

THOMAS
MILLER

Year in

Review

2024

Delivering

Excellence

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Our new vision places our Club management businesses at the centre of our focus, recognising their fundamental importance to the future of the Group.



Who we are

Since inception in 1885, Thomas Miller has strived to define excellence across insurance, professional and investment services. For more than 140 years we have managed complex issues, developed inventive solutions and built enduring relationships. Today we preside over a number of acknowledged market leading businesses.

\$1.6bn

Thomas Miller manages over \$1.6 billion of gross written premium for the Transport, Specialty and Professional Services industries in the mutual, MGA and captive markets.

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Owned Businesses

Thomas Miller manages or owns a broad international portfolio of insurance, professional and investment services businesses. The portfolio includes mutual organisations and specialist insurance services businesses.

Our principal activities include:

- Management services for transport and professional indemnity insurance mutuals
- Managing general agency
- Professional services including technical services, legal services, captive and claims management
- Investment management for institutions

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Managed Mutuals

900+

Employees

Revenue

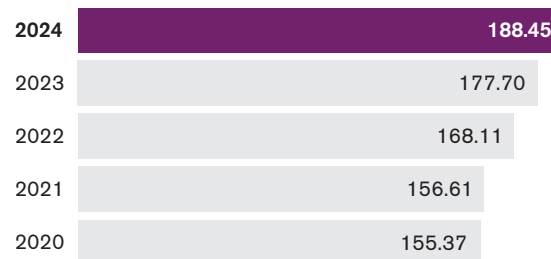
£188.45m

Key financial highlights

Financial highlights for the year ended 31 December 2024. Thomas Miller manages over \$1.6 billion of gross written premium for the Transport, Specialty and Professional Services industries in the mutual, MGA and captive markets.

Revenue (£m)

£188.45



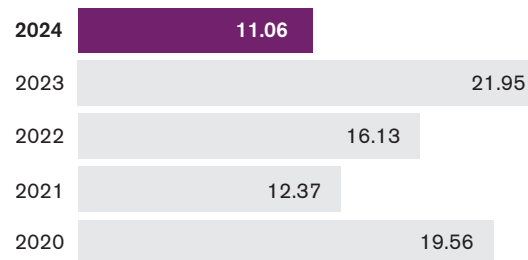
Shareprice (£)

£13.95



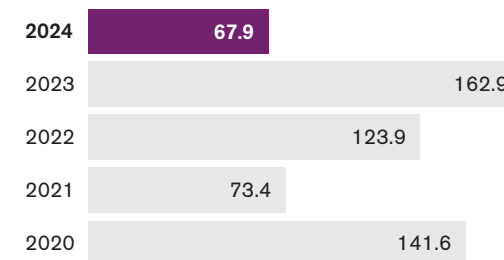
Profit before tax (£m)

£11.06



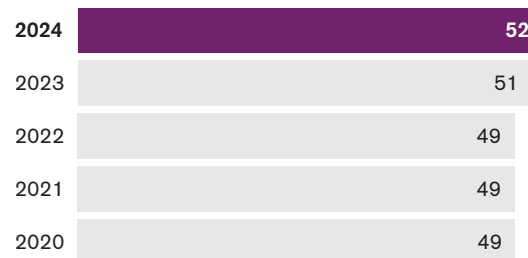
Basic earnings per share (p)

67.9p

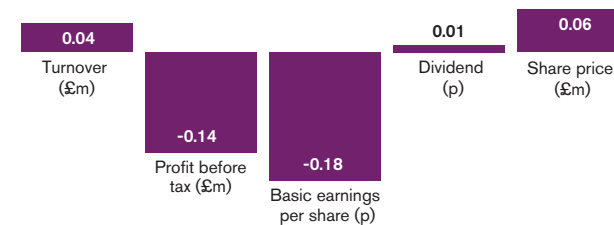


Dividend (p)

52p



Compound average growth rates



Focus on the numbers

Financial Highlights For The Year Ended 31 December	2024 (£)	2023 (£)
Revenue	£188.45 million	£177.7 million
Profit on ordinary activities before taxation	£11.06 million	£21.95 million
Tax on profit on ordinary activities	£4.12 million	£4.56 million
Profit on ordinary activities after taxation	£6.94 million	£17.39 million
Basic earnings per ordinary share	67.9p	162.9p
Diluted earnings per ordinary share	67.4p	161.6p
First interim dividend paid	13.0p	12.5p
Second interim dividend payable	13.0p	13.0p
Final dividend payable	26.0p	25.5p
Total	52.0p	51.0p
Share price at 31 December	£13.95	£13.00

In February 2025, the directors approved a second interim dividend of 13.0p per share (2023 - 13.0p) to be paid to shareholders on the register as at 4 March 2025, paid in March 2025. The directors have agreed that a final dividend of 26.0p per share (2023 - 25.5p) will be paid to shareholders on the register on 31 May 2025. The total estimated dividend to be paid is £2.63 million (2023 - £2.62 million). This dividend, together with the second interim dividend, has not been included as a liability in these financial statements



The Group's core focus continues to be on our mutual management activities, supported and augmented by the continued development of the TM owned businesses to enhance the service we offer to the managed entities and generate additional returns for shareholders.

Chairman's Statement



We will continue to invest in our people, providing the tools and training they need to deliver the highest levels of service.”

Charles Fenton
Chairman

I begin my statement by noting that despite largely good performance overall from both our managed and owned businesses, disappointingly, we did not meet our profit expectations in 2024.

A significant contributing factor to the profit shortfall was income from management of the TT Club. While the Club is generally in very strong health, as a result of action the Club Board took in the year which impacted its financial performance, the incentive fee income to Thomas Miller was depressed. A significant proportion of our income from TT is based on a percentage of the Club's net result. So when the Club does well financially, Thomas Miller benefits, and vice versa. Since this arrangement has been in place, Thomas Miller has been well rewarded on the whole and we expect

our income from the Club to increase in 2025 and beyond as a result of the measures the Club is taking.

Other material contributing factors to the Group's result include the performance of our Fixed Premium P&I business which is now closely aligned with the UK P&I Club as its sole capital provider.

On a positive note, good progress has been made in improving the performance of those businesses that have, in recent years, impacted the Group's profitability. Looking forward, we anticipate more stable and higher levels of profitability in 2025 and beyond.

More detail on performance is provided in Hugh's CEO Report.

A new vision for the Group

As mentioned in last year's report, in 2024 the Board agreed a new vision for Thomas Miller, which will guide the Group for the next five years and beyond. The vision recognises the contribution to the Group's success, the mutual management businesses, and our owned business make, in their different ways.

The vision places our Club management businesses at the centre of our focus, recognising their fundamental importance to the future of the Group. The service we provide to our Clubs and their Members is under closer scrutiny from Club boards and also from regulators around the world.

The perfect partnership

£100,000

target to raise in two years

£78,866

raised in total so far

Our Global charity partnership has become a core part of Thomas Miller, every two years our employees select a charity partner for us to work with. In January 2024, Thomas Miller began its new charity partnership with St Mungo's. The partnership aims to raise a minimum of £100,000 across two-years to support those experiencing homelessness.

The money raised will help people to rebuild their lives, from outreach and accommodation to skills and recovery. Colleagues will be paramount to the success of this partnership globally, making a difference through a variety of volunteering and fundraising opportunities throughout the next two years.

In Year One, our partnership has raised a total of £78,866. Out of this, £27,866 was raised through staff fundraising, beating the yearly fundraising target of £25,000. Thomas Miller has worked hard to raise vital funds for people experiencing homelessness, through many exciting events and initiatives, including fitness and exercise challenges, raffles, quizzes and much more.

Staff engagement and giving back to the community are priorities for Thomas Miller, and this has been an integral part of our partnership with St Mungo's. Throughout the past year, employees have showed their unwavering support and enthusiasm for supporting St Mungo's clients through volunteering and activity engagement. Overall, Thomas Miller colleagues have completed 182 collective hours of volunteering to support St Mungo's, with 43 colleagues generously dedicating their time to help in our services.

Chairman's Statement continued



Our new vision for Thomas Miller brings with it the opportunity to review the structure to ensure it is fit to oversee delivery of the Vision.”

Our Clubs' environments are becoming more challenging, not just competitively, but also as they seek to respond to the opportunities technology presents and we must raise our game to assist them, by being the best partner we can be. To do this we will continue to invest in our people, providing the tools and training they need to deliver the highest levels of service, as well as investing in technology, in particular, developing our AI capabilities.

Our mutual management activities will be supported and augmented by the continued development of our owned businesses to enhance the services we offer to the Clubs and generate additional returns for our Shareholders. The Board will continue to invest in these businesses to ensure they are given the opportunity to thrive.

We have, of course, seen significant geo-political change on a global level over recent months in particular and must recognise Thomas Miller - and the businesses we manage - are currently operating in a very uncertain world. We will continue to apply due caution in managing and developing the Group going forward.

Governance structure review

In 2025, we will undertake a review of our governance structure. Our current arrangements have been effective in overseeing the executive leadership and Group's performance, but were designed for a different phase of Thomas Miller's life. Our new vision for Thomas Miller brings with it the opportunity to review the structure to ensure it is fit to oversee delivery of the Vision. I look forward to reporting to you on this in next year's report, if not before then.

In the meantime I thank Bob Cowdell, the Senior Independent NED, who chairs the Remuneration and Nominations Committee and until June 2024 chaired the Audit and Risk Committee. I also thank James Quin, the second independent NED, who replaced Mr Cowdell as Chairman of the Audit and Risk Committee in the year. Grahaeme Henderson, the UK P&I Club's Representative Director, stepped down from the Board in 2024 and we thank him for his wise counsel and contribution. Grahaeme was replaced by Markos Nomikos in mid-2024, although since the year end Markos has stepped down due to other commitments.

I should note here that in 2024, I stepped down from my role as CEO of TT Club. I remain a Director on the main TT Club Board, TT Bermuda, for a short period to support Kevin King who succeeded me as CEO, and Morten Engelstoft, who has recently taken over as Chair of the Club. As I transition out of this executive role, I am increasingly focusing on a more non-executive position as Chairman of Thomas Miller Holdings.

St Mungo's

Collaborating with a corporate charity partner is an important strand of our Corporate Social Responsibility programme, 'Be the Difference'.

We are in the second year of our two-year partnership with St Mungo's and I am pleased to see how engaged so many of our employees both in London and overseas have been in supporting the charity as evidenced by their fundraising and volunteering. The issue of homelessness has clearly struck a chord with employees all around the world. St Mungo's is also delighted by the partnership.

I will end by thanking all our employees across the Group for their hard work and contribution to the Group during the year.

Charles Fenton
Chairman

Chief Executive's Statement and Review of the Year



The Group's core activity continues to be the management of third party mutual insurance businesses."

Hugh Titcomb
Chief Executive Officer

The Group delivered a pre-tax profit of £11m in 2024 against a budget of £16m and an out-turn of £21.9m the previous year. Whilst this outcome is disappointing, the high-level numbers mask a number of significant one-off items and some strong delivery across many parts of the Group's activities.

As highlighted in Charles's commentary, the Group received a lower than anticipated incentive fee from the TT Club, with the shortfall relative to the Group's original budget being circa £5m. Whilst the Club's underlying performance and investment returns were strong in 2024, a strengthening of its reserves for prior year claims, together

with some additional costs relating to the implementation of its new IT system, impacted the Club's surplus for the year which, in turn, impacted the incentive fee payable to Thomas Miller. Looking forward, we can anticipate an improved fee in 2025 and beyond.

The Fixed Premium Marine business was restructured during the year and incurred a loss of circa £5m, reflecting restructuring and goodwill impairment costs, together with the impact of implementing a reduced risk appetite as the business was repositioned within the UK P&I Club. Going forward, the business will operate as one of the UK P&I Club's own business lines under a 'cost plus' profit contribution model for Thomas Miller.

The Group's core activity continues to be the management of third party mutual insurance businesses and notwithstanding the challenging macro economic conditions which prevailed during the year, the underlying performance of each managed entity in 2024 was strong within the sectors in which they operate. Positively, with the exception of the TT Club (as noted above), the profit contribution to Thomas Miller from each entity was either in line with, or above, budgeted levels.

Focus also continues on developing the Group's owned businesses, supported by clear action plans which are in place. Good progress is being made although profit performance in 2024 was mixed. The key highlights include:

01

Professional Services Division

In aggregate, this Division performed in line with budget, with above budget performances from Brookes Bell and Condon Claims Management offsetting largely cost driven shortfalls from TM Claims Management and Shearwater Law. Development plans are being progressed to grow this Division both organically and via acquisition.

02

The Judge

This performed above budget, reflecting strong new business volumes, with the more prudent approach to the value of work in progress held on the Group's balance sheet adopted for the 2023 financial statements continuing in 2024.

03

Navata (previously TMS Offshore)

This MGA business was re-branded in the year and has continued to develop its market presence however, profit performance was below budget.

This reflects a combination of below budget volumes, reduced commission rates, re-branding costs, some adverse foreign exchange movements and the buy-back of an economic interest in the business held by its management team. Following on from the vision work as referenced in Charles's commentary, we are currently exploring a possible sale of this business – this is work in progress and it is possible that a conclusion will be reached later this year.

04

TMS Construction:

Income shortfalls, which largely reflect timing delays on construction projects, together with some restructuring costs resulted in a below budget performance for the year. The business is however making progress and the 2024 out-turn is an improvement in excess of £1m on the previous year.

05

Thomas Miller Investment:

Whilst this is a core activity for the Group and a key component of Thomas Miller's overall mutual management proposition, it is not a significant profit contributor in its own right – rather, the value of the service provided is primarily recognised via the management and incentive fees received in respect of the mutual management activity. Investment outcomes are key performance indicators and positive returns were delivered in 2024 across all client portfolios.

Chief Executive's Statement and Review of the Year continued



The Group benefits from strong employee engagement, with colleagues demonstrating a strong commitment to delivering high levels of client service.”

In comparison with 2023, Shareholders will no doubt recall the out-turn for that year reflected a number of one-off items plus the benefit of a higher TT incentive fee which was circa £3.6m above that booked in 2024. The one-offs included the benefit of the uplift in the Shipperserv investment of circa £8m and the add-back of circa £7m under International Accounting Standards relating to contributions into the Group's Defined Benefit Pension Scheme (noting no contributions were made in 2024 or are anticipated in the future), offset by a write-down of circa £4.4m in the value of The Judge work in progress held on the Group's balance sheet and a goodwill impairment charge of circa £4m.

The proceeds from the Shipperserv sale were received in tranches over the second half of 2024, with the final payment being received in December. These monies, together with continuing strong internal cash management disciplines, have meant the Group has not had to borrow to support what is typically a low cash position over the year end.

Share Market and Funding Arrangements

Historically, Thomas Miller has supported the internal share market by providing funding as required from its own cash resources. During the year, we entered into an arrangement with the UK P&I Club whereby it agreed to share this support in partnership with TMH. This arrangement is in place up until the point at which the UK P&I Club's interest in TMH reaches a maximum of 20% of the shares in issue.

Further, we entered into an arrangement whereby the UK P&I Club has agreed to act as lender to the Thomas Miller Group in the event borrowing facilities are required. This arrangement replaces a previous arrangement with HSBC Bank, which has been in place for several years.

We are very grateful for the help and support given by the UK P&I Club through these arrangements.

Business Plan

Over recent months the TMH Board has established a medium term vision for the Group, centred on continuing to deliver exceptional service across all the Group's business activities and fostering long-term relationships with our clients. The Group's core focus continues to be on our mutual management activities, supported and augmented by the continued development of the TM owned businesses to enhance the service we offer to the managed entities and generate additional returns for shareholders. We have a detailed business plan for 2025 which focuses on business performance over both 2025 itself and for the longer term – this includes consideration of such critical areas as our technology needs and the training and development of colleagues across the Group.

Thomas Miller has a staff complement of 930 across the Group, including 140 colleagues who joined over the past year. The Group benefits from strong employee engagement, with colleagues demonstrating a strong commitment to delivering high levels of client service. To support this, we will continue to provide enhanced cross-Group training and

experience opportunities to develop our talent pool and improve knowledge sharing. Further, we are committed to developing diversity within our teams, reflecting our values and the markets in which we operate. A focus of our ESG strategy is Diversity, Equity & Inclusion (DEI) and we launched our Global DEI Employee forum during the year to help us build engagement across the business.

The development and application of artificial intelligence and digital functionality is moving apace and it is essential we invest in this area to take advantage of the opportunities this offers. Towards the end of 2024 we launched the use of a generative AI tool, Copilot, across the Group. A number of training initiatives have been established and the tool is compatible with our existing systems and processes. The take-up to date has been impressive, with colleagues across the Group embracing the new capability and putting it to work within the managed entities, the owned businesses and Thomas Miller's central functions. Real life success stories and learnings are shared across the Group via the Intranet, with support and governance being undertaken by a dedicated AI Steering Committee.

In addition to the development of Thomas Miller's central technology capabilities, many of our managed businesses have revised their digital strategies over the past year and Thomas Miller is working with each entity to ensure these are implemented in an efficient and timely manner.

Dividends

I am very pleased to confirm the final dividend will be paid in late June 2025 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 2024 to 52 pence – an increase of 2% above the previous year.

The possibility of distributing part of the Shipperserv proceeds by way of a special dividend has been raised previously. Having now reviewed matters taking into account the prevailing global uncertainties and the need to retain some cash management flexibility for corporate development and contingency purposes, the TMH Board has concluded no special dividend will be paid.

Whilst dividend payments must always be subject to future profitability and cash-flow generation, subject to any constraints these considerations present, we plan to continue our policy of distributing profits to our shareholders via the current interim and final dividend structure.

Thank you

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

Hugh H Titcomb

Chief Executive Officer

Chief Executive's Statement and Review of the Year continued

Adjusted operating profit	2024	2023
	£'000	£'000
Transport division	13,805	17,475
Professional Indemnity division	1,297	253
Investments division	90	501
Specialty division	(369)	(3,319)
Professional Services division	2,069	1,340
Other, including bonuses	(6,324)	(9,085)
Total	10,568	7,165
Net (loss)/gain arising on financial assets (note 9)	(44)	7,739
Total business operating profit	10,524	14,904
Adjustments		
Adjustment for defined benefit schemes' contributions and other pension costs included within management fee charges	148	6,046
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)	385	1,000
Total adjustments	533	7,046
Profit on ordinary activities before taxation	11,057	21,950

A strategy of looking ahead

Our five-year vision outlines Thomas Miller Group's strategic direction, focusing on our core business activities. These include:

1. Mutual management

Thomas Miller's core business is managing third-party insurance mutuals (the 'Clubs'). This remains the focus, with a commitment to delivering exceptional service aligned to each Club's objectives.

2. Owned business

Thomas Miller owns a number of businesses in addition to its mutual management activity. These businesses should either support the overall service provided to the Clubs and/or deliver additional Shareholder returns within acceptable risk levels – without compromising the quality of service provided to the mutuals.

3. Ownership model

Focus continues on ensuring Thomas Miller has a robust and enduring ownership model for the future.

4. People

Thomas Miller's people strategy focuses on fairness, talent retention, reward and recognition, client service and high engagement. Succession planning, additional digital skills, and underwriting expertise are key priorities.

5. Central services

Thomas Miller's Central Services support the mutual management activities and owned businesses. These will be developed collaboratively to ensure high levels of efficiency and service delivery.

6. Technology

Thomas Miller is developing its central IT and AI strategy to provide a clear framework for future investment and innovation, while supporting individual businesses in implementing their own strategies and driving greater efficiency through improved collaboration.

7. Risk management and governance

Thomas Miller has built clear roles and responsibilities between Central and Club/business line risk teams. It is committed to having robust risk management and governance processes in place and these will be developed including the use of technology to inform and manage risks.

8. ESG including DEI

ESG Initiatives are a key component of our people proposition and are supported by engaged leadership and defined KPIs. DEI initiatives aim to define strategy, set clear goals, engage leadership, support the DEI Employee Forum, provide ongoing education, and measure progress using defined KPIs.



Businesses at a glance

Mutual Management

Thomas Miller's origins are in the provision of management services to mutual organisations, particularly in the international transport and professional indemnity sectors where today we manage a large percentage of the foremost insurance mutuals.

Each mutual retains its distinct identity and purpose whilst benefiting from Thomas Miller's robust infrastructure. This includes end-to-end operational support, regulatory and compliance expertise and strategic growth planning.

ukpandi.com

One of the world's leading mutual insurers of third party liabilities for ocean-going merchant ships.



ttclub.com

The leading provider of insurance and related risk management services to the transport and logistics industry.



ITIC

The International Transport Intermediaries Club is a provider of professional indemnity insurance for transport professionals



ukdefence.com

The leading provider of legal costs insurance to the maritime industry.



ukwarrisks.com

Offers specialist insurance to protect international flag ships from malicious damage/loss by a third party worldwide.



Hellenic War Risks Club

Provides Greek shipping community with specialist mutual war risks insurance, protecting ships against loss caused by a third party.



barmutual.co.uk

Provides comprehensive professional indemnity insurance cover and an excellent claims handling service for barristers.



pamia.co.uk

A specialist mutual insurance company providing professional indemnity insurance to patent & trade mark attorneys in private practice.



FRIC

FRIC provides risk protection products for Members' core risks including vehicle fleet, liability and property with a focus on service and satisfaction.



Activities Industry Mutual

AIM specialises in providing a high quality discretionary alternative to conventional insurance for the activities sector.



Livery Companies' Mutual

LCM arranges insurance and provides discretionary cover to 84 livery companies, trade associations, guilds, & private members' clubs.

Businesses at a glance continued

Professional Services & Investments

Our professional services offer technical, legal, claims management and handling services to a broad range of client companies.

Brookes Bell

Brookes Bell is a market leading expert witness firm operating primarily in the maritime space.

Premium service, global presence with offices in US, UK and Asia. Laboratory facility offering materials & non-destructive testing



Thomas Miller Claims Management

Thomas Miller Claims Management provides outsourced claims handling for TM clubs, London Market and owners/operators in marine space.



Shearwater Law

Shearwater Law is a specialist commercial, litigation and insurance firm, created to offer a fresh alternative to large, traditional firms.



TM Investment

Provides investment management services to TM managed clubs and other institutional clients through its operations in London and Isle of Man.



Specialty Division

Thomas Miller is constantly looking for opportunities to utilise our considerable experience and expertise to provide specialist insurance services to niche or underserved markets.

OPDU

OPDU is a broker which arranges pension trustee liability insurance for occupational pension schemes in the UK.



Thomas Miller Legal

Thomas Miller Legal provides due diligence and claims management services to commercial ATE insurers and litigation funders.



The Judge

The Judge is a regulated insurance broker specialising in litigation insurance.



TMSC

TMSC is an MGA business providing latent defects insurance for mixed use buildings.



Thomas Miller Captive Management

Thomas Miller Captive Management specialises in establishing and managing insurance companies for third parties.



Navata

Navata provides insurance globally across a wide range of speciality sectors including Offshore Marine, Upstream Energy, Renewable Energy, Power Generation and newly emerging energy markets.



