

7 December 2022

Camellia Plc

(the "Company" or the "Group")

Trading update

Further to the trading announcement on 22 November there has been no change to our expectations for underlying profit before tax for the Group for 2022, with the exception of the trading for BF&M Limited (BF&M) which announced Q3 results yesterday which are significantly below our expectations.

BF&M reported a shareholders' net loss of Bermuda\$13.4 million for the nine months ended 30 September 2022, as compared to shareholders' net income for the comparative period in 2021 of Bermuda\$19.5 million. Net income from operations after excluding the negative fair value movements in investments was Bermuda\$9.3 million versus Bermuda\$17.8 million in the first nine months of 2021. Despite the economic headwinds and investment market volatility that continue to impact BF&M results, BF&M's underlying business is trending favourably with Property and Casualty benefiting from a strong rate environment and minimal exposure to Hurricanes Fiona and Ian. Group Life results were strong while Group Health claims remain elevated over pre-pandemic levels. The Pension and Annuity businesses remains well-positioned to optimise opportunities as the markets settle.

Equity attributable to BF&M's shareholders at 30 September 2022 was \$294.0 million.

Excluding any financial results for BF&M, the Company believes that the adjusted profit before tax* for the Group will be approximately 50 - 55% below that of last year. In light of BF&M's Q3 results, it is likely that adjusted profit before tax* for the Group for the year ended 31 December 2022 will be lower than announced on 22 November 2022. However as a consequence of the impact of the volatility of equity and bond markets on BF&M's results, it is not possible for Camellia to forecast the likely full year outcome for BF&M with any certainty.

* adjusted profit before tax seeks to present an indication of performance which is not impacted by exceptional items or items considered non-operational in nature and for example it excludes impairment charges, gains/losses on disposal of assets and restructuring costs.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation.

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