



CLARKSON PLC

2024

Results Presentation

31 December 2024

Andi Case & Jeff Woyda

10 March 2025

FINANCIAL RESULTS

Jeff Woyda

Chief Financial Officer & Chief Operating Officer



**A YEAR OF RECORD
FINANCIAL PERFORMANCE.**



Results summary

To 31 December

	2024 £ m	2023 £ m	
Revenue	661.4	639.4	+3.4%
Underlying profit before taxation (Before acquisition related costs)	115.3	109.2	+5.6%
Acquisition related costs	(3.2)	(2.6)	
Profit before taxation (after acquisition related costs)	112.1	108.8	+3.0%
Underlying earnings per share (Before acquisition related costs)	286.9p	275.0p	+4.3%

Segmental performance

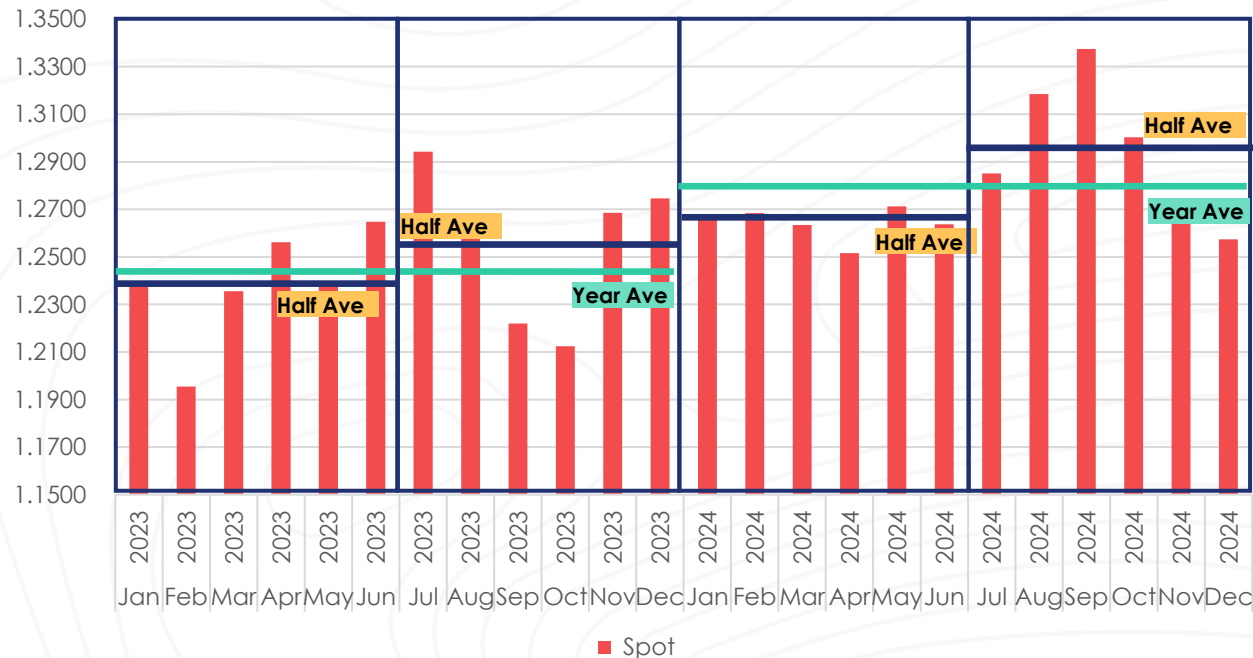
Revenue, profit and margin

	Revenue 2024 £m	Revenue 2023 £m	Profit 2024 £m	Profit 2023 £m	Margin 2024	Margin 2023
Broking	529.3	516.8	122.6	121.2	23.2%	23.5%
Financial	42.6	44.1	5.2	6.6	12.2%	15.0%
Support	65.0	56.6	7.7	6.4	11.8%	11.3%
Research	24.5	21.9	9.5	8.4	38.8%	38.4%

USD v GBP Exchange Rate

GBP 1 is worth the following in USD

	Year to Dec 2024	Year to Dec 2023	H1 2024	H2 2024	H1 2023	H2 2023
Arithmetic average for the period	1.2794	1.2459	1.2644	1.2945	1.2379	1.2539
Spot rate as at period end	1.2574	1.2746	1.2637	1.2574	1.2648	1.2746



At 31 December, the Group had the following US\$/GBP forward contracts for settlement:

	2024		2023	
	US\$m	Average rate US\$/£	US\$m	Average rate US\$/£
For settlement in 2024	-	-	90.0	1.27
For settlement in 2025	99.0	1.25	65.0	1.23
For settlement in 2026	60.0	1.28	10.0	1.26
For settlement in 2027	30.0	1.29	-	-

At 31 December, the Group had the following US\$/NOK forward contracts for settlement:

	2024		2023	
	US\$m	Average rate NOK/US\$	US\$m	Average rate NOK/US\$
For settlement in 2024	-	-	21.0	10.53
For settlement in 2025	20.7	10.77	10.0	10.48
For settlement in 2026	10.0	10.97	5.0	10.97
For settlement in 2027	5.0	10.90	-	-

Balance Sheet

At 31 December

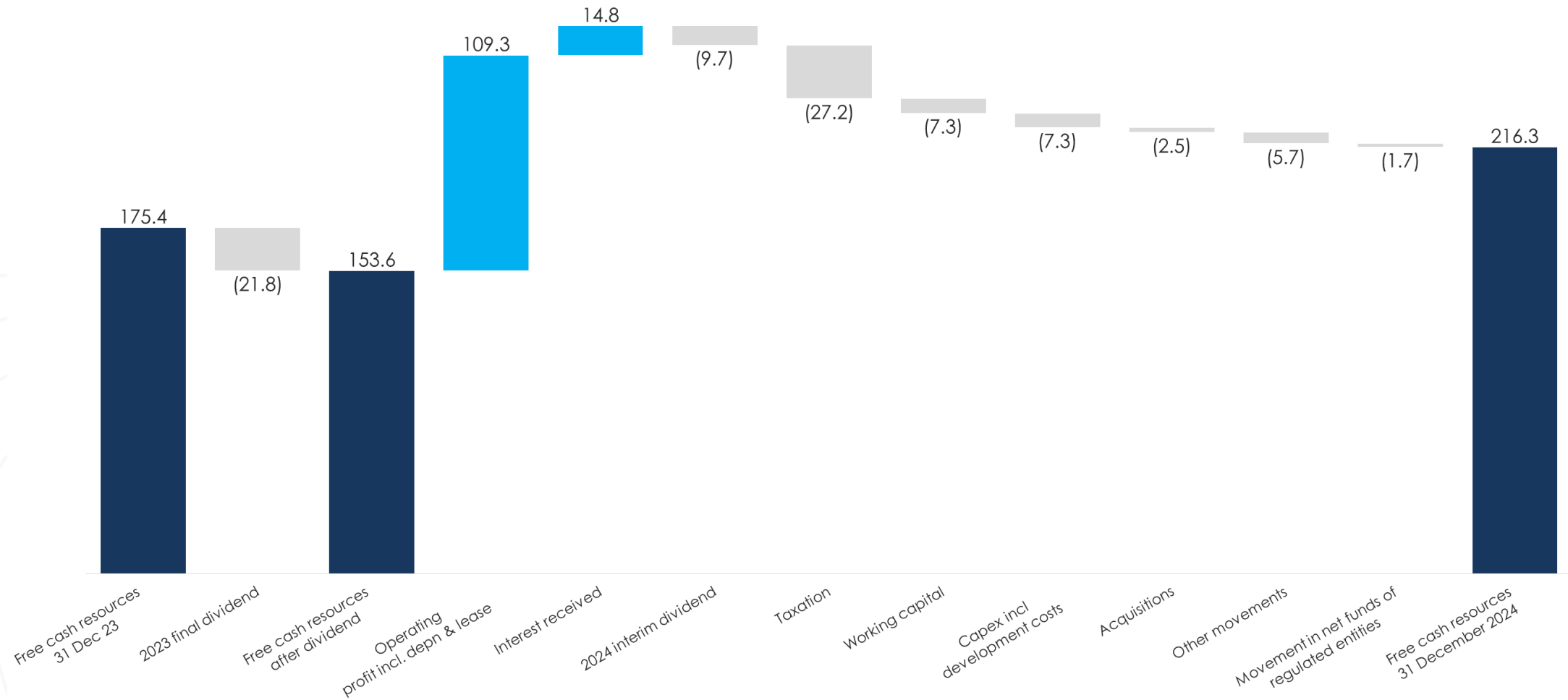
	2020 £ m	2021 £ m	2022 £ m	2023 £ m	2024 £ m
Tangible fixed assets	28.6	24.7	29.1	33.9	30.5
Intangible fixed assets (software only)	15.6	17.1	15.1	14.9	11.9
Investments (relating to convertible bonds)	5.5	0.7	0.4	0.2	0.2
Investments (other)	2.9	1.0	1.2	1.3	1.9
	52.6	43.5	45.8	50.3	44.5
Working capital	10.4	19.1	19.8	26.0	35.0
Net available funds	95.4	122.3	161.7	201.3	243.7
	105.8	141.4	181.5	227.3	278.7
Pensions	12.0	22.0	15.4	13.4	12.3
Deferred tax	1.8	(0.5)	7.5	7.4	10.2
Leases	(11.1)	(10.9)	(10.8)	(9.8)	(10.7)
Net assets before intangibles	161.1	195.5	239.4	288.6	335.0
Intangibles (excluding software above)	167.3	166.1	173.8	168.0	160.7
Net assets	328.4	361.6	413.2	456.6	495.7

Net available funds and free cash resource

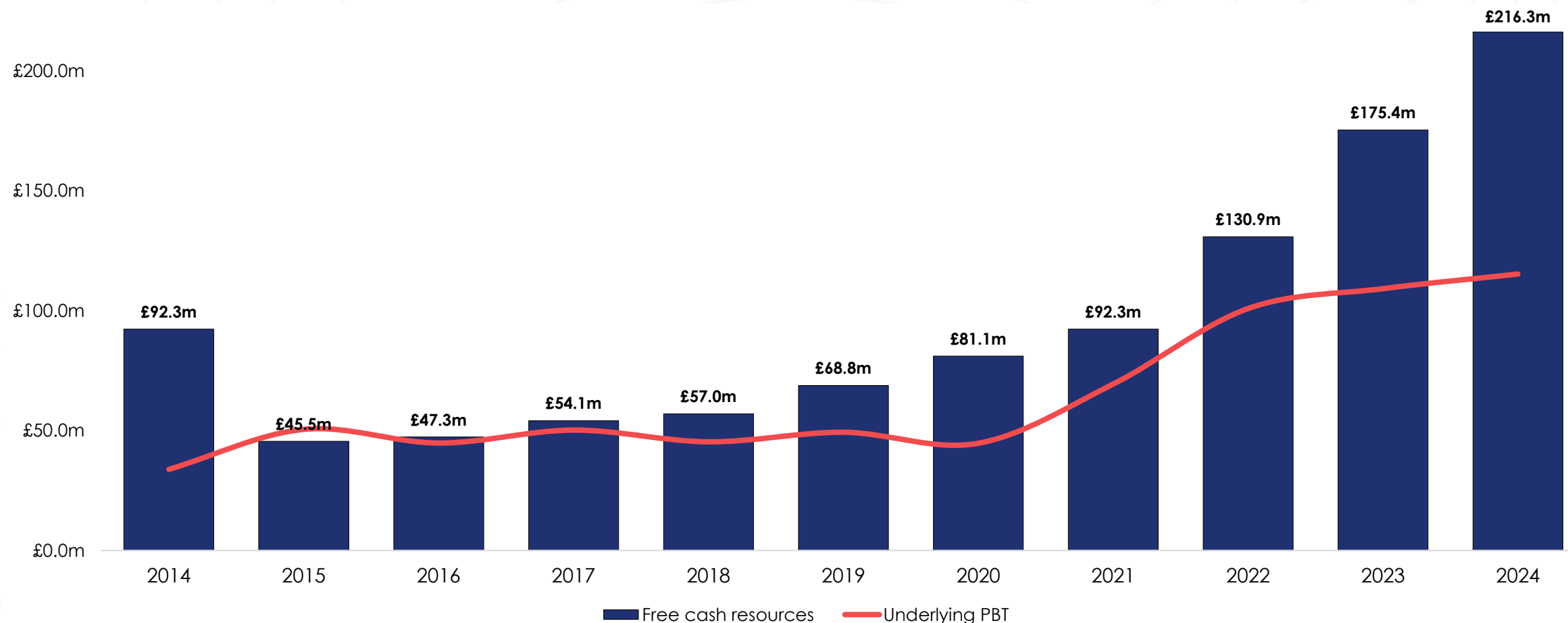
	31 December 2024 £m	31 December 2023 £m
Cash and cash equivalents	431.3	398.9
Interest-bearing loans and borrowing	-	-
Current investment deposits	62.0	39.9
Net cash equivalents	493.3	438.8
Reserved for bonus (full cost)	(249.6)	(237.7)
Net available funds	243.7	201.1
Held by regulatory businesses	(27.4)	(25.7)
Free cash resources	216.3	175.4

Movement in free cash resources

1 January 2024 to 31 December 2024



10 Year Free Cash Resources & Underlying PBT



Free Cash resources are defined as :

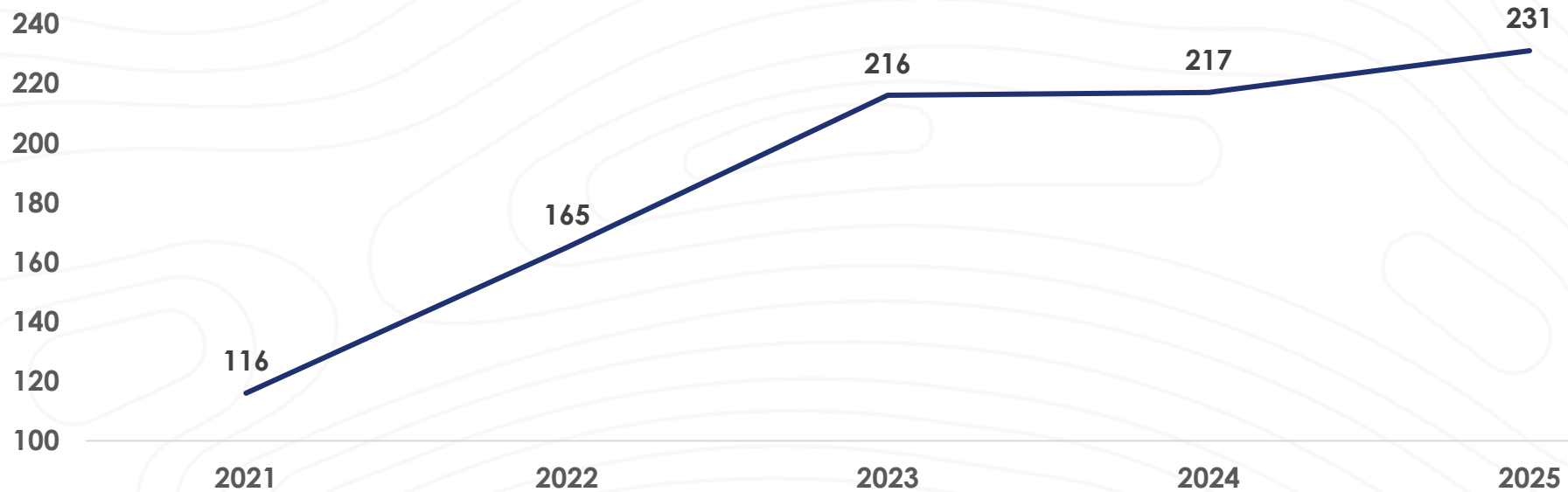
Cash at bank & in hand, plus short-term investments being bank deposits > 90 days, less any loans and overdrafts, less accruals relating to total cost of bonuses outstanding, less cash held in regulated subsidiaries.

Forward Order Book (FOB)

For invoicing in the following year only

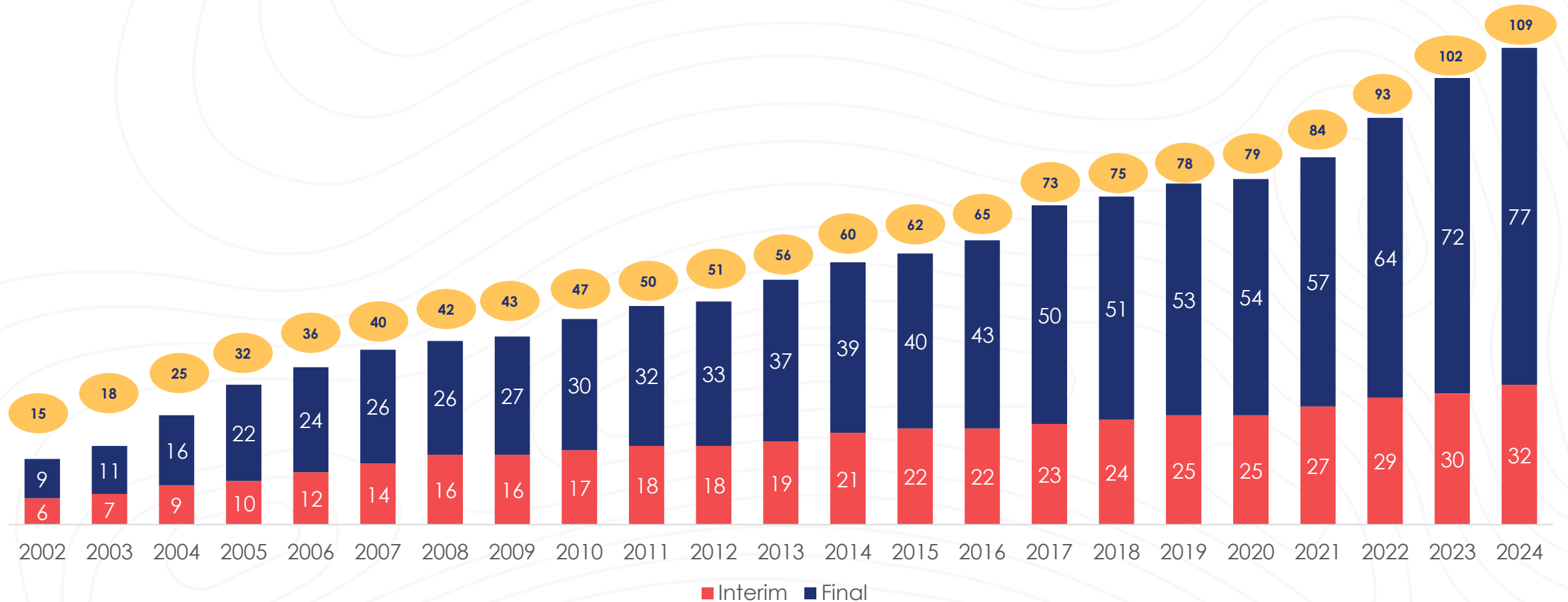
	2024 for 2025 US \$m	2023 for 2024 US \$m
Directors' best estimate of deliverable FOB	231	217

FOB @ 1st January for invoicing that year



Dividend history

22 years of progressive dividend



OUR MARKETS

Andi Case

Chief Executive Officer



Key Market Dynamics

Strong rate environment in 2024, much softer markets in early 2025

RATES & ACTIVITY

Strong day rates

across most sectors in 2024, softer conditions in some markets in early 2025

Very strong S&P and newbuild activity

across 2024 accordingly, some easing of activity and S&P prices in recent months

SEABORNE TRADE

Underlying volume growth

with shipping demand enhanced by additional distances of trade

Geo-politics driven changes

in trading patterns remain supportive for the moment (e.g. Russian oil flows, Red Sea)

US Policy

creating complexity and uncertainty through Tariffs and Sanctions (potential market headwinds and tailwinds)

SUPPLY OF SHIPPING

Supply side constraints

continue in some segments with low orderbooks in large bulkers and tankers

Shipbuilding market remains “tight”

with longer lead times despite some minor capacity increases

Impacts of decarbonisation policies

still evident in expanding emissions regulation, alternative fuel newbuilding orders, growing fleet renewal requirements and speed of ships

ENERGY TRANSITION

Energy security

needed within the transition supporting investment in LNG, LPG and offshore oil and gas

Offshore wind markets

Will still play a vital role in long term energy transition

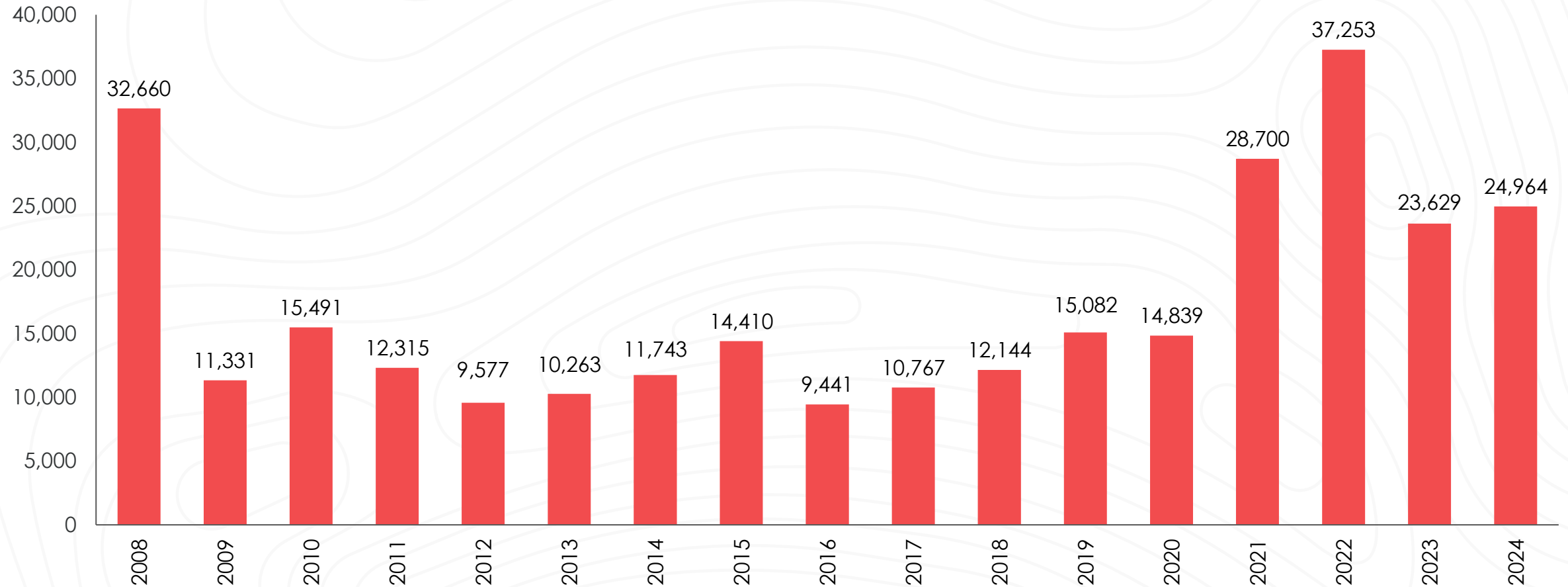
Emerging gas trades

including Ammonia and CO₂

ClarkSea Index: Another Positive Year

ClarkSea index up 6% y-o-y and 30% above ten-year trend in 2024, over \$23,500 in early March 2025

Averages, \$/day



Source: Clarksons Research

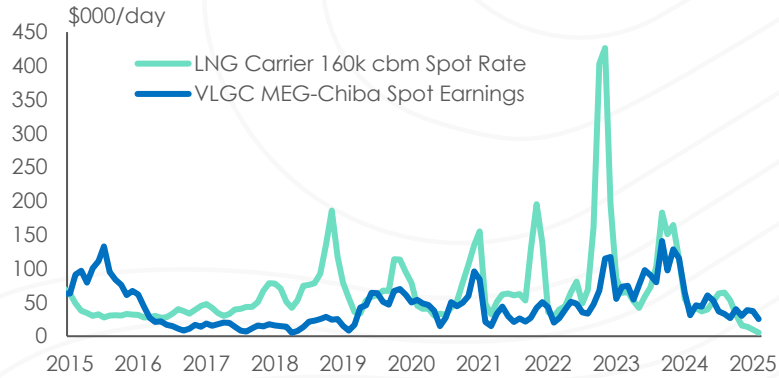
Recent Shipping Market Trends By Sector

Containers firm; crude stronger than products, car carriers easing, soft start for LNG & Bulkers

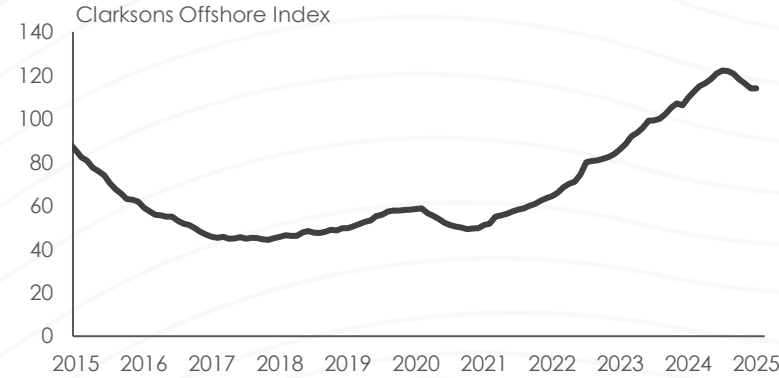
← **Softer Markets in Early 2025**

Strong Markets in Early 2025 →

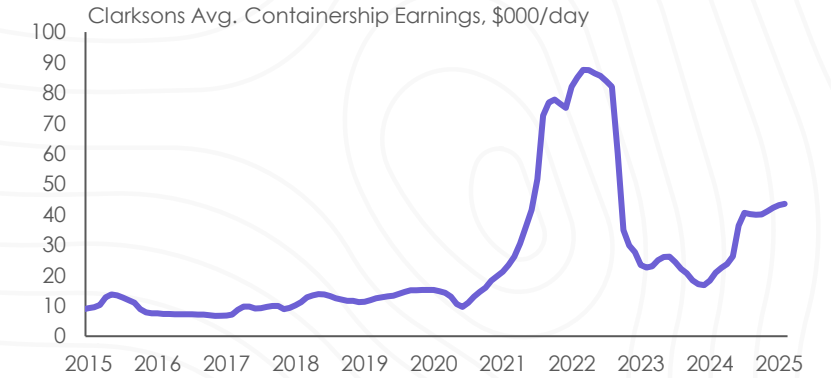
Gas Carriers: weak short-term LNG



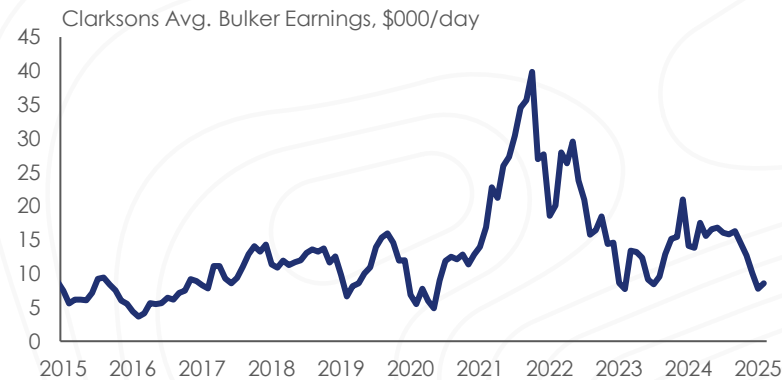
Offshore: strong markets still, some easing



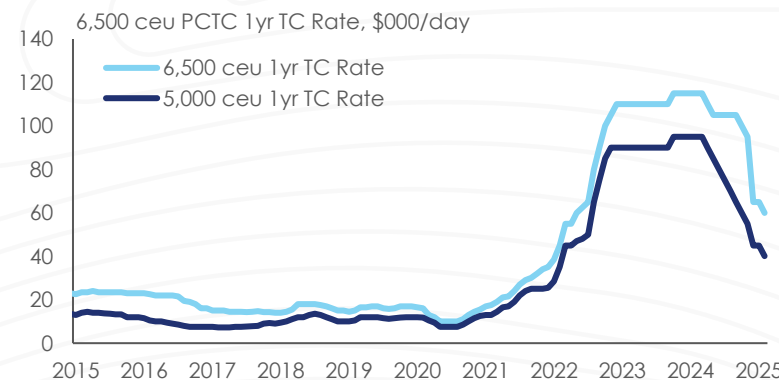
Containerships: Red Sea disruption upside



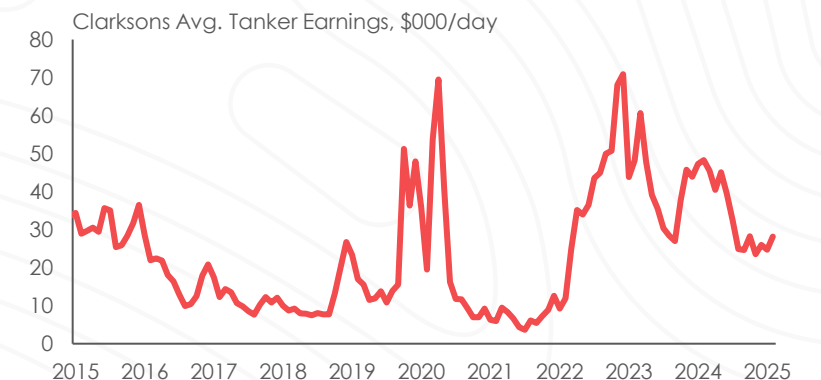
Bulkers: 'solid' 2024; softer recently



Car Carriers: falling back from record highs



Tankers: crude strong, products softer

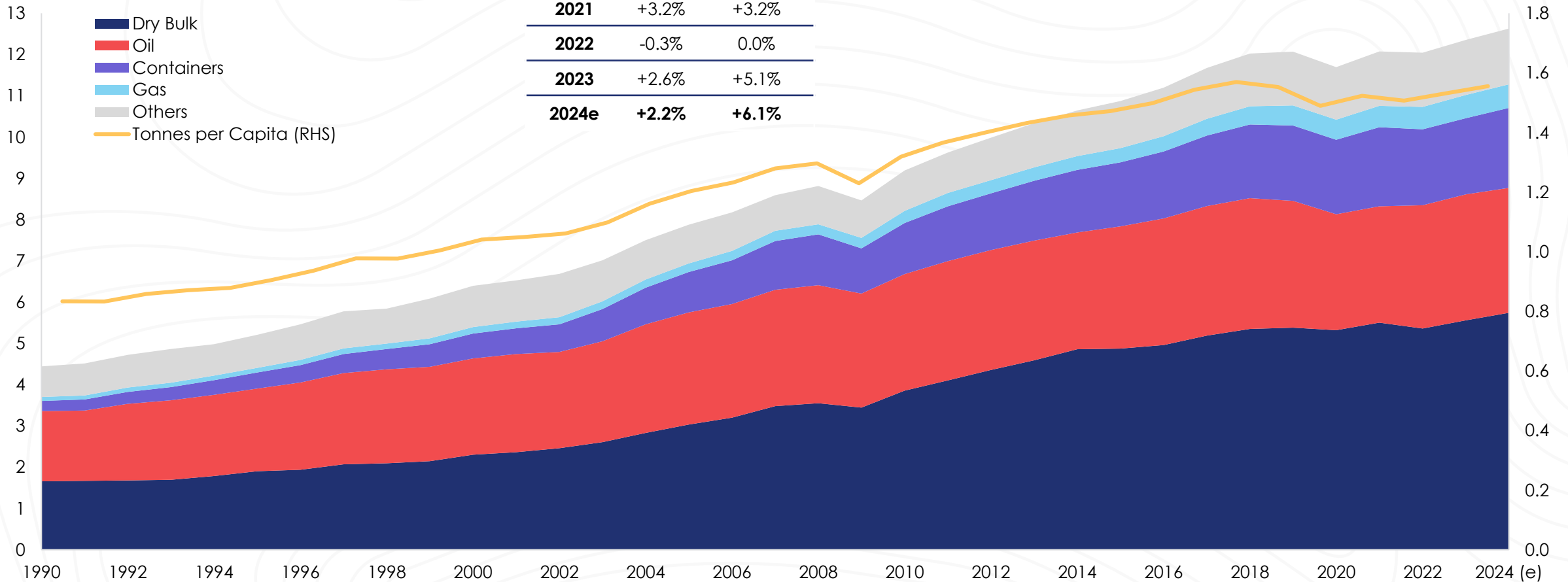


Source: Clarkson's Research. Basis latest data as at end-February

Global Seaborne Trade: Further Growth; 12.6bn Tonnes & ~85% of Global Trade

Seaborne trade growth was robust in 2024, led by firm dry & container trade

Global Seaborne Trade, bn tonnes

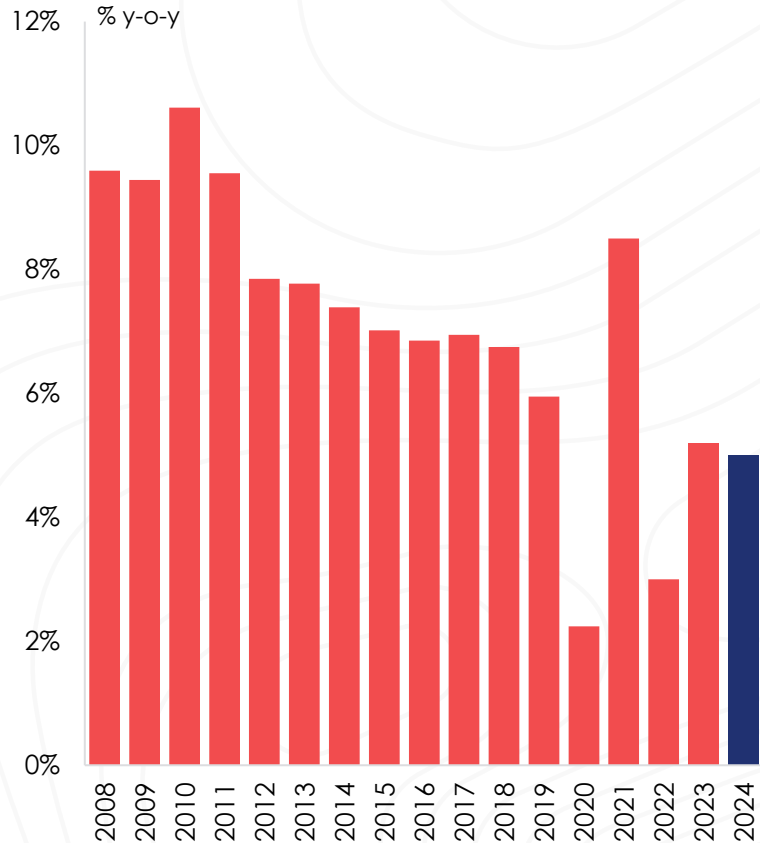


Source: Clarksons Research

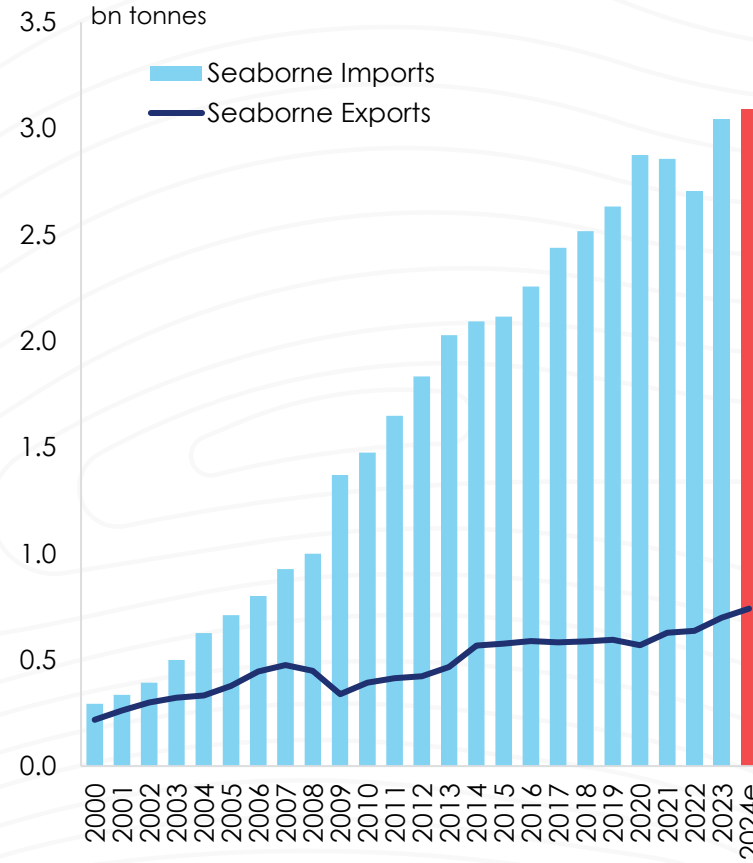
Chinese Economy : Record Imports In 2024

Strong import growth in 2023-4, inventories of some commodities now elevated, stimulus impact mixed so far

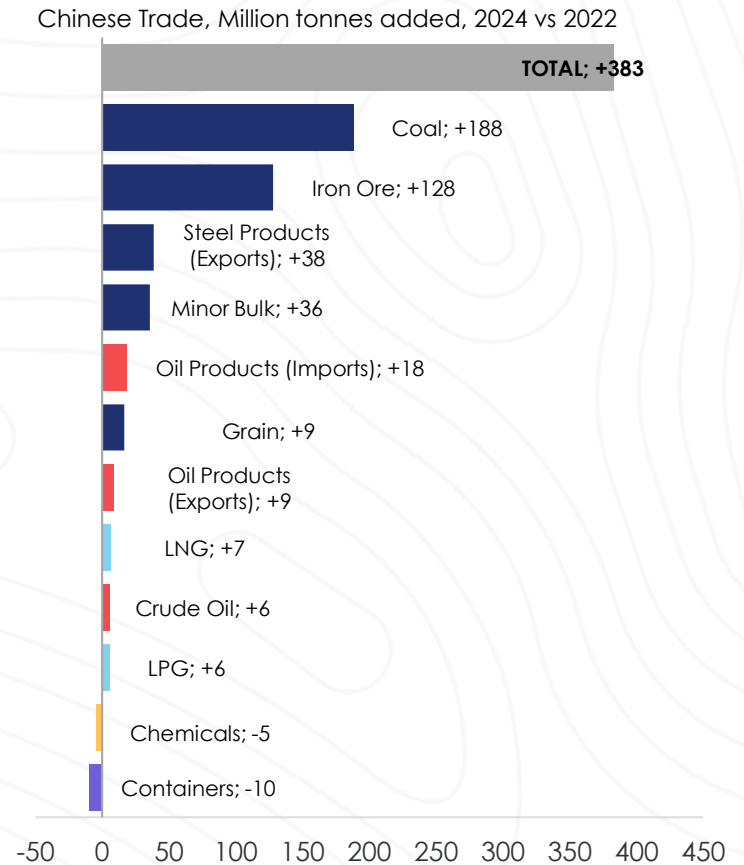
Chinese GDP growth was firm by global standards in 2024, hitting the official 5% target, but has trended lower in recent years



Chinese seaborne imports hit a record 3.1 billion tonnes in 2024, while exports increased to 740mt



Imports of dry bulk commodities were the major driver of Chinese imports growth across 2023-24



Source: Clarksons Research

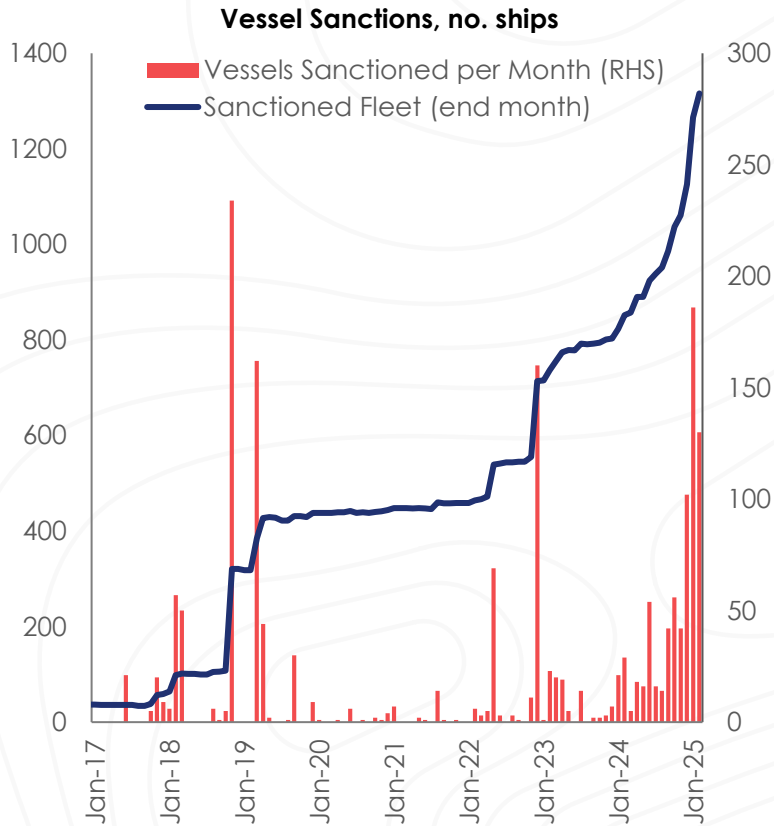
Disruption: Sanction Regime Increasing

Sanctioned fleet increasing; ~13% of the crude fleet under sanctions; Shadow fleet running at approx. 23%

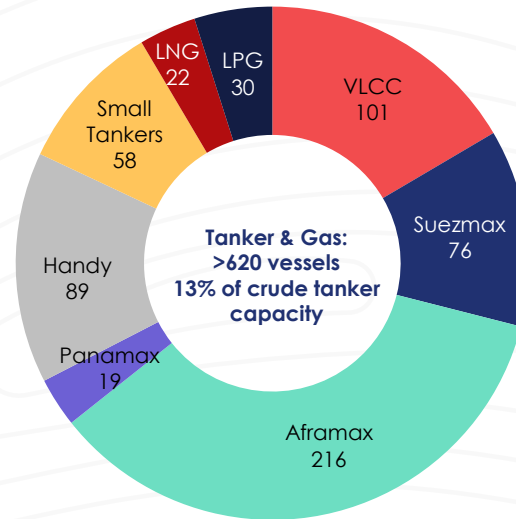
Over 1,300 vessels now sanctioned by the US, UK, EU or UN

The majority by tonnage are crude tankers or products tankers, some gas carriers

Russian & Iranian oil exports volumes are exposed to sanctions trends

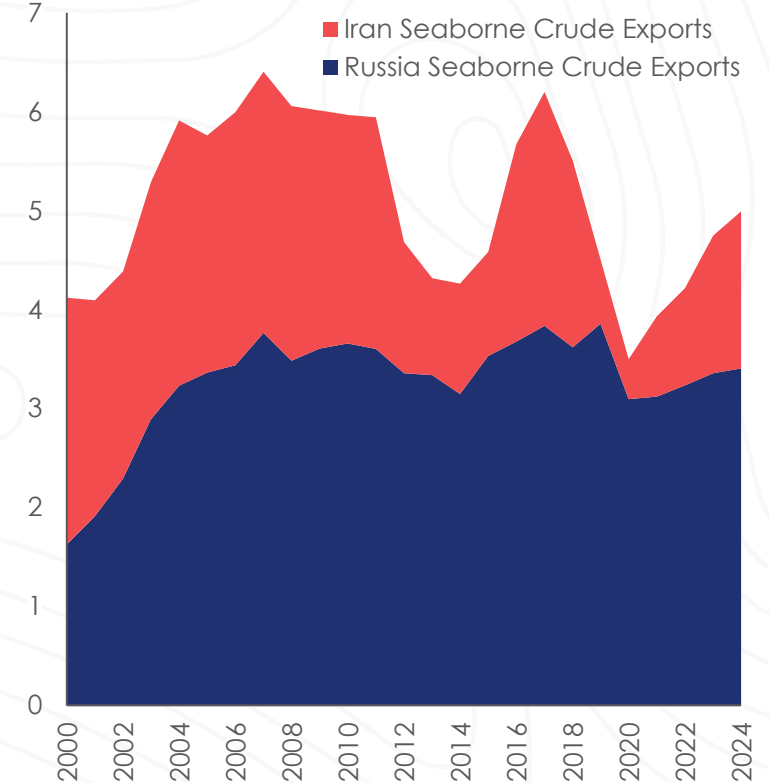


Sanctioned Oil Tanker & Gas Carrier Fleet by Vessel Type, no. ships



73m dwt tankers now sanctioned, average age >20 yrs vs 13 yrs for global tanker fleet

Iranian & Russian Seaborne Crude Exports, m. bpd

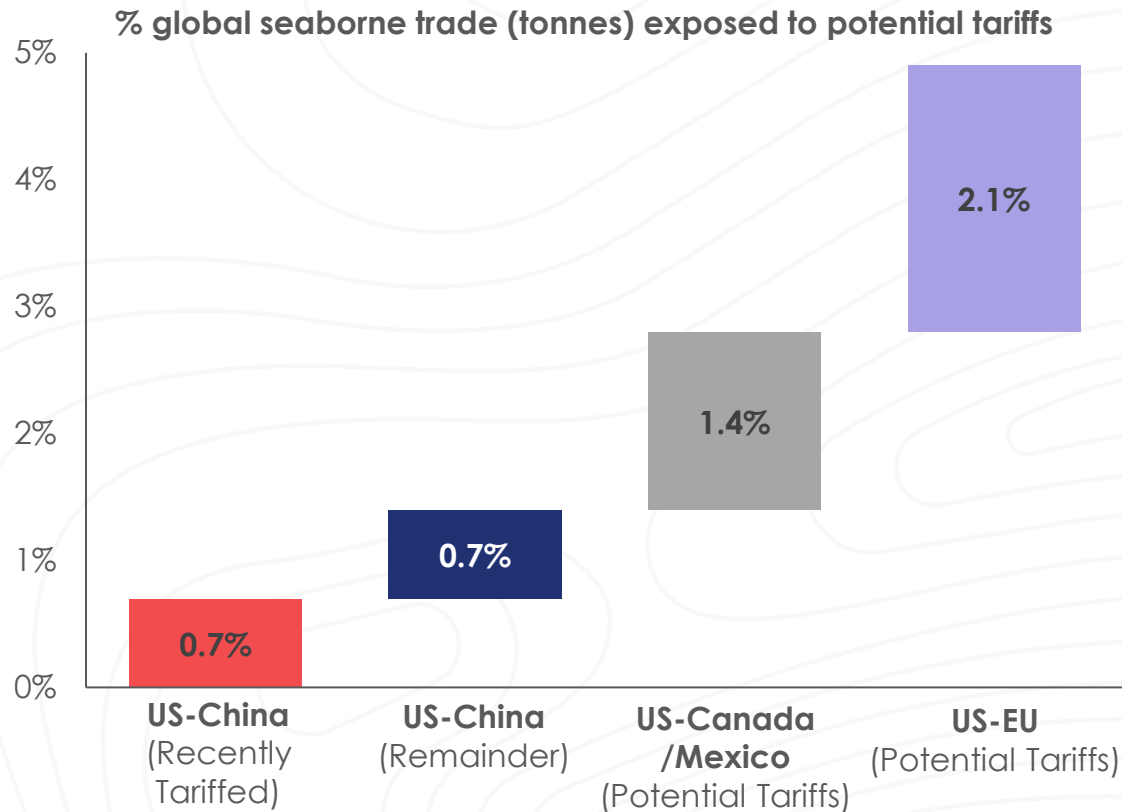


Source: Clarksons Research

Disruption: US Policy - Tariffs Back In Focus

Direct impacts limited to date; previous 2018-19 US-China 'trade war' cut tonne-mile trade by only 0.5%

0.7% of the 12.6 billion tonnes of seaborne trade volumes freshly 'tariffed' by early Feb, potential for escalation



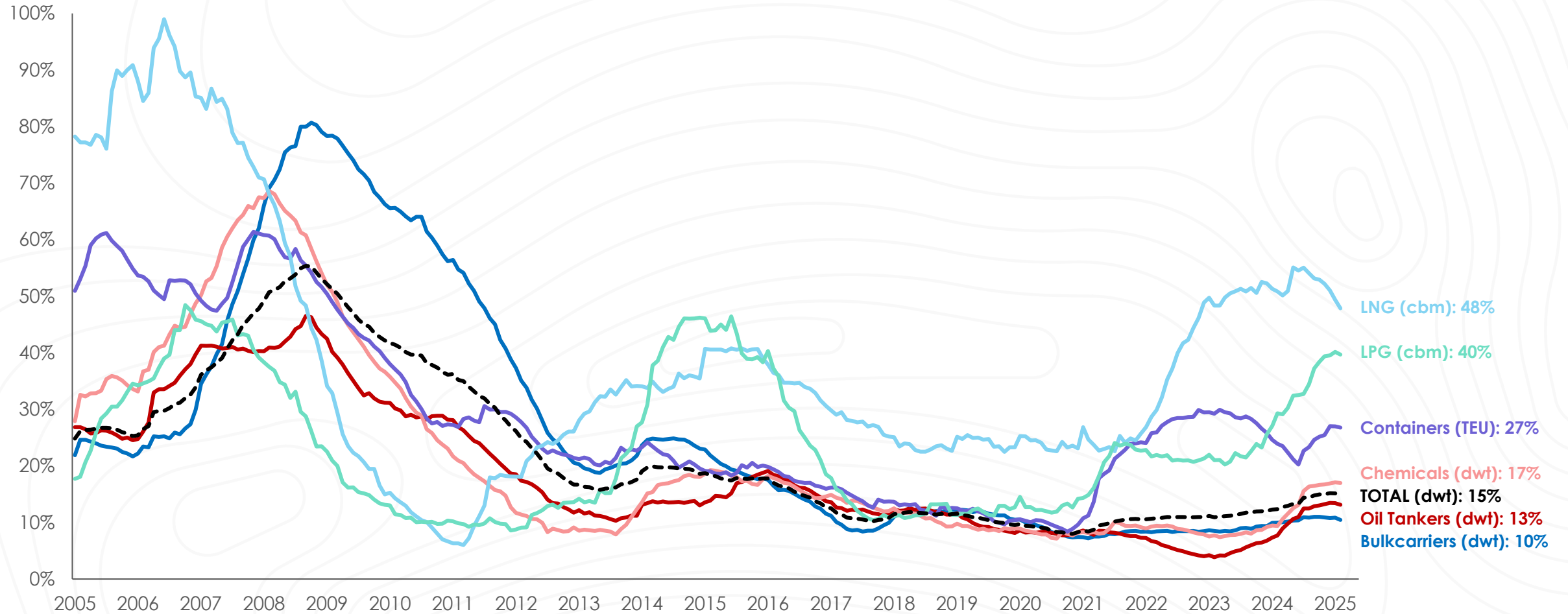
Source: Clarksons Research

Potential Impacts of Tariffs & Areas to Watch – Summary:

- US policy around trade remains highly 'fluid'.
- US accounts for 7% of seaborne exports and 5% of seaborne imports. US now a major energy exporter.
- **Scope of trade recently 'tariffed'** (0.7% of global volumes) currently **smaller** than at the height of the 2018-19 'trade war' (1.8%).
- Tariffs can have a range of impacts:
 - **"Continuation"**: Costs are 'absorbed', trade continues as normal
 - **"Substitution"**: Trade flows shift to alternative options
 - **"Destruction"**: A lower volume of trade is moved overall
- Absorption of costs and substitution trends expected to **limit** the direct impacts of tariffs on seaborne trade (2018-19 'trade war' cut global seaborne tonne-mile trade by only a limited **0.5%**).
- Potential for **indirect impacts** on the global economy and investor sentiment.
- Potential for escalation in trade tensions in **scale** or **geographical spread** but also for new agreements that **support** certain trades.

Supply Backdrop: Orderbook as % Fleet Capacity

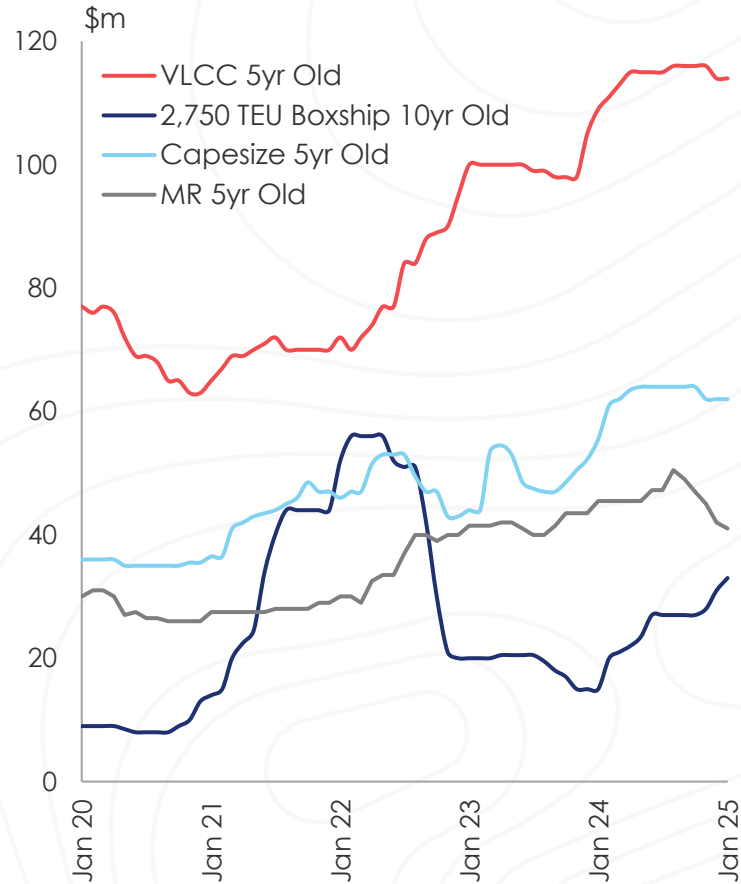
The global orderbook remains limited by historical standards at ~15% of capacity, but varies by sector



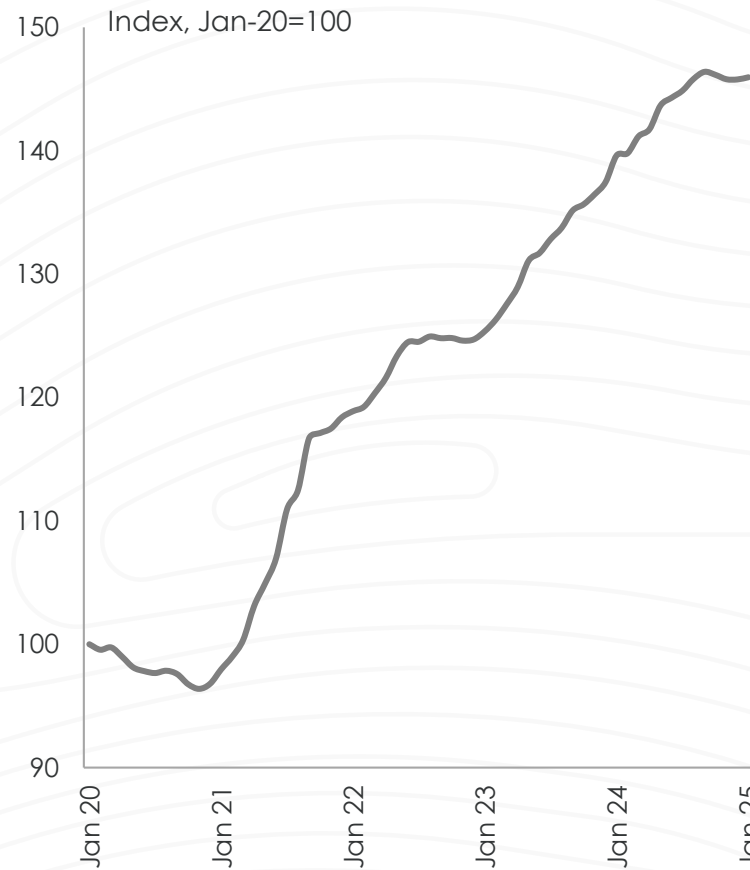
Asset Markets: Strong 2024 But Starting To Ease Back

2024 was a strong year for asset markets; bulker & tanker prices easing back on older vessels

Secondhand Prices



Newbuilding Price Index



Indian Scrap Price

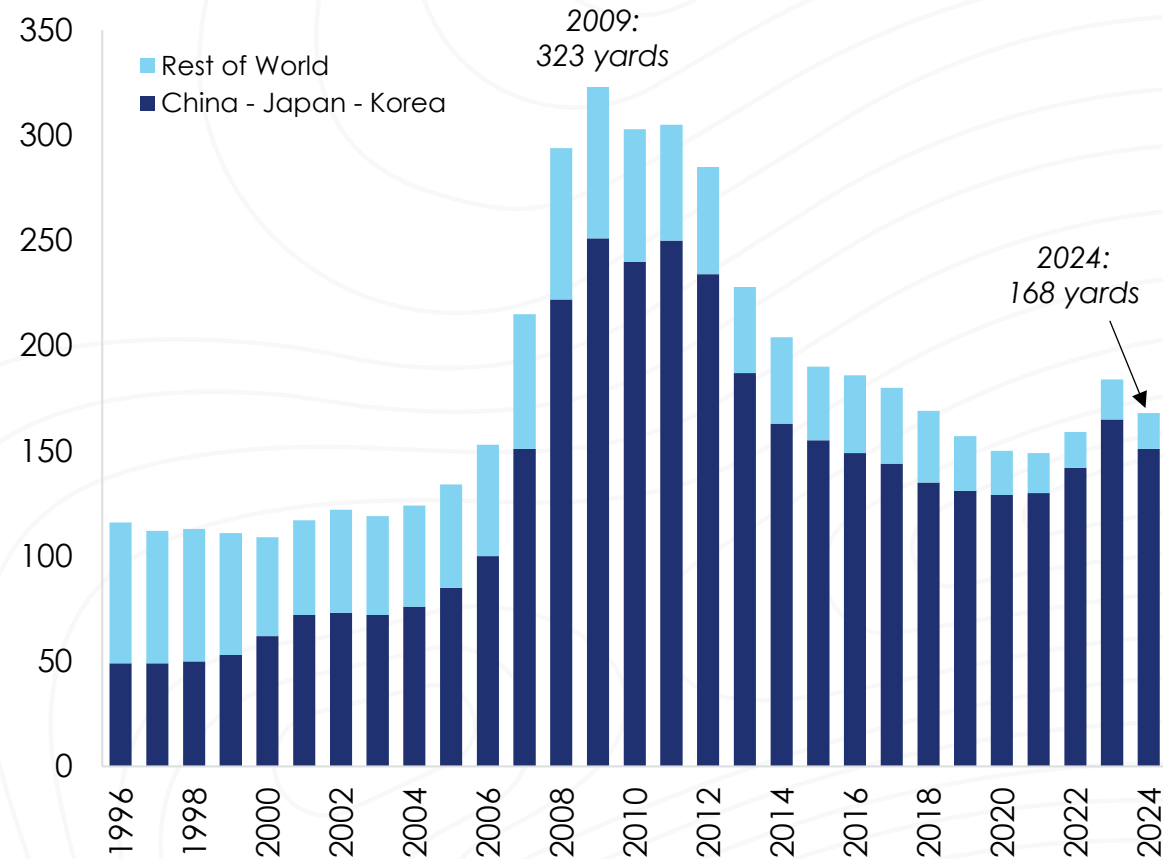


Source: Clarksons Research. Prices as at end month. Scrap price basis Capesize bulker.

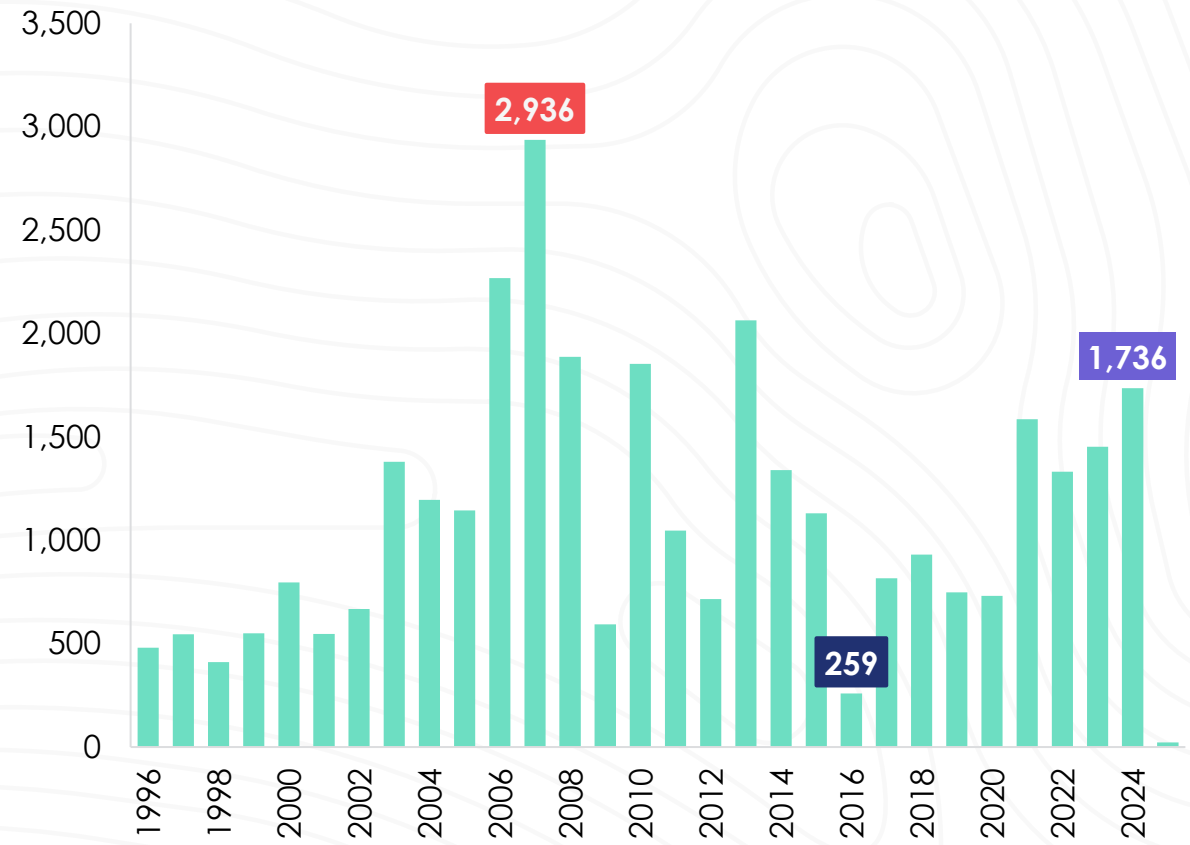
Supply Side Constraints: Shipyards & Orders

Some shipyard capacity reactivation but capacity still “tight”; lead times >3.5 years vs. ~2.5 years in 2020

No. Of Active Yards



No. Of Global Newbuilding Orders



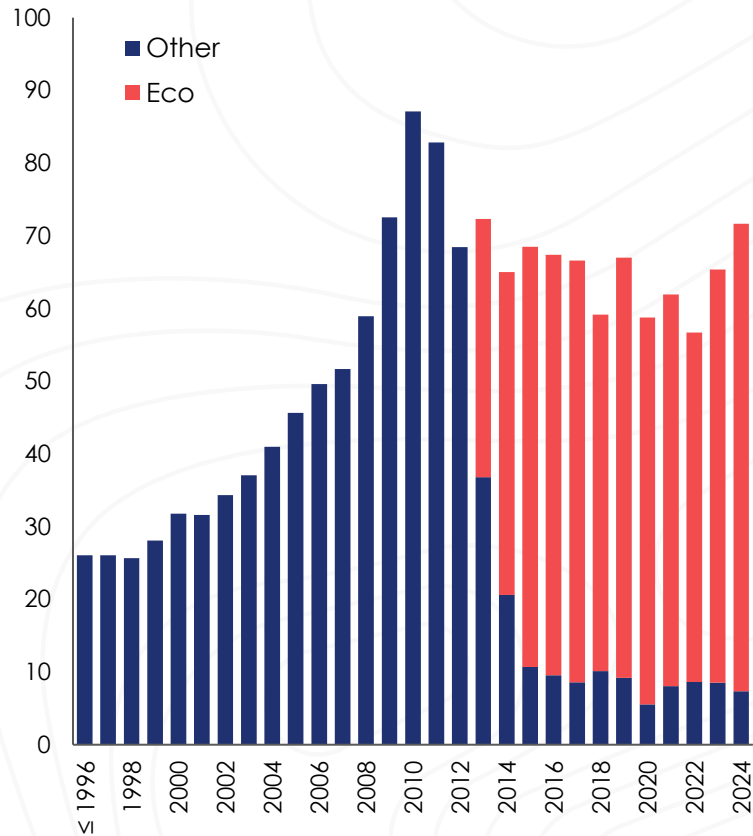
Source: Clarksons Research. Data as of February 2025. Retrospective changes to number of shipyards may occur due to late reporting and other factors. Number of yards with at least one vessel of 20,000+ dwt on order at start period.

Source: Clarksons Research. Data as of February 2025. Retrospective changes to number of orders may occur due to late reporting and other factors. Vessels of 20,000+ dwt.

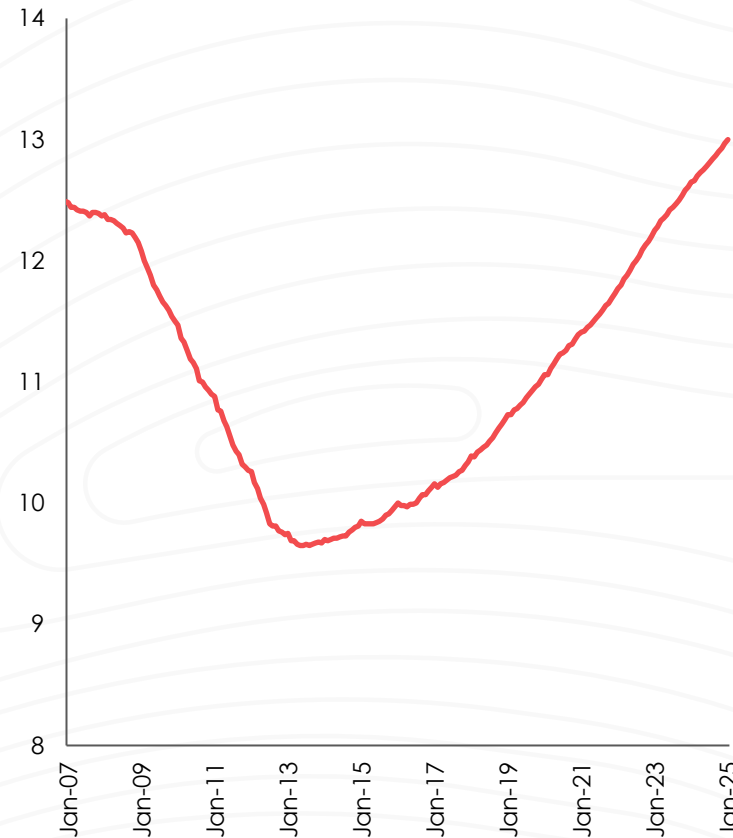
Fleet Renewal: Ageing Fleets

Average fleet age increasing; over a third of fleet capacity is now over 15 years old

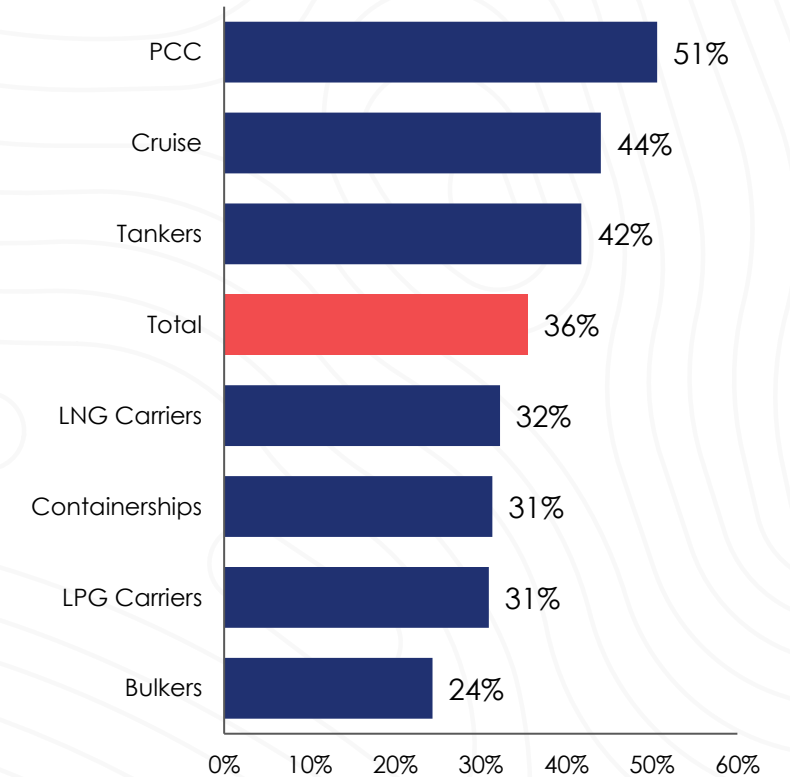
Fleet Age Profile, m GT



Global Fleet Avg. Age (GT Weighted)



Proportion Of Fleet >15 Years Old

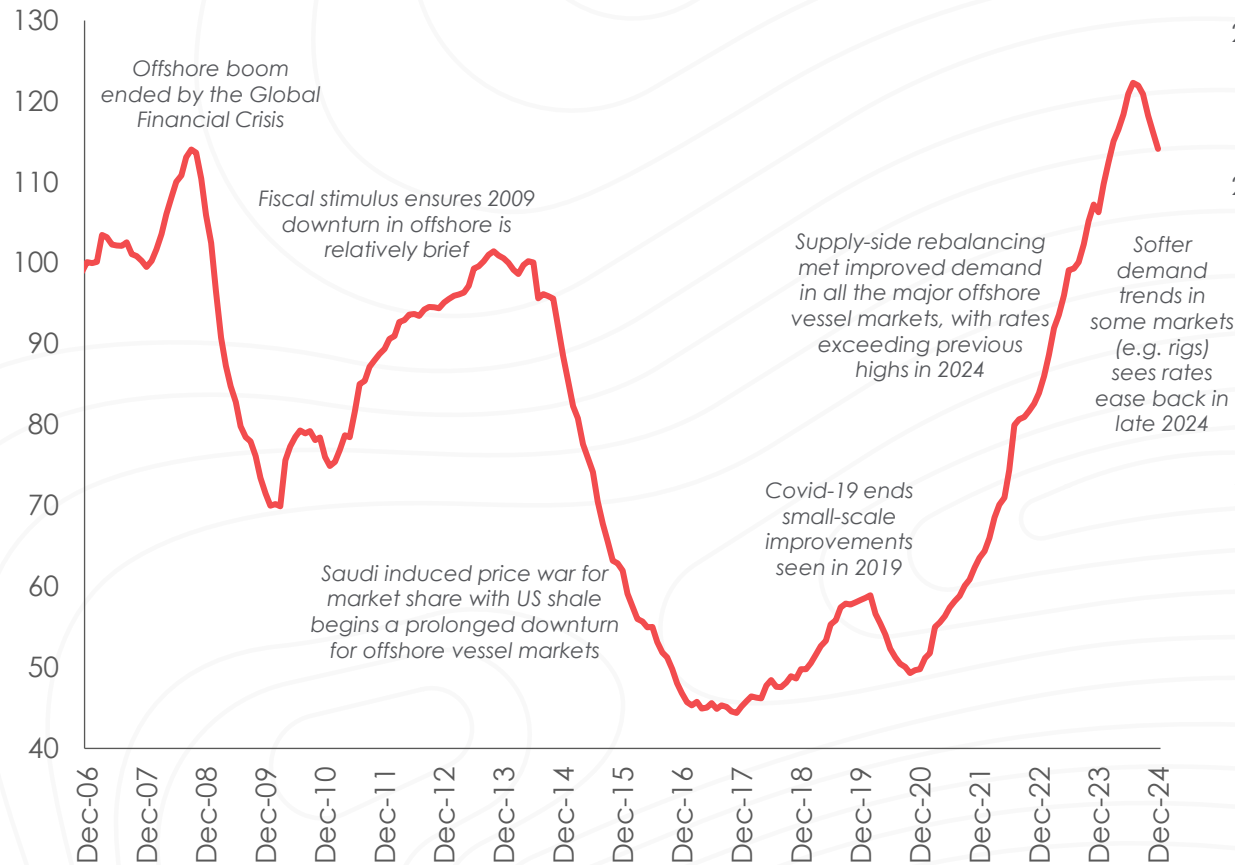


Source: Clarksons Research, January 2025. "Eco" – defined as vessel with modern electronic main engine. Average age of vessels 100+ GT. Proportion of fleet >15 years old in spec unit.

Energy Security: Offshore Oil & Gas Still 16% Of Global Energy Supply

Offshore Dayrates remain at very strong levels, despite recent softer trends in some sectors such as rigs

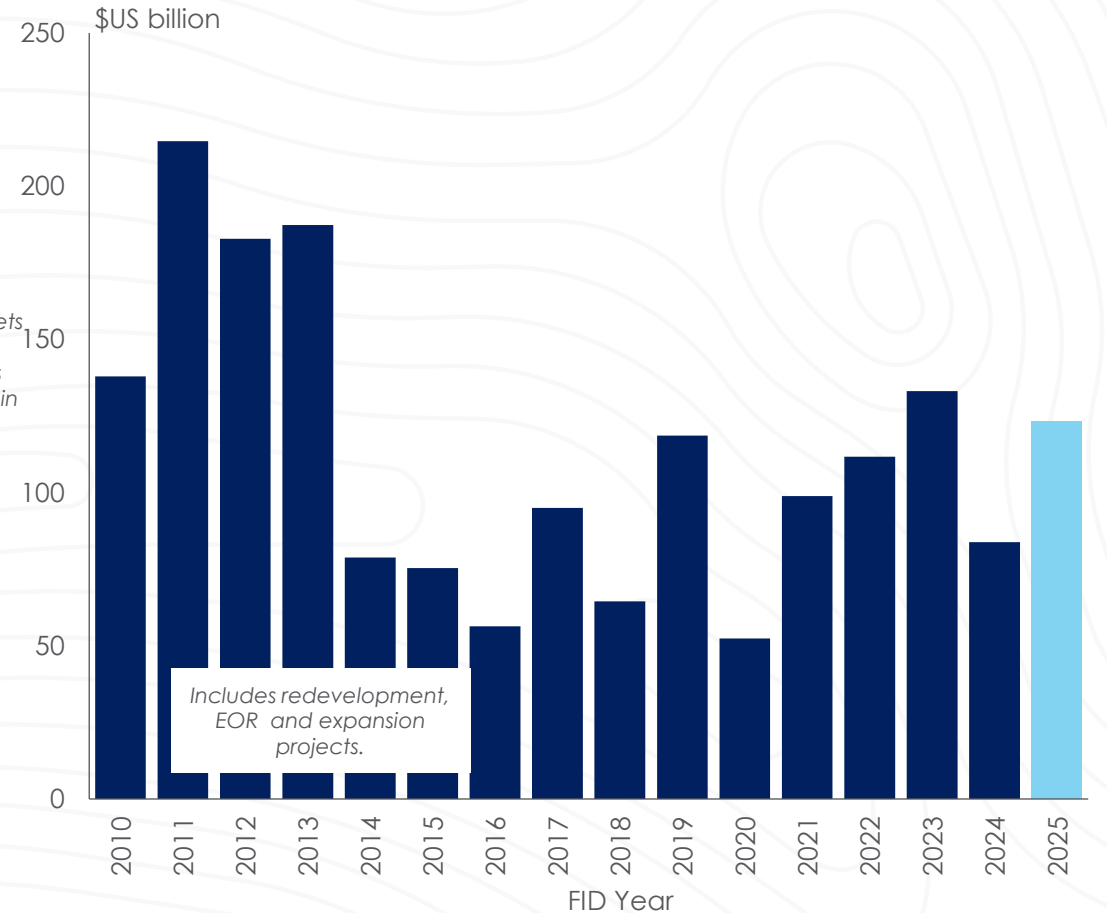
Clarksons Offshore Dayrate Index (AHTS, PSV, jack-ups, floaters and subsea MSVs)



Fleet-size weighted index of dayrates across AHTS, PSVs, Jack-up drilling units, floating drilling units and subsea MSVs.

Source: Clarksons Research

Offshore Oil & Gas Investment

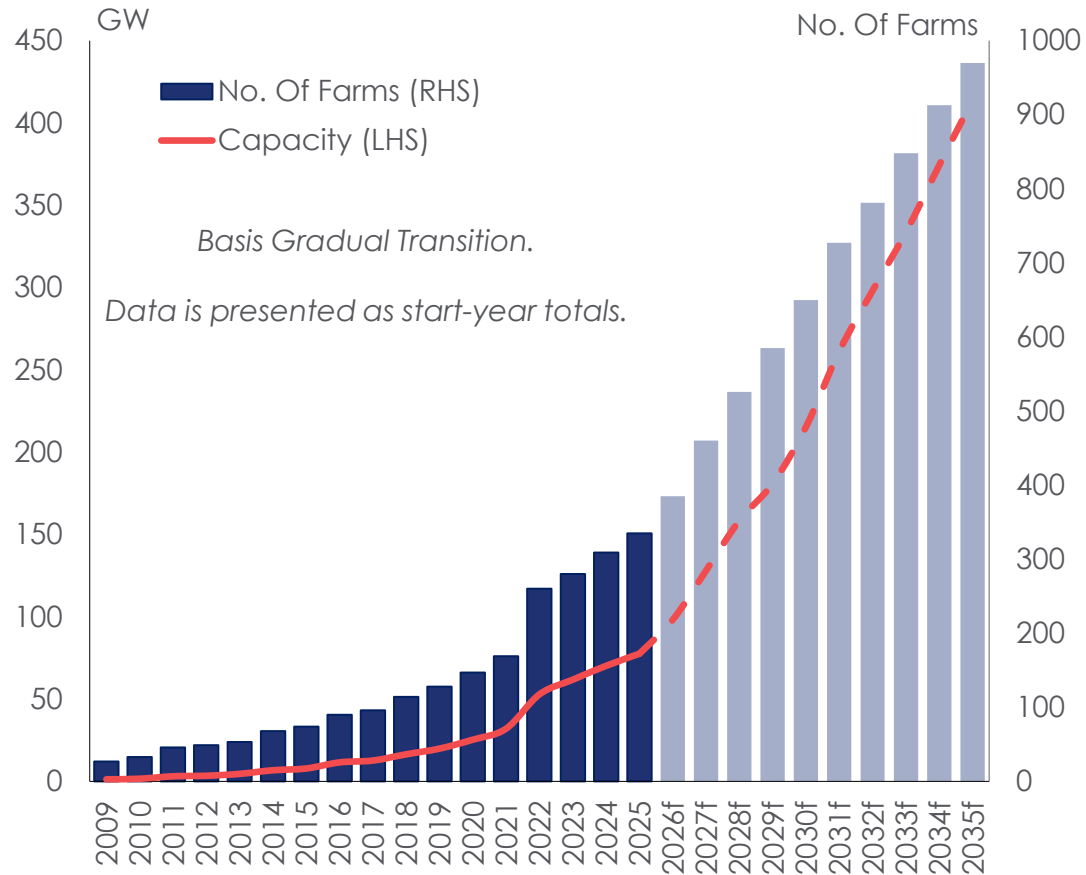


CAPEX data as specified by project operators. Where no definitive figure is given, estimates derived from assessment of comparable projects with known CAPEX.

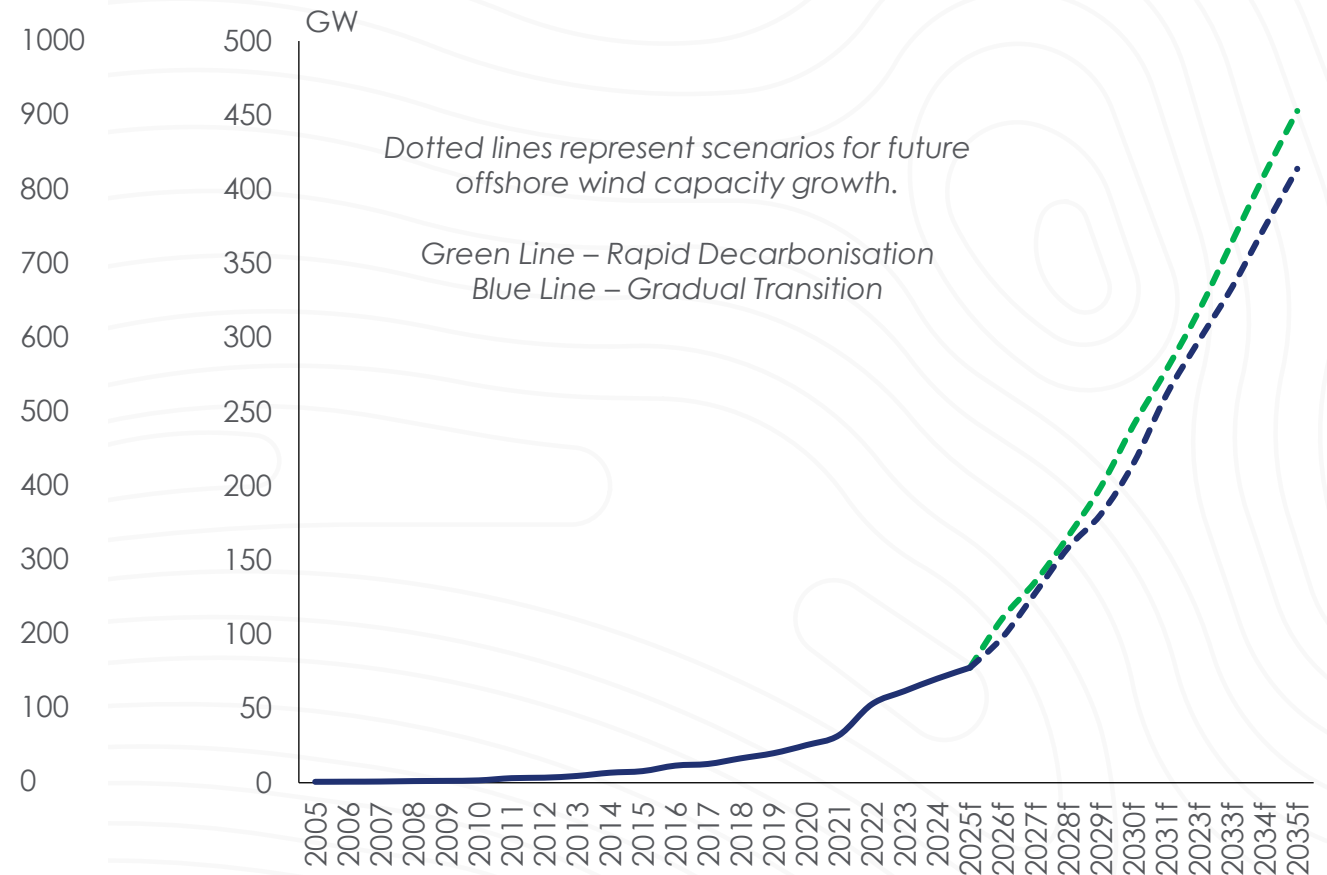
Energy Transition and Energy Security: Offshore Wind Growing & Will Play Vital Role

Long-term outlook positive despite recent inflationary & political pressures; ~215 GW projected by 2030 (78 GW today)

The Growth Of Offshore Wind



Offshore Wind In The Energy Transition



Source: Clarksons Research. All data available on *Renewables Intelligence Network*.

Clarksons Securities

Global investment bank with unique industry expertise and placing power



- Borr Drilling is a global offshore drilling company
- Since 2020 Clarkson Securities has raised USD 2,7 billion in 8 transactions including equity, conventional and convertible bond transactions
 - Clarkson is the only bank participating in all transactions in the period
 - A result of unique industry expertise and relationship with key stakeholders
- In October 2023 Borr Drilling raised a USD 1,5bn in senior secured bond in the US HY market
 - Landmark transaction within the drilling space



- Constellation Oil Services is the largest drilling company in Brazil
- Clarkson Securities engaged as financial advisor in the recapitalization of the company
 - A result of unique industry expertise and relationships with key stakeholders
- The USD 1,25 billion recapitalization of the company was concluded in December 2024
- Clarkson was the only advisor on all the three components of the recapitalization
 - USD 650 million US HY bond issue
 - USD 75 million equity raise
 - USD 534 million equityization



- Pembroke Olive Downs is an Australian mining company with the largest undeveloped MetCoal deposit in Australia
- Long relationship with Pembroke assisting in Stage 1 financing through USD 95 million bond in 2021
- Clarkson competed with bulge bracket banks for Stage 2 financing
- In February 2025 Clarkson acted as sole manager on a USD 550 million bond to finance Stage 2
 - Largest ever mining bond on Nordic docs



The intelligent marketplace for fixing freight

Key areas of progress 2024

Charterparty volumes annualized 12.5% increase in 2024

Over 700 Broking entities active on the platform

Compliance Manager launched within charterparty workflow

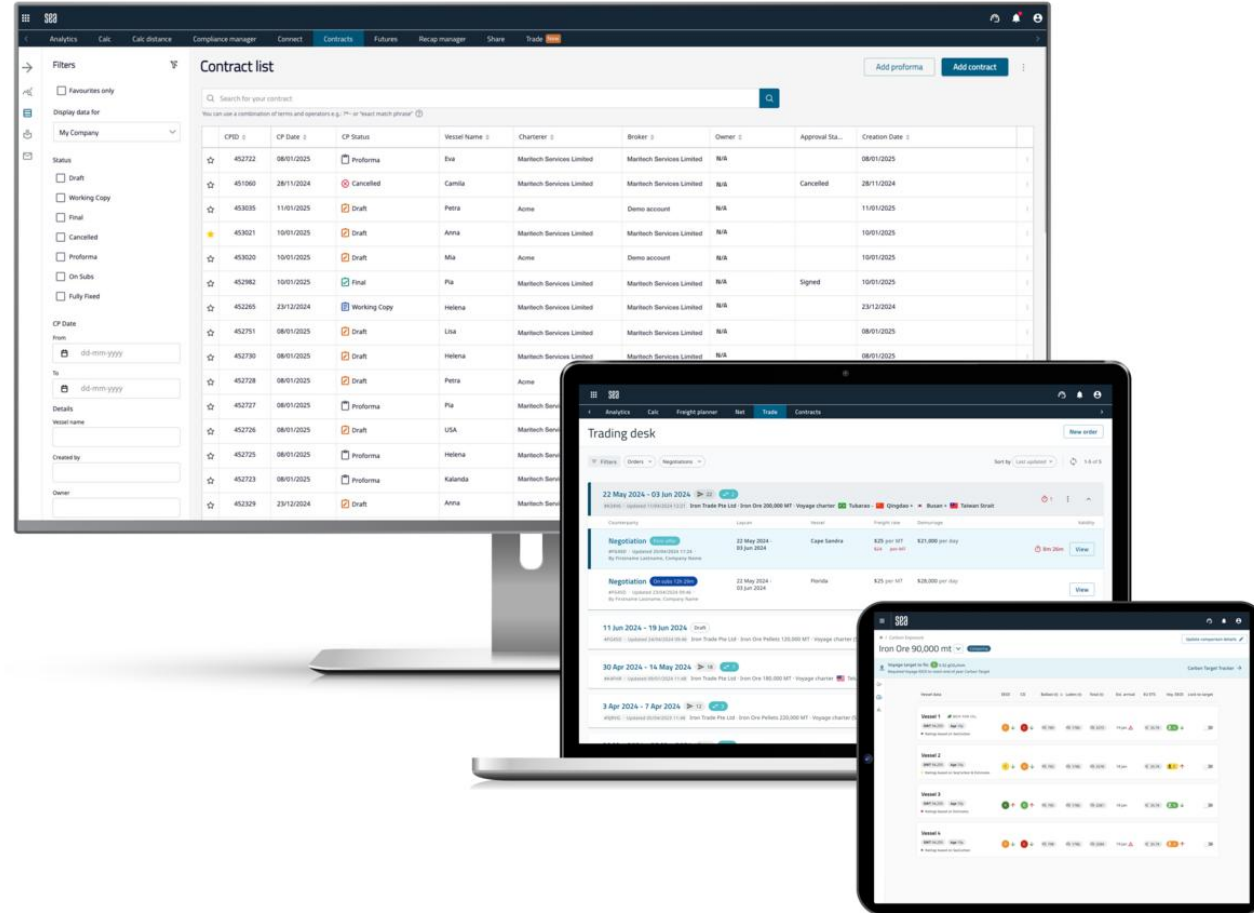
New competition entering the market

Since inception, \$11.8bn of freight, and 5,500 fixtures relating to iron ore trading customers processed through Sea Trade.

Trade 2.0 released with all clients now migrated

New platform is the engine for rapid growth & development

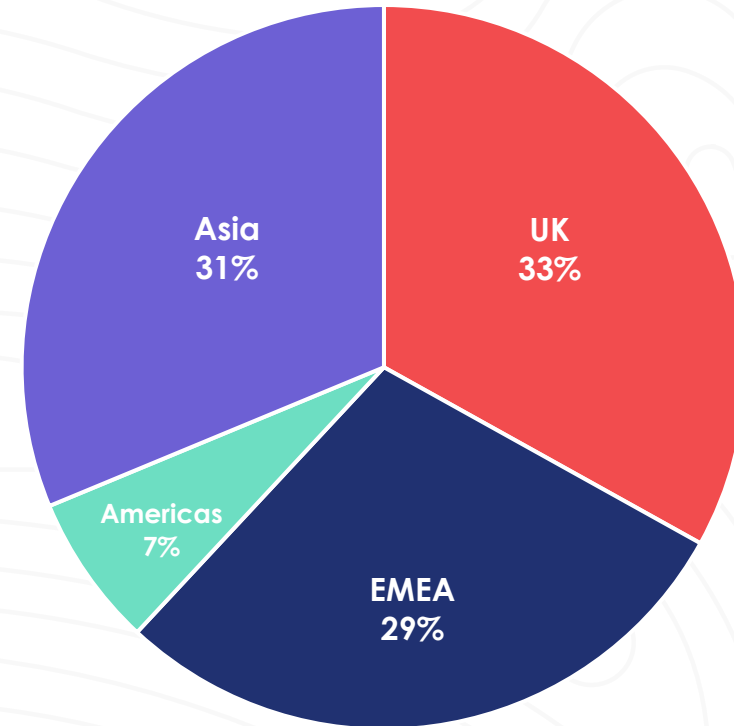
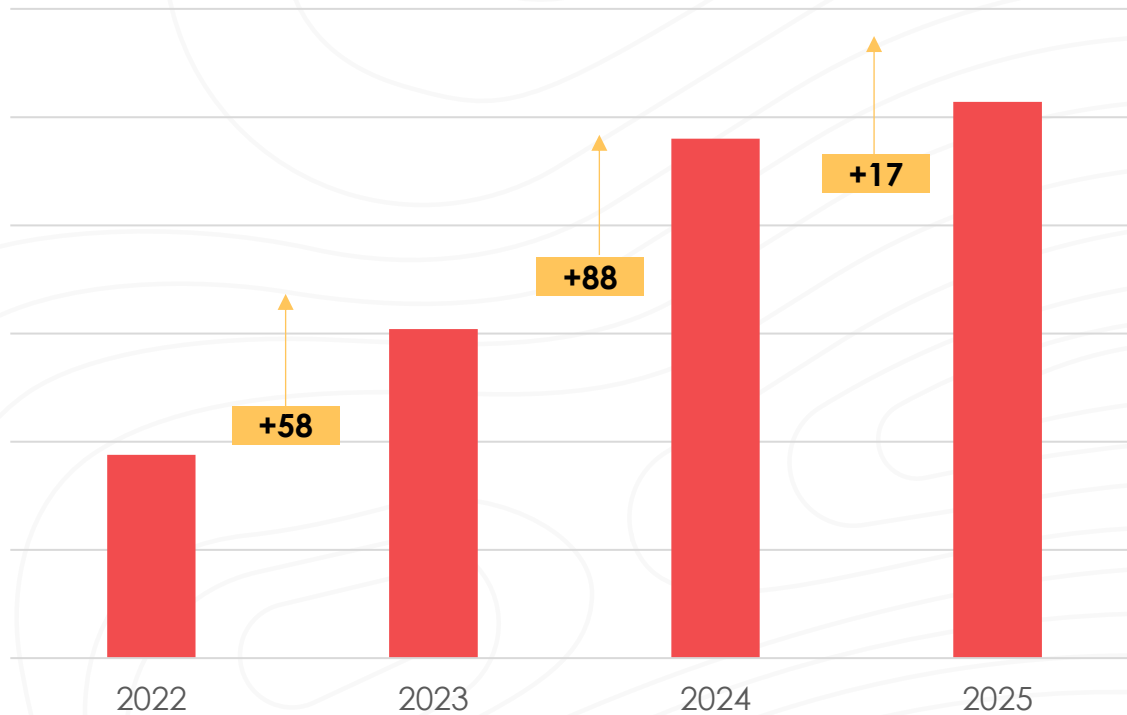
2025 targets expansion of Sea Trade into freight on other commodities



Broking divisions growth

Net Headcount

Broking



OUTLOOK

Andi Case

Chief Executive Officer



Strong Balance Sheet and Free Cash Flow

Scale of Forward order book – Short & Long term

New hires across the group

Best in class across all segments

Best tools for trade and technology

Best market intelligence

This is a time for progress



CLARKSON PLC

THANK YOU

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