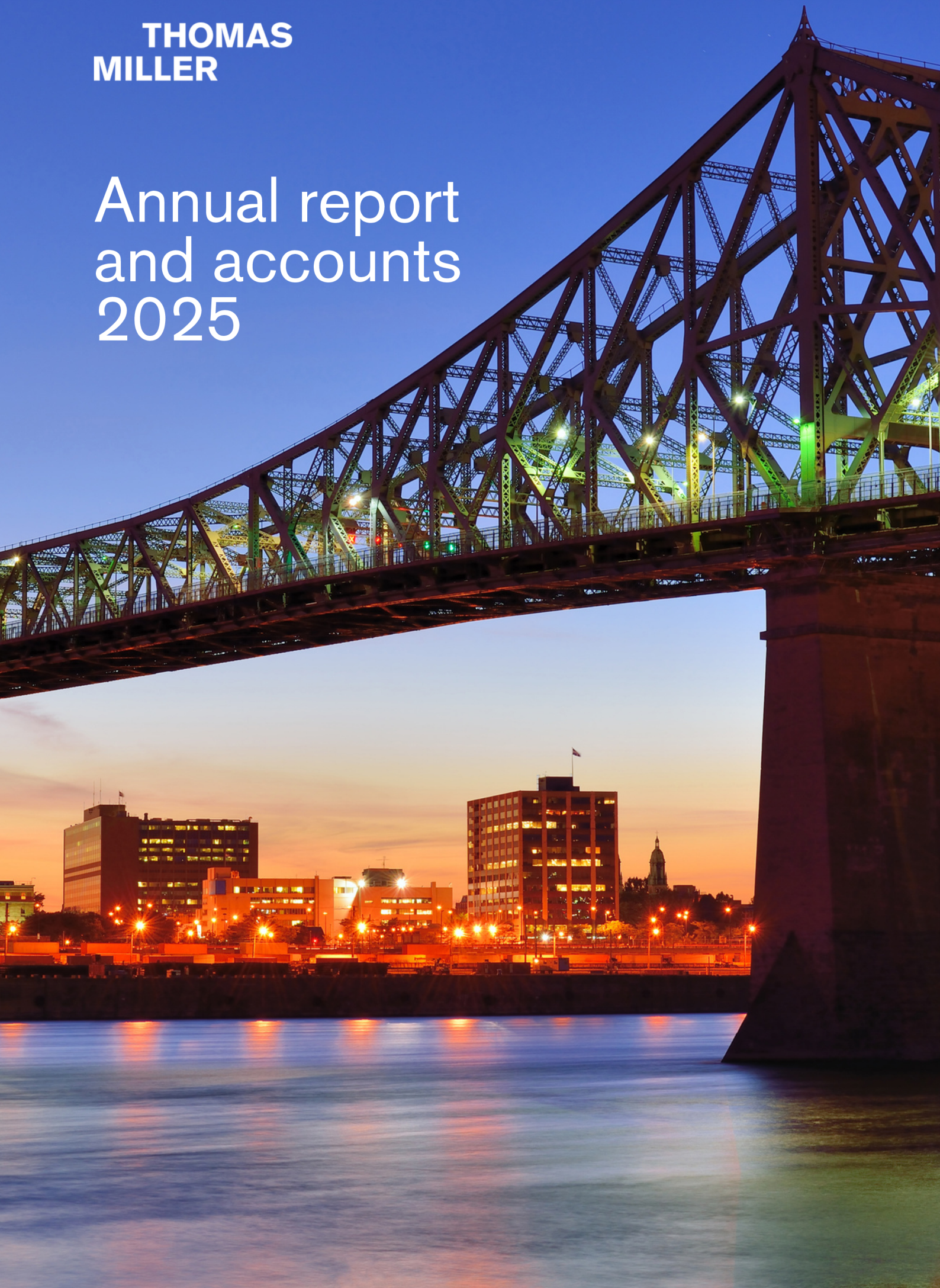


**THOMAS  
MILLER**

# Annual report and accounts 2025



**THOMAS MILLER HOLDINGS LTD.**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

THOMAS MILLER HOLDINGS LTD.

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FINANCIAL CALENDAR

Annual General Meeting	17 June 2026
Final 2025 Dividend Payable	June 2026
Interim Results for 2025	October 2025
Interim 2025 Dividends Payable	October 2025 and March 2026
Final Results for 2025 Announced	June 2026

THOMAS MILLER HOLDINGS LTD.

**OFFICERS AND PROFESSIONAL ADVISERS**

Thomas Miller Holdings Ltd. is a company incorporated in Bermuda, registration number 26282.

**DIRECTORS**

C E Fenton	Chairman	
H H Tilcomb	Chief Executive	
R T Cowdell	Non-executive, Senior Independent Director	Resigned 26 February 2026
A J Taylor	Executive Director	Resigned 20 November 2025
A Taylor	Executive Director	
M Nomikos	Non-executive, Independent Director	Resigned 15th April 2025
J B Quin	Non-executive, Independent Director	

**COMPANY SECRETARY**

K P Halpenny

**AUDITOR**

Deloitte LLP  
Auditor  
London  
United Kingdom

**LEGAL ADVISORS**

Appleby  
22 Victoria Street  
Hamilton  
HM 10  
Bermuda

**REGISTERED OFFICE**

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton  
HM 10  
Bermuda

## CHAIRMAN'S STATEMENT

### Introduction

2025 is likely to be remembered as a momentous year in the history of Thomas Miller. The proposed merger between our two biggest managed mutuals, the potential involvement of other Clubs, and the integration of Thomas Miller is an exciting undertaking and will, if approved by the respective Club Members and shareholders, create a market leading mutual insurance company.

Against this backdrop, I am pleased to report to shareholders Thomas Miller performed well in the year. Our managed Club businesses taken together delivered excellent levels of profitability, and while TT's performance was the standout result, incentive awards for nearly all the managed businesses were as high as they have been. The owned businesses continue to develop, and leaving aside Navata, a business in transition, the Board's target for these businesses to be profitable and, where appropriate, supportive of the mutual core, is within sight. Hugh provides more detail on the performance of individual businesses in his report.

### Strategic Direction

As I reported to you last year the Board agreed a new vision for the group in 2024. To remind you, this places our mutual management businesses at the centre of our focus, recognising their fundamental importance to the future of the Group. That this was the right vision for the Group is evidenced by the P&I and TT Clubs' actions in the year. The mutual management businesses are supported and augmented by our owned businesses which are intended to enhance the services we offer to the Clubs and generate additional returns for our shareholders. Further progress has been made in the year in developing our owned businesses and this part of our business looks increasingly likely to perform profitably and in line with expectations.

The proposed purchase of Thomas Miller by the UK P&I Club and TT Club is, of course, the primary focus of the Board at present. Negotiations are advancing, with the aim of agreeing the terms of a formal offer to be put before shareholders for agreement. Shareholders will be kept advised of developments.

### Governance

The role of the Board and its Committees is extremely important during periods of significant change. Throughout 2025, the Board has been actively engaged in overseeing the overall performance of the Group. Alongside this ongoing responsibility, the Board has also focussed attention in supporting the work of the P&I and TT Club management teams in preparing their merger. In the more recent past, it has engaged with both Clubs regarding the prospective acquisition of Thomas Miller. Shareholders can expect to hear more from the Board on these matters as 2026 progresses and in practice, you are likely to have received additional updates by the time these Financial Statements are published.

A particular area of focus for the Board and the Audit & Risk Committee has been the arrangements in place to protect the Group from the potentially severe consequences of a successful cyber-attack. This is a constantly developing risk area, and one very much in the focus of both regulators all around the world, and the Boards of the businesses we manage. We have strong protections in place but cannot be complacent and our approach to managing this risk continues to evolve as the threat landscape develops.

In recent years, Thomas Miller's management activity on behalf of the managed mutuals has been impacted by regulatory requirements on those providing outsourced services to regulated entities. The Audit & Risk Committee has been active in ensuring the required standards are being achieved.

Regulators have also become more focussed on the culture and behaviours in financial services companies. Whilst no one can be complacent, shareholders can draw comfort that the Thomas Miller culture and values are very much in line with those recommended for well-run companies.

Last year I mentioned the Board would be reviewing its governance. The extent of this review was somewhat curtailed in light of the proposed P&I and TT merger. As planned James Quin, one of the two independent NEDs on the Board was appointed Chairman of the Audit & Risk Committee in July 2025. Bob Cowdell stood down from this role and the intention was for him to continue as Chairman of the Remuneration and Nominations Committee (RNC) although Bob stepped down from the Board on 26 February 2026 for personal reasons. Bob joined the Board in 2015, and I would like to express our appreciation for his counsel and guidance in his 11 years.

As planned, upon stepping back from my full time executive role at TT, I joined both the Audit & Risk Committee (from 1 September) and the RNC (from 1 December). Pending the outcome of the proposed merger and acquisition of Thomas Miller, the Board intends to maintain the current governance arrangements.

### Culture, People and Values

There is much happening across the world to distract us, not only in our working lives. Established norms are being challenged and structures we have long taken for granted are under pressure. In the workplace, global events continue to have an impact, particularly for colleagues in our international businesses, adding levels of complexity to already complicated environments. I am grateful to all employees, wherever they are based for their continued hard work and commitment.

The values of our people are also reflected in their commitment to supporting good causes. We are now in the third year of our partnership with St Mungo's and to date employees have raised £54,610 and are aiming for a target of £75,000 by the end of 2026. With employee involvement, we will identify a new charity partner for 2027. Across all our offices, colleagues continue to make a positive difference through their engagement with local communities.

The DEI Forum has been active in the year supporting and educating employees on three important issues. In 2025, the focus has been on neurodiversity in the workplace, Women's health and support for employees with caring responsibilities.

The year ahead will be an important one for Thomas Miller and its various businesses. The Board is very conscious that many of our shareholders experience the business not only through governance and performance, but through their daily work. Change inevitably brings uncertainty and we are committed to ensuring that decisions are taken with the long-term interests of the business, its people and its managed mutuals firmly in mind. I would like to thank colleagues across the Group for their continued dedication and resilience as we work carefully towards the next phase of Thomas Miller's development.

C E Fenton  
Chairman  
21 May 2026



## CHIEF EXECUTIVE'S STATEMENT AND REVIEW OF THE YEAR

The Group delivered an improved performance in 2025, with pre-tax profit of £14.3m against a budget of £12.1m and an out-turn of £11m the previous year.

The Group's core activities of managing third party insurance mutuals performed well, with all entities performing at or above their respective budgets. As has been highlighted previously, the variable incentive fee received from the TT Club, which is calculated as a percentage of the Club's bottom line surplus, is often a significant contributor to the Group's overall profit. This was the case in 2025, with the fee being significantly higher than that received in respect of the 2024 financial year, driven primarily by strong investment returns.

The contribution from the other mutual management activities was also strong, reflecting a combination of: agreed profit margins; delivery against key performance indicators; and the highest ever level of discretionary fees received – the latter in particular being a tangible endorsement of the service provided by the Group.

The performance of the owned businesses was more mixed, albeit progress was made with related development plans which are in course. Notable factors include:

- **Professional Services Division:** This Division, which comprises Brookes Bell, TM Claims Management and Shearwater Law, continued to make progress and in aggregate performed close to its budget. Revenue growth in Brookes Bell was behind plan primarily due to the postponed hiring of new consultants, albeit this was largely offset by cost savings. The Claims Management business and Shearwater both performed broadly in line with budget, with the former benefitting from the two recent acquisitions - Condon Claims Management (which completed in January 2024) and Marine Claims Associates (June 2025).
- **The Judge:** This business continued to develop and performed in line with its budget. New business conversion was strong and the cash-flows from the existing work in progress held on the Group's balance sheet were positive.
- **Navata:** This business performed significantly below budget, reflecting a combination of factors, including a reduced commission rate, below budget volumes and some adverse foreign exchange movements. Capital arrangements were restructured towards the year end, with both replacement and additional capital having been sourced from new providers following the previous principal provider reducing its allocation. The business is considered non-core and discussions continue with a prospective buyer regarding a sale.
- **Construction:** This business continues to show an improving trend and was profitable at the contribution level before the allocation of Group overhead costs. Whilst new Government regulations resulted in some delays in converting business opportunities, matters have since eased and the improving performance trend continues.
- **TM Investment (TMI):** TMI's investment management service is a core component of the Group's overall mutual management activities. It delivered strong investment returns over the year and this has been recognised, primarily, via the management and incentive fees recorded under the mutual management activities above.
- **Other Owned Businesses:** The other owned businesses all performed broadly in line with their respective budgets – these include: Captives Management (a provider of management services for third party captive insurance companies); OPDU (a provider of Pension Trustee Liability insurance); and TM Legal (a provider of due diligence and claims management services to litigation funders).

The Group continues to develop its IT and digital capabilities, with significant focus being applied to working with the managed businesses to define and implement agreed action plans. At a Group level, as referenced in Charles' statement, there has been continued focus on the evolution of our cyber defence protections and in addition we implemented a number of key developments including Windows 11 upgrade and a move to a new middle office outsourced partner for the TMI business.

Thomas Miller benefits from a skilled and committed employee base focused on delivering a high-quality service across all the Group's activities. During 2025 we welcomed 111 new members of staff and the Group now has 905 employees worldwide. We continued to develop our employee proposition, including introducing a new reward and recognition scheme alongside existing incentive arrangements and revising our approach to undertaking personal performance reviews. An employee engagement survey conducted in the third quarter produced strong results, with a 73% overall engagement score and 83% of employees expressing a willingness to recommend Thomas Miller as a good place to work.

### Dividends & Share Market

I am pleased to confirm the final dividend for 2025 will be paid in late June 2026 at the rate of 26.0 pence per share. Combined with the first and second interim dividends already paid, this brings the total dividends paid in respect of 2025 to 52 pence – in line with the previous year.

The Group's shareholder base was restructured on 31st October 2025, with the dissolution of one of the Employee Benefit Trusts which previously held circa 19.4% of the shares in issue. The effect of this was to increase the UK P&I's interest in Thomas Miller to circa 22.66%.

As highlighted in Charles's commentary, UK P&I and the TT Club have announced the Clubs are exploring the possibility of a merger. This work is continuing and good progress is being made, with focus on a target completion date of 20th February 2027. Since the year end the two Clubs have submitted a joint, non-binding proposal to acquire the entire issued share capital of Thomas Miller Holdings not currently owned by UK P&I. Discussions with the Clubs are currently in course and further communications on this will be sent to shareholders ahead of the AGM scheduled for 17th June 2026.

Finally, I would like to take this opportunity to thank our clients, partners and colleagues throughout the Group for the highly valued support shown by all.

CHIEF EXECUTIVE'S STATEMENT AND REVIEW OF THE YEAR (continued)

Adjusted operating profit

	2025 £'000	2024 £'000
Transport division	19,522	13,805
Professional Indemnity division	2,404	1,297
Investments division	307	90
Specialty division	-	(369)
Professional Services division	1,944	2,069
Other, including bonuses	<u>(9,477)</u>	<u>(6,324)</u>
Total	<u>14,700</u>	<u>10,568</u>
Net gain/ (loss) arising on financial assets (note 9)	22	(44)
Total business operating profit	<u>14,722</u>	<u>10,524</u>
<b>Adjustments</b>		
Adjustment for defined benefit schemes' contributions and other pension costs included within management fee charges	150	148
International Accounting Standard ("IAS") 19 net finance costs including any gains or losses on curtailment or settlement and liability management exercise (note 32 - pension note number)	<u>(551)</u>	<u>385</u>
Total adjustments	<u>(401)</u>	<u>533</u>
Profit on ordinary activities before taxation	<u>14,321</u>	<u>11,057</u>

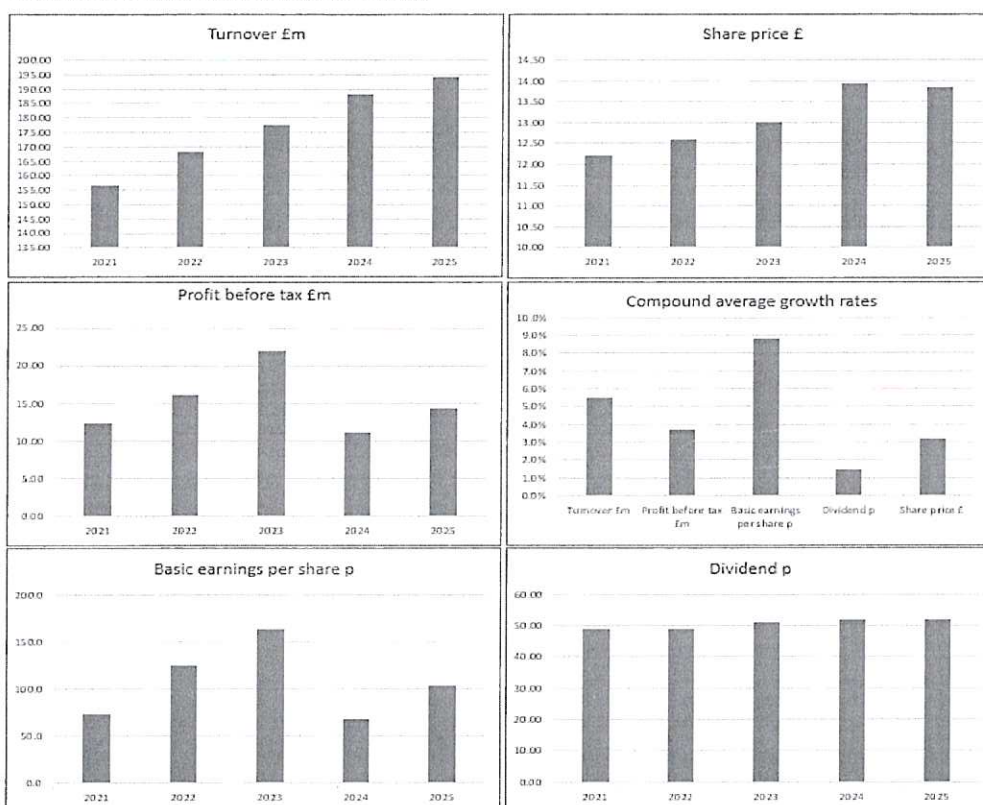
By order of the board

  
H H Titcomb  
Chief Executive  
21 May 2026

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
<b>Revenue</b>	<b>£194.32 million</b>	<b>£188.45 million</b>
Profit on ordinary activities before taxation	£14.32 million	£11.06 million
Tax on profit on ordinary activities	£3.94 million	£4.12 million
Profit on ordinary activities after taxation	<u>£10.38 million</u>	<u>£6.94 million</u>
Basic earnings per ordinary share	103.0p	67.9p
Diluted earnings per ordinary share	102.0p	67.4p
First interim dividend paid	13.0p	13.0p
Second interim dividend payable	13.0p	13.0p
Final dividend payable	<u>26.0p</u>	<u>26.0p</u>
Total	<u>52.0p</u>	<u>52.0p</u>
Share price at 31 December	£13.85	£13.95

In February 2026, the directors approved a second interim dividend of 13.0p per share (2024 - 13.0p) to be paid to shareholders on the register as at 2 March 2026, paid in March 2026. The directors have agreed that a final dividend of 26.0p per share (2024 - 26.0p) will be paid to shareholders on the register on 31 May 2026. The total estimated dividend to be paid is £2.58 million (2024 - £2.63 million). This dividend, together with the second interim dividend, has not been included as a liability in these financial statements.



THOMAS MILLER HOLDINGS LTD.

DIRECTORS' RESPONSIBILITIES STATEMENT

Thomas Miller Holdings Ltd. is a company incorporated in Bermuda, registration number 26282.

The company is also registered as an overseas company in the United Kingdom, registration number FC021864.

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

Bermudian regulations permit financial statements to be prepared under any recognised accounting standards. Under that law the directors have elected to prepare the group consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the United Kingdom. The company financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the United Kingdom have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 as applicable to overseas companies. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

By order of the board



K P Halpenny  
Company Secretary  
21 May 2026

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS MILLER HOLDINGS LTD.

### Report on the audit of the non-statutory financial statements

#### Opinion

In our opinion the non-statutory financial statements of Thomas Miller Holdings Limited (the 'company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of the group's profit for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) and IFRS Interpretations Committee ("IFRSIC") interpretations as adopted by the United Kingdom with respect to the consolidated financial statements, and, have been properly prepared in accordance with Financial Reporting Standard 102 (FRS 102), issued by the Financial Reporting Council with respect to the parent company's financial statements; and
- have been prepared in accordance with the provisions of the Bermuda Companies Act 1981 which would have applied if the financial statements were statutory financial statements.

We have audited the non-statutory financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 37.

The financial reporting framework that has been applied in their preparation is applicable law, and IFRS Accounting Standards as issued by the IASB and the provisions of the Bermuda Companies Act 1981 that would have applied were these statutory financial statements.

#### Basis for opinion

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

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

#### Conclusions relating to going concern

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

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

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

#### Other information

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

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

We have nothing to report in this regard.

#### Responsibilities of directors

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THOMAS MILLER HOLDINGS LTD. (continued)

**Auditor's responsibilities for the audit of the non-statutory financial statements**

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

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

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

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

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK and Bermuda Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

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

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

- Valuation of goodwill:
  - assessed the reasonableness of assumptions used when calculating the value-in-use of the group's cash generating units;
  - Performed an arithmetical accuracy check of present value calculations and WACC; and
  - in line with ISA 540 (Revised), we performed a stand back test to assess the overall reasonableness of the assumptions.
- Valuation of TheJudge Limited's accrued income asset:
  - with reference to recent experience, challenged the sufficiency and appropriateness of the constraint applied to variable turnover where the outcome of the contract is uncertain; and
  - In line with ISA 540 (Revised) we performed a stand back test to assess the reasonableness of the estimates.

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

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

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

**Use of our report**

This report is made solely to the company's directors, as a body, in accordance with our engagement letter and solely for the purpose of expressing our opinion on the group and parent company's non-statutory financial statements. Our audit work has been undertaken so that we might state to the company's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our audit work, for this report, or for the opinions we have formed.



Deloitte LLP  
London, United Kingdom  
21 May 2026

THOMAS MILLER HOLDINGS LTD.

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £'000	2024 £'000
<b>Continuing operations</b>			
Revenue	3	187,680	177,974
Administrative expenses		(171,298)	(169,073)
Operating profit		16,382	8,901
Income/(expense) from fixed asset investments	9	22	(44)
Other gains		174	-
<b>Profit before interest and taxation</b>	4	16,578	8,857
Finance income	7	1,533	2,933
Finance costs	8	(1,064)	(992)
		469	1,941
Share of operating profit of associates	17	41	56
<b>Profit before taxation</b>		17,088	10,854
Income tax	10, 11	(4,262)	(4,043)
Profit on ordinary activities after taxation		12,826	6,811
<b>Profit for the financial year from continuing operations</b>		12,826	6,811
<b>Discontinued operations</b>			
Revenue	3	6,639	10,480
Administrative expenses		(9,406)	(10,277)
<b>(Loss)/ profit before taxation</b>		(2,767)	203
Income tax	10, 11	322	(76)
(Loss)/ profit on ordinary activities after taxation		(2,445)	127
<b>(Loss)/ profit for the year from discontinued operations</b>	20	(2,445)	127
<b>Profit for the year</b>		10,381	6,938
<b>From continuing operations:</b>			
Basic earnings per ordinary share		127.3p	66.7p
Diluted earnings per ordinary share		126.1p	66.2p
<b>From continuing and discontinued operations:</b>			
Basic earnings per ordinary share	14	103.0p	67.9p
Diluted earnings per ordinary share	14	102.0p	67.4p

The notes on pages 17 to 60 form an integral part of these financial statements.

THOMAS MILLER HOLDINGS LTD.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

		2025 £'000	2024 £'000
Profit for the financial year		<u>10,381</u>	<u>6,938</u>
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Remeasurement of net defined benefit liability	32	(131)	(16,731)
Income tax relating to items that will not be reclassified subsequently to profit or loss	11	<u>24</u>	<u>4,183</u>
		(107)	(12,548)
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Currency translation differences on foreign currency net investments		108	242
Other comprehensive expense for the year net of income tax		<u>1</u>	<u>(12,306)</u>
Total comprehensive income / (expense) for the year		<u>10,382</u>	<u>(5,368)</u>

All amounts derive from continuing operations unless otherwise stated.

The notes on pages 17 to 60 form an integral part of these financial statements.

THOMAS MILLER HOLDINGS LTD.

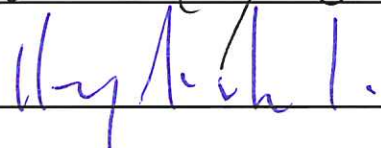
COMPANY BALANCE SHEET AS AT 31 DECEMBER 2025

	Notes	2025 £'000	2025 £'000	restated 2024 £'000	restated 2024 £'000
<b>Non-current assets</b>					
Investments - subsidiary undertakings	18		43,832		50,375
Investments in financial assets	18		125		125
Trade and other receivables	21		11,837		10,771
Deferred tax assets			-		127
			<u>55,794</u>		<u>61,398</u>
<b>Current assets</b>					
Investment in financial assets	19	-		2	
Trade and other receivables	21	11,530		6,824	
Cash and cash equivalents		8,734		5,517	
			<u>20,264</u>	<u>12,343</u>	
<b>Current liabilities</b>					
Current tax liabilities	23	-		-	
Trade and other payables	23	(32,469)		(21,722)	
			<u>(32,469)</u>	<u>(21,722)</u>	
<b>Net current liabilities</b>			<u>(12,205)</u>	<u>(9,379)</u>	
Deferred tax liabilities			-		-
<b>Non-current liabilities</b>			-		-
<b>Net assets</b>			<u>43,589</u>	<u>52,019</u>	
<b>Capital and reserves</b>					
Called up share capital	25		1,107		1,374
Share premium account			378		608
Retained earnings			42,084		50,017
Capital redemption reserve			20		20
<b>Shareholders' funds</b>			<u>43,589</u>	<u>52,019</u>	

The company made a profit after tax for the financial year of £16,287,157 (2024 - profit of £11,945,788).

These financial statements for Thomas Miller Holdings Ltd. (registered number in Bermuda 26282 and in the UK FC021864) were approved by the board of directors and authorised for issue on 21 May 2026 and signed on its behalf by:

  
 \_\_\_\_\_ C E Fenton, Director

  
 \_\_\_\_\_ H H Tilcomb, Director

The notes on pages 17 to 60 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

Equity attributable to equity holders of the company - 2025

Company	Share capital	Share premium account	Retained earnings	Capital redemption reserve	Equity Merger reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Opening shareholders funds as previously stated	1,374	608	50,017	20	(8,251)	43,768
Changes due to Prior year errors					8,251	8,251
Opening shareholders funds - restated	1,374	608	50,017	20	-	52,019
Profit for the financial year	-	-	16,287	-	-	16,287
Dividends paid	-	-	(5,252)	-	-	(5,252)
Purchase of own shares	(267)	(230)	(12,802)	-	-	(13,299)
Return of capital			(6,544)			(6,544)
Equity settled share based payments	-	-	378	-	-	378
Net (reduction) / addition to shareholders funds	(267)	(230)	(7,933)	-	-	(8,430)
Closing shareholders funds	1,107	378	42,084	20	-	43,589

Equity attributable to equity holders of the company - 2024 restated

Company	Share capital	Share premium account	Retained earnings	Capital redemption reserve	2024
	£'000	£'000	£'000	£'000	£'000
Opening shareholders funds	1,377	942	43,023	20	45,362
Profit for the financial year	-	-	11,946	-	11,946
Dividends paid	-	-	(5,288)	-	(5,288)
Purchase of own shares	(3)	(334)	-	-	(337)
Equity settled share based payments	-	-	336	-	336
Net (reduction) / addition to shareholders' funds	(3)	(334)	6,994	-	6,657
Closing shareholders funds	1,374	608	50,017	20	52,019

The share premium account and capital redemption reserve are distributable reserves as stated in the Bermudian Companies Act 1981.

The notes on pages 17 to 60 form an integral part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

Equity attributable to equity holders of the company - 2025

Group	Share capital	Share premium account	Retained earnings	Capital redemption reserve	Own shares held by EBTs	2025
	£'000	£'000	£'000	£'000	£'000	£'000
Opening shareholders funds / (deficits)	1,374	608	75,486	20	(25,930)	51,558
Profit for the financial year	-	-	10,381	-	-	10,381
Currency translation differences on foreign currency net investments	-	-	108	-	-	108
Actuarial loss relating to the pension deficit net of current and deferred tax	-	-	(107)	-	-	(107)
Total comprehensive income for the year	-	-	10,382	-	-	10,382
Dividends paid (note 13)	-	-	(5,252)	-	-	(5,252)
Purchase of own shares (note 25)	(267)	(230)	(12,802)	-	-	(13,299)
Equity settled share based (receipts) / payments	-	-	378	-	-	378
Current tax on share based payment transactions	-	-	(392)	-	-	(392)
Deferred tax on share based payment transactions (note 22)	-	-	14	-	-	14
Acquisition of own shares by EBTs (note 27)	-	-	-	-	(7,787)	(7,787)
Value of shares awarded to employees (note 27)	-	-	-	-	2,707	2,707
Net loss on shares awarded to employees	-	-	(140)	-	140	-
Other reserves	-	-	(5)	-	-	(5)
Proceeds on disposal of EBT shares	-	-	890	-	14,703	15,593
Net (reduction) / addition to shareholders' funds	(267)	(230)	(6,927)	-	9,763	2,339
Closing shareholders funds / (deficit)	1,107	378	68,559	20	(16,167)	53,897

Equity attributable to equity holders of the company - 2024

Group	Share capital	Share premium account	Retained earnings	Capital redemption reserve	Own shares held by EBTs	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Opening shareholders funds / (deficits)	1,377	942	86,105	20	(23,587)	64,857
Profit for the financial year	-	-	6,938	-	-	6,938
Currency translation differences on foreign currency net investments	-	-	242	-	-	242
Actuarial loss relating to the pension deficit net of current and deferred tax	-	-	(12,548)	-	-	(12,548)
Total comprehensive expense for the year	-	-	(5,368)	-	-	(5,368)
Dividends paid (note 13)	-	-	(5,669)	-	-	(5,669)
Purchase of own shares (note 25)	(3)	(334)	-	-	-	(337)
Equity settled share based (receipts) / payments	-	-	336	-	-	336
Current tax on share based payment transactions	-	-	414	-	-	414
Deferred tax on share based payment transactions (note 22)	-	-	(34)	-	-	(34)
Acquisition of own shares by EBTs (note 27)	-	-	-	-	(9,783)	(9,783)
Value of shares awarded to employees (note 27)	-	-	-	-	2,839	2,839
Net loss on shares awarded to employees	-	-	(247)	-	247	-
Other reserves	-	-	(51)	-	-	(51)
Proceeds on disposal of EBT shares	-	-	-	-	4,354	4,354
Net (reduction) / addition to shareholders' funds	(3)	(334)	(10,619)	-	(2,343)	(13,299)
Closing shareholders funds / (deficit)	1,374	608	75,486	20	(25,930)	51,558

The notes on pages 17 to 60 form an integral part of these financial statements.

THOMAS MILLER HOLDINGS LTD.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2025

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
<b>Non-current assets</b>					
Goodwill	15		14,416		13,858
Intangible assets	15		2,125		1,964
Property, plant and equipment	16		24,838		29,798
Right of use assets	28		14,595		16,372
Investments - interests in associates	18		148		169
Investments in financial assets	18		156		156
Trade and other receivables	21		14,432		11,566
Deferred tax assets	21, 22		1,994		4,333
Derivative financial instruments	31		29		1
			<u>72,733</u>		<u>78,217</u>
Retirement benefits and similar assets	32		6,012		6,567
<b>Current assets</b>					
Investment in financial assets	19	2,698		2,027	
Trade and other receivables	21	50,732		50,026	
Derivative financial instruments	31	39		7	
Assets classified as held for sale	20	26,071		31,766	
Cash and cash equivalents	35	<u>45,488</u>		<u>44,444</u>	
		125,028		128,270	
<b>Current liabilities</b>					
Trade and other payables	23	(90,519)		(91,694)	
Liabilities classified as held for sale	20	(20,841)		(24,704)	
Current tax liabilities	22	(1,015)		(1,402)	
Derivative financial instruments	22,31	(1)		(27)	
Lease liabilities	28	<u>(4,184)</u>		<u>(1,719)</u>	
		(116,560)		(119,546)	
<b>Net current (liabilities) / assets</b>			<u>8,468</u>		<u>8,724</u>
<b>Non-current liabilities</b>					
Trade and other payables	23	(11,252)		(16,489)	
Deferred tax liabilities	21,22	(5,827)		(6,681)	
Lease liabilities	28	(14,376)		(16,507)	
Provisions for liabilities and charges	24	(803)		(1,138)	
Retirement benefits and similar obligations	32	(1,056)		(1,124)	
Derivative financial instruments	31	(2)		(11)	
			<u>(33,316)</u>		<u>(41,950)</u>
<b>Net assets</b>			<u>53,897</u>		<u>51,558</u>
<b>Equity</b>					
Called up share capital	25		1,107		1,374
Share premium account			378		608
Retained earnings			68,559		75,486
Capital redemption reserve			20		20
Own shares held by Employee Benefit Trusts ("EBTs")	26		<u>(16,167)</u>		<u>(25,930)</u>
<b>Total equity</b>			<u>53,897</u>		<u>51,558</u>

The financial statements of Thomas Miller Holdings Ltd. (registered number in Bermuda 26282 and in the UK FC021864) were approved by the board of directors and authorised for issue on 21 May 2026 and signed on its behalf by:

 C E Fenton, Director

 H H Tilcomb, Director

The notes on pages 17 to 60 form an integral part of these financial statements.

THOMAS MILLER HOLDINGS LTD.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
<b>Net cash from operating activities</b>	34		15,277		40,124
<b>Investing activities</b>					
Interest and other similar income received		1,511		2,977	
Dividends from associates		50		18	
Income from fixed asset investments		-		7,990	
Income from financial investments		22		-	
Sale / (purchase) of associates and other investments		-		(6)	
Purchase of subsidiary undertakings	17	(840)		(2,920)	
Deferred consideration of subsidiary undertaking paid		(912)		-	
Loans made		(551)		-	
(Increase)/ decrease in current asset investments		(679)		350	
Payments to acquire tangible fixed assets		(2,909)		(10,460)	
Payments to acquire intangible fixed assets		(79)		-	
<b>Net cash (used in) investing activities</b>			(4,387)		(2,051)
<b>Financing activities</b>					
Equity dividends paid	13	(5,252)		(5,669)	
Repayment of principal portion of lease liabilities		(2,711)		(6,485)	
Repayments of loans and borrowings		-		(8,000)	
Acquisition of own shares by the EBT		(5,795)		(6,095)	
Proceeds from exercise of options	27	531		666	
Own shares purchased		(232)		(336)	
<b>Net cash (used in) financing activities</b>			(13,459)		(25,919)
<b>Net (decrease)/ increase in cash and cash equivalents</b>			(2,569)		12,154
<b>Cash and cash equivalents at beginning of year</b>			44,444		56,776
Effect of foreign exchange rate changes			(221)		181
<b>Cash and cash equivalents at the end of the year</b>			<u>41,654</u>		<u>69,111</u>
- of which included in assets classified as held for sale	20		3,834		(24,667)
<b>Adjusted cash and cash equivalents</b>	30		<u>45,488</u>		<u>44,444</u>

The notes on pages 17 to 60 form an integral part of these financial statements.

## 1. Accounting policies

### General information

The company is incorporated in Bermuda and registered as an overseas company in the United Kingdom. The address of the registered office is given on the back cover of this annual report. The principal activities of the company and its subsidiaries (the group) and the nature of the group's operations are set out in note 17. These financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the group operates. Foreign operations are included in accordance with the policies set out in note 1.11. Thomas Miller Holdings Limited is the Group holding company and the ultimate controlling entity of the Group.

### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the Bermuda Companies Act 1981 and United Kingdom company law as applicable to overseas companies, as laid out in part 34 of the Companies Act 2006 and Statutory Instrument 2009 No. 1901 Companies - 'The Overseas Companies Regulations 2009'.

The consolidated financial statements of Thomas Miller Holdings Ltd. have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRS IC") interpretations as adopted by the United Kingdom and the Companies Act 2006 applicable to companies reporting under IFRS. The company's financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), issued by the Financial Reporting Council.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and certain financial assets that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with IFRS requires the use of certain material accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2. The particular accounting policies adopted by the directors are described below.

The company as a "qualifying entity" is exempt from producing a cash flow statement in accordance with FRS 102.1.12(b).

### 1.2 Going concern

The group is primarily engaged in mutual insurance management, insurance agency and services, and fund management.

The group reported a profit before tax of £14.32 million for 2025 (2024 - £11.06 million) and had net cash inflows from operating activities of £13.08 million (2024 - £41.76 million). The 2025 cash position included an additional cash outflow of £0.2 million (2024 - £0.2 million) - a payment into the Thomas Miller & Co. defined benefit pension scheme. Note 30 to the financial statements includes the group's objectives, policies and processes for managing: its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The group has positive cash balances and net assets. The group also has long-term relationships with the majority of its significant customers. In addition, the group has a Revolving Credit Facility (RCF) with the P&I Club, providing \$15m of committed financing, which enables financial flexibility for both working capital needs and M&A growth. The group has an overall surplus on its retirement benefit obligations.

The Thomas Miller group has performed a liquidity stress test for the 19 month period ending December 2027 which indicates headroom before any mitigating actions. Taking account of these potential mitigating actions, this analysis demonstrates that the group could continue as a going concern for at least the next year given the financial and liquidity strength of the insurance companies managed by Thomas Miller and the notice periods contained in the contracts. Accordingly, Thomas Miller considers the results of this test continue to support the view that the group is able to continue as a going concern for twelve months since the authorisation of these financial statements.

As noted in the Chairman and CEO statements, the potential acquisition of Thomas Miller Holdings is under discussion with further communication to shareholders anticipated ahead of the AGM scheduled for 17th June 2026. The Board have considered the information to date and anticipate that a successful transaction would strengthen the financial position of Thomas Miller.

As a consequence, the directors believe that the group is well placed to manage its business risks successfully in the current economic environment.

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries) and are made up to 31 December each year. Control is achieved when the company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

- the size of the company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the company gains control until the date when the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated on consolidation.

Changes in the group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the company.

If the group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified / permitted by the applicable IFRSs).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

**1.4 Business combinations**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the group, liabilities incurred by the group to the former owners of the acquiree and the equity interest issued by the group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the group in a business combination includes asset or liability resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9 Financial Instruments, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the group's previously-held interests in the acquired entity is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

**1.5 Intangible fixed assets**

**Goodwill**

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, where possible, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The group's policy for goodwill arising on the acquisition of an associate is described below.

**Intangible assets**

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination (software and customer lists) are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives of ten years and these are disclosed in note 15. The remaining amortisation period is five years.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1.6 Property, plant and equipment

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided to write off the cost less estimated residual value of all tangible fixed assets over the estimated useful economic lives of the assets. The rates generally applicable are:

Freehold property	1% per annum
Leasehold improvements	Straight-line over period to next lease break clause
Motor vehicles	Straight-line over 3 years
Office machinery, fixtures and fittings	Straight-line over 3 to 17 years
Leased equipment	By equal instalments over period of lease or useful economic life if shorter

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

1.7 Investments in associates

An associate is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting.

Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the group's share of the profit or loss and other comprehensive income of the associate. When the group's share of losses of an associate exceeds the group's interest in that associate (which includes any long-term interests that, in substance, form part of the group's net investment in the associate), the group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the group reduces its ownership interest in an associate but the group continues to use the equity method, the group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the group, profits and losses resulting from the transactions with the associate are recognised in the group's consolidated financial statements only to the extent of interests in the associate that are not related to the group.

1.8 Financial instruments

Financial assets and financial liabilities are recognised in the group's balance sheet when the group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value Through Profit or Loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets at FVTPL

Financial assets classified FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

**1.8 Financial instruments (continued)**

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

**Trade receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**Cash and cash equivalents**

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

**Financial liabilities**

Financial liabilities classified at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Interest bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Financial liabilities are derecognised if the company's obligations specified in the contract expire or are discharged or cancelled.

**Derivative financial instruments**

The group enters into foreign exchange forward contracts. Further details of these derivative financial instruments are disclosed in note 31.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The derivative is presented as a current asset / liability or non-current asset / liability depending on the whether it is expected to be settled within or after 12

**1.9 Amounts due to contract holders**

Other creditors include amounts which are due to investment contract holders. These represent the balance held of funds on investment contracts received plus interest received, less fees and claims paid, outstanding claims including claims incurred but not reported, profit commission on the investment contracts and unrealised exchange difference relating to the revaluation into Sterling of other non Sterling currency sums, translated at the exchange rate on the balance sheet date.

**1.10 Provisions**

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

**1.11 Foreign currencies**

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in Pounds Sterling, which is the functional currency of the company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**1.11 Foreign currencies (continued)**

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest become a financial assets), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

**1.12 Leases**

**Leases**

The Group has applied IFRS 16. The details of accounting policy under IFRS 16 are presented below.

**(a) The group as a lessee**

The group assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1.12 Leases (continued)

Whenever the group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss (see note 28).

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(b) The group as lessor

Leases for which the group is a lessor are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Lease income relates to the sublet of the ground floor. The lease term expires June 2030.

When a contract includes lease and non-lease components, if applicable, the group applies IFRS 15 to allocate the consideration under the contract to each component.

1.13 Income Tax

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1.13 Income Tax (continued)

Deferred tax (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

During the year, the group offset current tax assets and liabilities (and deferred tax assets and liabilities) where they relate to income taxes levied by the same tax authority and the tax authority permits the entity to make or receive a single net payment.

1.14 Retirement benefits and similar obligations

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

For defined benefit retirement benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to the statement of comprehensive income in the period in which they occur. Remeasurement recorded in the statement of comprehensive income is not recycled. Past service cost is recognised in profit or loss in the period of scheme amendment. Net-interest is calculated by applying a discount rate to the net defined benefit liability or asset. From 31 December 2016, the company adopted an alternative approach in determining a discount rate that is to be applied when calculating the pension liability, following a review of the evidence and methods used. The discount rate is required to be set based on the market yield available on high quality corporate bond yields (assumed to be AA rated corporate bonds). In determining the yield curve on which the discount rate is derived, the new approach assumes flat forward rates from 30 years onwards, resulting in a higher discount rate and a lower value being placed on the pension liabilities. Defined benefit pension costs are split into three categories:

- current service cost, past service cost and gains and losses on curtailments and settlements;
- net interest expense or income; and
- remeasurement.

The group presents the first two components of defined benefit costs within cost of sales and administrative expenses (see note 32) in its consolidated income statement. Curtailments gains and losses are accounted for as past-service cost.

Net-interest expense or income is recognised within finance costs (see note 8).

The retirement benefit obligation recognised in the consolidated balance sheet represents the deficit or surplus in the group's defined benefit schemes. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the schemes or reductions in future contributions to the schemes.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The group assumed a liability to pay annuities to those former partners of Thos R. Miller & Son (Bermuda) and Thos R. Miller & Son who retired prior to 1989. The schemes' liabilities have been accounted for in accordance with IAS 19 Employee Benefits and are unfunded.

### 1.15 Dividends payable

Dividends payable to the company's shareholders are recognised in the group's financial statements in the period in which the dividend is paid.

### 1.16 Revenue

Revenue, which excludes value added tax, represents the value of insurance commissions, amounts chargeable to clients for professional services, investment management services, advisory services and agency and management fees attributable to the accounting year.

For each source of revenue, the nature of service, timing of obligations, significant payment terms and refund obligations are discussed below.

#### Insurance management fees

The group is contracted to provide management services to a number of insurance entities over their financial period. Fees are received to perform these management services, comprised of a fixed fee and an incentive fee, the conditions of which vary between management agreements. Some arrangements provide for an income return if costs incurred fall below set agreed figures. Services provided to clients, which at the balance sheet date have not been billed to clients, are recognised as revenue. Revenue recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Revenue is only recognised where the company has a contractual right to receive consideration for the delivery of its performance obligation. The entities are invoiced and fees received on an annual, bi-annual or quarterly basis. The group satisfies its contractual arrangements with the entities as the management services are provided, evenly over the entities' financial period.

#### Investment management fees

The group has in place, investment management agreements with entities to provide investment management services over a contracted period. Management fees, based on the value of managed investments, are invoiced and fees received on a quarterly basis. The group satisfies its contractual arrangements with the entities as the investment management services are provided, evenly over the contracted period.

#### Consultancy fees

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate. The group provide consultancy services per terms of engagements and the client is invoiced when the engagement is complete. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

#### Insurance commissions

Insurance commissions are recognised on the date the underlying insurance policy is bound. Where there is an expectation of future servicing costs, an element of income relating to the insurance policy is deferred to cover the associated contractual obligation. The group has in place binding authority agreements with insurers to underwrite insurance policies and perform claims handling services on behalf of the insurer, for which commission is receivable. Commission in respect of underwriting insurance policies is recognised when the insurance policy has been placed. An allowance is made for potential policy cancellations, where policyholders have the right to cancel prior to inception. Commission received in respect of handling claims is recognised over the period the service is expected to be provided.

The group generates a proportion of its (contingent commissions) income through arranging "After The Event" ("ATE") insurance for its customers, primarily through its recently acquired subsidiary TheJudge Limited. Commission income from "After The Event" insurance work and litigation funding is recognised once the relevant case has been successful and the deadline for appeals has passed. If a commission has been received, but an appeal is expected to follow, then a provision against this income will be made. Some of this income is paid up front and is non-refundable, so is recognised as revenue upon completion of the performance obligations. However, the majority of the revenue is contingent upon the successful outcome of litigation cases, some of which take a number of years to conclude and so is considered variable consideration. The company classifies this variable consideration as accrued income, and estimates its value using either a) the expected value method – based on probability weighted amounts by reviewing historical data such as win/loss frequencies commissions received and using it to apply loss ratio discounts and staging premiums to the book of portfolio, or b) the most likely outcome method – where the case is distinct in their characteristics determining the outcome of the case. The variable consideration is then constrained to account for the uncertainty associated with the cases and the probability of a significant reversal in revenue. The most appropriate method is chosen and applied consistently to each specific customer group or book of business.

#### Claims Management

Claims management revenue is recognised based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Revenue is only recognised where the company has a contractual right to receive consideration for work undertaken. Unbilled revenue is included in accrued income.

#### Other

All other revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring services to its clients. The group recognises revenue as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the services promised.

### 1.17 Own shares held by Employee Benefit Trusts

Shares held within Employee Benefit Trusts ("EBTs") are dealt with in the balance sheet as a deduction from equity shareholders' funds. Any gains or losses arising on the disposal of shares held within the EBTs are shown as a movement within shareholders' funds.

### 1.18 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 29.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the group's estimate of equity instruments that will eventually vest. At each balance sheet date, the group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

Save As You Earn ("SAYE") share options granted to employees are treated as cancelled when employees cease to contribute to the scheme. This results in accelerated recognition of the expenses that would have arisen over the remainder of the original vesting period.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

### 1.19 The Thomas Miller Healthcare Trust

The Thomas Miller Healthcare Trust Scheme ("Scheme") was set up on 1 July 2010 to provide certain benefits relating to medical treatment for employees of Thomas Miller & Co. Limited ("TMC") and other persons who are eligible to participate in the Scheme. The benefits payable are the actual cost of the treatment up to the maximum (if any) specified in the trust deeds benefits table applicable at the time treatment was received (subject to any excess or benefit limitation which may be stipulated in the rules). The Scheme will pay benefits only for expenditure that a member has incurred during the scheme year for which contribution from TMC or another applicable employer has been made into the Scheme.

The fund amount cannot in any circumstances be transferred to any person or body who is or has at any time been an employer.

## 2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the group and company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

### Critical judgements in applying the group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed in note 30.

### Discount, Inflation, and Mortality rates used to determine the carrying amount of the group's defined benefit obligation

The group's defined benefit obligation is discounted at a rate set by reference to market yields at the end of the reporting period on high quality corporate bonds. Significant judgement is required when setting the criteria for bonds to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, quality of the bonds and the identification of outliers which are excluded. The inflation and mortality assumptions are set out in Note 32, as is further information regarding the sensitivity analysis.

### Fair valuation of acquisitions

In accordance with IFRS 3 Business Combinations, the group measures the identifiable assets acquired and liabilities assumed in a business combination at fair value. The fair values of assets and liabilities acquired are different in a number of instances from the values shown in the entities' own financial statements. This is due to the application of different accounting policies in these financial statements or the application of fair valuation principles to assets and liabilities recorded by the entities under other bases such as historical cost (for instance due to discounting requirements of acquisition accounting). Fair value adjustments can be based on external appraisals or valuation models, e.g. accrued income recognised for contingent commissions. The difference in values is accounted for as goodwill (note 15).

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 2. Critical accounting judgements and key sources of estimation uncertainty (continued)

**Impairment of goodwill**

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Please refer to note 15 for further information.

**Judgements in determining the transaction price and the amounts allocated to performance obligations**Refund liability

The refund liability represents the amount of commission received or receivable on insurance policies bound but not incepted, for which the group does not expect to be entitled. Historical data is used across product lines to estimate such returns when the policy is bound based on an expected value methodology and is updated at the end of each reporting period for changes in circumstances. Sensitivity analysis has shown for 2025, that the Refund Liability changes by £4,181 for each percentage point that the "NTU" rate changes (2024 - £31,632).

Contingent commissions

For the recognition of contingent commissions within TheJudge Group, either the expected value method or most likely outcome method is applied. Most cases are calculated under the expected value method which takes into account the uncertainty associated with the income values due to the broad range of possible considerations which depend on the stage a case is settled or taken to court – the probabilities of a case settling at different stages is based on historic data and management judgement. The value of cases have probability weighted outcomes applied to reflect the likelihood of success – ranging from 9% to 53% based on historical data and management judgement. If the loss rate were to increase/decrease by 10 percentage points, the accrued income balance should increase/decrease by £2.5 million. The most likely outcome method is used for cases which due to their characteristics are not able to use the expected value method. A constraint is applied as variable consideration should only be included in the transaction price to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Due to the binary nature of the variable consideration, either receiving commission if a case is won or not if it is lost, the variable consideration from the most likely outcome method is constrained to nil by applying management judgement. In the unlikely scenario that all the constrained cases win and generate commission, this could result in income of £8,026,039. Finally, the accrued income is discounted to reflect the time value of money, as many cases will not conclude within one year. Assumptions are made regarding the timing of settlement using historic cash realisation patterns and management judgement. The company has made estimates and assumptions in calculating the fair value of this accrued income, and management considers these to be supportable, reasonable and robust. However, given the inherent uncertainty of the outcome and timing of conclusion of litigation cases, it is possible that outcomes in the forthcoming financial years could result in a materially different figure to the £14.59 million shown at the balance sheet date. Due to the current uncertainty around interest rates in the market, we have performed a sensitivity analysis on that to show for 2025, that the contingent commission decreases by £127,918 for each percentage point that the interest rate increases.

## 3. Revenue

**Disaggregation of revenue**

Revenue by geographical origin is shown below:

	2025	2024
	£'000	£'000
Bermuda	20,071	14,150
United Kingdom and Europe	162,823	158,346
Americas	6,871	9,302
Asia Pacific	3,854	5,371
Africa	700	1,285
	<u>194,319</u>	<u>188,454</u>

Revenue by nature of business is shown below:

	2025	2024
	£'000	£'000
Insurance management fees	155,015	139,103
Investment management fees	2,020	2,526
Consultancy fees	17,038	18,306
Insurance commissions	11,427	20,174
Claims management	6,864	6,490
Rental Income	539	976
Other income	1,416	879
	<u>194,319</u>	<u>188,454</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

3. Revenue (continued)

The group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less. The group applies the practical expedient in paragraph C5(c) of IFRS 15 and does not disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the group expects to recognise that amount as revenue for the year ended 31 December 2025.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	2025	2024
	£'000	£'000
Receivables (which are included in 'Trade and other receivables')		
Contract assets	33,407	31,623
Contract liabilities	(36,562)	(33,689)

Contract assets are comprised of current and non-current Accrued Income set out in Note 21.

Contract liabilities are comprised of Deferred income and Provision for refund liability set out in Note 23.

For 2025, revenue includes £33.3 million included in the contract liability balance at the beginning of the period.

Contract assets	2025	2024
	£'000	£'000
Contract assets at the beginning of the period	31,623	27,299
Additions/ (Reductions)	1,784	4,324
Contract assets at the end of the period	33,407	31,623

Contract liabilities	2025		2024	
	Deferred income £'000	Refund liability £'000	Deferred income £'000	Refund liability £'000
Contract liabilities at the beginning of the period	33,341	348	43,725	307
Payments received in advance	3,173	-	-	-
Charge / (credit) during the year	-	(300)	(10,384)	41
Contract liabilities at the end of the period	36,514	48	33,341	348

4. Operating profit

This is stated after charging / (crediting):	2025	2024
	£'000	£'000
Depreciation and amortisation charges:		
- Owned assets	6,939	4,597
- Leasehold improvements	729	1,138
- Intangible assets	362	431
- Right of use assets	4,216	4,241
Rentals under operating leases	78	113
(Losses) / gain on disposal of tangible fixed assets	4	2
Exchange losses / (gains)	862	802
Exchange (gains) / losses on forward contracts	(25)	42

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 4. Operating profit (continued)

Charitable donations paid by the group in 2025 amounted to £104,000 (2024 - £77,000).

The analysis of auditor remuneration is as follows:

	2025 £'000	2024 £'000
Fees payable to the company's auditor for the audit of the company's annual accounts	213	197
Fees payable to the company's auditor and their associates for other services to the group:		
- The audit of the company's subsidiaries pursuant to legislation (including overseas subsidiaries)	331	390
Fees payable to other auditors for the audit of the company's subsidiaries pursuant to legislation	228	252
Total audit fees	<u>772</u>	<u>839</u>
- Tax services	177	226
Total non-audit fees	<u>177</u>	<u>226</u>

The fees for other services includes costs associated with supporting various corporate transactions.

## 5. Directors remuneration

Directors' remuneration for the year was as follows:

## (i) Directors' emoluments

The emoluments paid to directors by the company and its subsidiaries were as follows:

	2025 £'000	2024 £'000
Salaries, fees and short-term employee benefits	2,105	2,295
Post-employment benefits	56	58
Share based payments	1,030	1,208
	<u>3,191</u>	<u>3,561</u>
Analysis of Directors' Remuneration (a)		
Salaries, fees and short-term employee benefits		
Annual salary	1,486	1,647
Cash bonus	357	391
Other cash payments (car allowance, pension allowance and other)	72	64
Risk benefits	38	43
Non-Executive director fees	152	150
	<u>2,105</u>	<u>2,295</u>
Post employment benefits		
Defined contribution pension scheme	56	58
Share based payments		
Restricted share award (b)	489	485
Long-term incentive award ("LTIP") (c)	541	501
Other share based payments	-	222
	<u>1,030</u>	<u>1,208</u>
	<u>3,191</u>	<u>3,561</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

5. Directors remuneration (continued)

a) Directors remuneration is reported on an 'as paid' basis. Bonus and share based awards reported above therefore relate to performance in the prior financial year. These awards in respect of 2025 will be paid in 2026 and will therefore be formally reported in the 2026 accounts - these are reported below for information.

b) Leadership Share Plan ("LSP") is ordinarily awarded in restricted shares with a three year restriction period. In view of the prospective sale of Thomas Miller Holdings Ltd, it is intended that LSP awards in respect of 2025 will be settled in cash with a three-year clawback provision.

c) In 2023, 2024, 2025 and 2026, LTIP awards in the form of unvested nil-cost options were made to executive directors. The value of these awards will be reported on vesting in 2026, 2027 and 2028 respectively.

d) Awards approved by the Remuneration and Nominations Committee in their April 2026 meeting for current TMH Executive Directors in respect of 2025 are:

Cash bonus - £445,620 (2024 - £356,615)

Restricted share award - £518,529 (2024 - £489,400)

Long Term Incentive Award (unvested nil-cost options) - £918,857 (2024 - £1,537,750)

The awards above relate to payments due in respect of the 2025 financial year, and exclude loss of office and gardening leave elements.

(ii) Directors and retirement benefits

The number of directors to whom retirement benefits are accruing in respect of qualifying services was:

	2025 Number	2024 Number
Defined benefit schemes	1	1
Defined contribution schemes	2	2
Exercised options over shares in the parent company	4	3
Had awards receivable in the form of shares under a long-term incentive scheme	4	2

6. Employee information (including directors)

The average number of persons employed by the group during the year was 940 (2024 - 932). The split between geographical areas was as follows:

	2025 Number	2024 Number
United Kingdom and Europe	781	783
Asia	87	82
Americas	59	54
Australasia	13	13
	<u>940</u>	<u>932</u>

Thomas Miller Holdings Ltd. (The Company) has no employees.

The total payroll costs of these persons were as follows:

	2025 £'000	2024 £'000
Wages and salaries (including bonuses)	101,693	99,651
Redundancy costs	142	1,315
Social security costs	11,397	10,175
Other pension costs - defined contribution schemes	10,607	9,901
	<u>123,839</u>	<u>121,042</u>

The provision made for the Senior Leadership Incentive Plan ("SLIP") - included within wages and salaries, which was set up to align senior managers' long-term incentive arrangements with the long-term interests of the company, is discussed in note 29.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

7. Finance income

	2025 £'000	2024 £'000
Interest receivable and similar income	1,250	1,968
Net finance income on retirement benefit schemes (note 32)	283	965
	<u>1,533</u>	<u>2,933</u>

8. Finance costs

	2025 £'000	2024 £'000
Bank Interest	120	119
Interest on lease liabilities and dilapidation provision	944	873
	<u>1,064</u>	<u>992</u>

9. Other gains and losses

	2025 £'000	2024 £'000
Net gain/ (loss) arising on financial assets measured at FVPTL	22	(44)

10. Income tax

The tax charge is based on the profit for the year and represents:

	2025 £'000	2024 £'000
Current tax on profit on ordinary activities		
UK corporation tax	1,528	838
Foreign tax suffered	770	1,403
	<u>2,298</u>	<u>2,241</u>
Foreign tax relief	-	-
Overseas taxation - adjustments in respect of prior years	98	190
UK taxation - adjustments in respect of prior years	39	163
Total current tax	<u>2,435</u>	<u>2,594</u>
Deferred tax:		
Current year	1,030	1,854
Effect of changes in tax rates	-	-
Adjustments in respect of prior years	475	(329)
Total deferred tax charge	<u>1,505</u>	<u>1,525</u>
Tax on profit on ordinary activities	<u>3,940</u>	<u>4,119</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

10. Income tax (continued)

The company's profits for this accounting year are taxed at a rate of 25.0% (PY: 25.0%).

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The OECD's Pillar Two framework aims to ensure MNEs with global annual revenues above 750m Euros pay a minimum effective tax rate on income within each jurisdiction in which they operate. The TMH group has not breached the revenue threshold and therefore is not currently in scope of Pillar Two.

11. Reconciliation of current year tax charge

The charge for the year can be reconciled to the profit in the income statement as follows:

	2025 £'000	2024 £'000
Profit before tax on continuing operations	<u>14,321</u>	<u>11,056</u>
Profit on ordinary activities before tax multiplied by the standard rate of tax of 25% (2024 - 25%)	3,581	2,763
Effects of:		
Increase from effect of expenses not deductible in determining taxable profit /(tax loss)	1,723	3,280
Decrease from effect of revenues exempt from taxation	(2,612)	(3,144)
Deferred tax expense relating to changes in tax rates or laws	-	-
Increase from effect of foreign tax rates	57	123
Tax decrease from utilisation of tax losses	(493)	485
Tax (decrease) / increase from effect of unrelieved losses on foreign subsidiaries	1,071	589
Deferred tax credit from unrecognised temporary difference from a prior period	476	(329)
(Decrease) / increase in current tax from adjustment for prior periods	<u>137</u>	<u>352</u>
Tax charge for the year	<u>3,940</u>	<u>4,119</u>

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised in other comprehensive income:

	2025 £'000	2024 £'000
<b>Current tax:</b>		
<b>Items that will not be reclassified subsequently to profit or loss:</b>		
Excess tax credits / (deductions) related to contributions to defined benefit schemes	<u>(19)</u>	<u>(18)</u>
<b>Deferred tax:</b>		
<b>Items that will not be reclassified subsequently to profit or loss:</b>		
Remeasurement of net defined benefit liability	<u>(5)</u>	<u>(4,165)</u>
	<u>(24)</u>	<u>(4,183)</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

11. Reconciliation of current year tax charge (continued)

In addition to the amount charged to the income statement and other comprehensive income, the following amounts relating to tax have been recognised directly in equity:

	2025 £'000	2024 £'000
<b>Current tax:</b>		
Excess tax deductions related to share-based payments on exercised options	392	(414)
<b>Deferred tax:</b>		
Change in estimated excess tax deductions related to share-based payments	(14)	34
<b>Total income tax recognised directly in equity</b>	<b>378</b>	<b>(380)</b>

12. Profit attributable to the company

The profit for the financial year dealt with in the financial statements of the parent company was £16.29 million (2024 - £11.95 million). As permitted by Section 408 of the Companies Act 2006 no separate income statement is presented in respect of the parent company.

13. Dividends

	2025 £'000	2024 £'000
<b>Thomas Miller Holdings Ltd Dividends</b>		
Second interim dividend paid for year ended 31 December 2024 of 13.0p (2023 - 13.0p) per share	1,314	1,335
Final dividend of 26.0p paid for the year ended 31 December 2024 (2023 final - 25.5p) per share	2,630	2,624
First interim dividend paid for the year ended 31 December 2025 of 13.0p (2024 - 13.0p) per share	1,308	1,330
	<u>5,252</u>	<u>5,289</u>
<b>Thomas Miller Specialty Holdings Limited Dividends</b>		
There was no dividend paid for the year ended 31 December 2024 (2023 final - £1,690) per share	-	380
<b>Total Dividends</b>	<b>5,252</b>	<b>5,669</b>

Navata Global Underwriting Agency Ltd has on issue a special class of shares for the Offshore business to enable profit sharing per agreed defined criteria.

The following dividends were agreed by the directors and have not been included as a liability in these financial statements:

	£'000
Second interim dividend for the year ended 31 December 2025 of 13.0p per share - paid in March 2026.	<u>1,288</u>

In February 2026, the directors approved a second interim dividend of 13.0p per share (2024 - 13.0p) to be paid to shareholders on the register as at 2 March 2026, paid in March 2026. The directors have agreed that a final dividend of 26.0p per share (2024 - 26.0p) will be paid to shareholders on the register on 31 May 2026. The total estimated dividend to be paid is £2.58 million (2024 - £2.63 million). This dividend, together with the second interim dividend, has not been included as a liability in these financial statements.

The trustees of the employee benefit trusts ("EBTs") waived their rights to dividends payable after 20 January 2005.

14. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares during the year. Shares held by the Employee Benefit Trusts are excluded from the calculation of the weighted average number of shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue on the assumption of conversion of all dilutive potential ordinary shares. The group had one category of dilutive potential ordinary shares being those share options in issue where the exercise price is less than the average market price of the company's shares during the year.

14. Earnings per share (continued)

From continuing and discontinued operations

	2025	2024
	£'000	£'000
<b>Earnings</b>		
Profit for the financial year	10,381	6,938
Basic and diluted earnings attributable to ordinary shareholders	<u>10,381</u>	<u>6,938</u>
	2025	2024
	Number	Number
	'000	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares	10,078	10,217
Effect of dilutive share options	95	76
Adjusted weighted average number of ordinary shares	<u>10,173</u>	<u>10,293</u>
From continuing and discontinued operations:		
Basic earnings per share	103.0p	67.9p
Diluted earnings per share	<u>102.0p</u>	<u>67.4p</u>

15. Goodwill and intangible assets

Group	Goodwill	Software and customer lists	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 January 2025	14,914	5,069	19,983
Exchange adjustments	-	62	62
Additions	558	623	1,181
Impairment	-	-	-
Disposals	-	(129)	(129)
At 31 December 2025	<u>15,472</u>	<u>5,625</u>	<u>21,097</u>
<b>Accumulated amortisation</b>			
At 1 January 2025	1,056	3,105	4,161
Exchange adjustments	-	5	5
Charged for the year	-	362	362
Impairment	-	28	28
Disposals	-	-	-
At 31 December 2025	<u>1,056</u>	<u>3,500</u>	<u>4,556</u>
<b>Carrying amount</b>			
At 31 December 2025	<u>14,416</u>	<u>2,125</u>	<u>16,541</u>
At 31 December 2024	<u>13,858</u>	<u>1,964</u>	<u>15,822</u>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 15. Intangible fixed assets (continued)

Goodwill acquired in a business combination is allocated, at acquisition, to the Cash Generating Units ("CGUs"), or group of units that are expected to benefit from that business combination. Before recognition of impairment losses, the carrying amount of goodwill had been allocated as follows:

The amortisation period for software and customers lists is ten years.

Cash generating units:	Description	2025	2024
		£'000	£'000
Thomas Miller & Co. Limited, Thomas Miller (Isle of Man) Limited and Thomas Miller Bermuda Ltd	Goodwill arising on acquisition of former partnerships	981	981
Brookes Bell LLP (including 3D Marine Inc.)	Goodwill on acquisition of business	4,844	4,844
Thomas Miller BV Hamburg Branch (Marine)	Goodwill on acquisition of business	2,645	2,645
TheJudge Group Holdings Ltd	Goodwill on acquisition of business	1,828	1,828
Condon Claims Management Ltd	Goodwill on acquisition of business	3,560	3,560
Marine Claims Associates Ltd	Goodwill on acquisition of business	558	-
		<u>14,416</u>	<u>13,858</u>

The group tests goodwill for impairment annually and for new acquisitions in the year post acquisition, or more frequently if there are indications that goodwill might be impaired. The group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of CGUs is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

In relation to the CGUs Thomas Miller & Co. Limited, Thomas Miller (Isle of Man) Limited and Thomas Miller Bermuda Ltd, £981,000 of goodwill remains from £3.71 million which arose as a result of a group reorganisation soon after 2000. The group continues to operate with almost all the traditional businesses remaining in place and still produces strong profits. Adjustments processed in respect of the introduction of IFRS reversed any amortisation that took place after 1 January 2014 (IFRS transition date) onwards, leaving balances prior to this date unchanged. At 31 December 2025, impairment has been reconsidered and none was proposed.

Due to the uncertain economic environment, additional impairment testing (sensitivity analysis) work was performed on the Brookes Bell, Marine, TheJudge and CCM CGUs.

Brookes Bell, based on future net cash realisation maintains sufficient headroom. Sensitivity analysis indicated that, for the goodwill to become impaired, if profit before tax in 2026 was nil then 2027 and 2028 would both need to achieve 85% of the current forecasted position which is considered to be highly unlikely based on current expectations. Additionally, to result in an impairment an annual contraction of 2.6% rather than the projected 2% growth would need to occur, again this is considered highly unlikely.

For Marine, the impairment testing has been based on the projected cash generation of the re-underwritten portfolio achieving the desired combined ratio target agreed with the UK P&I Club board. Thomas Miller and the UK P&I Club have a shared belief the restructured portfolio should deliver on the targeted combined ratio, and evidence is emerging supporting this jointly held belief. This projected level of performance is the key management assumption used in assessing the impairment of the Goodwill and the valuation of goodwill is highly sensitive to this assumption. A change in the combined ratio projection of 1% results in a £325k change in impairment sensitivity, while a 1% change in the discount rate applied results in a £634k change in impairment sensitivity.

For TheJudge, the impairment test has been based on future net cash realisation forecasts which reflects TheJudges performance after accounting for the inherent volatility of cashflow. A reduction in the cash realisation forecast of 20% would not result in an impairment. A decrease in the growth rate used of 1% would not result in impairment, while an increase in the discount rate used of 1%, would not result in impairment.

On 1 July 2025, Condon Claims Management Inc. acquired Marine Claims Associates (MCA) resulting in goodwill of £0.558m (see note 17). Sensitivity analysis indicated an annual contraction of 2.86% would need to occur to result in an impairment.

The recoverable amounts of cash-generating units (CGU) i.e. for Thomas Miller Specially Holdings Limited, Brookes Bell LLP, Thomas Miller BV Hamburg Branch (Marine), Condon Claims Management Ltd and Marine Claims Associates Ltd are determined from a "value in use" calculation, where the key assumptions relate to discount rate, revenue growth and cost growth. Management estimates the discount rate using pre-tax rates that reflect current market assessments of the time value of money. An individual discount rate is used for the impairment reviews of each CGU, the range applied is 10.50% to 15.75%.

The revenue and cost growth rates used are based on reasonable management expectations for the 2025-2027 budgets and then in perpetuity with the extrapolation using a 2% growth rate.

## 16. Property, plant and equipment

Group	Freehold	Leasehold	Office	Office	Total
	buildings	improvements	machinery, fixtures & fittings	machinery, fixtures & fittings	
			Leased / financed	Owned	
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 January 2025	250	7,777	171	39,697	47,895
Exchange adjustments	-	(72)	-	(66)	(138)
Intragroup transfers	-	-	(159)	111	(48)
Additions	-	608	-	2,301	2,909
Disposals	-	(62)	(12)	(3,323)	(3,397)
At 31 December 2025	250	8,251	-	38,720	47,221
<b>Accumulated depreciation</b>					
At 1 January 2025	-	4,624	146	13,327	18,097
Exchange adjustments	-	(28)	-	(53)	(81)
Intragroup transfers	-	-	(132)	85	(47)
Charged for the year	-	729	-	6,939	7,668
Disposals	-	(62)	(14)	(3,178)	(3,254)
At 31 December 2025	-	5,263	-	17,120	22,383
<b>Net book value</b>					
At 31 December 2025	250	2,988	-	21,600	24,838
At 31 December 2024	250	3,153	25	26,370	29,798

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

Additions and disposals also include some reclassifications within each heading due to transfers of assets between two group subsidiaries.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

17. Acquisition of Subsidiary

On 01 July 2025, the group acquired 100% of Marine Claims Associates LLC (MCA), a company engaged in management services, providing services complementary to the other businesses within the group.

The goodwill recognised as a result of any business combination will not be treated as deductible for corporation tax purposes.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below:

	Marine Claims Associates LLC £000
Customer List intangible	545
Fixed Assets	
Cash and cash equivalents	25
Accounts receivable	177
Other current assets	3
Current liabilities	(5)
Non current liabilities	
Identifiable assets and liabilities	<u>745</u>
Purchased goodwill	558
Consideration	<u>1,303</u>
<b>Satisfied by:</b>	
Cash consideration	865
Deferred consideration	438
Consideration	<u>1,303</u>
Acquisition of subsidiaries (cash paid)	865
Net assets	(200)
Acquisition costs	(545)
Fixed Assets	-
Deferred consideration	438
Goodwill	<u>558</u>

The deferred consideration is contingent of aggregate income from the transferring clients exceeding the target income threshold amount.

The revenue included in the consolidated statement of comprehensive income since 01 July 2025 contributed by MCA was £344,636. MCA also contributed profit of £138,361 over the same period.

18. Investments held as fixed assets

Group	Share of net assets £'000
<b>Interests in associates</b>	<b>2025</b>
At 1 January 2025	169
Foreign exchange adjustment	(12)
Dividends received from associates	(50)
Share of operating profit of associates for the year	41
At 31 December 2025	<u>148</u>
	<b>2024</b>
At 1 January 2024	133
Foreign exchange adjustment	(2)
Dividends received from associates	(18)
Share of operating profit of associates for the year	56
At 31 December 2024	<u>169</u>

18. Investments held as fixed assets (continued)

Group	Other fixed asset investments
	£'000
Other investments - unlisted	2025
At 1 January 2025	156
Additions	-
Disposals	-
At 31 December 2025	<u>156</u>
	2024
At 1 January 2024	8,140
Additions	6
Disposals	(7,990)
At 31 December 2024	<u>156</u>

Company	Subsidiary undertakings	Loans to group undertakings	Other fixed asset investments	Total
	£'000		£'000	£'000
<b>2025</b>				
At 1 January 2025	20,354	30,021	125	50,500
Additions	1	4,316	-	4,317
Return of Capital	(6,544)			(6,544)
Reclassification to loan receivable	(4,316)	-	-	(4,316)
At 31 December 2025	<u>9,495</u>	<u>34,337</u>	<u>125</u>	<u>43,957</u>
<b>2024</b>				
At 1 January 2024	50,375	-	125	50,500
Additions	-	30,021	-	30,021
Reclassification to loan receivable	(30,021)	-	-	(30,021)
At 31 December 2024	<u>20,354</u>	<u>30,021</u>	<u>125</u>	<u>50,500</u>

Investments in subsidiaries and associates

Details of the investments in which the group or the company holds more than 10% of the nominal value of any class of share capital are shown below. The various undertakings are primarily engaged in the management of insurance mutuals and other managing general agency activities in the international transport and professional indemnity sectors and 100% of ordinary shares and voting rights are held, unless otherwise stated. Unless indicated to the contrary, all investments are held by the company and incorporated in the United Kingdom and registered in England and Wales.

Name of company	Nature of business
<b>Subsidiary undertakings</b>	
Leeward Management Co Ltd (Bermuda)	Management services
Thomas Miller Holdings (Bermuda) Ltd (incorporated in Bermuda)	Investment holding
Thomas Miller (Hellas) Ltd* (Bermuda)	Service company
Thomas Miller Investment Holdings Ltd (Bermuda)	Investment holding
Thomas Miller Investment Ltd*	Investment management services
Thomas Miller Investment (Isle of Man) Limited* (Isle of Man)	Investment management services

18. Investments held as fixed assets (continued)

Name of company	Nature of business
<b>Subsidiary undertakings (continued)</b>	
Thomas Miller (Bermuda) Ltd. (incorporated in Bermuda)	Management services
Windsor Insurance Company Limited* (Bermuda)	Captive insurer
Windsor Private Trustee Company Ltd* (Bermuda)	Trust management services
Thomas Miller Investments (Bermuda) Ltd* (Bermuda)	Investment holding
TMB Trustee Company Limited*	Pension scheme trustee
Thomas Miller (Isle of Man) Limited (Isle of Man)	Management services
Thomas Miller Captive Management Limited* (Isle of Man)	Management services
Thomas Miller (Isle of Man) Management Services Limited*	Management services
SIGCo Management Services (IOM) Ltd* (Isle of Man)	Insurance intermediary
Ilex Global Reinsurance ISPV Limited*	Reinsurance company
Thomas Miller Insurance Managers Limited (Isle of Man)	Management services
Thomas Miller KK (Japan)	Management services
Thomas Miller (UK) Holdings Company Ltd	Investment holding
Thomas Miller Claims Management Limited	Management services
Shearwater Law Ltd*	Legal services
Thomas Miller Claims Management Pty Ltd* (Australia)	Management services
Thomas Miller (Australasia) Pty Ltd* (Australia)	Agency services
Condon Claims Management Ltd*	Management services
Condon Claims Management Inc*	Management services
Marine Claims Associates LLC	
TheJudge Group Holdings Limited*	After The Event insurance
TheJudge Limited*	After The Event insurance
TheJudge Canada Limited* (Canada)	After The Event insurance
TheJudge Americas LLC* (America)	After The Event insurance
T.Jversicherungsmakler GmbH	After The Event insurance
Brookes Bell LLP*	Marine, technical and surveying consultancy
Brookes Bell Shanghai Maritime Technology Consulting Co. Ltd* (China)	Marine and engineering consultancy
Brookes Bell Hong Kong Limited* (Hong Kong)	Marine and engineering consultancy
Brookes Bell Pte Limited* (Singapore)	Marine consultancy and loss adjustor services
Neale Consulting Engineers Limited*	Business software development and support
Brookes Bell Limited* (Shanghai)	Marine and engineering consultancy
3D Marine Inc.* (America)	Marine engineering consultancy
Thomas Miller Specialty Holdings Limited	Investment holding
Navata Global Underwriting Agency Ltd	
Navata GmbH	
Navata Global (Singapore) Ptd. Limited	
Building LifePlans Limited	Construction services
BLP Technical Services (JK) Ltd*	Construction project reviews
Thomas Miller & Co. Limited*	General services
Marine Response Services Ltd*	Agency services
H.A.P.M. Management Company Limited*	Management services
International Transport Intermediaries Management Company Ltd*	Management services
Thomas Miller P&I Ltd*	Agency and management services
Thomas Miller Defence Ltd.*	Agency and management services
Thomas Miller Professional Indemnity Limited*	Management services
Thomas Miller War Risks Services Limited*	Consultancy and management services
Through Transport Mutual Services (UK) Limited *	Agency and management services
Entremain Limited	Investment holding
Thomas Miller (Americas) Inc.* (America)	Agency services
Thomas Miller (San Francisco) Inc.* (USA)	Agency services
Fairlead Group Inc.* (USA)	Private investigation services
Thomas Miller Hong Kong Limited* (Hong Kong)	Agency services
Thomas Miller (South East Asia) Pte Ltd* (Singapore)	Agency services

THOMAS MILLER HOLDINGS LTD.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

18. Investments held as fixed assets (continued)

Thomas Miller Americas Investment Holdings Inc	Holding company
Through Transport Mutual Services (Iberica) SL	
Thomas Miller Insurance Germany GmbH *(Germany)	Management services
ZASS International GmbH*	Insurance recoveries
Thomas Miller B.V.* (Netherlands)	Management services
Thomas Miller Insurance Agency Ltd (Cyprus)	

Subsidiary undertakings (Dormant)

Prestwick Law Ltd
Thomas Miller Healthcare Trustees Ltd
TMC Trustee Company Ltd
Thomas Miller (Asia Pacific) Ltd
The Occupational Pensions Defence Union Limited
Thomas Miller Professions Ltd

Associated undertakings and joint ventures

Through Transport Mutual Services (Gulf) (UAE partnership)* (50%)	Service company
TTMS (Argentina) SA (USA)* (50%)	Service company
Consumer Code for New Homes Limited* (20%)	Non-life insurance

Other investments

TT (Bermuda) Services Limited (incorporated in Bermuda) (10%)	Holding company
SIGCo Management (IOM) Ltd *(Isle of Man) (49%)	Insurance Management Services
Hampden & Co. plc (2.035%)	Private investment bank
Lime Kiln Holdings Ltd (17%)	Holding company
ERSO Capital Advisors LLC (17%)	Holding company
* Held via an intermediate holding company	

The Company holds investments in subsidiaries at cost less impairment. The Company completes an annual assessment of impairment indicators set out in FRS 102.14.8(d) to determine if any investment has been impaired.

19. Financial investments

Group	Unlisted	Listed	Total
	investments	debt securities	
	£'000	£'000	£'000
At 1 January 2025	2	2,025	2,027
Net cost of bonds/investments purchased in the year	-	540	540
Foreign exchange revaluation	-	(28)	(28)
Unrealised gains	-	22	22
Investment Return	-	139	139
Impairment	(2)	-	(2)
At 31 December 2025	-	2,698	2,698

Company	Unlisted investments
	£'000
At 1 January 2025	2
Impairment	(2)
At 31 December 2025	-

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 20. Assets classified as held for sale

On the 8th October 2024, Thomas Miller Holdings made the strategic decision to sell the Navata group. Due to the unforeseen circumstance of a capacity provider notifying Thomas Miller they were withdrawing their capacity for the 2026 Year of Account the sale process was paused. The senior leadership of Navata actively sought replacement capacity, with new greater capacity being secured by 31 December 2025. With capacity in place Navata qualifies as being in a condition for sale, therefore the group continues to be classified as held for sale in accordance the criteria of IFRS 5.9. The form of the disposal group is as follows:

	£'000
Trade and other receivables	5,238
Cash and cash equivalents	20,833
Assets	26,071
Liabilities	(20,841)
Net carrying amount of disposal group	5,230

Assets and liabilities held for sale are measured at net book value.

The profit for the year has been classified as a discontinued operation

	2025	2024
	£'000	£'000
(Loss)/ profit for the year from discontinued operations	(2,445)	127

## 21. Trade and other receivables

			restated*	
	Company 2025 £'000	Group 2025 £'000	Company 2024 £'000	Group 2024 £'000
<b>Due within one year</b>				
Amounts owed by subsidiary undertakings	10,425	-	6,682	-
Trade debtors	-	19,729	-	13,036
Other debtors	411	5,987	-	8,285
Prepayments	143	5,351	142	6,758
Accrued income	-	18,975	-	18,131
Accrued Interest	-	31	-	31
Corporation tax debtor	-	108	-	1,858
Derivative financial instruments	-	39	-	7
Other Loans (note 33)	551	551	-	-
	<u>11,530</u>	<u>50,771</u>	<u>6,824</u>	<u>48,107</u>
<b>Due after one year</b>				
Deferred tax (note 22)	-	504	127	4,333
Accrued income	-	14,432	-	13,492
Subordinated loans	11,837	-	10,771	-
	<u>11,837</u>	<u>14,936</u>	<u>10,898</u>	<u>17,825</u>

The subordinated loans and their respective interest rates and repayment terms are shown below:

Subordinated loans were granted by the company to Shearwater Law Ltd, Thomas Miller Specialty Holdings Limited, Brookes Bell LLP and Thomas Miller Insurance (Germany) Limited. The loans either have fixed terms or are repayable on demand but only to the extent that the capital resources of the company exceed the minimum capital resources requirement set by the relevant regulator. Interest receivable on the loans varies between the Bank of England base rate and 7.35%. Loans with an interest rate below market rate are repayable on demand.

\*See note 36 for details of restatement

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

22. Deferred taxation

The following are deferred tax assets and liabilities recognised by the group and movements thereon during the current and prior reporting period. Amounts of deferred taxation provided in the accounts are as follows:

	Other temporary differences	Accelerated tax depreciation	Foreign exchange contracts	Retirement benefit obligations	Share-based payments	Tax losses carried forward	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	1,724	(4,049)	2	(5,197)	(54)	2,653	(4,921)
Adjustment in respect of prior periods	329	-	-	-	-	0	329
Credit / (charge) to profit or loss	(1,136)	(1,665)	(2)	-	-	950	(1,853)
Charge / (credit) to other comprehensive income	-	-	-	4,165	-	-	4,165
Credit direct to equity	-	-	-	-	(34)	-	(34)
Movement arising from a transfer of trade/assets	(1)	(1)	-	-	-	-	(2)
Exchange differences	(32)	-	-	-	-	-	(32)
At 31 December 2024	884	(5,715)	(0)	(1,032)	(88)	3,603	(2,348)
Adjustment in respect of prior periods	(488)	13	-	-	-	-	(475)
Credit / (charge) to profit or loss	(226)	1,069	-	-	-	(1,873)	(1,030)
Charge / (credit) to other comprehensive income	-	-	-	5	-	-	5
Credit direct to equity	-	-	-	-	14	-	14
Exchange differences	1	-	-	-	-	-	1
At 31 December 2025	171	(4,633)	(0)	(1,027)	(74)	1,730	(3,833)

During the year, the group offset deferred tax assets and liabilities where they relate to income taxes levied by the same tax authority and the tax authority permits the entity to make or receive a single net payment. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2025 £'000	2024 £'000
Deferred tax assets	1,994	4,333
Deferred tax liabilities	(5,827)	(6,681)
	<u>(3,833)</u>	<u>(2,348)</u>

At the balance sheet date, the group has gross unused tax losses of £11.9 million (2024 - £23.9 million) available for offset against future profits. A deferred tax asset has been recognised in respect of £3.4 million (2024 - £14.3 million) of such losses. A group profit forecast has been performed to support the recoverability of the deferred tax asset. No deferred tax asset has been recognised in respect of the remaining £8.5 million (2024 - £9.6 million) as it is not considered probable that there will be future taxable profits available. All losses may be carried forward indefinitely as there is no time limit for their use.

No deferred tax liability is recognised on temporary differences of £1.1 million (2024 - £15.8 million) relating to the unremitted earnings of overseas subsidiaries as the group is able to control the timings of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. Temporary differences arising in connection with interests in associates are insignificant.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 23. Trade and other payables

Amounts falling due within one year	Company	Group	Company	Group
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Trade creditors	-	3,342	-	3,196
Amounts owed to subsidiary undertakings	32,356	-	21,558	-
Corporation tax payable	-	1,015	-	1,402
PAYE and social security	-	2,309	-	2,184
Other creditors	9	21,860	13	25,676
Accruals	104	26,010	151	26,537
Deferred income	-	36,513	-	33,341
Derivative financial instruments	-	1	-	27
Provision for refund liability	-	48	-	347
Future expense run off provision	-	437	-	413
	<b>32,469</b>	<b>91,535</b>	<b>21,722</b>	<b>93,123</b>

Other creditors includes £14.1 million (2024 - £13.1 million) owed to third parties by Ilex Global Reinsurance Company Limited, which is a subsidiary of Thomas Miller (Isle of Man) Limited.

The group has a revolving credit facility of \$15 million of committed financing from The UK P&I Club.

Amounts falling due after more than one year	Company	Group	Company	Group
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Other creditors	-	11,252	-	16,489
Deferred taxation (note 22)	-	4,337	-	6,682
	<b>-</b>	<b>15,589</b>	<b>-</b>	<b>23,171</b>

Non current liabilities are valued using cost or amortised cost basis, as appropriate. Non current liabilities due more than 12 months after the reporting period comprise of the remaining financing leases.

## 24. Provisions for liabilities and charges

Group	Dilapidation	Claims	Total
	provision	reserves	
	£'000	£'000	£'000
At 31 January 2025	899	239	1,138
Profit and loss account charge	124	(119)	5
Amounts paid	(340)	-	(340)
At 31 December 2025	<b>683</b>	<b>120</b>	<b>803</b>

Claims reserves represent amounts provided by the group's captive insurer for professional indemnity claims.

The dilapidations provision relates to the potential cost of complying with obligations contained within the lease of the company's premises at 90 Fenchurch Street. These obligations relate to reinstatement, repair, redecoration and other statutory covenants. The current lease expires September 2030, payment will be made if no extension is successfully negotiated and we vacate the premises.

25. Called up share capital

	2025	2024
	£'000	£'000
Called up, allotted and fully paid:		
Equity interests: 11,069,243 ordinary shares of £0.10	<u>1,107</u>	<u>1,374</u>

The Company has 25,000,000 authorised shares of £0.10

The following shares of £0.10 nominal value were purchased by the company during the year:

	Number of shares	Purchase price £	Share capital £	Share premium £
Internal share market July 2025	13,792	14.35	1,379	196,536
Internal share market Dec 2025	2,430	13.85	243	33,413

The use of the share premium account to fund share repurchases is permitted under Bermudian law.

On the 31st October TMH bought back all shares owned by EBT2 at £4.92 per share, the adjudged fair value in a special market outside of the principal markets. In line with the Bermuda Companies Act the consideration has been made from distributable reserves.

	Number of shares	Purchase price £	Share capital £	Distributable reserves £
Special share market Oct 2025	<u>2,656,003</u>	<u>4.92</u>	<u>265,600</u>	<u>12,802,000</u>

Under the company's Executive Share Option Scheme, employees held options for the following unissued ordinary shares at the end of the year:

Number of shares	Option price £	Exercisable from
6,416	9.35	Jul 2019
7,764	10.20	May 2022
3,618	10.20	May 2023
3,618	10.20	May 2024
32,330	10.30	May 2021
21,395	10.75	Jul 2021
9,302	10.75	Jul 2022
9,303	10.75	Jul 2023
6,075	11.00	Apr 2026
5,249	12.20	Apr 2027
9,453	12.60	Apr 2026
8,458	12.60	Apr 2028
60,754	13.00	Feb 2026
53,600	13.00	Jan 2026
13,882	13.00	Apr 2027
1,250	13.00	Mar 2027
4,068	13.00	Apr 2029
34,521	13.95	Feb 2027
3,455	13.95	Mar 2028
4,172	13.95	Mar 2030

The majority of options are exercisable after three years from the date of grant and up to ten years less one day from the date of grant.

**25. Called up share capital (continued)**

Under the company's UK Save As You Earn scheme, employees held options for the following number of ordinary shares at the end of the year:

Number of shares	Option price £	Exercisable from
381	11.80	Mar 2025
442	12.20	Apr 2025
20,731	11.00	Mar 2026
19,601	12.60	Apr 2026
12,719	12.20	Apr 2027
12,959	12.60	Apr 2028
21,881	13.00	Mar 2027
14,143	13.00	Mar 2029
22,256	13.95	Mar 2028
16,797	13.95	Mar 2030

**26. Employee Benefit Trusts**

The Thomas Miller Employee Benefit Trusts were established to acquire shares in order to make them available to group employees under profit sharing schemes, share option schemes, an employee share ownership plan and other schemes as they become available. The details of the various share schemes are disclosed below in note 25.

In addition to the above the trusts hold shares which are not specifically vested in employees:

	Number of shares 2025	Market value 2025 £'000	Average cost 2025 £'000	Number of shares 2024	Market value 2024 £'000	Average cost 2024 £'000
Thomas Miller Employee Share Trust No.1	1,193,421	16,529	16,167	1,038,995	14,494	13,752
Thomas Miller Employee Share Trust No.2	-	-	-	2,656,003	37,051	12,178
	<b>1,193,421</b>	<b>16,529</b>	<b>16,167</b>	<b>3,694,998</b>	<b>51,545</b>	<b>25,930</b>

Loans have been made by Thomas Miller & Co. Limited to Apex Financial Services (Trust Company) Ltd (formerly Link Market Services (Trustees) Limited) to enable the purchase of these shares. The Trustees of the Thomas Miller Employee Benefit Trusts ("EBT") waived their rights to dividends payable. The company had not provided funds to Thomas Miller Employee Share Trust No.1 to enable it to acquire shares in the December 2025 share market (2024 - £nil).

The purpose of the EBTs is to meet known and forecast demand in Thomas Miller Holdings Ltd. shares and also be a source of shares for the issuance of share awards and the exercise of options.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

27. Own shares

	2025	2024
	£'000	£'000
Balance at 1 January	25,930	23,587
Proceeds received on exercise of options by employees	(531)	(666)
Loss on EBT shares acquired by employees	(355)	(541)
Purchase of shares in the market	7,787	9,783
Proceeds on sale of shares in the market	(1,848)	(3,546)
Proceeds on sale of shares in the special market	(13,068)	-
Value of shares awarded to employees under share awards	(2,707)	(2,839)
Profit on shares awarded to employees	214	294
Other disposals	(144)	(142)
EBT 2 Disposal	889	-
Balance at 31 December	<u>16,167</u>	<u>25,930</u>

The shares held by the EBT are to be used to settle share awards under the various share schemes operated by the group. The remaining shares are intended to be used to satisfy share options, to distribute as bonuses and to distribute to employees on reaching three years continuous service with the group. As at 31 December 2025, the cost of the shares held by the EBT are above the anticipated proceeds from the exercise of outstanding options and other share awards by £780,740 (2024 £639,500).

The following company shares, all with a nominal value of £0.10, were purchased by the EBTs during the year for the following price:

Number of shares purchased	Price per share	Cost £'000
360,508 shares purchased in July 2025	£14.35	5,173
188,692 shares purchased in December 2025	£13.85	2,614
		<u>7,787</u>

The 1 June 2025 price of £14.35 was determined by the parent company's current valuer, Alvarez & Marsal Valuation Services LLP, for a single share in accordance with the company's bye-laws. The share price at 1 November 2025 of £13.85 was determined on the same basis by the same valuer.

28. Leases

Right-of-use assets

Cost	Buildings	Equipment	Total
	£'000	£'000	£'000
At 1 January 2025	65,321	350	65,671
Additions	1,792	-	1,792
Modifications	185	449	634
Disposals	(2,552)	-	(2,552)
At 31 December 2025	<u>64,746</u>	<u>799</u>	<u>65,545</u>
<b>Accumulated depreciation</b>			
At 1 January 2025	49,059	240	49,299
Charge for the year	4,091	125	4,216
Disposals	(2,565)	-	(2,565)
At 31 December 2025	<u>50,585</u>	<u>365</u>	<u>50,950</u>
<b>Carrying amount</b>			
At 31 December 2025	<u>14,161</u>	<u>434</u>	<u>14,595</u>
At 31 December 2024	<u>16,262</u>	<u>110</u>	<u>16,372</u>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 28. Leases (continued)

The group leases several assets including buildings and photocopiers. The average lease term is 2.6 years (2024 - 2.7 years).

The group has options to purchase certain manufacturing equipment for a nominal amount at the end of the lease term. The group's obligations are secured by the lessors' title to the leased assets for such leases.

The weighted average lessees' incremental borrowing rate applied to lease liabilities recognised in the statement of financial position on 31 December 2025 is 4.52% (2024 - 4.02%).

Some property leases contain extension options exercisable by the group up to one year before the end of the non-cancellable contract period. Where practicable, the group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the group and not by the lessors. The group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. No such changes, circumstances or significant events have required any reassessment.

## Amounts recognised in consolidated income statement

	2025	2024
	£'000	£'000
Depreciation expense on right-of-use assets	4,216	4,241
Interest expense on lease liabilities	913	812
Expense relating to dilapidations	29	35

## Lease liabilities

	2025	2024
	£'000	£'000
Analysed as:		
Non-current	14,376	16,507
Current	4,184	1,719
	<u>18,560</u>	<u>18,226</u>

## Maturity analysis - Lease expense

	2025	2024
	£'000	£'000
Year 1	4,925	2,479
Year 2	4,671	4,282
Year 3	4,043	4,011
Year 4	3,744	3,452
Year 5	2,155	3,351
Onwards	895	3,045
	<u>20,433</u>	<u>20,620</u>

The group does not face a significant liquidity risk with regard to its lease liabilities.

## Maturity analysis - Lease income

	2025	2024
	£'000	£'000
Year 1	83	-
Year 2	150	-
Year 3	173	-
Year 4	173	-
Year 5	43	-
	<u>622</u>	<u>-</u>

Thomas Miller sub-lets part of the ground floor of 90 Fenchurch Street. The lease commenced on the 22 December 2025 and the term ends on the 20 June 2030.

**29. Share-based payments****Employee share option schemes and other share-based plans****Equity-settled share option schemes**

The company has various share option schemes as outlined below:

**(i) The Thomas Miller Executive Share Option Scheme**

The group awards share options to certain employees under the Thomas Miller Executive Share Option Scheme enabling them to acquire ordinary shares in Thomas Miller Holdings Ltd. at their market value at the date of grant. Options are generally exercisable three years after the date of grant and up to ten years less one day from the date of grant. Options are forfeited when an employee leaves the group unless by reason of retirement or redundancy, in which case, the employee has up to six months to exercise the option.

**(ii) The Thomas Miller UK Savings Related Share Option Scheme**

The group operates a savings related option scheme under which employees save a fixed amount per month over either a three year or five year period under a Save As You Earn contract operated by a third party administrator. On completion of the savings contract employees have the choice, within six months of the vesting date, of either exercising their option or taking the amount saved in cash. The options automatically lapse six months after vesting. This scheme is a scheme approved by the UK tax authorities and as such is only available to employees resident in the UK and the Isle of Man.

**(iii) The Thomas Miller Non UK Share Option Scheme**

The options granted under this scheme are identical to those granted under the UK savings related option scheme with the exception that there is no savings related element to the scheme. This scheme is only open to non UK employees. This scheme is part of the Thomas Miller Executive Share Option Scheme and the option movements for the Thomas Miller Non UK Share Option Scheme are shown below as part of that scheme's disclosures.

Details of the share options outstanding during the year are as follows:

	The Thomas Miller Executive Share Option Scheme		The Thomas Miller UK Savings Related Share Option Scheme		Total	
	Number of options	Weighted average exercise price (in £)	Number of options	Weighted average exercise price (in £)	Number of options	Weighted average exercise price (in £)
<b>Year ended 31 December 2025</b>						
Outstanding at beginning of period	331,384	10.31	145,420	12.26	476,804	10.91
Granted during the period	42,458	13.95	42,241	13.95	84,699	13.95
Forfeited during the period	(23,500)	10.08	(11,205)	12.30	(34,705)	10.80
Exercised during the period	(51,659)	2.24	(34,546)	11.91	(86,205)	6.11
Outstanding at the end of the period	298,683	12.56	141,910	12.80	440,593	12.64
Exercisable at the end of the period	93,746	10.42	823	-	94,569	10.42
<b>Year ended 31 December 2024</b>						
Outstanding at beginning of period	405,777	11.06	163,151	11.62	568,928	11.22
Granted during the period	135,169	13.00	39,876	13.00	175,045	13.00
Forfeited during the period	(72,456)	11.05	(17,171)	11.54	(89,627)	11.14
Exercised during the period	(137,106)	10.59	(40,436)	10.70	(177,542)	10.62
Outstanding at the end of the period	331,384	10.31	145,420	12.26	476,804	10.91
Exercisable at the end of the period	109,618	10.17	1,454	-	111,072	10.17

The weighted average share price at the date of exercise for share options exercised during the period was £13.98. The options outstanding at 31 December 2025 had a weighted average exercise price of £12.42, and a weighted average remaining contractual life of 1.69 years. The aggregate of the estimated fair values of the options granted in 2025 is £565,483 (2024 - £952,212).

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 29. Share-based payments (continued)

The inputs into the Black-Scholes option pricing model in respect of share options granted are as follows:

	2025	2024
Weighted average share price	£13.95	£13.00
Weighted average exercise price	£13.95	£13.00
Expected volatility	25%	25%
Expected life (years)	3.57	2.85
Risk-free rate	4.12%	3.84%
Expected dividends	52.00p	52.00p
Dividend yield	3.75%	4.00%

The expected volatility was determined by calculating the historical volatility of the group's share price over the period since incorporation.

The group recognised total expenses in respect of share-based payments as follows:

	2025	2024
	£'000	£'000
Equity-settled share option schemes	117	115
Executive Directors' Long-Term Incentive Plan	1,123	795
Shares awarded under bonus schemes - cash-settled	1,781	1,986
Cash-settled share option schemes	(35)	31
Charges in respect of service award scheme - cash-settled	179	143
	<u>3,165</u>	<u>3,070</u>

## Other share-based plans

## (i) The Thomas Miller Share Incentive Plan

Employees subject to UK income tax are eligible to participate in this plan. The plan has tax advantages for employees who choose to hold shares in the parent company. All the shares are held in trust on behalf of named employees. The plan trustees are Link Market Services Trustees Limited. The plan is approved by the UK's HM Revenue & Customs.

## ii) The Thomas Miller Save As You Earn ('SAYE') Scheme

The UK-tax efficient SAYE scheme allows employees to contribute over either three or five years to a savings scheme and at the same time take out share options of the equivalent value of shares. At the end of the agreed period the employees has six months in which to decide whether to exercise the share options, or instead simply to receive back the cash that has accumulated in the savings account. For employees in non-UK locations, a similar value of share options can be granted under a separate scheme, however there are no associated tax benefits. The UK scheme is approved by the UK's HM Revenue and Customs.

## (iii) The Thomas Miller Leadership Share Plan ("LSP")

The Company operates an additional bonus scheme for senior employees which is dependent on meeting pre-determined financial targets for profitability and on participants' performance (as assessed through their annual performance rating) meeting expectations. Individual participation levels are expressed as a percentage of base salary: 10%, 20%, 30% or 40%. Any shares awarded to employees under this scheme are restricted and cannot be sold for a minimum of three years. The provision for the LSP scheme is included within "accruals" (note 19).

Commencing 1 January 2025 (for awards to be payable in 2026), the financial performance target applicable for all participants for 10% of their award, regardless of individual participation level, is the achievement of Thomas Miller Group business plan profit targets for the relevant year, the business plan targets having been agreed by the Board of Thomas Miller Holdings Ltd. In addition, those participants at individual participation levels above 10% are considered for a Club/Business award for the eligible percentage over 10%, subject to the business to which the participant is aligned achieving the agreed budgeted Club/Business profit (for the TM Group) for the relevant financial year.

## iv) 2024 Executive Directors' Long-term Incentive Awards ('LTIP')

A new Executive Director LTIP was approved by the RNC for awards starting in the 2024 financial year. This replaced a discretionary LTIP arrangement which had operated since 2019. Under the new LTIP arrangement, Executive Directors are awarded nil-cost options at the start of a two-year vesting period based on a target LTIP percentage in line with total compensation agreed for their respective roles. Specific LTIP objectives are agreed for each LTIP period, and these are the same for all Executive Directors. After the end of the two-year vesting period, the RNC considers Executive Director performance, and the awards are adjusted depending on achievement against the agreed LTIP objectives. The adjusted award then vests in full as ordinary shares.

The Company withholds a percentage of all LTIP options awarded with this withheld element being used to make payment to the relevant tax authority to settle the individuals expected taxation liability relating to this award.

The company as a "qualifying entity" is exempt from providing full disclosures about share-based payments in accordance with section 26 of FRS 102.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 30. Financial instruments

## Capital management

The group manages its capital to provide returns to its shareholders and manage other stakeholders. The group looks to produce financial returns from its capital appropriate to the level of risk taken. The group retains capital in the business at a level appropriate to the financial strength of the business and the conditions in the economic environment. The normal mechanisms for moderating the level of capital retained are through adjusting the levels of bonus or dividend paid and also through considering whether investments or divestments are appropriate. Decisions on these matters will be reviewed and agreed by the board of Thomas Miller Holdings Ltd.

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the basis for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 1.

## Fair values of financial instruments

	Company 2025 £'000	Group 2025 £'000	Company restated* 2024 £'000	Group 2024 £'000
<b>Financial assets</b>				
Fixed asset investments	43,957	304	20,479	325
Current asset listed investments	-	2,698	-	2,025
Current asset unlisted investments	-	-	2	2
Cash and cash equivalents	8,734	45,488	5,517	44,444
Trade and other receivables	11,530	50,771	6,824	48,107
	<u>64,221</u>	<u>99,261</u>	<u>32,822</u>	<u>94,903</u>
<b>Financial liabilities</b>				
Trade and other payables	32,460	90,034	21,709	90,934
Tax liabilities	-	1,015	-	1,402
Provisions	-	803	-	1,138
Fair Value Through Profit and Loss ("FVPTL") - held as trading	-	65	-	(30)
Retirement benefit obligation	-	1,056	-	1,124
	<u>32,460</u>	<u>92,973</u>	<u>21,709</u>	<u>94,568</u>
<b>Financial liabilities designated as at FVTPL</b>				
	Company 2025 £'000	Group 2025 £'000	Company 2024 £'000	Group 2024 £'000
Difference between carrying amount and contractual amount at maturity:				
Amount payable at maturity	-	2,789	-	3,057
Less: Fair value of liabilities measured at FVTPL	-	(2,724)	-	(3,087)
	<u>-</u>	<u>65</u>	<u>-</u>	<u>(30)</u>

## Financial risk management objectives

The group is exposed to financial risk through its financial assets and financial liabilities. In particular, the key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from financial liabilities as they fall due. The most important components of this financial risk are interest rate risk, currency risk, credit risk and liquidity risk.

The group is also exposed to the above risks through the operation of a number of final salary pension schemes. The strategy for dealing with the associated risks is managed by the board of Thomas Miller Holdings Ltd., through close liaison with trustee boards.

The group does not use derivative financial instruments for speculative purposes.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 30. Financial instruments (continued)

## Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of the group's financial assets and liabilities are determined as follows:

- For those financial assets and liabilities that are cash or short-term trade receivables or payables, carrying amount is a reasonable approximation of fair
- Retirement benefit obligations are valued by independent actuaries in accordance with IFRS.
- The group's remaining financial assets and liabilities are measured, subsequent to initial recognition, at fair value, and they can be grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

## Fair value measurements

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2025	2025	2025	2024	2024	2024
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	£'000	£'000	£'000	£'000	£'000	£'000
Current asset listed investments	2,698	-	-	2,025	-	-
Forward contracts	-	65	-	-	(30)	-

The fair values of the financial assets and liabilities included in the Level 2 category have been independently valued by HSBC based on observable market conditions prevailing at the valuation date, including relevant foreign exchange rates.

The fair value of the financial assets included in the Level 3 category have been calculated by management and relate to the accrued income in respect of TheJudge Limited. The methodology is detailed in Note 1.16.

The fair value of the following assets and liabilities approximate to their carrying amounts:

- Receivables;
- Cash and cash equivalents; and
- Payables and other financial liabilities.

## Credit risk

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

- corporate bonds held within the group;
- amounts due from insurance and other customers; and
- cash balances held with financial institutions.

The group places limits on the level of cash balances held at any financial institution. Amounts due to the group are actively monitored by the credit control department and board of the relevant group undertaking.

The group applies IFRS 9 "Financial Instruments", which requires a forward-looking expected credit losses model approach for financial loss impairment.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 30. Financial instruments (continued)

## Credit risk (continued)

Trade receivables and accrued income are subject to impairment using the expected credit losses model. As permitted by IFRS 9, the group applies the simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables and contract assets. Consequently, the IFRS 9 concept of a significant increase in credit risk is not applicable to the group's expected credit losses. To assess expected credit losses, balances are either assessed individually or grouped based on similar credit risk characteristics. The group is not involved with complex financial instruments, it does not apply hedge accounting, nor has any history of material credit losses. The majority of the group revenue comprising of management and incentive fees and investment management fees are not considered in the assessment because the payments received from the clubs are subject to individual signed contracts / fee agreements with the management company and also through club board approval. Assessments are carried out regularly across the group to review level of bad debt provisions and credit losses, to determine the impact of these on the group financial statements. The level of credit losses across the rest of the group is low and immaterial.

Aged debtor reports are reviewed at each month end and a general bad debt provision is made for a minimum of 50% of all outstanding debts over 6 months old, after deduction of any debts specifically provided for. There were no impairment factors such as significant write-offs present.

## Interest rate risk

Interest rate risk exists from the group's exposure to adverse movements in interest rates in relation to cash balances, deposits and leases. The group monitors the risk and reduces its exposure by considering choice of available funds. Management will take advice from investment specialists within the group to act in line with the group's Investment Policy. The group is not materially exposed to movements in interest rates particularly as it does not have any financial liabilities.

The interest rate risk profile of financial assets at 31 December, was as follows:

Group	Floating rate	Non-interest bearing	Total	Floating rate	Non-interest bearing	Total
	2025	2025	2025	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Financial assets</b>						
£ Sterling	18,003	10,582	28,585	16,202	7,120	23,322
US\$	6,021	5,219	11,240	9,449	9,672	19,121
Other	693	4,970	5,663	1,579	422	2,001
	<b>24,717</b>	<b>20,771</b>	<b>45,488</b>	<b>27,230</b>	<b>17,214</b>	<b>44,444</b>

Company	Floating rate	Non-interest bearing	Total	Floating rate	Non-interest bearing	Total
	2025	2025	2025	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Financial assets</b>						
£ Sterling	3,622	5	3,627	3,560	5	3,565
US\$	5,099	4	5,103	1,944	4	1,948
Euro	-	4	4	-	4	4
	<b>8,721</b>	<b>13</b>	<b>8,734</b>	<b>5,504</b>	<b>13</b>	<b>5,517</b>

## Currency risk

The group is exposed to currency risk in respect of certain income streams denominated in currencies other than Sterling. The most significant currency to which the group is exposed is the US Dollar. The group seeks to mitigate the risk through forward currency sales. This aims to reduce exposure to unexpected changes in currency exchange rates. The impact of foreign exchange movements on US Dollar income transactions is offset to a large extent by an equivalent impact on US Dollar expenses.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 30. Financial instruments (continued)

The carrying amounts of the group's monetary assets and liabilities, held by entities with a functional currency other than Sterling, at the reporting date are as follows:

Group	Assets	Assets	Liabilities	Liabilities
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
US\$	7,684	8,800	9,471	9,687
Other	34,611	30,844	31,859	30,809
	<u>42,295</u>	<u>39,644</u>	<u>41,329</u>	<u>40,496</u>
Company	Assets	Assets	Liabilities	Liabilities
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
US\$	3,155	1,335	0	1,935

## Currency sensitivity

The results of US dollar overseas subsidiaries when translated into Sterling using the average rate of exchange for the year have been compared with their results following a 10% weakening of the currency average rate for the year has been assumed in the sensitivity analysis and the impact is shown in the table below:

	2025	2024
	£'000	£'000
Profit before tax decrease	<u>(35)</u>	<u>(105)</u>

## Liquidity and cash flow risk

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations when due. The Investment Policy sets limits on cash balances to ensure that funds are available to cover anticipated liabilities and unexpected levels of demand. The Thomas Miller group has performed a liquidity stress test for the 19 month period ending December 2027 which indicates headroom before any mitigating actions. In addition, the group has a Revolving Credit Facility (RCF) with the P&I Club, providing \$15m of committed financing, which enables financial flexibility for both working capital needs and M&A growth, due to this the level of liquidity and cash flow risk across the group is considered low and immaterial.

## 31. Derivative financial instruments

Derivatives that are designated as "held for trading" and carried at fair value:

	Current		Non-current	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Forward foreign currency contracts	<u>39</u>	<u>7</u>	<u>29</u>	<u>1</u>
<b>Liabilities</b>				
Forward foreign currency contracts	<u>1</u>	<u>27</u>	<u>2</u>	<u>11</u>

Forward foreign currency contracts are valued using quoted forward exchange rates and revalued at the rate available to cancel the contract, with any gains and losses accounted for within the income statement.

### 32. Retirement benefit schemes

#### Defined contribution scheme

Thomas Miller & Co Limited operates a defined contribution retirement scheme for all qualifying employees within the United Kingdom. Depending on the age of the participant, the subsidiary contributes a specified percentage of a participants' pay to the retirement benefits scheme to fund the benefits. The only obligation of the group with respect to the retirement benefit scheme is to make the specified contributions. The total expense charged to the Income Statement, for defined contribution schemes, in the year ended 31 December 2025 was £0.2 million (2024 - £0.2 million).

#### Defined benefit schemes

In April 2024, Thomas Miller entered into a buy-in agreement with Aviva plc, in accordance with IAS 19, the buy-in agreement is deemed as qualifying and is revalued to an amount equal and opposite of the defined benefit obligation. Movements are recognised in the statement of other comprehensive income.

The group operates funded and unfunded defined benefit final salary pension schemes; the funded scheme has been set up under a trust that hold the financial assets separately from those of the group. Valuations have been performed in accordance with the requirements of IAS 19 "Employee Benefits" as at each reporting date. The trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders in the scheme. The trustees of the pension fund are responsible for the investment policy with regard to the assets of the fund.

Scheme liabilities have been calculated using a consistent projected unit valuation method and compared to the schemes' assets at the 31 December 2025 market value as shown below.

A full actuarial valuation for the Thomas Miller & Co Retirement Scheme ("TMC Scheme"), a funded final salary pension scheme, was performed at 31 December 2021 and was updated to 31 December 2025 by external actuaries. It showed that, on an IAS 19 Employee Benefits basis, the market value of the Scheme's assets was £126,786,000 (2024 - £126,663,000) and that the actuarial value of these assets represented 105% (2024 - 105%) of the benefits that had accrued to members. Future service accrual under the Scheme ceased with effect from 1 October 2004. In addition, salary linkage was removed for active members who remained employees with effect from 30 June 2011.

The group considers that where a pension asset to be realised in respect of the TMC scheme after all member benefits have been paid and after the scheme is wound up, this would be fully recoverable by the group in line with the rules of that scheme. In the meantime, in the ordinary course of business the Trustee has no rights to unilaterally wind up the scheme or otherwise augment the benefits payable to members. Therefore, any pension surplus is recognised in full under current accounting standards (IFRIC 14).

#### Risks

The schemes listed above typically expose the group to actuarial risks such as: investment risk, interest rate risk and longevity risk. The majority of the risk relating to benefits to be paid to the dependants of scheme members is not re-insured.

#### Investment returns

Future investment returns are lower than anticipated and so additional contributions are required from the group to pay all the benefits promised.

#### Investment strategy

Changes in asset values are not matched by changes in the scheme's defined benefit obligation. For example, if equity values fall with no changes in corporate bond yields, the net pension asset would reduce.

#### Longevity risk

The present value of the defined benefit plan liabilities is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

#### Inflation risk

Actual inflation is higher and so benefit payments are higher than anticipated.

#### Regulatory risk

In future the scheme may have backdated claims or liabilities arising from future legislation, emerging practice or court judgements.

The group assumed a liability to pay annuities to those former partners of Thos R. Miller & Son who had retired prior to 1989. The total unfunded liability has been calculated according to standard actuarial methods using an assumption of future investment returns of 5.5% (2024 - 5.5%). In addition, the group has also assumed a liability to pay an annuity to a former employee of one of its Isle of Man subsidiaries; this has been calculated on the same basis and using the same assumptions.

## 32. Retirement benefit schemes (continued)

Principal actuarial assumptions at the balance sheet date:

	<u>2025</u>	<u>2024</u>
<b>UK Scheme</b>		
Discount rate	5.50%	5.50%
Future inflation-linked pension increases	2.70%	3.00%
Future inflation - RPI	2.80%	3.10%
Future inflation - CPI	2.10%	2.40%
<b>Mortality</b>	<b>2025</b>	<b>2024</b>
	<b>UK scheme only</b>	<b>UK scheme only</b>
Male	S3NA_L Tables	S3NA_L Tables
Females	S3NA_L Tables	S3NA_L Tables
Projections	CMI 2024 long-term rate 1.25% per annum	CMI 2023 long-term rate 1.25% per annum
The assumed life expectations on retirement at age 63:		
Retiring today		
Males	25.1	24.9
Females	26.9	26.8
Retiring in 20 years		
Males	26.4	26.2
Females	28.3	28.2

The amount included in the balance sheet arising from the group's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	<u>2025</u>	<u>2024</u>
	£'000	£'000
Fair value of assets	126,786	126,663
Present value of funded obligations	<u>(120,774)</u>	<u>(120,096)</u>
	6,012	6,567
Present value of unfunded obligations	<u>(1,056)</u>	<u>(1,124)</u>
Net surplus arising from defined benefit scheme obligations	<u>4,956</u>	<u>5,443</u>

At 31 December 2025, the group had an overall "net surplus" of £5.0 million in respect of its defined benefit schemes. This included an accounting surplus of £6.0 million, arising in respect of the TMC Scheme. The other schemes have an overall deficit of £1.1 million.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 32. Retirement benefit schemes (continued)

The amounts recognised in income in respect of these defined benefit obligations are as follows:

	2025 £'000	2024 £'000
Net interest on net defined benefit liability	(283)	(965)
Administrative expenses	834	580
	<u>551</u>	<u>(385)</u>

The net interest expense has been included within finance costs (see note 8). The remeasurement of the net defined benefit liability is included in the statement of comprehensive income.

In October 2018, the High Court ruled on the Lloyds Bank Guaranteed Minimum Pensions ("GMP") inequalities case. In response to this, an allowance of 0.3% of the TMC Scheme's pension liabilities (£0.5 million) was included within Thomas Miller & Co. Limited's 31 December 2018 year-end figures to make provision for the estimated costs arising from the judgment. In May 2020, Lloyds Bank went back to court to seek clarification on whether there is also a liability in respect of members that have transferred out of their scheme. In November 2020, the High Court ruled that past transfer values from 1990 now have to be equalised for GMP inequalities. A cost has not been included a cost on materiality grounds.

On 16 June 2023, the High Court issued a ruling in respect of Virgin Media v NTL Pension Trustees II Limited (and others), which has the potential to affect the schemes liabilities. The case considered the validity of deeds where no Section 37 certificate (confirming that the minimum level of benefits had not been breached) was attached to the deed.

The Trustee commissioned a review of the historic deeds, and the findings so far indicates relevant deeds have detailed Section 37 wording in the recitals and some have actual standalone Section 37 certificates prepared by the Actuary.

The Court of Appeal judgment was handed down in July 2024 and no further appeal is currently pending. No adjustment has therefore been made to the scheme balances as at 31 December 2025.

The amounts recognised in the statement of comprehensive income are as follows:

	2025 £'000	2024 £'000
The (gains)/losses on plan assets (excluding amounts included in net interest expense)	(564)	29,616
Actuarial (gains) arising from changes in demographic assumptions	1,901	(384)
Actuarial (gains) arising from changes in financial assumptions	(1,942)	(12,702)
Actuarial losses arising from experience adjustments	736	201
Remeasurement of the net defined benefit (surplus) / liability	<u>131</u>	<u>16,731</u>

Movements in the present value of defined benefit obligations in the year were as follows:

	2025 £'000	2024 £'000
Opening defined benefit obligation	121,219	134,646
Interest cost	6,487	5,915
Remeasurement (gains) / losses:		
Actuarial (gains) / losses arising from changes in demographic assumptions	1,901	(384)
Actuarial (gains) / losses arising from changes in financial assumptions	(1,942)	(12,702)
Actuarial losses / (gains) arising from experience adjustments	736	201
Liabilities extinguished on settlements	-	-
Exchange differences on foreign arrangements	(36)	8
Benefits paid	<u>(6,539)</u>	<u>(6,466)</u>
Closing defined benefit obligation	<u>121,826</u>	<u>121,219</u>

## 32. Retirement benefit schemes (continued)

Movements in the fair value of plan assets in the year were as follows:

	2025 £'000	2024 £'000
Opening fair value of plan assets	126,662	156,286
Interest income	6,771	6,880
Remeasurement gain:		
The (deficit) / return on plan assets (excluding amounts included in net interest expense)	564	(29,616)
Administrative expenses	(834)	(580)
Assets distributed on settlements		
Contributions by employer	162	158
Exchange differences on foreign arrangements		
Benefits paid	(6,539)	(6,466)
Closing fair value of plan assets	<u>126,786</u>	<u>126,662</u>

The major categories and fair values of plan assets at the end of the reporting period for each category are as follows:

	2025 £'000	2024 £'000
Cash	6,373	6,956
Insurance policies	120,413	119,706
Fair value of plan assets	<u>126,786</u>	<u>126,662</u>

In May 2024 the pension scheme entered into a bulk annuity ("buy-in") contract with Aviva. Following the transaction most financial and demographic risks present in the Scheme's liabilities are being managed through the policy. The buy-in now makes up a substantial amount of the Scheme's assets with the balance invested in a sterling liquid cash fund or held as cash in the bank account.

For a third party, in this case Aviva, to assume the risk related to investment, inflation, and longevity, a risk margin is payable over and above the current valuation of the liabilities at the buy-in date. Under IAS 19 the calculated value of the scheme assets is based on corporate bond yields, while the asset valuation for the buy-in is based on gilt yields. The gilt basis results in a lower asset valuation, the difference in basis representing the higher targeted return required to facilitate this risk transfer. The risk margin paid on the buy-in transaction is represented by the £0.1m cost on the Other Comprehensive Income Statement and corresponding reduction in net pension assets shown on the Balance Sheet. The buy-in transaction has secured member benefits and removed pension related risk from Thomas Miller's balance sheet. The Trustee, after weighing up all information and consulting members deemed pursuing the buy-in was the best course of action for the members and Thomas Miller.

The scheme does not invest directly in financial securities issued by the company or in property or other assets used by the company.

## Sensitivity analysis of the principal assumptions used to measure scheme liabilities

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 0.5%	Decrease by 5%
	Decrease by 0.5%	Increase by 6%
Rate of inflation	Increase by 0.5%	Increase by 2%
	Decrease by 0.5%	Decrease by 2%
Rate of mortality	Increase life expectancy by 1 year	Increase by 4%

The above sensitivities relate to the main retirement benefit scheme operated by the group, The Thomas Miller & Co. Limited Retirement Benefits Scheme. The "impact on scheme liabilities" sensitivities have been calculated to show the movement in the defined benefit obligation in isolation, and assuming no other changes in market conditions at the accounting date. This is unlikely in practice - for example, a change in the rate of inflation is unlikely to occur without any movement in the value of assets held by the Scheme, particularly as the Scheme now holds a buy-in policy with Aviva. The sensitivities do not take into account any potential impact of the change in assumptions on the assets of this scheme, which may have a compensating sensitivity.

## Future contributions

The group is expected to make the following contributions to the various defined benefit pension schemes during the year to 31 December 2026:

	Contributions to be made in the year £'000
Annuities payable to former partners and employees	<u>166</u>
	<u>166</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

33. Related party transactions

Balances and transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

The remuneration of the directors as the key management of the group, is disclosed in note 5. Certain employees of the group are members of one defined benefit scheme operated by the group, of which details are given in note 32.

On the 14th May 2025 Thomas Miller Holdings Limited provided a loan of £186,000 to ERSO Capital Two PCC Limited - an associate. There is no interest payable under the loan agreement.

On 17th February Thomas Miller Holdings Limited provided a Loan of £365,000 to Offshore Partners Limited - company that holds D shares in Navata Global Underwriting Agency Limited on behalf of employees of Navata. The rate of interest on the Loan is the percentage rate per annum which is the aggregate of the Margin (2.70%) and SONIA ,and shall be payable in full on the Repayment Date.

The group has a Revolving Credit Facility (RCF) with the The UK P&I Club, providing \$15m of committed financing. The total charge for the facility in 2025 was £202,500, of which, £150,904 was paid in the year.

34. Consolidated cash flow statement - reconciliation of operating profit to operating cash flows

	2025 £'000	2024 £'000
Group operating profit	16,382	8,901
Other - Operating (loss)/ profit discontinued operations	(2,767)	203
Depreciation, amortisation and goodwill impairment	12,246	12,176
Profit on sale of fixed assets	301	119
Increase in provisions	5	295
Adjustment for pension funding (see below)	673	422
Shares awarded to employees under various bonus schemes	2,707	2,839
Equity settled share option charge	378	336
Release of deferred consideration	174	-
<b>Operating cash flows before movements in working capital</b>	<b>30,099</b>	<b>25,291</b>
(Increase) / decrease in debtors	(2,416)	4,756
Increase / (decrease) in creditors	(9,837)	12,681
<b>Cash generated by operations</b>	<b>17,846</b>	<b>42,728</b>
Corporation tax paid	(1,823)	(1,494)
Interest paid	(406)	(1,110)
Payment of dilapidation provision	(341)	-
<b>Net cash from operating activities</b>	<b>15,277</b>	<b>40,124</b>

The adjustment for pension funding represents the net of current service costs, the gains on curtailment and contributions paid.

Cash and cash equivalents is broken down as follows:

	2025 £'000	2024 £'000
Non client cash:		
Liquidity funds	9,501	5,578
Other bank accounts	16,500	20,772
Client cash	19,487	18,094
	<b>45,488</b>	<b>44,444</b>

The client cash is restricted in nature as it is held on behalf of third party clients, including insurance carriers. A corresponding balance is included within trade creditors.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 35. Commitments

At 31 December 2025, the group had entered into forward contracts to hedge anticipated currency receipts in two subsidiary companies. The forward contracts are summarised below:

Exercise date	Currency sold	Amount	Currency bought	Contract rate
30-Jun-2026	USD	60,000	GBP	1.2393
31-Mar-2026	USD	60,000	GBP	1.2404
30-Jun-2026	USD	60,000	GBP	1.2732
31-Mar-2026	USD	60,000	GBP	1.2756
31-Mar-2026	USD	60,000	GBP	1.2588
31-Mar-2027	USD	60,000	GBP	1.2492
30-Sep-2026	USD	60,000	GBP	1.2461
31-Mar-2027	USD	120,000	GBP	1.2734
30-Jun-2026	USD	120,000	GBP	1.2692
30-Jun-2027	USD	110,000	GBP	1.2655
30-Sep-2026	USD	110,000	GBP	1.2668
30-Sep-2027	USD	60,000	GBP	1.2985
30-Dec-2026	USD	60,000	GBP	1.2993
30-Sep-2027	USD	60,000	GBP	1.2599
30-Dec-2026	USD	60,000	GBP	1.2609
30-Dec-2027	USD	50,000	GBP	1.2320
30-Dec-2026	USD	50,000	GBP	1.2311
31-Mar-2028	USD	120,000	GBP	1.3448
30-Dec-2027	USD	60,000	GBP	1.3453
31-Mar-2026	USD	60,000	GBP	1.3483
30-Jun-2028	USD	60,000	GBP	1.3511
30-Jun-2027	USD	60,000	GBP	1.3536
30-Sep-2026	USD	60,000	GBP	1.3555
30-Jun-2028	USD	60,000	GBP	1.3190
30-Sep-2027	USD	60,000	GBP	1.3215
30-Sep-2026	USD	60,000	GBP	1.3250
31-Mar-2028	USD	130,000	GBP	1.3264
30-Jun-2027	USD	130,000	GBP	1.3315
31-Mar-2027	USD	130,000	GBP	1.3330
30-Jun-2026	USD	130,000	GBP	1.3373
31-Mar-2026	USD	130,000	GBP	1.3380
30-Jun-2028	USD	130,000	GBP	1.3100
30-Jun-2027	USD	130,000	GBP	1.3138
30-Dec-2026	USD	130,000	GBP	1.3159
29-Sep-2028	USD	260,000	GBP	1.3145
30-Dec-2027	USD	130,000	GBP	1.3194
30-Sep-2027	USD	130,000	GBP	1.3211
30-Dec-2026	USD	130,000	GBP	1.3266
30-Sep-2026	USD	130,000	GBP	1.3282

The impact of fair value movements on open forward contracts during 2025 was a gain of £65,000 (2024 - £30,000 loss). The fair value of open forward contracts at 31 December 2025 is shown in note 31.

36. Prior period error

On 31 December 2024, TMH transferred five subsidiaries to its UK intermediate holding company TMUKH. The transaction price was incorrectly recorded as the net book value of the individual subsidiaries and not the carrying value of subsidiaries in TMH's accounts. The amount due from TMUKH has been adjusted up by £8.3m and the merger reserve has been removed. The receivable has also been reclassified as a fixed asset. Comparative information has been restated to correct these errors in the Company balance sheet, Company statement of changes in Equity and notes 21 and 30.

The effects of the prior period error are summarised below:

Company Balance sheet	2024
Non-current assets	£'000
Investments - subsidiary undertakings	<u>30,021</u>
Current Assets	
Trade and other receivables	(21,770)
Increase in net assets	<u>8,251</u>
Capital and reserves	
Equity merger reserve	<u>8,251</u>

37. Post balance sheet events

A potential acquisition of Thomas Miller Holdings by the UK P&I Club and TT Club is under discussion and was announced to shareholders on the 25th March 2026. Negotiations are advancing, with the aim of agreeing the terms of a formal offer to be put before shareholders for agreement. There is no impact on the 2025 financial statements. See further details in the Chairmans statement and note 1.2.

In February 2025, the directors approved a second interim dividend of 13.0p per share (2024 - 13.0p) to be paid to shareholders on the register as at 2 March 2026, paid in March 2026. The directors have agreed that a final dividend of 26p per share (2024 - 26p) will be paid to shareholders on the register on 31 May 2026. The total estimated dividend to be paid is £2.58 million (2024 - £2.63 million). This dividend, together with the second interim dividend, has not been included as a liability in these financial statements.

THOMAS MILLER HOLDINGS LTD.

NOTICE OF MEETING

(Registered in Bermuda, No 26282)

TO: The holders of Ordinary Shares

NOTICE IS HEREBY GIVEN that the Twenty seventh Annual General Meeting of the Company will take place at 90 Fenchurch Street London EC3M 4ST and on Webinar on Tuesday 17 June 2026 at 12:00 noon (BST) for the following purposes:

1. To confirm that the Notice convening the meeting has been sent to all shareholders and SIP participants.
2. Presentation on the Financials and Group Activities.
3. To approve the Financial Statements for the year ended 31 December 2025 and if they are approved to adopt them.
4. Declaration of the Final Dividend.

The Board has declared a final dividend of 26.0 pence per ordinary share, with the first interim dividend of 13.0 pence per ordinary share already paid and the second interim dividend of 13.0 pence per ordinary share already paid, making a total for the year of 52.0 pence per ordinary share.

5. To approve changes to the TMH Bye-Laws as set out in the attached documentation
6. To elect Directors and Officers in line with the Bye-Laws of the company.
7. To re-appoint Deloitte LLP as auditor of the company to hold office until the conclusion of the next General Meeting of the company at which accounts are laid before the meeting and to authorise the directors to agree their remuneration.

The Board recommends that you vote in favour of each of the Resolutions.

BY ORDER OF THE BOARD

  
K P Halpenny  
Company Secretary  
21 May 2026

Registered Office:  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton  
HM 10  
Bermuda