published in March 2025 (available at www.ukpandi.com).

Loss Prevention and Safety Risk Management. The Club prioritises safety at sea, aiming to protect Members' seafarers through its loss prevention programme. By promoting wellbeing and preventing incidents, the organisation also reduces environmental risks, since avoiding maritime casualties is the most effective way to limit negative impacts.

Casualty Management. Although UKNV works hard to prevent losses, maritime accidents still occur. The Club has a strong record of helping Members manage incidents, including pollution, swiftly and efficiently. Beyond reducing financial costs and penalties, the Club prioritises protecting local ecosystems and safeguarding both Member and industry reputations.

Decarbonisation of shipping. The decarbonisation of shipping necessitates the rapid and extensive adoption of emerging technologies, which may introduce new risk factors. UKNV is committed to assisting its Members throughout this transition by facilitating access to technology solutions that enhance ship safety, reduce emissions, and promote sustainability. To further support its Members, the Club has produced an increasing number of publications dedicated to these topics.

Climate-related risks to UKNV. Climate change is unlikely to directly affect UKNV's claims, as its focus on third-party liability cover is less influenced by weather or temperature than property insurance. UKNV's risk-averse investment strategy, primarily in U.S. Treasury assets and cash, further reduces climate sensitivity. The Company's ORSA climate scenarios confirm capital and service levels will stay adequate.

Corporate Sustainability Reporting Directive (CSRD). The new EU regulations on sustainability disclosures are currently not mandatory for UKNV. However, over time it may well be the case that UKNV's business will develop such that it will fall under the CSRD scope. If so, UKNV will implement all required disclosures after it will have fallen under the scope as per the CSRD regulations.

Charitable partners. The UK P&I Club has partnered with several charities with a maritime focus, including a number of projects focused on promoting the safety and wellbeing of seafarers.

Risk Management

UKNV operates within a risk framework structured around the three lines of defence model. The Management Board and business managers assume primary responsibility for managing risks inherent to the business, collectively constituting the first line of defence. The second line comprises the risk manager, compliance officer, and actuarial function holder, each providing independent perspectives on the risks present within the organization. Their key functions include challenging the first line and offering expert advice on effective risk management strategies. Internal Audit represents the third line, conducting thorough reviews of business processes to ensure robust oversight.

Most risk management activities are conducted within a quarterly reporting framework to the Management Board and Audit & Risk Committee. During these sessions, key function holders present their activities and findings. Following these reports, risk management policies are reviewed and either amended or upheld as necessary.

Furthermore, the Company maintains a risk management framework that is fully aligned with the practices of the parent company. This includes a monitoring framework based on the following risk categories, for which risk appetite statements have been made:

1. Insurance risk – incorporating underwriting and reserving risk
2. Market risk – incorporating investment risk, interest rate risk and currency rate risk
3. Credit risk – being the risk that a counterparty is unable to pay amounts in full when due
4. Liquidity and cash flow risk – being the risk that cash may not be available to pay obligation as they fall due
5. Operational risk – being the risk of failure of internal processes or controls

Given its business model, the main strategic risks for UKNV are:

Counterparty default risk for reinsurance exposures

Because of the 100% reinsurance arrangements with the various Fronted Clubs, reinsurance is the dominant risk mitigation instrument. Should a Fronted Club fail to honour its reinsurance liability, then UKNV could potentially run the risk of capital shortages. Therefore, this counterparty default risk is closely monitored and assessed, for instance in the own risk and solvency assessment (ORSA).

Outsourcing

As the main business processes are outsourced to Thomas Miller, outsourcing risk features frequently on the agenda of the Management Board. The main risk being that UKNV has insufficient capabilities to demonstrate (with evidence) that it has control over its outsourced business processes. This is especially relevant in areas such as underwriting and claims management where additional regulations exist. This outsourcing risk has been managed by entering into formal outsourcing agreements, implementing agreed business processes and monitoring performance through quarterly performance reviews.

Fraud risk

The Management Board is aware of the inherent risk of fraud that it faces, both internally and externally, in carrying out its activities. Internal manifestations of fraud cover deliberate misuse or misappropriation of the organisation's resources for personal enrichment. External fraud could involve brokers, members or suppliers.

UKNV has zero tolerance for fraud. To minimize the chances of encountering any fraudulent behaviour, UKNV's management identified possible fraud risks in the Systematic Integrity Risk Analysis (SIRA). The SIRA-log is regularly reviewed, but there have been no reasons for changes in the last year.

The Management Board also considers the possibility of cybercrime. To mitigate these risks, the IT systems are surrounded by tight procedures and firewalls, and regular testing is in place to ensure the safety of systems in use. The new DORA regulations have continued our focus on cyber-related risks, and our operations have been enhanced to comply to the new rules. The Company is unaware of any fraud or significant non-compliance with rules and regulations throughout the year.

Looking ahead in 2026/27

Looking ahead to the 2026/27 policy year, the Club faces ongoing challenges such as persistent claims volatility, deteriorating pool claims, complex incidents, geopolitical tensions and inflation. Investment returns are expected to moderate, placing more importance on sustainable underwriting and premium adequacy. Market growth is increasingly driven by selective, quality-focused strategies rather than aggressive pricing.

Considering these conditions, UKNV anticipates that premium levels in 2026/27 will remain broadly consistent with those recorded in last financial year. Although operational expenses are likely to increase due to inflation and currency depreciation, which will be compensated for through the fronting fee mechanism. In addition to fronting fee income, investment return remains an important component in determining the overall result. At the same time, the Club continues to closely monitor ongoing geopolitical developments, including tensions in the Middle East (such as the Strait of Hormuz), which may introduce additional uncertainty to trade flows, claims experience and premium volumes; however, based on currently available information, no material impact on the Club's outlook is anticipated

UKNV foresees its solvency ratio remaining well above statutory requirements, thereby ensuring financial stability. The company expects yet again to achieve a modest profit before tax, reflecting a sound and sustainable business model. With these solid fundamentals, UKNV remains well positioned to address rising cost pressures and economic uncertainties, while still leaving room for further development and strengthening of its market position.

Subsequent events

On 28 February 2026, geopolitical instability arising from the conflict in the Middle East disrupted global shipping, particularly due to increased risk in the Strait of Hormuz. For the P&I fronted business, War Risks coverage for all non-mutual business has been suspended until further notice effective 3 March 2026. The recent unrest has led to two claims under the UK War fronted business, each estimated at US\$ 3.5 million. Both claims are fully reinsured back to the UK WAR.

On 25 March 2026, Thomas Miller Holdings announced that UKC, UKNV's parent company, has submitted a joint, non-binding proposal to acquire the entire issued share capital of Thomas Miller Holdings. This proposal was made in the context of ongoing merger discussions with another mutual insurance club managed by Thomas Miller.

Rotterdam, 26 May 2026

On behalf of The Management Board,

Paul van den Brom
Chief Executive Officer

Supervisory Board Report

Tasks and duties

The Supervisory Board of UK P&I Club N.V. (UKNV) is entrusted with supervising and advising the Management Board regarding management of the Company and overseeing UKNV's strategy and the general course of its business. The Supervisory Board performs its duties carefully in accordance with the law, the Articles of Association, and the Supervisory Board's internal rules. Members of the Supervisory Board are guided by the interests of UKNV and the Company's stakeholders. The duties of the Supervisory Board are published in the Supervisory Board Rules.

Composition

The members of the Supervisory Board have a good mix of experience and skills enabling them to challenge the Management Board, ensure effective service continuity to members, and align the Company to Group strategy. The Supervisory Board consisted of five people, as set out below with no changes in the composition during the year.

The Supervisory Board was composed of the following members:

- **Onno Paymans** (chairman, Audit & Risk committee member)
Mr Paymans (1967, Dutch national) has multiple board memberships in the financial services sector, including Innovation Quarter and Midlin. His position as chairman of the Supervisory Board at Quintes ended in 2025. Mr Paymans is also the chairman of the International Affairs Committee of BIPAR.
- **Bert van der Weide** (chairman of the Audit & Risk Committee)
Mr Van der Weide (1961, Dutch national) is CEO of Respectrum Crematoria. He is also the chairperson of the supervisory board of Medrie.
- **Jan Valkier**
Mr Valkier (1962, Dutch national) is CEO of shipping company Anthony Veder Group N.V., based in the Netherlands. In 2023 he was appointed chairman of the UK P&I Club. He is also a Supervisory Board member of Van Oord N.V, an international marine contractor. Furthermore, he is active in various roles in the Rotterdam port community.
- **Peter Bagh**
Mr Bagh (1970, German national) is the Chief Operating Officer of Oldendorff Carriers GmbH and a director of UKNV's parent's members' committee and strategic committee.
- **Alexander Hadjipateras**
Mr Hadjipateras (1979, Greek/US national) is the Senior Executive Vice President of Dorian LPG (USA) LLC and managing director of Dorian LPG Management (Athens). Since November 2016, he has served as a director on the members committee of the UK P&I Club.

Supervisory Board meetings

The Supervisory Board convened on four occasions during the financial year. For three meetings the Supervisory Board met in Rotterdam. One meeting took place via video conferencing. The table below shows the attendance and main topics of the meetings. Other topics such as Legal matters, Tax, Compliance, Audit reports, Regulatory affairs, and business development were also regularly discussed during the meetings. Every meeting also included the minutes of the Management Board meetings that had taken place in the previous period, and notes of any important contacts with the regulator.

The Management Board attended all Supervisory Board meetings. When requested, the meeting would start the first half hour without the Management Board present. This was never the case.

Besides the formal meetings, both the Chairman and the Chairman of the ARC have had regular informal contact with (members of) the Management Board.

Strategy and Finance

One of the key duties of the Supervisory Board is involvement in UKNV's strategy and monitoring its implementation. The Supervisory Board and Management Board therefore regularly discussed the progress on the Business Plan and the strategic changes due to the departure of the two Fronted Clubs. Also, capital and other financial implications have been addressed during these reviews and during all Supervisory Board meetings. The SB paid special attention to the improvements made

by the MB following the VAT investigation initiated by the Dutch Tax Authority in 2023 and the Tax Control Framework that was developed.

15 May 2025	8 September 2025	18 November 2025	27 January 2026
Attendees: Onno Paymans Bert van der Weide Peter Bagh Alex Hadjipateras	Attendees: Onno Paymans Bert van der Weide Jan Valkier Peter Bagh Alex Hadjipateras	Attendees: Onno Paymans Bert van der Weide Jan Valkier Peter Bagh Alex Hadjipateras	Attendees: Onno Paymans Bert van der Weide Jan Valkier Peter Bagh Alex Hadjipateras
Themes: Strategic updates Governance Matters Annual Report Actuarial Reports Sustainability Expenses and tax matters Dividend Policy	Themes: Strategic updates Business Plan Q1 Report MB Evaluation Antecedent proposal Review of business policies Sustainability and CSR	Themes: Strategic updates Q2 Report Underwriting developments Review of business policies Sustainability and CSR	Themes: Strategic updates Q3 Report Tax Strategy ORSA Business Plan 2026 Supervisory Calendar DNB

Audit & Risk Committee

In order to ensure that the technical and financial nature of the business is addressed appropriately, the Supervisory Board installed an Audit & Risk Committee (ARC). The external auditor (Deloitte) had a standing invitation to the regular ARC meetings. Meetings attended by the external auditor are marked with an asterisk (*). The Audit & Risk Committee met four times, generally 2 weeks preceding the Supervisory Board meeting. The topics discussed in each meeting are shown in the table below. Following the ARC on 12 January 2026 an extra meeting between the ARC, the CFO and the External Auditor was scheduled on 16 January, to discuss the materiality methodology and proposal in more detail, supported by a memo drafted by the external auditor. At every meeting, the ARC also discussed the quarterly reports from the Solvency II key function holders and the general business and financial reports. The Management Board and key function holders attended the meetings of the ARC.

15 May 2025*	7 July 2025	3 November 2025	12 January 2026*
Strategic updates Annual Accounts Actuarial Reports Dividend proposal VAT	Q1 Report Business Plan Actuarial Policy Actuarial Data opinion Update Tax DORA	Q2 Report ORSA planning and scenarios Key function holders reports Tax Strategy	Investment Results and Mandate Q3 Report Planning Annual Accounts Activities External Audit Actuarial opinions on UW and Reinsurance ORSA Business Plan Regulatory Matters (DNB Calendar)

Self-evaluation

In April/May 2026, all members of the Supervisory Board participated in a questionnaire to conduct the annual self-evaluation. The questionnaire used in previous years had been reviewed and extended, based on several industry examples and the evaluations used by the shareholder. The new set up included several open questions to allow for more detailed feedback. The results were presented and discussed in the May SB meeting. Overall, the SB meetings are perceived as positive and constructive with an open dialogue. The members of the SB have complementary skills sets and experience. Their mandate and responsibilities are clear. The interaction with the management board is constructive.

Performance, remuneration and succession of the Management Board

The Supervisory Board monitored the effectiveness of the Management Board by formal and informal contacts. Throughout the year, the Chairmen of both the Supervisory Board and the ARC have held interviews with all members of the Management Board about individual and team performance. The Supervisory Board agreed to a governance change in line with the changes in activities, reducing the management board from three to two members. The Supervisory Board thanks Mr Doff for his dedication to the company as Chief Risk Officer. The Chairman of the Supervisory Board monitored remuneration practices of the Management Board and assessed their compliance with relevant laws and regulations.

Dividends

The AGM in 25 June 2025 agreed to the first dividend payment from UKNV to its shareholder. In preparation to this first dividend, the Supervisory Board discussed and approved a newly drafted dividend policy and evaluated possibilities and consequences with the Management Board.

Financial statements

The Audit and Risk Committee along with the Supervisory Board have discussed the 2025/2026 annual report and the assurance report of Deloitte, the external auditor. During the discussions of the annual report the external auditor was present for clarifications. The Supervisory Board considers that the Annual Report and Accounts, prepared by the Management Board, taken as a whole, is fair, balanced, and understandable and provides the information necessary for the shareholder to assess the Company's position, performance, business model and strategy. The Supervisory Board concluded that the level of control over the financial reporting risks and internal control within UKNV were adequate. The Supervisory Board therefore recommends the approval of the annual accounts by the shareholder at the Annual General Meeting (AGM). The AGM will also be asked to discharge the Management Board members from liability for the management they have conducted and to discharge the Supervisory Board members from liability for the supervision they have conducted during the financial year ended 20 February 2026.

Acknowledgements

The members of the Supervisory Board would like to offer their compliments and thanks to the Management Board and all staff members for their great commitment and enthusiasm, which enabled the achievement of many activities in 2025/2026. We would also like to thank all Members of the Fronted Clubs for their continued trust and confidence.

Rotterdam, the Netherlands, 26 May 2026

On behalf of The Supervisory Board,

Onno Paymans

Chairman of the Supervisory Board of UK P&I Club N.V.

Financial Statements

Balance sheet

As at 20 February 2026 (before profit appropriation)

Amounts in \$000	Notes	20-Feb-26	20-Feb-25
Assets			
Financial investments	5	47,774	75,933
Trade receivables	6	1,749	13,386
Other receivables	7	1,543	1,847
Cash and cash equivalents	8	10,839	12,288
Total assets		61,905	103,453
Equity & liabilities			
Shareholder's equity			
	9		
Issued Share Capital		589	524
Share Premium		42,200	73,700
Other Reserves		5,450	2,748
Result over the financial year		2,021	2,768
Total equity		50,260	79,740
Liabilities			
<i>Unearned premium provision</i>			
	10		
Unearned premium		1,774	2,645
Deferred continuity credit		(30)	(26)
Reinsurance share of unearned premium		(1,489)	(2,002)
		256	616
<i>Claims provision</i>			
	11		
Claims provision		148,004	163,135
Reinsurance share of claims provision		(148,004)	(163,135)
		-	-
Reinsurance liabilities	12	8,240	18,736
Corporate income tax payable		533	249
Other liabilities	13	2,236	3,500
Accrued liabilities	14	381	612
Total liabilities		11,645	23,713
Total equity and liabilities		61,905	103,453

Profit and loss account

Amounts in \$000	Notes	2025/2026	2024/2025
Income			
Gross premium written	19	84,269	110,496
Reinsurance premium payable		(76,497)	(99,133)
		7,772	11,364
<i>Changes in technical provisions (Unearned Premiums)</i>			
Change technical provision unearned premium		871	39,085
Change reinsurance share technical provision unearned premium		(514)	(33,179)
		357	5,906
Net earned premium		8,130	17,270
Other income	15	2,926	3,744
Investment return transferred from the non-technical account		3,149	3,042
Claims Incurred			
Claims paid	19	(71,214)	(60,677)
Reinsurance recoveries		71,214	60,677
		-	-
Changes in claims provision		12,620	3,354
Changes in reinsurance share of claims provision		(12,620)	(3,354)
		-	-
Net claims incurred		-	-
Net Continuity Credit			
Continuity credit raised		(2,228)	(2,873)
Deferred continuity credit		3	(1,586)
		(2,225)	(4,459)
Total income		11,979	19,596
Acquisition cost		(5,544)	(8,491)
Deferred acquisition cost		(360)	(4,320)
Operating expenses	16	(3,703)	(3,845)
Total expenses		(9,607)	(16,656)
Result Technical Account		2,372	2,940

Profit and Loss Account (continued)

Amounts in \$000	Notes	2025/2026	2024/2025
Balance on technical account (transferred)		2,372	2,940
Investment return	17	3,341	3,241
Investment management fee		(193)	(200)
Net investment return transferred to the technical account		(3,149)	(3,042)
Foreign exchange (losses)/gains		184	(173)
Other interest (expenses)/income		101	244
Net income before taxation		2,657	3,012
Taxation	18	(636)	(244)
Net income after tax		2,021	2,768

Cash flow statement

Amounts in \$000	Notes	2025/2026	2024/2025
Operating activities			
Net income after tax		2,021	2,768
Change in trade receivables	6	11,637	25,304
Change in other receivables	7	303	4,9269
Change in technical provision	10	(360)	(4,925)
Change in reinsurance liabilities	12	(10,496)	(29,347)
Change in other liabilities	13	(1,265)	(3,354)
Change in accrued liabilities	14	(231)	303
Change in corporate income tax payable	18	284	249
Other changes		(1,337)	162
		(1,465)	(6,678)
Net cash from operating activities		556	(3,910)
Investing activities			
Sale of investments	5	31,927	19
Purchase of investments		(2,430)	-
Net cash used from investing activities		29,496	19
Financing Activities			
Dividends paid	9	(31,500)	-
Net cash from financing activities		(31,500)	-
Effect of exchange rate fluctuations on cash & cash equivalents		-	(476)
Cash and cash equivalents at the beginning of the period	8	12,288	16,655
Cash and cash equivalents at the end of the period	8	10,839	12,288

Notes to the financial statements

Note 1 General

Activities

UK P&I Club N.V. (“UKNV” or “the Company”) is incorporated in the Netherlands with a limited share capital. The principal activities of UKNV are the insurance and reinsurance of risks on behalf of the Members of the Fronted Clubs, UKNV is unlisted. During the year, the Company has fronted insurance business for four mutual insurers:

- its parent company, the United Kingdom Mutual Steam Ship Assurance Association Limited (UKC), providing marine protection and indemnity risks.
- TT Club Mutual Insurance Limited (TT) providing insurance and reinsurance in respect of the equipment, property and liabilities in the international transport and logistics industry (ceased per 1 June 2025).
- PAMIA Limited providing professional indemnity insurance for patent and trademark attorney practices, and
- The UK War Risks Club (UKWR): providing insurance of merchant ships against war risks.

The liability of the Members of the parent company (the “Club”) is limited to the calls and supplementary premiums. In the event of the liquidation of UKNV, any net value of the assets is returned to the shareholder.

Outsourcing

As the main business processes are outsourced to Thomas Miller B.V, outsourcing risk features frequently on the agenda of the Management Board. The main risk being that UKNV has insufficient capabilities to demonstrate (with evidence) that it has control over its outsourced business processes. This risk has been managed by entering into formal outsourcing agreements, implementing agreed business processes and monitoring performance through quarterly performance reviews.

Registered office, legal form and registration number at the chamber of commerce

The registered address of UK P&I Club N.V. is Wilhelminakade 953A, 3072 AP Rotterdam, the Netherlands. The Company is registered as a limited share company at the Chamber of Commerce under number 73217484.

Group structure

UKNV is part of the United Kingdom Mutual Steam Ship Assurance Association Limited. The financial statements of the Company are included in the consolidated financial statements of UKC of London, United Kingdom. These can be found on the website of the parent company, www.ukpandi.com.

Financial year

The financial year of UKNV is aligned with that of its parent company and ends at 20 February.

Judgements, estimates and uncertainties

In applying the principles and policies for preparing the financial statements, the Management Board of UKNV makes different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the true and fair view required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including assumptions related to the uncertainties, is disclosed in the notes to the relevant financial statement items.

Related parties

UKC is the parent company of the group and holds 100% of the shares of UKNV. Although technically not related parties, UKNV has strong relationships with the other Fronted Clubs and Thomas Miller B.V. The formal relationship between each of the Fronted Clubs (UKC, UK War Risks and PAMIA) and UKNV is set out in the fronting and reinsurance agreements.

Thomas Miller B.V. provides management services to UKNV. This company is a subsidiary of Thomas Miller Holdings Limited. UKNV has a service agreement with Thomas Miller B.V. which contains a one-month termination clause. The Management Board is aware that Thomas Miller B.V. also entered in outsourcing agreements with other insurance firms, both from its head office as well as Cypriot and Greek branches.

Accounting policies for the cash flow statement

The cash flow statement is prepared using the indirect method. It reports cash at banks and on hand but excludes deposits with a maturity of over three months. Foreign currency cash flows are converted using average estimated exchange rates. Interest paid and received, dividends received, and income tax payments are reported under operating activities, while dividends paid fall under financing activities. Any transaction that does not result in actual cash inflow or outflow is excluded from the cash flow statement.

Note 2 General policies

2.1 General

The financial statements are prepared in accordance with the provisions of Title 9, Book 2, of the Dutch Civil Code and the Dutch Accounting Standards applicable RJ 605, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, income statement and the cash flow statement, references are made to the notes.

2.2 Continuity

The financial statements have been prepared based on the going concern assumption, whereby the management of the Company based on an impact analysis (ORSA) has concluded that applying this assumption based on current insights is justified for at least the next 12 months.

2.3 Policy year accounting

All insurance business is accounted for on an annual basis. For reporting the policy year position to the Members, calls and premiums together with reinsurance premiums are allocated to the policy years in which they originate. Claims and related reinsurance recoveries are allocated to the policy year in which the claim is first notified. General expenses and management fees are allocated to the current policy year, as are the operating expenses.

2.4 Foreign currencies

(a) Functional currency presentation

UKNV uses the U.S. dollar as both its reporting and functional currency, aligning with its mainly international operations and market pricing.

(b) Transactions and balances

Foreign currency revenue transactions are converted to U.S. dollars using updated monthly exchange rates, with associated gains or losses recorded in the non-technical account. Foreign assets and liabilities are translated at period-end rates, and any resulting differences are recognized as foreign exchange gains or losses within the same account. Monetary assets denominated in other currencies are revalued at each reporting date utilising the end-of-period exchange rate.

2.5 Reinsurance programme UKNV

Reinsurance premiums, commissions, benefits, and technical provisions for reinsurance contracts are accounted for in the same way as direct insurance for which reinsurance is taken out. Reinsurers' share of technical provisions and benefits to which UKNV is entitled under its reinsurance agreement are deducted from gross technical provisions. Short-term receivables from reinsurers are included under receivables. These receivables depend on the expected claims and benefits arising from the relevant reinsurance contracts. The valuation of amounts owed by and to reinsurers is in accordance with the terms of the reinsurance contracts. Reinsurance obligations mainly relate to premiums payable for reinsurance contracts. These premiums are recognised as an expense over the period in which they are earned.

Accounting policies applied to the valuation of assets and liabilities

2.6 General

An asset is recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the asset has a cost price or value of which the amount can be measured reliably. Assets that are not recognised in the balance sheet are considered as off-balance sheet assets.

A liability is recognised in the balance sheet when it is expected that the settlement of an existing obligation will result in an outflow of resources embodying economic benefits and the amount necessary to settle this obligation can be measured reliably. Provisions are included in the liabilities of the Company. Liabilities that are not recognised in the balance sheet are considered as off-balance sheet liabilities.

An asset or liability included in the balance sheet remains recognised in the balance sheet when a transaction does not lead to a significant change in the economic reality with regard to this balance sheet item. For such transactions no results are recorded. An important change in the economic reality is assessed on the basis of the economic benefits and risks that are likely to occur in practice.

An asset or liability item included in the balance sheet is derecognised from the balance sheet if a transaction results in all or substantially all rights to economic benefits and all or substantially all risks related to the asset or liability item being transferred to a third party.

2.7 Financial instruments

These financial statements report financial instruments such as those held for trading, loans and receivables, equity instruments, money market funds, cash held with custodian, other liabilities, and derivatives. Financial assets and liabilities are recorded in the balance sheet when contractual risks or rewards begin. Assets and liabilities are offset if there is a legally enforceable right to do so and an intent to settle on a net basis or simultaneously.

2.8 Financial investments

UKNV classifies its financial investments at fair value if they can be evidenced by a quoted price within an active market.

Financial investments are recognised at trade date and subsequently measured at fair value. Fair values of financial investments traded in active markets are measured by bid price. Where there is no active market, fair value is measured by reference to other factors such as independent valuation reports.

A financial investment 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 criteria are not met, the market is regarded as being inactive.

Revenue transactions are translated into U.S. dollars at applicable rates throughout the year. The cost of financial investments denominated in currencies other than U.S. dollar are translated into U.S. 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 and expenditure account in the period in which they occur.

Net gains or losses arising from changes in fair value of financial investments at fair value through profit or loss are presented in the income and expenditure account within 'unrealised gains/(losses) on investments' in the period in which they arise.

2.9 Deferred acquisition costs

Acquisition costs, comprising commission are deferred to the extent that they are attributable to premiums unearned at the statement of financial position date.

2.10 Trade Receivables

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables arising from insurance contracts are also classified in this category and include Members' contributions, claims deductibles recoverable from Members and reinsurance receivables. Debtors are carried at cost less impairment. Debtors have a duration not longer than one year.

Debtors are reviewed for impairment as part of an ongoing and annual review. Debtors are recognised initially at fair value and subsequently measured at amortised cost basis. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues.

Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for receivables.

2.11 Other Receivables

Other Receivables are recognised initially at fair value and subsequently measured at amortised cost basis. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When other receivable is uncollectible, it is written off against the allowance account for receivables.

2.12 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances held at banks that are available on demand and subject to an insignificant risk of changes in value.

2.13 Capital and reserves

Capital is stated at par value. The share premium relates to capital contributions, which have occurred since incorporation. Other reserves relate to the accumulated profits and losses which have occurred since incorporation and are not yet distributed to the shareholder. The share capital is denominated in euro, and the U.S. Dollar equivalent is recalculated against the prevailing foreign exchange rate at the year-end date.

2.14 Provision for unearned premiums written

Written premiums are recognised as earned income over the period of the policy on a time apportionment basis. Similarly, continuity credit costs are recognised over the period of the policy on a time apportioned basis, as a discount to premiums.

Premium written in a financial year which is to be allocated to the following period on an accrual basis. This item is used to defer the written premium.

2.15 Provision for outstanding claims

Provision for the liabilities of insurance contracts is made for outstanding claims and settlement expenses incurred at the Balance Sheet date including an estimate for claims incurred but not yet reported (IBNR). During the financial year UKNV did not make changes in the reserving methodology for outstanding claims.

The risks associated with insurance contracts are complex and subject to a number of variables. The estimation of claims IBNR is generally subject to a greater degree of uncertainty. 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. Normal inflation is imputed within the estimates, whilst excess inflation is an explicit load, both of which are subject to uncertainties.

2.16 Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

Principles for the determination of the result

2.17 Gross premiums written

Calls and premiums are presented net of return premiums and continuity credits and are the total receivable for the whole period of cover provided by the contracts incepting during the accounting period together with any adjustments in respect of prior accounting periods. Ceded commissions are recognised in line with gross commissions.

Continuity credits and premium deferrals are discounts provided to renewing members against the renewed policy. All premiums, continuity credits and premium deferrals are shown gross of commission payable to intermediaries and are exclusive of taxes and duties levied thereon.

2.18 Reinsurance premiums

Outward reinsurance premiums are accounted for in the same accounting period as the premiums for the related direct or inward reinsurance business being reinsured.

2.19 Claims incurred

These are the legal costs and expenses of the Members covered by UKNV. They include all claims incurred during the year, whether paid, estimated or unreported, together with internal claims, management costs and future claims management costs and adjustments for claims outstanding from previous years.

2.20 Acquisition costs

Acquisition costs comprise commissions paid to brokers, on behalf of members, related to the acquisition of new insurance contracts and the renewal of existing contracts. These expenses are deferred to the extent that they are attributable to premiums unearned at the balance sheet date.

2.21 Other income

Other income comprises the fronting fee received by UKNV from the Fronted Clubs. The fronting fees consists of a fee calculated over the gross written premium for each Fronted Club and a fee to maintain sufficient funding required by Solvency II. The fronting fee over gross written premium is recognised upon invoicing. The fee related to the cost of capital is earned on a straight-line basis over the financial year.

2.22 Investment income

This comprises income received during the year adjusted in respect of interest receivable at the year-end, profits and losses on the sale of investments and unrealised gains and losses on the movement in the fair value of the investments. Investment income also includes the foreign currency revaluation results on financial investments and cash and cash equivalents.

Solvency II regulations require UKNV to keep a capital position against reinsurance positions. The received capital is invested in a portfolio consisting of fixed income financial assets. The investment return comprises all investment income, realised investment gains and losses and movements in unrealised investment gains and losses, net of investment expenses, charges and interest and the foreign exchange result. As the investments are held in relation to the reinsurance activities of the Company, 100% of the investment return is allocated to the technical accounts.

2.23 Operating expenses

General expenses include the management fees, remuneration of the Supervisory Board, professional fees and other general and administrative expenses. These expenses are recognized in the period that the goods or services are provided to the Company.

2.24 Taxation

Tax on the result comprises current tax and deferred tax: Current tax is calculated on the taxable profit for the period in accordance with Dutch tax law, using the corporate income tax rates enacted or substantively enacted at the reporting date. Taxable profit is determined based on the result before tax, adjusted for permanent differences (such as non-deductible expenses and exempt income), temporary differences, and the utilisation of deductible tax losses carried forward, to the extent permitted under tax law and not already recognised as deferred tax assets.

Deferred tax assets and liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases, as well as for unused tax losses and tax credits. Deferred taxes are measured using the tax rates that are expected to apply in the period in which the temporary differences are expected to reverse.

A deferred tax asset is recognised only to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences or tax losses can be utilised. No deferred tax asset is recognised insofar as its realisation depends solely on the future reversal of taxable temporary differences arising from revaluations of assets.

Note 3 Estimates and judgements

3.1 Critical Accounting estimates and judgements

UKNV makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and 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. Refer to paragraph 2.14 for more information about the change in estimates related to the provision for outstanding claims.

3.2 The ultimate liability arising from claims made under insurance contracts

The estimation of the ultimate liability arising from claims made under insurance contracts is UKNV's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that UKNV 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. There is limited claim experience from historical claims on the Company's accounts. Therefore, the Company uses claim experience from the Fronted Clubs for the respective written business to assess the claims provisions. The Fronted Clubs use several statistical and standard actuarial techniques in order to estimate the loss ratios. These loss ratios have been applied to the gross earned premium within UKNV to estimate the claims provision.

Note 4 Risk Management

Management of risk

UKNV is governed through a two-tier board structure with a separate Management Board and Supervisory Board. The Management Board of UKNV is responsible for the day-to-day operations. The Supervisory Board monitors the policies pursued by the Management Board and the general course of affairs within UKNV. The Management Board has formalised its appetite for risk at both the strategic and operational level.

The Management Board established a framework of governance through which risk is managed.

UKNV is focussed on the identification and management of potential risks. This covers all aspects of risk management including that to which UKNV is exposed through its core activity as a provider of insurance services, and the broader range of risks. The key areas of risk impairing UKNV can be classified as follows:

1. Insurance risk – incorporating underwriting and reserving risk
2. Market risk – incorporating investment risk, interest rate risk and currency rate risk
3. Credit risk – being the risk that a counterparty is unable to pay amounts in full when due
4. Liquidity and cash flow risk – being the risk that cash may not be available to pay obligations as they fall due
5. Operational risk – being the risk of failure of internal processes or controls

The Management Board established and embedded risk management procedures within the business through a compliance manual, an internal control system and a risk management framework that considers and logs potential risks and how they are to be managed. This framework has gone through a review around the year end. The Supervisory Board monitors the development and operation of risk management policies and controls in place to mitigate risk through a governance structure which includes an internal audit function.

The Company has a limited risk appetite. The fronting arrangements with the Fronted Clubs allow UKNV to retain as little underwriting risk as possible. UKNV's appetite for investment risk is limited in that the investment mandate only allows for investment in U.S. Treasuries and cash equivalents only. The main strategic risk is the counterparty default risk for the reinsurance exposures with each of the Fronted Clubs. Since this is relatively concentrated, UKNV has a moderate risk appetite for this risk. Finally, UKNV has a zero tolerance for compliance or integrity risks.

4.1 Insurance risk

UKNV is an insurer focussed mainly on the marine and transport industry, underwriting only protection and indemnity insurance for the shipping and transport community.

Underwriting risk is the risk that UKNV's net insurance obligations (i.e. claims less premiums) are different to expectations. The Company considers the risk of existing obligations (Reserve Risk) separately to the risk of future obligations (Premium Risk).

Reserve risk is managed by UKNV's reserving policy. The Company establishes provisions for unpaid claims, both reported and unreported, and related expenses to cover its expected ultimate liability. These provisions are established through the application of actuarial techniques and assumptions. In order to minimise the risk of understating these provisions, the assumptions made, and actuarial techniques employed are reviewed in detail by the Management Board and actuarial function holder.

Premium risk is managed by an underwriting policy that establishes robust underwriting practices in order to meet business needs and satisfy regulatory control. This is supplemented with a robust forecasting approach undertaken as part of the Company's ORSA process.

The underwriting process is based on a thorough understanding of the risk accepted. This understanding is enhanced as:

- UKNV is a focussed insurer that continues the same covers that for many years have been provided directly by the Fronted Clubs.
- Underwriting authority is delegated to specific individuals who operate under set underwriting parameters and are subject to ongoing guidance and review by the Management Board.

Underwriting risk is mitigated via the reinsurance programme by which 100% of the underwriting risk is reinsured to the Fronted Clubs or external reinsurers, including via the International Group. This latter programme comprises excess of loss reinsurance cover for P&I risks, purchased jointly with other members of the International Group, and the International Group Pooling agreement. In addition, there is also external reinsurance of P&I claims that fall below the deductible of the International Group pooling threshold. To support the reinsurance programme, the parent company has provided substantial cover for all exposures not mitigated under the external reinsurance programme.

UKNV considers that the liability for insurance claims recognised in the balance sheet is adequate. However, actual experience is likely to differ from the expected outcome.

4.2 Market risk

Market risk arises through fluctuations in market valuations, interest rates, corporate bond spreads and foreign currency exchange rates.

UKNV maintains a prudent investment policy. The asset portfolio consists of U.S. Treasuries, Money Market Funds and cash. Whilst the day-to-day management of assets is outsourced, the Management Board monitors fulfilment of the investment mandate on a regular basis. Further discussion of this arrangement is provided below under the "prudent person principle".

The prudent person principle

Under UKNV's investment policy, all of UKNV's investments are invested and managed in accordance with the 'prudent person principle', meaning that duties of the Investment Managers are discharged with the care, skill, prudence and diligence that a prudent person acting in a like capacity would use in the conduct of an enterprise of like character and aims. More specifically the portfolio:

- is invested in assets and instruments whose risk can properly be identified, measured, monitored, managed, controlled and reported,
- ensures the security, quality and liquidity of the portfolio as a whole,
- is appropriate to the nature, currency and duration of UKNV's insurance liabilities,
- includes derivative instruments only where they contribute to a reduction of risks or efficient portfolio management,
- includes only a prudent level of unlisted investments and assets, and
- is diversified to avoid excessive reliance on any asset, issuer or group, or geographical area.

UKNV's funds are invested by the Investment Managers in accordance with parameters set by an investment mandate. The investment mandate provides a framework to the investment managers for the management and stewardship of the Company's investment assets in conformity with the business and investment objectives and sets the parameters within which UKNV's assets may be invested.

It is considered and approved by the Management Board on an annual basis and ad hoc as required and is subject to the Company's investment policy. The day-to-day management of the investment portfolio has been outsourced to Thomas Miller Investments, and this is monitored under strict outsourcing criteria.

A 5 percent reduction in the valuation of all investments would result in a reduction in capital (before tax effects) of US\$2.4 million. This would still allow UKNV to operate well in excess of regulatory requirements.

Foreign currency risk management

UKNV is exposed to currency risk in respect of liabilities under policies of insurance denominated in currencies other than U.S. dollars. The most significant currency to which UKNV is exposed to is the Euro. In order to manage this risk, the Fronted Clubs have agreed to fully absorb the foreign currency risk by providing reinsurance in the currencies and the respective values or the original policy underwritten. Therefore, UKNV does not accept any foreign exchange risk.

Interest rate risk management

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. Interest rate risk arises primarily from investments in fixed interest securities the value of which is normally inversely related to movements in market interest rates. In addition, to the extent that claims inflation is related to interest rates, liabilities to Members are exposed to interest rate risk. This risk is hedged in the reinsurance agreements.

Interest rate risk is managed through the investment strategy and accordingly debt and fixed income securities are predominantly invested in high quality government backed bonds. The maturity profile of these investments is typically shorter than the profile of gross claims liabilities. However, since UKNV operates a 100% reinsurance model, the net duration of liabilities is close to zero.

It is estimated that the value of the Company's investments would change for the following amounts if market interest rates had changed by 100 basis points at the year-end date of 20 of February 2026 and all assumptions had remained unchanged. The sensitivity analysis is no longer applied due to the redemption of the debt securities.

4.3 Counterparty default risk

Counterparty default risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. UKNV is exposed to counterparty default risk from a counterparty failing to comply with their obligations under a contract of reinsurance. In order to manage this risk, the Management Board consider the financial position of significant counterparties on a regular basis. Moreover, there are limits to monitor aggregate exposures to each reinsurer and the Company has set selection criteria whereby each external reinsurer is required to hold a credit rating greater than or equal to "A-" (A minus) at the time the contract is made. There are also limits on the individual exposures to avoid large concentrations to individual reinsurance counterparties other than to Fronted Clubs.

Counterparty default risk also arises out of amounts due from clients representing premium owed to UKNV in respect of insurance business written. The Company manages the risk of Member default through a screening process to ensure the quality of new insured of UKNV and the ability to cancel cover and outstanding claims of Members that fail to settle amounts payable. UKNV limits its reliance on any single client.

The investment mandate manages the risk of default by limiting investments to government guaranteed bonds and some money market funds. These are mainly U.S. Treasuries and cash-based instruments. The below tables show our investments in funds consisting of U.S. Treasuries under "not rated" instruments.

The following tables provide information for UKNV regarding aggregate credit risk exposure for financial assets. The credit rating bands are provided by independent ratings agencies.

As at 20 February 2026	Not readily available/ not rated				
Amounts in US\$000s	AAA	AA	A	Not readily available/ not rated	Total
Cash at bank and in hand			10,839		10,839
Investments in funds	3,222			44,551	47,774
Amounts due from Members				1,010	1,010
Amounts due from reinsurers	-	-	663	75	738
Total of assets subject to credit risk	3,222	-	11,502	45,637	60,362

As at 20 February 2025	Not readily available/ not rated				
Amounts in US\$000s	AAA	AA	A		Total
Cash at bank and in hand			12,288		12,288
Investments in funds				75,933	75,933
Amounts due from members				2,799	2,799
Amounts due from reinsurers	-	-	1,685	35	1,720
Total of assets subject to credit risk	-	-	13,973	78,767	92,739

4.4 Liquidity and cash flow risk

Liquidity risk is the risk that cash may not be available to pay obligations as they fall due. The Company has adopted an investment policy that requires the maintenance of significant holdings in short term deposits to ensure sufficient funds are available to cover anticipated liabilities and unexpected levels of demand. Short term cash needs are monitored to ensure the most efficient investment of cash balances.

The following table provides a maturity analysis of both the Company's financial assets representing the date that a contract will mature, amounts are due for payment, or the asset could be realised without significant additional cost.

As at 20 February 2026	Short term assets	Within 1 year	1-2 years	Total
Amounts in US\$000s				
Cash at bank and in hand	10,839	-	-	10,839
Investments in funds	47,774	-	-	47,774
Amounts due from members	1,010	-	-	1,010
Amounts due from reinsurers	738	-	-	738
Total assets	60,362	-	-	60,362

As at 20 February 2025	Short term assets	Within 1 year	1-2 years	Total
Amounts in US\$000s				
Cash at bank and in hand	12,288	-	-	12,288
Investments in funds	75,933	-	-	75,933
Amounts due from members	2,799	-	-	2,799
Amounts due from reinsurers	1,720	-	-	1,720
Total assets	92,739	-	-	92,739

Liquidity issues could also arise in case of urgent claim payments. Such liquidity effects are managed by reinsurance contracts stating that the amounts due will be paid after being pre-financed by the respective reinsurer. This ensures that the Company does not face any cash flow problems that could result in inadequate client service levels. During the current year, no liquidity issues have arisen out of urgent claim payments.

4.5 Operational risk

Operational risks relate to the failure of internal processes, systems or controls due to human or other error. In order to mitigate such risks, the Company has engaged Thomas Miller B.V. as managers to document all key processes and controls in a procedural manual. This manual is part of an annual review cycle and is available to all staff. Compliance with the procedures and controls documented within the manual is monitored on a regular basis through quality control checks and the internal audit function which is directed and reviewed by the Audit and Risk Committee. A human resource manual including all key policies is also in place.

4.5.1 Fraud risks and controls

UKNV has zero tolerance for fraud. To minimize the chances of encountering any fraudulent behaviour, UKNV's management identified possible fraud risks in the Systematic Integrity Risk Analysis (SIRA). The SIRA-log is regularly reviewed, but there have been no reasons for changes in the last year.

Internal manifestations of fraud cover deliberate misuse or misappropriation of the organisation's resources for personal enrichment, for example through fraudulent claims. Key control measures include getting a declaration of decent behaviour ('Verklaring Omtrent Gedrag') as part of every recruitment process, a Code of Conduct covering expected behaviour and

expressing an intolerance to fraud, a group policy against fraud, and application of a four-eye principle on expenses processing. Within the organisation, there is a clear incident management policy should fraud occur (both internally and externally). The incident management policy gives clear indications how to deal with the situation, who to inform, and where to go for help.

External fraud could involve brokers, members or suppliers. To control for these risks, staff are trained on a regular basis to be vigilant on claims and payments. Also, the Club's Rules governing the policy explicitly state that cover is not valid if based on false information. In case of supplier-related fraud risk, most suppliers work on a contract basis, and the contracts specify the intolerance for fraud. Payments to suppliers are always double-checked against contract/invoice.

The Management Board also takes into account the possibility of cybercrime. To mitigate these risks, the IT systems are surrounded by tight procedures and firewalls, and regular testing is in place to ensure the safety of systems in use. The new DORA regulations have continued our focus on cyber-related risks, and our operations have been enhanced to comply to the new rules.

The Management Board is not aware of any fraud during the financial year.

4.6 Capital management

UKNV's objective is to maintain sufficient capital to ensure it is able to continue to meet regulatory requirements and maintain an "A-" rating with Standard and Poor's, with a substantial margin in each case.

UKNV is regulated by De Nederlandsche Bank (DNB) and Autoriteit Financiële Markten (AFM). Under the Solvency II regime the Company is obliged to assess and maintain the amount of capital required to meet the risks that it faces based on a 99.5 percent confidence level of solvency over one year time frame. Throughout the period UKNV complied with the regulatory capital requirements and the requirements in the other countries in which it operates.

4.7 Fair value hierarchy

In accordance with the Dutch Accounting Standards, section RJ 290, as a financial institution, UKNV applies the requirements. This requires, for financial instruments held at fair value in the Statement of Financial Position, disclosure of fair value measurements by level of the following fair value hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

During the year ended 20 February 2026, all financial investments fell under category Level 1.

Note 5 Financial investments

The Company's financial investments are summarised by measurement category in the tables below.

During the financial year the investment portfolio did not change materially. The movements of the financial investments are as follows:

Amounts in US\$000s	Mutual Funds	Bonds	Total
Carrying amount as at 20 February 2025	75,932	-	75,932
Acquisitions	2,430	-	2,430
Disposals	(31,927)	-	(31,927)
Revaluation and other changes	1,338	-	1,338
Carrying amount as at 20 February 2026	47,774	-	47,774
-			
Amounts in US\$000s	Mutual Funds	Bonds	Total
Carrying amount as at 20 February 2024	72,672	19	72,692
Acquisitions	2,900	-	2,900
Disposals	-	(19)	(19)
Revaluation and other changes	359	-	359
Carrying amount as at 20 February 2025	75,933	-	75,933

The company has updated its presentation of financial assets in 2026 to more accurately reflect their economic substance and liquidity profile. To maintain comparability, the 2025 comparative figures have been adjusted as follows:

Cash held by the custodian and short-term Treasury Bills have been reclassified from Cash and Cash Equivalents to Financial Investments, as these funds are part of the Asset under management (AUM), managed with the sole intention to reinvest rather than for operational liquidity. These items do not meet the operational cash definition and are maintained for investment purposes.

The reclassification described above was made to the comparative figures, without affecting total assets, equity, or profit. Below is a summary of the changes to the comparative figures:

Balance- sheet item 2024/2025	As previously reported	Reclassification	Restated
Cash and cash equivalent	19,388	-7,100	12,288
Financial investment	68,832	7,100	75,933
Total Asset	88,220	0	88,220

Overview of UKNV mutual fund holdings as at 20 February 2026:

Mutual funds

Amounts in US\$000s Description	Fair value	Purchase Price
U.S. FIXED INCOME INDEX ETF	44,527	45,549
Total value	44,527	45,549

The U.S. Fixed Income Index ETF is an exchange-traded fund that invests across a comprehensive spectrum of U.S. fixed income securities, offering exposure to government bonds and related instruments.

This investment is aligned with UKNV's mandate.

Note 6 Trade receivables

The below table provides an overview of the debtor position as of 20 of February 2026.

Amounts in US\$000	20-Feb-26	25-Feb-25
Insurance receivables:		
Due from members	1,010	2,799
Allowance for bad debt	-	-
Total insurance receivables	1,010	2,799
Other debtors:		
Due from fronted clubs	502	804
Reinsurance amounts receivable from other re-insurers	236	916
Sundry debtors	-	8,867
Total other debtors	738	10,587
Total trade receivables	1,749	13,386

All insurance receivables are current and mostly follow the policy year. Other debts are due within one year. The fair value of other receivables equals the book value. There is no concentration of credit risk with respect to the debtors' balance, as UKNV has a large number of internationally dispersed debtors.

Note 7 Other receivables

Other receivables consist of the following:

Amounts in US\$000	20-Feb-26	25-Feb-25
Accrued income	9	71
Deferred acquisition cost	256	616
Insurance premium tax prepayment	1,250	1,155
Other receivables	29	5
Total other receivables	1,543	1,847

The recovery of the Italian insurance premium tax prepayment is expected to take more than 12 months. The remainder of the other receivables is due within one year.

Note 8 Cash and cash equivalents

Cash at bank and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. All cash at bank is at disposal of the Company and cash at bank and in hand is carried at nominal value.

Amounts in US\$000	20-Feb-26	25-Feb-25
Cash at bank	10,839	12,288
Total cash and cash equivalents	10,839	12,288

The company has updated its presentation of cash and cash equivalents in 2026 to more accurately reflect their economic substance and liquidity profile. Refer to note 5 for more information.

Note 9 Shareholder's equity

The movement schedule of the shareholder's equity is described below.

Amounts in US\$000	Issued Share Capital	Share Premium	Other Reserves	Result for the year	Total
Balance as at 20 February, 2025	524	73,700	2,747	2,768	79,740
Profit Appropriation	-	-	2,768	(2,768)	-
Result for the Year	-	-	-	2,021	2,021
Dividends paid	-	(31,500)	-	-	(31,500)
Revaluation differences	66	-	(66)	-	-
Balance as at 20 February, 2026	589	42,200	5,450	2,021	50,260

Amounts in US\$000	Issued Share Capital	Share Premium	Other Reserves	Result for the year	Total
Balance as at 20 February, 2024	541	73,696	416	2,272	76,925
Profit Appropriation	-	-	2,272	(2,272)	-
Result for the Year	-	-	-	2,768	2,768
Dividends paid	-	-	42	-	42
Revaluation differences	(17)	4	17	-	4
Balance as at 20 February, 2025	524	73,700	2,747	2,768	79,740

The issued share capital of UKNV amounts to € 500,000, divided into 500,000 ordinary shares with a nominal value of €1,00. The total number of shares issued is 500,000. The share capital of € 500,000 has been converted into U.S. Dollar against the 20 February 2026 exchange rate (€1 = US\$ 1.1786).

A summary of the capital position in accordance to the Solvency II standards as at 20 February 2026 is provided below.

Amounts in US\$000	20-Feb-26	20-Feb-25
Solvency Capital Requirement (SCR)	22.851	24,097
Eligible Own Funds	50.347	79,721
Excess	27.496	55,624
SCR ratio	220.33%	331%

The Solvency Capital Requirement (SCR) ratio is currently at 220%, which surpasses UKNV's established Risk Appetite range of 150% to 200%. The available capital ('Own funds') is determined as excess of assets over liabilities on the market value balance sheet of UKNV. The Solvency II required capital is calculated according to the standard formula.

UKNV aims to keep its SCR ratio between 150% and 200%, with an ideal level of 175%. This target is considered conservative, ensuring that no stress scenario would cause the SCR solvency ratio to drop below 100%. As of 20 February 2026, the minimum eligible capital required to maintain the 175% SCR ratio is USD 39,989.

Note 10 Technical provisions

Technical provisions for unearned premium were made for those policies that have a coverage period that extend the accounting year. The unearned premium Provision covers the amount not absorbed by earned premium and is carried over to the following year.

Amounts in US\$000	Unearned Premium	Deferred continuity credit and premium deferral	Reinsurance share of unearned premium	Total
Balance as at 20th of February, 2025	2645	-26	-2002	616
<i>Movements</i>				
Premium written during the year	1,916	(30)	(1,489)	398
Premium earned during the year	(2,787)	26	2,002	(758)
Balance as at 20th of February, 2026	1,774	(30)	(1,489)	256

Amounts in US\$000	Unearned Premium	Deferred continuity credit and premium deferral	Reinsurance share of unearned premium	Total
Balance as at 20th of February, 2025	31,298	-21	-27,601	616
<i>Movements</i>				
Premium written during the year	62,365	(26)	(1,840)	57,516
Premium earned during the year	(63,115)	21	2,390	(60,576)
Transfer of portfolio	(27,903)	-	25,050	(2,853)
Balance as at 20th of February, 2025	2,645	(26)	(2,002)	616

Note 11 Claims provisions

The claims provision has a predominantly long-term character. A summary of the claims provisions as well as a movement schedule of the claims reserve is provided below.

Amounts in US\$000	20-Feb-26	25-Feb-25
Claims provision	148,004	163,135
Reinsurance share of claims provision	(148,004)	(163,135)
Total claims provisions	-	-

Amounts in US\$000	20-Feb-26	25-Feb-25
Carrying amount as at the beginning	163,135	249,345
Additions	36,544	79,579
Deductions	(49,164)	(82,933)
Transfer of Portfolios	(2,731)	(81,107)
Revaluation and other changes in claims provision	221	(1,749)
Carrying amount as at the end	148,005	163,135

Effective 1 June 2025, the claims portfolio of the only TT Member remaining in the UKNV portfolio was transferred to TTNV. As a result, case reserves totalling US\$ 2.7 million were released from the UKNV claims provision.

Liability adequacy test

The total of the gross claims provisions is US\$ 148 million. No surplus or deficit would be expected if gross claims reserves were held as these have been set on a best estimate basis. Hence, the technical provisions are adequate as at 20 February 2026.

Note 12 Reinsurance liabilities

The reinsurance premiums payable to the reinsurers are as follows.

Amounts in US\$000	20-Feb-26	25-Feb-25
Reinsurance amounts payable to UKC (the parent company)	7,247	17,665
Reinsurance amounts payable to other Fronted Clubs	993	1,071
Total reinsurance liabilities	8,240	18,736

Note 13 Other liabilities

Other liabilities consist of the following.

Amounts in US\$000	20-Feb-26	25-Feb-25
Payable to parent company	1,828	1,832
Insurance premium tax payable	237	216
Claim payments approved, not yet paid	-	380
Other liabilities	170	1,072
Total other liabilities	2,236	3,500

All other liabilities are due and payable within one year.

Note 14 Accrued Liabilities

The accrued liabilities consist of the following.

Amounts in US\$000	20-Feb-26	25-Feb-25
Accrued expenses	381	612
Total accrued liabilities	381	612

Note 15 Other Income

The total other income comprises of the fronting fee charged to the Fronted Clubs.

Amounts in US\$000	2025/2026	2024/2025
Fronting fee from UKC (parent company)	2,696	2,551
Fronting fee from Other Clubs (premium based)	230	533
Fronting fee from Other Clubs cost of capital based	-	660
Total other income	2,926	3,744

Note 16 Expenses

The expenses can be specified as follows:

Amounts in US\$000	2025/2026	2024/2025
Acquisition cost	5,544	8,491
Deferred acquisition cost	360	4,320
Net acquisition costs	5,904	12,811
Supervisory Board costs	153	128
Operating expenses	3,550	3,717
Operating expenses	3,703	3,845
Total operating expenses	9,607	16,656

Remuneration of the Management Board & Supervisory Board

During the financial year, a total amount of US\$ 279k relating to Management Board' remuneration was recognised in the Company's profit and loss account. This amount comprises the portion attributable to the roles of CEO and CFO (management board) under the management services outsourced to Thomas Miller B.V..

Remuneration of the Supervisory Board

The remuneration of the supervisory board members (5) amounted to US\$ 153k in total (prior year: US\$ 128k).

Audit fees

Part of the professional fee is the audit fee. A breakdown of the audit fees of Deloitte Audit & Assurance B.V. is as follows:

Amounts in US\$000	2025/2026	2024/2025
Audit fees		
Audit Financial Statements	247	169
Other audit services	56	56
Total Audit fees	303	225

The current year's audit fees include an amount of US\$ 227k (2024/2025: US\$ 169k) that is related to the audit of the annual accounts 2025/2026.

Note 17 Net Investment Return

The 2025/2026 financial year was a positive one overall for the club's investment portfolio, with a total return of 6.6% over the course of the year which benefitted from falling short-dated U.S. Treasury yields and strong demand for safe assets.

A summary of the investment return for the year is provided below:

Amounts in US\$000s	2025/2026	2024/2025
Total realised investment income	2,020	2,881
Total unrealised investment income (loss)	1,321	360
Net investment return	3,341	3,241
Amounts in US\$000s	2025/2026	2024/2025
Dividends from Exchange Traded Fund	2,416	2,598
Interest from fixed income securities	233	282
Realised on sale of fixed income securities	(629)	1
Total realised investment income	2,020	2,881

Note 18 Income tax expenses

The standard corporate income tax rates for calendar years 2025 and 2026 are as follows (amounts in the below table in euro's):

Amounts in EUR	Lower rate	Lower rate limit	Higher rate
Calendar year 2026	19%	200,000	25.8%
Calendar year 2025	19%	200,000	

These rates should be applied pro rata with UKNV's financial year being related to both 2025 and 2026. corporate income tax payable for the 2025/2026 financial year is US\$ 636k. The effective tax rate for UKNV for the current financial year is 23.95% (2024/2025: 8.11%) since UKNV has been able to partially offset the current year's profit against the last remaining carry forward losses. As per 20 February 2026 UKNV has no carry forward losses remaining (20 February 2025: US\$ 78,494). The below table shows how the tax charge for the year is calculated.

Amounts in US\$000	
Carry forward losses per 20 February 2025	78,494
Net income before taxation for accounting purposes (rounded to nearest thousand)	2,656,000
FX impact on equity for tax purposes	(51,320)
Taxable income for tax purposes	2,604,680
100% loss offset up to EUR 1 million (converted to US\$)	(78,494)
Taxable balance	2,526,186
Corporate income tax at lower rate	44,788
Corporate income tax at higher rate	590,939
Total corporate income tax 2025/2026	635,727

The euro denominated lower rate limit has been converted into U.S. Dollar using the rate EUR 1 = US\$ 1.1786

Note 19 Analysis of Insurance Income

The table below provides the technical results by line of business according to Solvency II:

Analysis of insurance income 2025/2026				Fire &	General
Amounts in US\$000	Total	Motor	Marine	Damage	Liability
Gross premium written	84,269	-	83,930	-	339
Reinsurance premium payable	(76,497)	-	(76,241)	-	(256)
Acquisition cost	(5,544)	-	(5,544)	-	-
Continuity credit raised	(2,228)	-	(2,145)	-	(83)
Technical result before Opex and Other income	-	-	-	-	-
Investment return transferred from the non-technical account	3,149	-	3,136	-	13
Other income	2,926	-	2,914	-	12
Operating expenses appropriation	(3,703)	-	(3,688)	-	(15)
Technical result	2,372	-	2,362	-	10
Claims paid	71,214	-	70,945	-	269

Analysis of insurance income 2024/2025					Fire &	General
Amounts in US\$000	Total	Motor	Marine	Damage	Liability	
Gross premium written	110,496	399	99,222	2,226	8,650	
Reinsurance premium payable	(99,133)	(399)	(89,615)	(1,994)	(7,125)	
Acquisition cost	(8,491)	-	(7,528)	(232)	(731)	
Continuity credit raised	(2,873)	-	(2,079)	-	(794)	
Technical result before Opex and Other income	-	-	-	-	-	-
Investment return transferred from the non-technical account	3,042	11	2,731	61	238	
Other income	3,744	14	3,362	75	293	
Operating expenses appropriation	(3,845)	(14)	(3,452)	(77)	(301)	
Technical result	2,940	11	2,641	59	230	
Claims paid	60,677	1	47,274	1,208	12,194	

The insurance contracts issued during financial year have been written from the below geographical regions

Amounts in US\$000	2025/2026	2024/2025
The Netherlands	84,269	104,750
Other EU-countries	-	5,746
Total	84,269	110,496

Proposed appropriation of result for the financial year 2025/2026

The Management Board proposes that the profit for the financial year 2025/2026 amounting to US\$ 2,020,625 will be added of the other reserves. The financial statements do not yet reflect this proposal.

Subsequent events

On 28 February 2026, geopolitical instability arising from the conflict in the Middle East disrupted global shipping, particularly due to increased risk in the Strait of Hormuz. For the P&I fronted business, War Risks coverage for all non-mutual business has been suspended until further notice effective 3 March 2026. The recent unrest has led to two claims under the UK War Risks fronted business, each estimated at US\$ 3.5 million. Both claims are fully reinsured back to the UKWR.

On 25 March 2026, Thomas Miller Holdings announced that UKC, UKNV's parent company, has submitted a joint, non-binding proposal to acquire the entire issued share capital of Thomas Miller Holdings. This proposal was made in the context of ongoing merger discussions with another mutual insurance club managed by Thomas Miller.

Signing of the financial statements

Rotterdam, 26 May 2026

Management Board

Paul van den Brom

Jeffrey Kyenkyenhene

Supervisory Board

Onno Paymans

Bert van der Weide

Jan Valkier

Peter Bagh

Alex Hadjipateras

Other information

Appropriation of result according to articles of association

In accordance with the Company's articles of association, the profits are at the disposal of General meeting.

Independent Auditors Report

Reference is made to the auditor's report as included hereinafter.

INDEPENDENT AUDITOR'S REPORT

To the shareholders and the supervisory board of UK P&I Club N.V.

Report on the audit of the financial statements for the year ended 20 February 2026 11.59 AM GMT included in the annual report

Our opinion

We have audited the financial statements for the year ended 20 February 2026 11.59 AM GMT of UK P&I Club N.V., based in Rotterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of UK P&I Club N.V. as at 20 February 2026 11.59 AM GMT, and of its result for the year ended 20 February 2026 11.59 AM GMT in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. The balance sheet as at 20 February 2026 11.59 AM GMT.
2. The profit and loss account for the year ended 20 February 2026 11.59 AM GMT.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of UK P&I Club N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgment we determined the materiality for the financial statements as a whole at \$ 1,400,000. The materiality is based on 0,95% of the claims provision. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with those charged with governance that misstatements in excess of \$ 70,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how those charged with governance exercise oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, the risk and control policy, the SIRA and the fraud detection and prevention policy. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

The risk of management override of controls

Management is in a unique position to commit fraud because management has the position to manipulate accounting records and prepare fraudulent statements by overriding controls that otherwise appear to be operating effectively.

How we audited this:

We have evaluated and tested the design and implementation of controls and processes related to generating and processing journal entries and making estimates, assuming a risk of breach of that process. We also assessed the processes related to the preparation of financial reporting and the identification of significant transactions outside the normal course of business. We also paid specific attention to access security in the IT systems and the possibility of breaking through the segregation of duties.

In addition, we have paid specific attention to:

- Estimates used by management:
Identifying and testing the most important estimates underlying the calculation of the claims provision, for which we have included actuarial specialists in our team. We have paid specific attention to possible management bias in preparing these estimates and calculations.

- Generating and processing journal entries:
Selecting and testing journal entries based on risk criteria, such as journal entries with fraudulent characteristics or descriptions.

Presumed fraud risk in revenue recognition

In accordance with ISA 240, a presumed risk of fraud is established in the recognition of revenue. We have pinpointed this risk in relation to two smaller revenue streams regarding TMS and Chartered premium income.

How we audited this:

We have evaluated and tested the design and implementation of controls and processes related to the recognition of premium revenue. We performed additional substantive testing procedures specifically for TMS and Chartered premium revenue and tested the monthly reconciliation between the TMS listings per the bordereaux and Marine Navigator system. We furthermore audited post period revenue for both revenue to test the cut-off of the revenue.

Approval of service fees

There is a risk that the management that is hired from the service provider Thomas Miller approves service fees which are inaccurate.

How we audited this:

We have evaluated and tested the design and implementation of controls and processes related to processing and approval of expense invoices, including the approval from the Supervisory Board on the basis of the business plan. In addition we have performed substantive testing on service fee expenses.

Management estimates underlying the valuation of the claims provision

We have identified a fraud risk with respect to the key assumptions and the methodology used for the calculation of the claims provision.

How we audited this:

For the manner in which we audited the claims provision, we refer to the description below of the key audit matter "Valuation of claims provision and reinsurance share of claims provision".

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives, directors and the supervisory board.

We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We evaluated whether the selection and application of accounting policies by the entity, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

We have evaluated whether the judgments and decisions of management in making the estimates included in the financial statements indicate a possible management bias of the entity that could give rise to a risk of material misstatement due to fraud.

The judgments, estimates and assumptions that could have a significant effect on the financial statements are disclosed in Note 3 Estimates and judgements of the financial statements. We have performed a retrospective assessment of management's judgments and assumptions relating to significant estimates included in the prior year's financial statements.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the entity through discussion with key function holders (risk, compliance and actuarial), reading minutes and reports of internal audit.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: (corporate) tax law and the requirements under Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the UK P&I Club N.V. is subject to other laws and regulations as also stated in the NBA Practice Note 1143 "Specifieke verplichtingen vanuit de toezichtwet- en regelgeving voor de interne auditor en de externe accountant bij (her)verzekeraars" where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Given the nature of the UK P&I Club N.V.'s business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations.

Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, those charged with governance, the executive board and others within the entity as to whether the entity is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Audit approach going concern

Management has prepared the financial statements on the basis of going concern of all activities for a period of twelve months from the date of preparation of the annual accounts. Our work to review management's going concern assessment includes, among others:

- Consider whether management's going concern assessment contains all relevant information of which we have knowledge as a result of our audit and assess management's key assumptions. Among others, we paid attention to the solvency position, liquidity ratios, combined ratios and collectability of receivables.
- Determine whether management has identified events or circumstances that may include significant doubt on the entity's ability to continue as a going concern.
- Evaluate the information included in the notes to the financial statements related to Solvency II in relation to the procedures we performed on the Solvency II statements.
- Evaluate the budgeted operating results and related cash flows for the period of twelve months from the date of preparation of the financial statements taking into account our audit knowledge and developments in the industry.
- Take note of the results of the ORSA prepared by management, including the assessment of the identified stress scenarios.

Our audit procedures did not provide any information that conflicts with the assumptions that management has included in the going concern assessment of the going concern assumption used

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to those charged with governance. The key audit matters are not a comprehensive reflection of all matters discussed.

Description of key audit matter	How we addressed the key audit matter
<p>Valuation of claims provision and reinsurance share of claims provision</p> <p>The valuation of claims provision, both gross and net of reinsurance, constitutes a key area of estimation within the Annual Report. There is a risk that inappropriate assumptions and judgements may be made when determining the valuation of these claims provision.</p>	<p>In order to address this risk, we have performed the following on the 'claims provision':</p> <ul style="list-style-type: none">• Assessed the design and implementation of the internal controls relating to the entity's reserving process, specifically considering whether these provide assurance over the data, models and assumptions used at the period-end.• Sending out confirmations for the underwriting business to the fronted clubs and received signed confirmations, which we reconciled with the amounts, including the claims provision and reinsurance share of the claims provision, presented in the Annual Report.

Description of key audit matter

For outstanding claims, the UK P&I Club has recognised a 'claims provision' on its balance sheet of gross \$148 million as at 20 February 2026 11.59 AM GMT, the reinsurance part is \$ 148 million, as the insurance portfolio is fully reinsured.

Certain assumptions have been made in the calculation of the technical provisions for claims, which are largely based on judgements. Furthermore, claims estimates are inherently uncertain and rely on the following factors:

- The expertise of the claims handlers and their experience in assessing claims across different jurisdictions and types.
- The accurate and timely entry of claims information into the claims system.
- Adjustments to significant year-end estimates, which are influenced by management's assessment of the Incurred But Not Reported (IBNR) claims.

Due to the levels of uncertainty that exist in this area, as well as the reliance on management's estimates (in relation to which there is a heightened risk of fraud and/or management bias), we have identified the valuation of the claims provision as a significant audit risk for the current year.

The UK P&I Club N.V. has a 100% reinsurance placement. The reinsurance share of claims provisions is contingent upon the correct valuation of gross reserves and the appropriate application of the portfolio of reinsurance agreements in place.

In consideration of the inherent complexity of the calculations and the substantial estimation components involved, we have classified this balance sheet item as a key audit matter.

How we addressed the key audit matter

- Engaged with our actuarial specialists to challenge the reasonableness of the key assumptions, actuarial techniques (method) and judgements applied.
- We evaluated these assumptions for consistency and assessed the realised results.
- Challenged the accuracy and completeness of claims paid data relied upon by the UK P&I Club actuaries through reconciliation of the data sets used to our substantive testing of claims paid across the period.
- Performed re-calculations of management's year-end reserving calculations in order to confirm their accuracy.
- Performed a 'run-off' analysis in accordance with ISA 540 to challenge whether movements in the year-end reserve balance are consistent with our understanding of actual performance in 2025/2026 and to evaluate the historical accuracy of management's estimates from the prior year.
- Tested the validity of management's liability adequacy testing, which is a key test performed to check that the liabilities are adequate as compared to the expected future contractual obligations.
- Assessed the adequacy of the disclosures regarding the claims provision in the financial statements to determine whether they were in accordance with Part 9 of Book 2 of the Dutch Civil Code.

In order to address this risk, we have performed the following on the '*Reinsurance share of the claims provision*':

- Recomputed recoveries on the reinsurance arrangements by applying the ceding percentage to the claims provision subject to quota share based on the agreement.

Our observation:

We deem the methodology and assumptions applied by management in the valuation of the claims provision appropriate and we note no material findings with regard to the 'claims provisions' and 'reinsurance share of claims provision'.

Description of key audit matter	How we addressed the key audit matter
<p>Solvency II</p> <p>For UK P&I Club N.V., the Solvency II ratio as at 20 February 2026 11.59 AM GMT is 220%. This ratio is determined by dividing the eligible own funds by the calculated required capital, in accordance with the standard model. Both the market-consistent balance sheet and the calculated required capital rely on complex calculations and significant assumptions that may materially affect the calculated Solvency II ratio. There exists a risk that the disclosed Solvency II ratio may be overstated.</p>	<p>Furthermore, we deem that the related disclosures in note 11 in the financial statements are adequate.</p> <p>In order to address this risk, we have performed the following procedures:</p> <ul style="list-style-type: none">• Assessed the design and implementation of controls surrounding the parameter-setting process, as well as the correct application of these parameters in accordance with Solvency II regulations.• Evaluated the design and implementation of the process for preparing the regulatory reporting forms, including the processes related to data quality.• Reviewed the correspondence between the entity and the De Nederlandsche Bank (DNB) regarding Solvency II compliance.• Assessed and critically challenged the reports produced by the second line actuarial function, including a review of the supporting working files.• Evaluated the accuracy and completeness of the calculation tools used for the claims provision and the Solvency II ratio.• Assessed the accuracy and completeness of the data utilised for both the market value claims provision and the calculation of the Solvency II ratio. <p><u>Our Observation:</u> We consider the disclosure of the Solvency II ratio to be appropriate. Furthermore, we find that the related disclosures in the financial statements are adequate.</p>

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- Company Information
- Management Board Report.
- Supervisory Board Report.

- Other information

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were appointed by the Supervisory Board on 19 December 2024 as auditor of UK P&I Club N.V., effective for the audit of the 2024/2025 financial year, and have served as the company's external auditor from that year to date.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities

Report on legal and regulatory requirements and SBR

Compliance requirements SBR Regulatory Technical Standard, including XBRL mark-ups, not audited

The audit includes verifying that the prepared financial statements comply with the statutory provisions of Part 9 of Book 2 of the Dutch Civil Code. Our auditor's report is issued on the financial statements and will be included with the annual report which will be digitally filed. This means that compliance with all requirements of the SBR Regulatory Technical Standard of the SBR Trade Register domain (including the applied eXtensible Business Reporting Language (XBRL) mark-ups) was not part of the audit.

Description of responsibilities regarding the financial statements

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management board is responsible for such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the management board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the management board should prepare the financial statements using the going concern basis of accounting unless the management board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements. The supervisory board is responsible for overseeing the company's reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error, during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.

- Concluding on the appropriateness of the management board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 26 May 2026

Deloitte Accountants B.V.

Signed on the original: C.J. de Witt RA

