



# PRELIMINARY RESULTS

for the year ended 31 January 2024

**17 APRIL 2024**

**SAGA**

## SPEAKERS



**Mike Hazell**  
Group CEO



**Mark Watkins**  
Group CFO



**Steve Kingshott**  
Insurance CEO

## AGENDA

**Overview**

Mike

**Financial performance**

Mark

**Insurance update**

Steve

**Strategic progress**

Mike

**Conclusion**

Mike

**Q&A**



# OVERVIEW

Mike Hazell  
Group CEO

SAGA

# UNDERLYING PROFIT MORE THAN DOUBLED, ALONGSIDE SIGNIFICANT DEBT REDUCTION

- Underlying Revenue growth of 13% and Underlying Profit Before Tax more than double that of the prior year
- Strong cash flow generation supported further Net Debt reduction, closing the year at £637.2m, £74.5m lower than the prior year
- Outstanding recovery Ocean Cruise, River Cruise and Travel, with all three returning to profit for the first time since the pandemic
- Insurance continued to be hindered by challenging conditions. Taking action to reposition the business focused on short-term stabilisation and long-term sustainable growth
- Continued focus on customer database development and deepening connections with those customers, through regular, insightful content
- Acceleration of partnership strategy through exploration of opportunities to scale Ocean Cruise and Insurance businesses as we move towards capital-light business models



# PERFORMANCE ACROSS OUR CORE BUSINESSES

Database of **9.6m customers** driving performance across each of our core businesses



**Cruise**

**88%**  
Ocean Cruise  
load factor  
(2022/23 – 75%)

**£331**  
Ocean Cruise  
per diem  
(2022/23 – £318)

**£43.8m** River Cruise  
revenue  
(2022/23 – £28.8m)

**16.6k** River Cruise  
passengers  
(2022/23 – 11.6k)



**Travel**

**57.8k**  
passengers  
(2022/23 – 47.2k)

Revenue  
**£156.3m**  
(2022/23 – £108.4m)

Return to  
underlying **profit**

**£2,704** Revenue per  
passenger  
(2022/23 – £2,297)



**Insurance**

**1.6m**  
Policy sales  
(2022/23 – 1.7m)

Current year  
COR  
**117.1%**  
(2022/23 (restated)  
– 120.5%)

**£55** Motor and home margin per policy  
(2022/23 (restated) – £69)



**Money**

**4**  
new products  
launched

Fixed savings accounts  
Investment ISAs  
Legal services  
Mortgages

**72** Sector leading tNPS  
(2022/23 – 64)

**£3.1bn** Savings balances  
(2022/23 – £3.4bn)



# FINANCIAL PERFORMANCE

Mark Watkins  
Group CFO

SAGA

# PROFITABILITY MORE THAN DOUBLED, SUPPORTING STRONG CASH GENERATION

£m	2023/24	2022/23 (restated)	Change
Underlying Revenue	732.7	648.9	13%
Revenue	741.1	663.7	12%
Trading EBITDA	116.5	92.5	26%
Underlying Profit Before Tax (Under Previous IFRS)	45.3	21.5	111%
Underlying Profit Before Tax	38.2	15.5	146%
Loss before tax	(129.0)	(272.7)	53%
Available Operating Cash Flow	143.8	54.9	162%
Net Debt	637.2	711.7	10%
Leverage ratio	5.4x	7.5x	2.1x

- Significant revenue increase driven by Cruise and Travel
- Same trend drove 26% growth in Trading EBITDA
- Underlying Profit Before Tax more than double that of the prior year, under both accounting standards
- Improved loss before tax, despite restructuring costs and further Insurance goodwill impairment
- Strong Cruise and Travel cash generation and lower central costs drive step-change in Available Operating Cash Flow
- Deleveraging continues, with Net Debt £74.5m lower than the prior year

## CRUISE AND TRAVEL

# BOOST EARNINGS DESPITE INSURANCE PRESSURE

£m	2023/24	2022/23 (restated)	Change
Cruise and Travel	40.0	(9.9)	>500%
Insurance Broking (earned)	39.8	71.5	(44%)
Insurance Underwriting	(1.4)	10.7	(113%)
Total Insurance	38.4	82.2	(53%)
Other Businesses	0.9	(0.8)	213%
Central Costs	(41.1)	(56.0)	27%
Underlying Profit Before Tax	38.2	15.5	146%

- Strong customer demand saw Cruise and Travel return to profit
- Insurance Broking continues to be dampened by challenging conditions and declining policy sales
- Insurance Underwriting reflects market-wide claims inflation
- Other Businesses return to profit following exit from loss-making Saga Exceptional and Insight
- Reduced Central Costs, reflecting six months' benefit of the move to a leaner operating model



# OCEAN CRUISE EXCEEDED OUR TARGET

£m	2023/24	2022/23	Change
Underlying Revenue	215.9	168.3	28%
Gross profit	81.1	40.2	102%
Marketing expenses	(12.3)	(11.0)	(12%)
Other operating expenses	(15.1)	(10.7)	(41%)
Finance costs	(18.2)	(19.2)	5%
Underlying Profit/(Loss) Before Tax	35.5	(0.7)	>500%
EBITDA (Excluding Overheads)	89.9	49.7	81%

## Forward bookings

	14 Apr 2024	16 Apr 2023	Change
Load factor	78%	74%	4ppts
Per diem	£367	£338	9%

- Return to underlying profit, compared with small loss in 2022/23
- Underlying Revenue growth of 28%, reflecting increased load factor of 88% and per diem of £331
- EBITDA target of £40m per ship exceeded, with potential for further growth
- Forward bookings materially ahead of the same point last year

# RIVER CRUISE RETURNED TO PROFIT, WITH STRONG FORWARD BOOKINGS

£m	2023/24	2022/23	Change
Revenue	43.8	28.8	52%
Gross profit	11.3	1.5	>500%
Marketing expenses	(4.4)	(3.2)	(38%)
Other operating expenses	(4.0)	(3.4)	(18%)
Investment return	0.1	-	100%
Underlying Profit/(Loss) Before Tax	3.0	(5.1)	159%

- Revenue growth of 52%, supported by strong load factor and per diems
- Forward bookings for 2024/25 significantly ahead of the prior year
- Further growth potential as we expand our fleet of purpose-built ships

## Forward bookings

	14 Apr 2024	16 Apr 2023	Change
Load factor	72%	66%	6ppts
Per diem	£339	£299	13%

## TRAVEL

# RETURNED TO PROFIT AFTER THREE YEARS OF LOSSES

£m	2023/24	2022/23	Change
Revenue	156.3	108.4	44%
Gross profit	30.0	20.9	44%
Marketing expenses	(9.6)	(10.2)	6%
Other operating expenses	(19.6)	(14.8)	(32%)
Investment return	0.7	-	100%
Underlying Profit/(Loss) Before Tax	1.5	(4.1)	137%

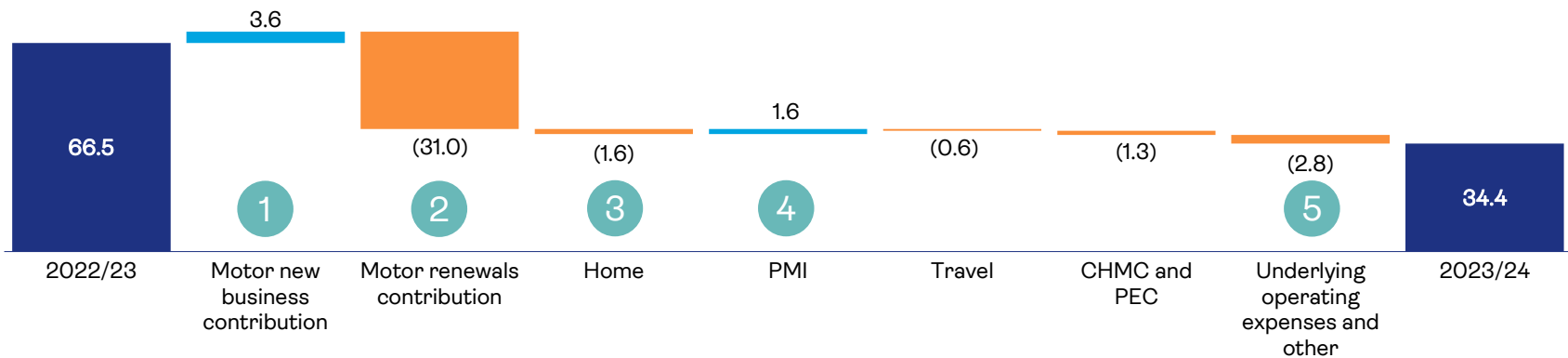
- Revenue growth of 44%, driven by a 22% increase in passenger numbers
- Return to underlying profit following three years of pandemic-driven losses, reflecting an increase of £5.6m
- Forward bookings reflect continued growth, with current year revenue 12% higher than the same point last year

### Forward bookings

	14 Apr 2024	16 Apr 2023	Change
Revenue	£140.7m	£125.5m	12%
Passengers	45.3k	43.7k	4%

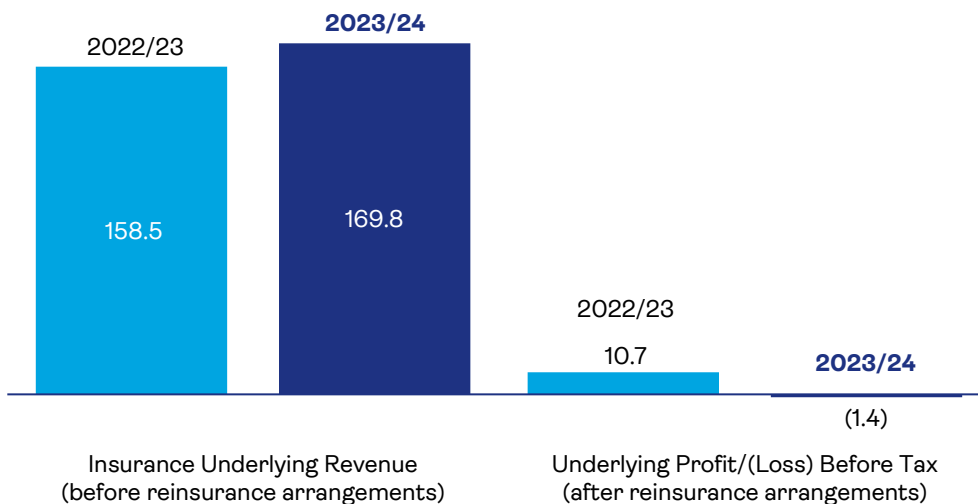
# MANAGING THE IMPACT FROM CHALLENGING MOTOR BROKING CONDITIONS

Year-on-year movement in written Insurance Broking Underlying Profit Before Tax (£m)



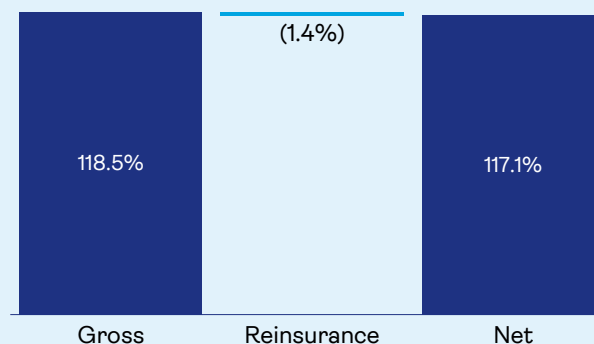
- 1 Increased new business margins due to price increases in response to claims inflation, partially offset by lower new business volumes
- 2 Lower margins per policy due to underwriting net rates having increased faster than market-wide customer pricing, particularly within our three-year fixed-price policies
- 3 Lower retention combined with reduced new business margins
- 4 Largely due to a one-off contribution from Bupa following partnership agreement earlier this year
- 5 Increased operating costs reflect colleague cost of living support, partially offset by operational efficiencies

# UNDERWRITING PRICE INCREASES START TO OFFSET CLAIMS INFLATION

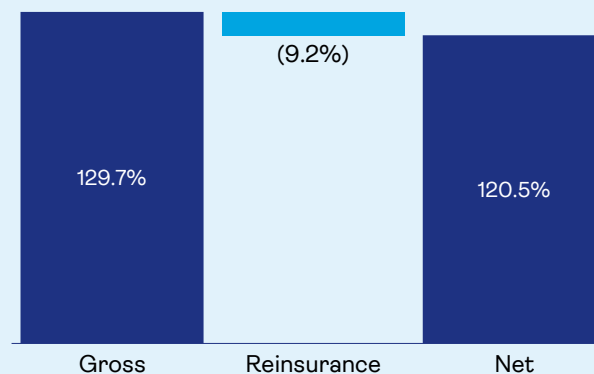


- Underlying Revenue, before reinsurance arrangements, increased 7%, reflecting price increases to mitigate the impact of claims inflation
- Underlying loss compared with a profit in the year before which benefited from a higher positive effect from prior year claims
- Reduced combined operating ratio when compared with the prior year, as price increases begin to flow through
- Claims inflation estimated at c.15% for the year

## 2023/24 combined operating ratio



## 2022/23 combined operating ratio

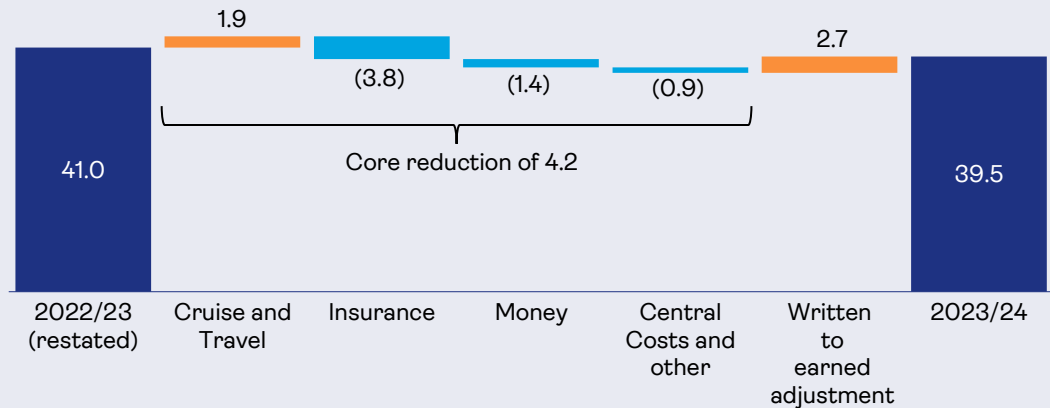


# ACTIONS TAKEN TO REDUCE OUR COST BASE

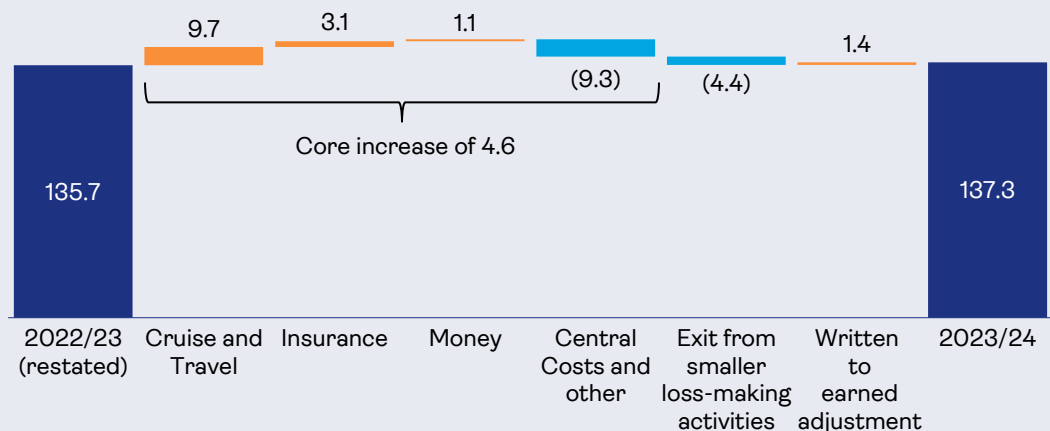
- Reduction of £4.2m in core marketing costs:
  - Pause in some specific Insurance activity given market conditions
  - Reduction in Money, reflecting impact of inflation on equity release
  - Increased Cruise and Travel, following return to normal trading
- Increase of £4.6m in core administration costs:
  - £9.7m Cruise and Travel, supporting growth
  - Insurance investment in colleague cost of living support and capability
  - Investment in Money to support growth through new products
  - Reduced Central Costs following move to leaner operating model

*\* Administration and marketing costs are reconciled to statutory definitions on page 37*

## Underlying marketing costs (£m)\*

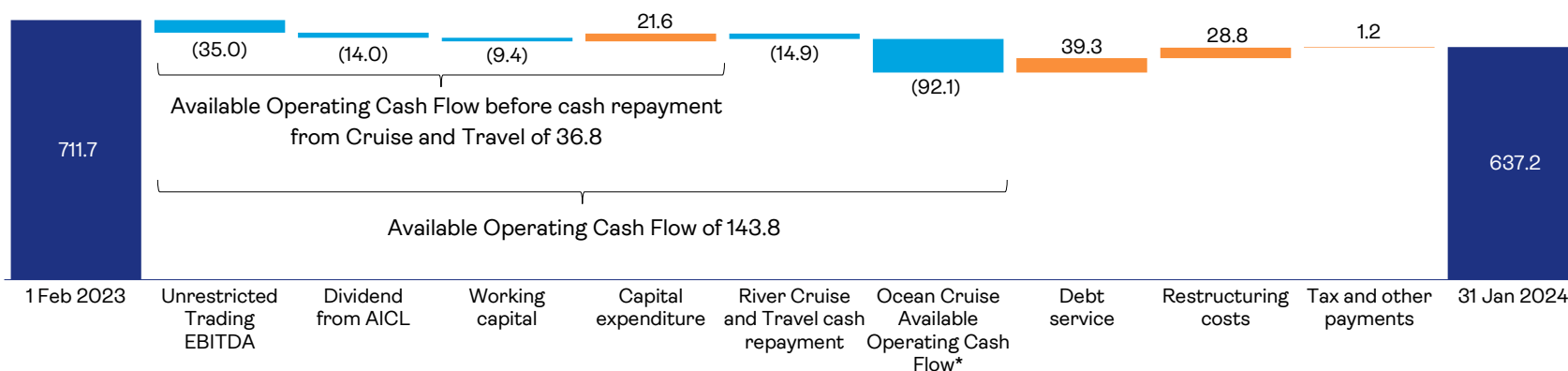


## Underlying administration costs (£m)\*



# NET DEBT CONTINUES TO REDUCE

## Movement in Net Debt (£m)



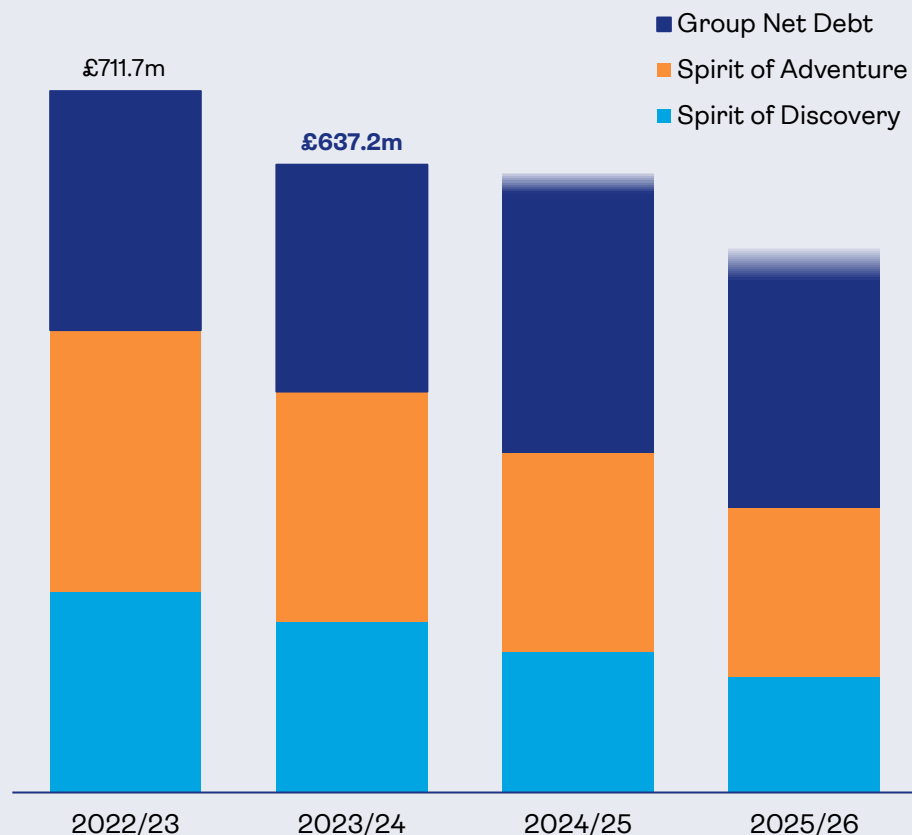
- Available Operating Cash Flow of £143.8m (vs. £54.9m in the prior year), with £42.0m lower Insurance cash generation offset by £101.2m improvement in Cruise and Travel
- River Cruise and Travel benefits from one-off in H1 as we moved from 100% trust to 70% escrow arrangement
- Ocean Cruise momentum drives an increase in Available Operating Cash Flow of £68.5m
- Debt service costs £1.3m higher than the prior year, reflecting higher floating interest rate on Ocean Cruise ship loan deferrals
- Significant restructuring costs following exit of our smaller loss-making businesses and move towards a leaner central operating model

\* Ocean Cruise cash flow represents net advance customer receipts, net trading income and capital expenditure as shown on page 43

# UPDATED NET DEBT OUTLOOK

- Debt reduction remains a key priority
- Net Debt, at 31 January 2024, was £637.2m £74.5m lower than the year before, including Available Cash of £169.8m
- This reflects the recovery in Ocean Cruise cash flow, reduced central costs and one-off working capital benefits, partly offset by Insurance decline
- Ship debt currently being repaid at a rate of £62.2m per annum
- May 2024 £150.0m bond will be repaid through a combination of Available Cash and the £85.0m loan facility with Roger De Haan
- While 2024/25 will be a transitional year, Net Debt is expected to continue to reduce, even in a severe but plausible downside scenario
- Exploring strategic partnerships that will enable capital-light growth and accelerate deleveraging

## Deleverage profile







## 2024/25 OUTLOOK

- **Ocean Cruise** – continued growth in load factor and per diems, driving increased EBITDA (Excluding Overheads)
- **River Cruise and Travel** – continued growth in revenue and passenger numbers, driving significant UPBT growth
- **Insurance Broking** – some margin erosion expected as we begin to stabilise volumes. UPBT expected to be materially lower than in 2023/24
- **Insurance Underwriting** – continued reduction in gross current year combined operating ratio, generating UPBT in the low single digits
- **Overall** - continued growth in Cruise and Travel expected to offset lower Insurance outlook, resulting in broadly flat UPBT
- **Net Debt** - expected to further reduce from 2023/24 levels

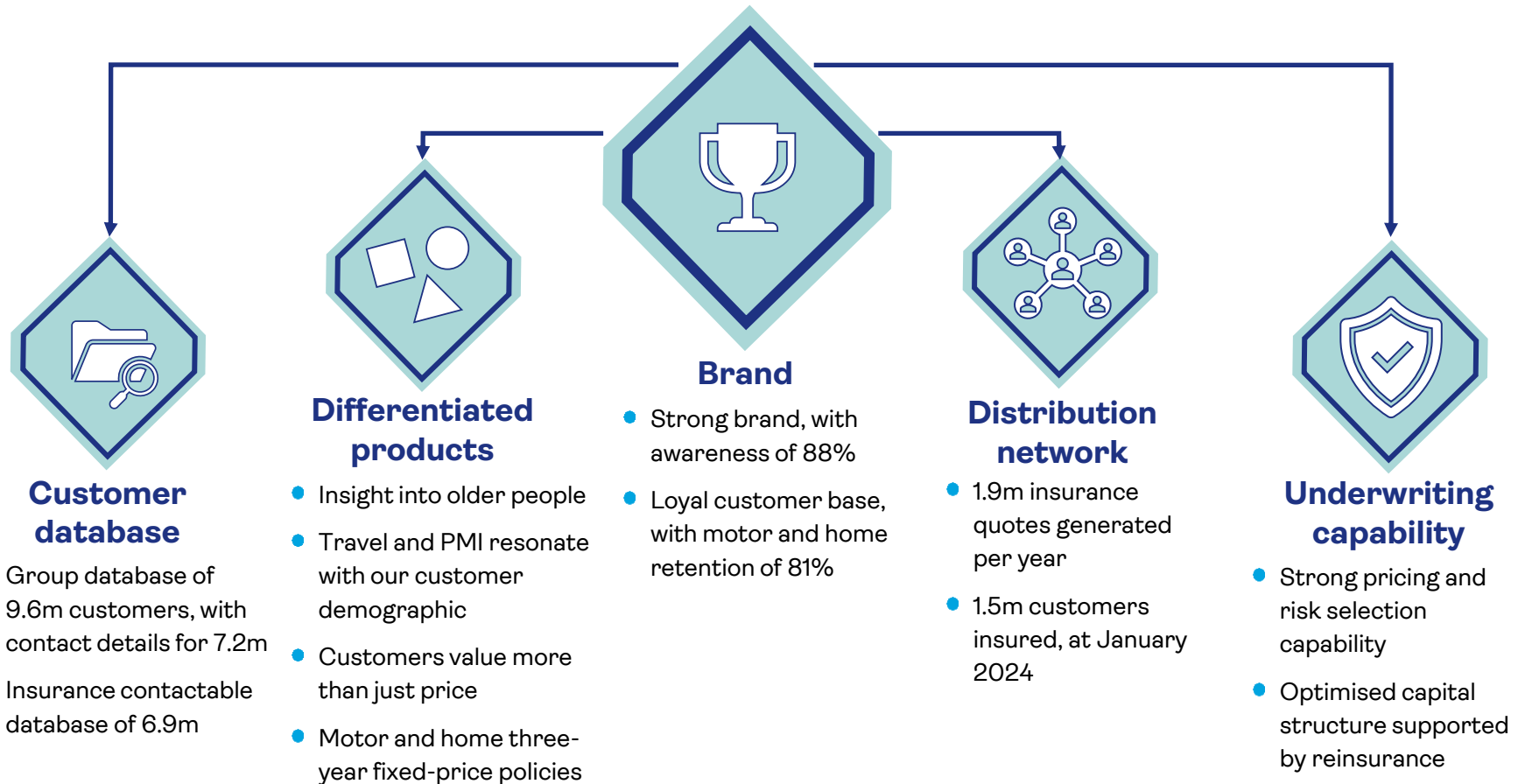


# INSURANCE UPDATE

Steve Kingshott  
Insurance CEO

SAGA

# INSURANCE IS A PROFITABLE AND DIFFERENTIATED BUSINESS



**Underpinned by exceptional customer service and colleagues who understand our customer base**

# INSURANCE BROKING CHALLENGED BY REGULATORY CHANGE AND INFLATION

- In January 2022, the FCA's GIPP review prompted market pricing adjustment and impacted our competitiveness
- From mid-2022, unprecedented levels of motor claims inflation drove significant net rate increases from our underwriting partners
- The impact was compounded by our inability to re-price three-year fixed policies, significantly impacting margins
- Combined pressure on margins prompted a reduction in our marketing and investment spend

*\* Note that 2022/23 and 2023/24 reflect the adoption of IFRS 17 'Insurance Contracts' so are not directly comparable with prior years*

## Policy decline in recent years...

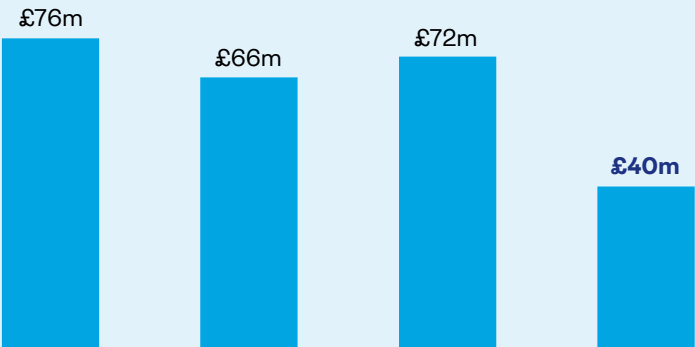
Total policies in force



2020/21 2021/22 2022/23 2023/24

## Declining profitability requires change of approach to stabilise prior to growth...

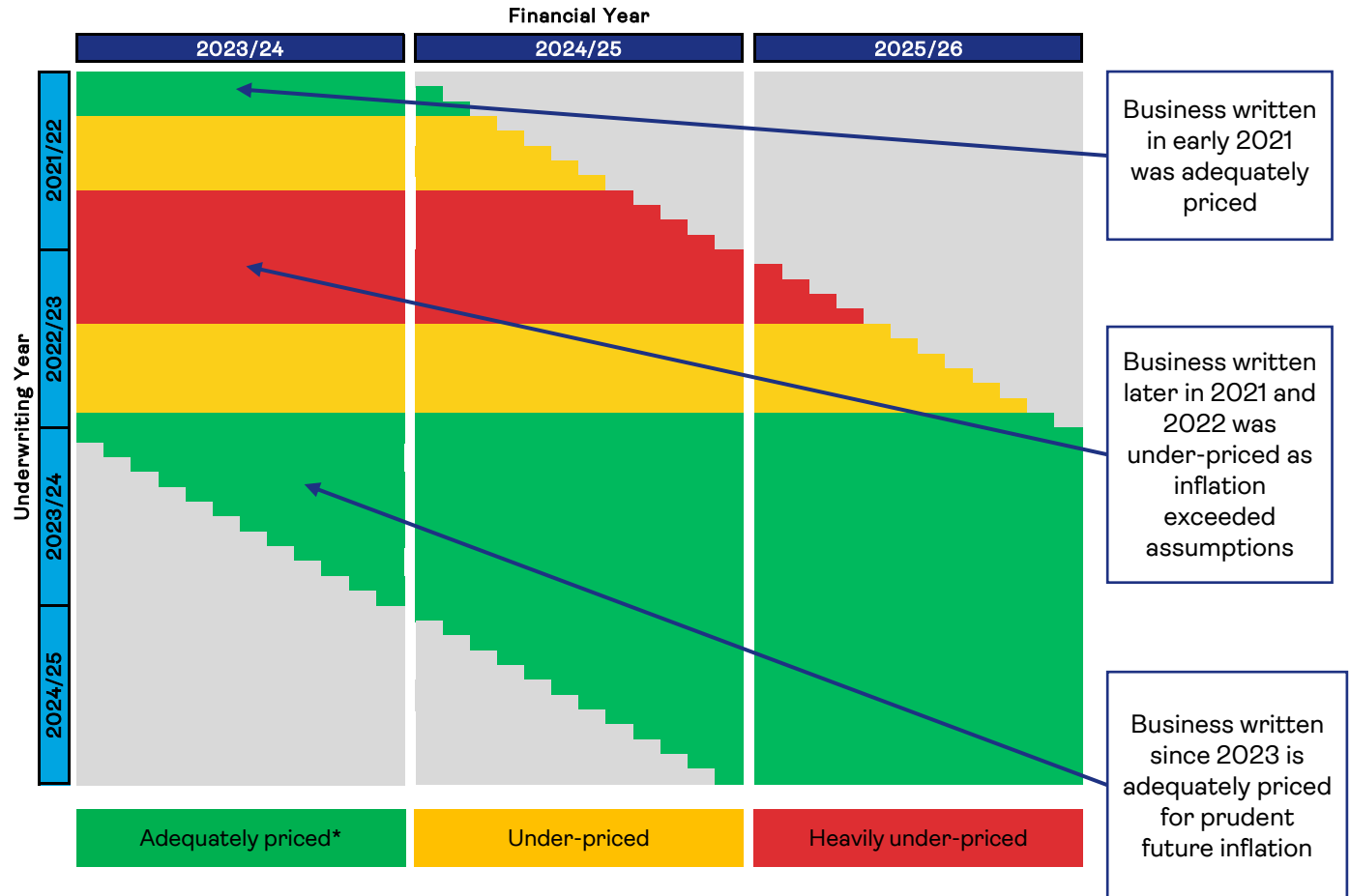
Insurance Broking Underlying Profit Before Tax\*



2020/21 2021/22 2022/23 2023/24

# MOTOR THREE-YEAR FIXED-PRICE HAD A DRAG EFFECT ON PROFIT BUT THE IMPACT UNWINDS FROM 2025

- Product unique to Saga, providing customers with reassurance and, more recently, protection amidst the rising cost of living
- Currently 41% of motor and 51% of home book
- Initial inflation assumptions were below the levels observed since the second half of 2022
- Current pricing reflects a substantially higher prudent view of future inflation
- Some profit drag persists into 2024/25, but to a lesser extent than 2022/23, and unwinds by early 2025

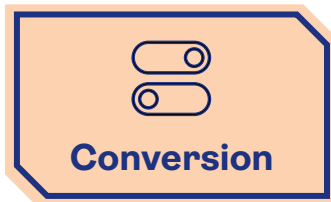


# TAKING ACTION TO ADDRESS THE CHALLENGES

## Short-term measures to stabilise the business

- Investment in **pricing competitiveness** to reverse volume decline
- **Investment in cost-efficient marketing** to stabilise existing business and acquire new business more efficiently
- Review of operational cost base and maintaining **cost discipline**
- Development of differentiated products with a **new tiered travel product** coming in Q2
- Leveraging **partnerships** including new relationship with Bupa for PMI

...with encouraging early improvements in...



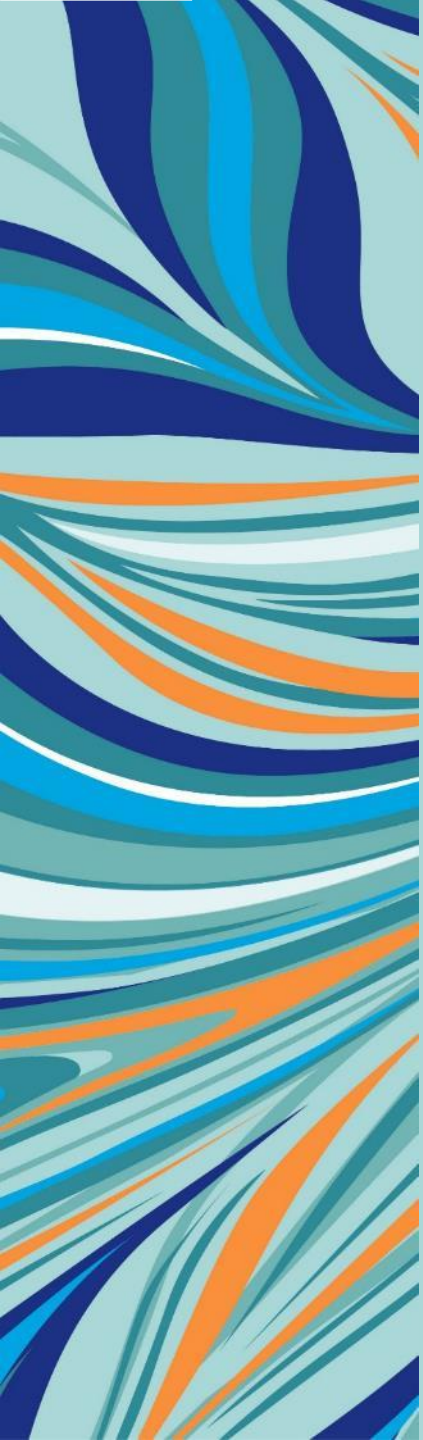
## Exploring partnerships to drive long-term growth

- Focused on scaling the business while exploring partnership opportunities for Insurance which could:
  - improve customer service efficiency and effectiveness;
  - crystallise value;
  - reduce debt; and
  - enhance long-term returns for shareholders.
- Consistent with the move to capital-light business models

# POSITIONING INSURANCE FOR SUCCESS

- We understand the issues and our actions are specifically designed to address them
- Easing pressure on three-year fixed-price policies provides the headroom to make the necessary changes
- We are heading into a transitional period as these actions take time to flow through
- While underlying profit will be significantly lower in the short-term, albeit with more stable volumes, these actions will lead to greater long-term profitability
- We are already seeing encouraging early signs from the actions we have taken
- We believe partnership opportunities could further drive profitable growth and would be consistent with the move towards capital-light models





# STRATEGIC PROGRESS

Mike Hazell  
Group CEO

SAGA





## DELIVERED THROUGH OUR GROWTH PLAN...

### OUR VISION

IS TO BE THE  
LARGEST AND  
**MOST-  
TRUSTED**  
BRAND FOR  
**OLDER PEOPLE**  
IN THE UK...

1

**Maximising our core  
businesses**

Driving our Cruise, Travel, Insurance and Money businesses through business-led growth strategies, supported by wider data and Publishing marketing platform

2

**Reducing debt through  
capital-light growth**

Delivering capital-light growth across our business by leveraging strategic partnerships and reducing debt

3

**Growing our customer  
base and deepening our  
customer relationships**

Growing the number of customers we serve and enhancing the frequency and quality of our interactions with them

# CONTINUED PROGRESS TOWARDS MAXIMISING OUR CORE BUSINESSES



## Cruise

- tNPS of 74, up from 58 last year, driven by an almost four-fold increase in River Cruise
- Our third purpose-built river ship, Spirit of the Moselle, joins the fleet in 2025

## 2024/25 priorities

Explore Ocean Cruise partnership opportunities to support our strategic ambitions



## Travel

- Received 28 wins at the British Travel Awards
- Launched new website, with all products under one roof
- New contact centre technology and training, enabling greater volume of enquiries

Continued growth across core touring and hotel holidays



## Insurance

- Continued Guidewire migration
- Introduced fraud models at point of quote
- Implemented Consumer Duty
- Ageas joined the motor panel
- Secured new partnership for PMI with Bupa

Stabilise policies and maintain cost discipline, while exploring partnerships for long-term sustainable growth



## Money

- New website launched, providing access to a range of new tailored products
- Growing tNPS, now 72 vs. 64 last year

Grow the business through building awareness and developing new products

# DRIVING GROWTH, REDUCING DEBT AND DELIVERING STRATEGIC PARTNERSHIPS

## Our ambition is to fuel growth through the move towards a capital-light model

- Partnerships could be a key driver of strategic growth and debt reduction
- Strong Ocean Cruise demand means the business is nearing optimum capacity with the current two ships
- We are focused on stabilising and then growing Insurance and are taking action accordingly
- Opportunity for partnerships to support us in these objectives
- We have, therefore, accelerated our partnership strategy, exploring such opportunities for both businesses
- Such opportunities would support growth, reduce debt and deliver long-term value for shareholders



# DEEPENING OUR CONNECTIONS, ENABLING US TO BEST SERVE OUR CUSTOMERS' NEEDS



## Leveraging the Saga brand

- 88% prompted brand awareness, with 50% likely to consider Saga
- Customers hold an average of 1.4 products
- Transactional net promoter score of 59



## Maximising the potential of our data

- 26.2m UK people over 50, with 9.6m on our database
- Provides insight into our customers' needs
- Actions to drive email consent resulted in 9% year on year growth



## Broadening our customer reach

- Over 15.0m website visitors in the past year
- 120k magazine subscribers
- Digital newsletters issued to 1.2m subscribers per week



## Deepening customer engagement

- Brand new Saga Magazine site launching May 2024
- Highly engaged newsletter readership with open rates above 50%
- Magazine, newsletters and website creating a customer lifestyle content hub



**13 year**  
average customer relationship



**77%**  
of target customers on our database

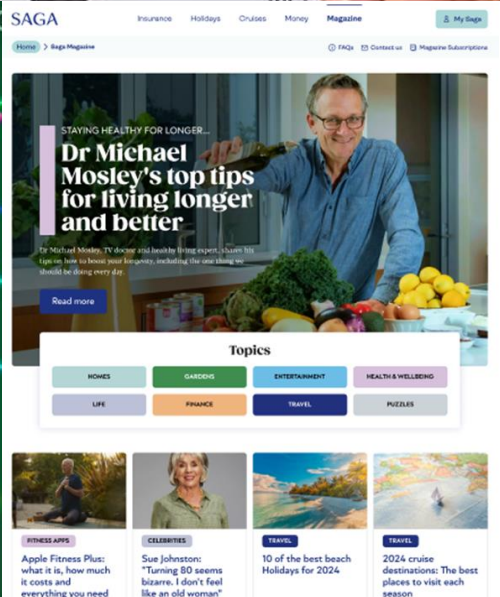


**22%**  
increase in new magazine subscribers



**Two thirds**  
of recipients engage with our email marketing

# THE LEADING VOICE FOR PEOPLE OVER 50





# CONCLUSION

Mike Hazell  
Group CEO

SAGA



## A PATHWAY TO GROWTH

### Considerable progress in 2023/24

- Strong financial result with doubling of underlying profit, driven by growth in Cruise and Travel, alongside significant debt reduction

### Building the foundations for growth

- Further growth potential in Cruise and Travel, supported by strong forward bookings
- Repositioning Insurance to stabilise policy sales and deliver sustainable returns
- New product launches position Money for growth
- Capitalising on the strength of our brand, data and insights to increase customer reach and depth of engagement
- Accelerating partnership strategy, exploring opportunities across Ocean Cruise and Insurance to drive further growth and reduce debt
- Cost discipline and moves to accelerate debt reduction, leave us well-placed for long-term sustainable growth



**Q&A**

**SAGA**





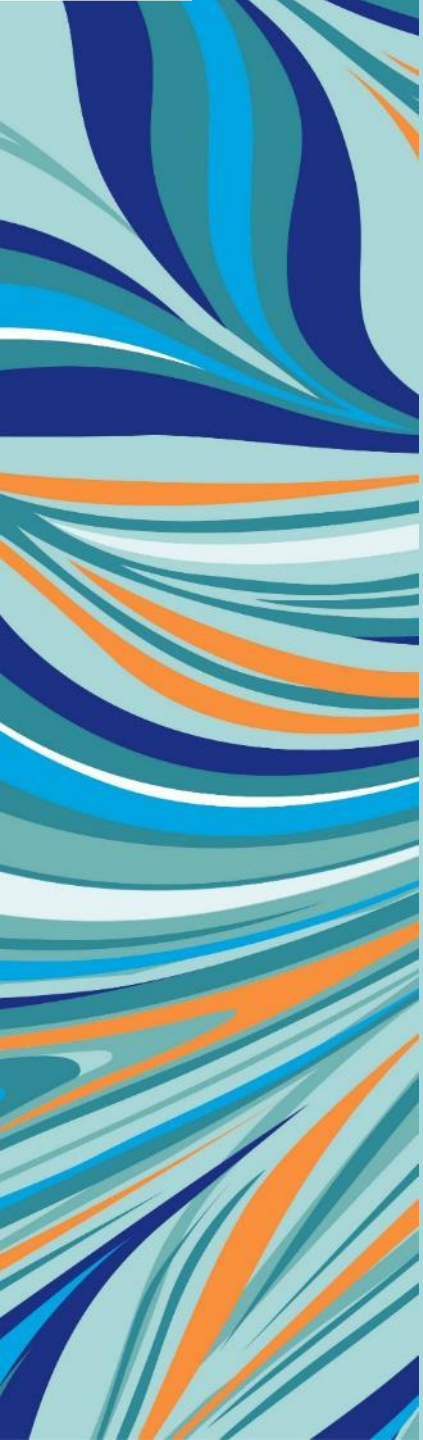
**DATES FOR  
THE DIARY**

**2024**

18 April – Private investor presentation

25 June – Annual General Meeting

2 October – Interim results for the six months ending 31 July 2024



# APPENDIX

# SAGA

# SAGA PLC CONSOLIDATED INCOME STATEMENT

£m	2023/24	Change	2022/23 (restated)
Underlying Revenue	732.7	13%	648.9
Underlying Profit Before Tax			
Cruise and Travel	40.0	>500%	(9.9)
Insurance Broking (earned)	39.8	(44%)	71.5
Insurance Underwriting	(1.4)	(113%)	10.7
Total Insurance	38.4	(53%)	82.2
Other Businesses and Central Costs	(17.0)	51%	(34.9)
Net finance costs	(23.2)	(6%)	(21.9)
Total Underlying Profit Before Tax	38.2	146%	15.5
Impairment of Insurance goodwill	(104.9)		(269.0)
Other exceptional items	(62.3)		(19.2)
Loss before tax	(129.0)	53%	(272.7)
Tax credit/(expense)	16.0	>500%	(0.4)
Loss after tax	(113.0)	59%	(273.1)
Basic earnings/(loss) per share:			
Underlying Earnings Per Share	30.0p	133%	12.9p
Loss per share	(80.8p)	59%	(195.7p)

# SAGA PLC CONSOLIDATED INCOME STATEMENT (UNDER PREVIOUS IFRS)

£m	2023/24	Change	2022/23
Underlying Revenue	666.3	15%	581.1
Underlying Profit Before Tax			
Cruise and Travel	40.0	>500%	(9.9)
Insurance Broking (earned)	38.8	(44%)	69.1
Insurance Underwriting	6.7	(65%)	19.1
Total Insurance	45.5	(48%)	88.2
Other Businesses and Central Costs	(17.0)	51%	(34.9)
Net finance costs	(23.2)	(6%)	(21.9)
Total Underlying Profit Before Tax	45.3	111%	21.5
Impairment of Insurance goodwill	(104.9)		(269.0)
Other exceptional items	(71.1)		(6.7)
Loss before tax	(130.7)	49%	(254.2)
Tax credit/(expense)	16.5	430%	(5.0)
Loss after tax	(114.2)	56%	(259.2)
Basic earnings/(loss) per share:			
Underlying Earnings Per Share	37.8p	218%	11.9p
Loss per share	(81.7p)	56%	(185.8p)

# UNDERLYING TO STATUTORY MARKETING AND ADMINISTRATION COSTS

£m	2023/24	2022/23 (restated)
Underlying marketing costs (page 14)	39.5	41.0
Underlying administration costs (page 14)	137.3	135.7
Total underlying marketing and administration costs	176.8	176.7
Restructuring costs	40.3	3.7
Insurance Underwriting profit commission	(0.9)	-
Insurance Underwriting restructuring costs	(0.6)	-
Insight acquisition and disposal costs	0.3	-
FX movement on river cruise ship leases	(0.6)	2.0
Increase in credit loss allowance	(1.1)	(0.9)
Statutory administration and marketing costs	214.2	181.5

# CRUISE AND TRAVEL INCOME STATEMENT

£m				2023/24	Change				2022/23
	Ocean Cruise	River Cruise	Travel	Cruise and Travel		Ocean Cruise	River Cruise	Travel	Cruise and Travel
Underlying Revenue	215.9	43.8	156.3	416.0	36%	168.3	28.8	108.4	305.5
Gross profit	81.1	11.3	30.0	122.4	96%	40.2	1.5	20.9	62.6
Marketing expenses	(12.3)	(4.4)	(9.6)	(26.3)	(8%)	(11.0)	(3.2)	(10.2)	(24.4)
Other operating expenses	(15.1)	(4.0)	(19.6)	(38.7)	(34%)	(10.7)	(3.4)	(14.8)	(28.9)
Investment return	-	0.1	0.7	0.8	100%	-	-	-	-
Finance costs	(18.2)	-	-	(18.2)	5%	(19.2)	-	-	(19.2)
<b>Underlying Profit/(Loss) Before Tax</b>	<b>35.5</b>	<b>3.0</b>	<b>1.5</b>	<b>40.0</b>	<b>&gt;500%</b>	<b>(0.7)</b>	<b>(5.1)</b>	<b>(4.1)</b>	<b>(9.9)</b>
Ave. revenue per passenger	£4,683	£2,639	£2,704	£3,452	7%	£4,714	£2,483	£2,297	£3,233
Ocean Cruise load factor	88%			88%	13ppts	75%			75%
Ocean Cruise per diem	£331			£331	4%	£318			£318
River Cruise load factor		85%		85%	n/a*		n/a*		n/a*
River Cruise per diem		£285		£285	n/a*		n/a*		n/a*
Passengers	46.1k	16.6k	57.8k	120.5k	28%	35.7k	11.6k	47.2k	94.5k

\* Prior to the management of the River Cruise business moving across to the Ocean Cruise team, load factor and per diems were not reported

# INSURANCE BROKING INCOME STATEMENT

£m	Motor Broking	Home Broking	Other Broking	Total 2023/24	Change	Total 2022/23 (restated)
Broked	114.1	162.4	131.0	407.5	8%	379.0
Underwritten	195.5	-	3.0	198.5	8%	184.1
Gross Written Premiums	309.6	162.4	134.0	606.0	8%	563.1
Broker revenue	4.5	25.4	45.1	75.0	(28%)	104.3
Instalment revenue	3.4	3.3	-	6.7	10%	6.1
Add-on revenue	8.1	9.5	-	17.6	(10%)	19.6
Other revenue	27.1	17.3	(3.3)	41.1	(11%)	46.1
Written Underlying Revenue	43.1	55.5	41.8	140.4	(20%)	176.1
Written gross profit	35.9	55.5	49.7	141.1	(19%)	174.1
Marketing expenses	(9.6)	(6.2)	(5.6)	(21.4)	15%	(25.2)
Written Gross Profit After Marketing Expenses	26.3	49.3	44.1	119.7	(20%)	148.9
Other operating expenses	(36.6)	(29.6)	(19.1)	(85.3)	(4%)	(82.4)
Written Underlying (Loss)/Profit Before Tax	(10.3)	19.7	25.0	34.4	(48%)	66.5
Written to earned adjustment	5.4	-	-	5.4	(8%)	5.0
Earned Underlying (Loss)/Profit Before Tax	(4.9)	19.7	25.0	39.8	(44%)	71.5
Policies in force	700k	605k	194k	1,499k	(9%)	1,652k
Policies sold	750k	633k	192k	1,575k	(9%)	1,725k
Third-party panel share	33.6%				0.9ppts	

# INSURANCE UNDERWRITING INCOME STATEMENT

£m		Gross	Re-	2023/24 Net	Change	2022/23 Gross (restated)
		insurance	insurance			
Insurance Underlying Revenue	A	169.8	(17.0)	152.8	7%	158.5
Incurred claims <i>(current year claims)</i>	B	(170.9)	22.3	(148.6)	3%	(176.1)
Claims handling costs in relation to incurred claims	C	(15.6)	-	(15.6)	(19%)	(13.1)
Changes to liabilities for incurred claims <i>(prior year claims)</i>	D	(15.3)	33.9	18.6	(154%)	28.2
Other incurred insurance service expenses	E	(14.7)	-	(14.7)	10%	(16.4)
<b>Insurance service result</b>		<b>(46.7)</b>	<b>39.2</b>	<b>(7.5)</b>	<b>(147%)</b>	<b>(18.9)</b>
Net finance (expense)/income from (re)insurance <i>(excl. impact of change in discount rate on non-PPO liabilities)</i>		(5.6)	3.1	(2.5)	(100%)	(2.8)
Investment return <i>(excl. fair value gains/(losses) on debt securities)</i>		8.6	-	8.6	15%	7.5
<b>Underlying (Loss)/Profit Before Tax</b>		<b>(43.7)</b>	<b>42.3</b>	<b>(1.4)</b>	<b>(208%)</b>	<b>(14.2)</b>
Reported loss ratio	(B+D)/A	109.7%		85.1%	(16.4ppts)	93.3%
Expense ratio	(C+E)/A	17.8%		19.8%	(0.8ppts)	18.6%
Reported COR	(B+C+D+E)/A	127.5%		104.9%	(15.6ppts)	111.9%
Current year COR	(B+C+E)/A	118.5%		117.1%	11.2ppts	129.7%
Number of earned policies				539k	(19%)	662k
Policies in force – Saga motor				463k	(13%)	535k



# OTHER BUSINESSES AND CENTRAL COSTS INCOME STATEMENT

£m	2023/24			Change	2022/23 (restated)		
	Other Businesses	Central Costs	Total		Other Businesses	Central Costs	Total
Underlying Revenue:							
Money	6.4	-	6.4	(19%)	7.9	-	7.9
Media and CustomerKNECT	12.3	-	12.3	19%	10.3	-	10.3
Insight	-	-	-	(100%)	0.6	-	0.6
Other	-	-	-	(100%)	-	1.0	1.0
<b>Total Underlying Revenue</b>	<b>18.7</b>	<b>-</b>	<b>18.7</b>	<b>(6%)</b>	<b>18.8</b>	<b>1.0</b>	<b>19.8</b>
<b>Gross profit</b>	<b>7.2</b>	<b>5.0</b>	<b>12.2</b>	<b>(8%)</b>	<b>8.1</b>	<b>5.2</b>	<b>13.3</b>
Operating expenses	(6.3)	(28.3)	(34.6)	30%	(8.9)	(40.3)	(49.2)
Investment income	-	5.4	5.4	440%	-	1.0	1.0
Net finance costs	-	(23.2)	(23.2)	(6%)	-	(21.9)	(21.9)
<b>Underlying Profit/(Loss) Before Tax</b>	<b>0.9</b>	<b>(41.1)</b>	<b>(40.2)</b>	<b>29%</b>	<b>(0.8)</b>	<b>(56.0)</b>	<b>(56.8)</b>

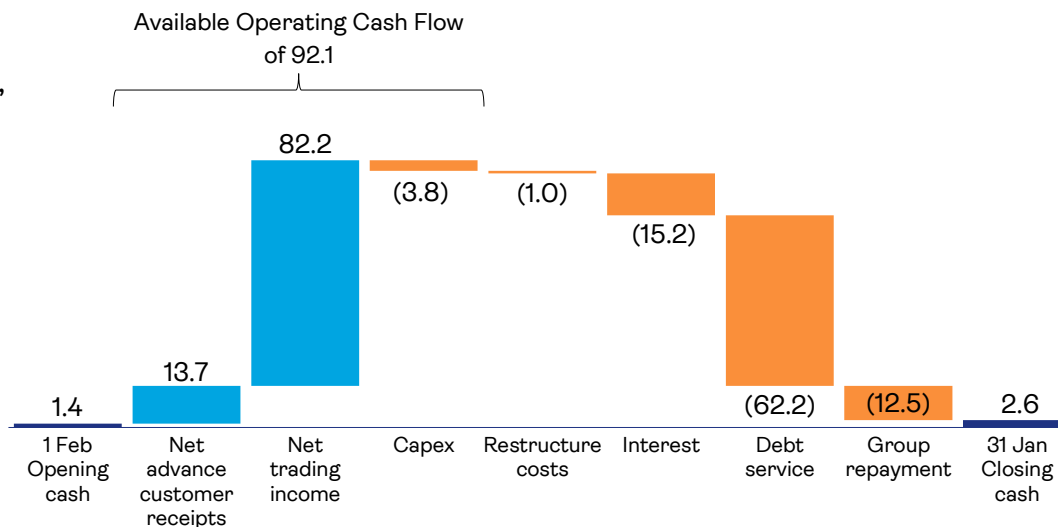
# CASH FLOW AND LIQUIDITY

£m	2023/24	Change	2022/23 (restated)
Insurance Broking Trading EBITDA	47.2	(40%)	78.2
Other Businesses and Central Costs Trading EBITDA	(12.2)	59%	(29.5)
Trading EBITDA from unrestricted businesses	35.0	(28%)	48.7
Dividends paid by Insurance Underwriting business	14.0	(44%)	25.0
Working capital and non-cash items	9.4	207%	(8.8)
Capital expenditure funded with Available Cash	(21.6)	(37%)	(15.8)
Available Operating Cash Flow before cash repayment from/(injection into) Cruise and Travel operations	36.8	(25%)	49.1
Cash repayment from/(injection into) River Cruise and Travel businesses	14.9	184%	(17.8)
Ocean Cruise Available Operating Cash Flow	92.1	290%	23.6
Available Operating Cash Flow	143.8	162%	54.9
Restructuring costs paid	(28.8)	(>500%)	(1.4)
Interest and financing costs	(39.3)	(3%)	(38.0)
Business and property acquisitions	-	100%	(0.9)
Tax receipts	4.6	92%	2.4
Other (payments)/receipts	(5.8)	(>500%)	0.3
Change in cash flow from operations	74.5	331%	17.3
Change in Ocean Cruise ship debt	(62.2)	(34%)	(46.4)
Cash at 1 February	157.5	(16%)	186.6
Available Cash at 31 January	169.8	8%	157.5

# CRUISE AND TRAVEL CASH FLOWS

## Ocean Cruise

- Positive net advance customer receipts, reflecting strong forward bookings
- Net trading income represents cash received on departed cruises, partially offset by running costs associated with those cruises
- Continued repayment of Ocean Cruise ship facilities with £62.2m debt serviced in the year



## River Cruise and Travel

- Lower underlying advance receipts offset by one-off benefit from move from 100% trust to 70% escrow arrangement
- Significant improvement in net trading income and capex compared to previous year outflow of £18.3m
- Ring-fenced cash of £49.1m (of which £37.9m held in escrow) supports £54.3m of advance customer receipts

