10 March 2025

Clarkson PLC ('Clarksons') is the world's leading provider of integrated shipping services. From offices in 25 countries on six continents, we play a vital intermediary role in the movement of the majority of commodities around the world.

Preliminary results

Clarkson PLC today announces preliminary results for the 12 months ended 31 December 2024.

Summary

- Another record underlying profit before taxation* of £115.3m (2023: £109.2m), an increase of 6%
- Underlying basic earnings per share* increased 4% to 286.9p (2023: 275.0p)
- Full year dividend of 109p, an increase of 7% on 2023, giving rise to a 22nd consecutive year of dividend growth
- Forward order book as at 31 December 2024, for invoicing in 2025 was US$231m (31 December 2023: US$217m)
- Strong balance sheet with free cash resources* of £216.3m (2023: £175.4m)

	Year ended 31 December 2024	Year ended 31 December 2023
Revenue	**£661.4m**	£639.4m
Underlying profit before taxation*	**£115.3m**	£109.2m
Reported profit before taxation	**£112.1m**	£108.8m
Underlying basic earnings per share*	**286.9p**	275.0p
Reported basic earnings per share	**277.1p**	275.2p
Dividend per share	**109p**	102p

* Classed as an Alternative Performance Measure ('APM'). See 'Other information' at the end of this announcement for further information.

Andi Case, Chief Executive Officer, commented:

"2024 was another year of disruption, complexity and opportunity for global shipping markets and against this backdrop I am immensely proud of the hard work and dedication of all my colleagues in producing another record result."

"The geo-political outlook remains uncertain as we enter 2025, with ongoing regional conflicts and trade tensions creating uncertainty for markets reflected by freight rates and asset values currently lower than 2024. The resolution or continuation of these events during the year will provide potential headwinds and tailwinds to the Group's performance as we support our clients through this complexity."

"Irrespective of near-term headwinds, we remain committed to investing in the business, across people, intelligence and technology to ensure we maintain our market-leading position across all sectors."

Enquiries:

Clarkson PLC: **020 7334 0000**
Andi Case, Chief Executive Officer
Jeff Woyda, Chief Financial Officer & Chief Operating Officer

Camarco: **020 3757 4980**
Billy Clegg
Jennifer Renwick

Alternative performance measures (‘APMs’)

Clarksons uses APMs as key financial indicators to assess the underlying performance of the Group. Management considers the APMs used by the Group to better reflect business performance and provide useful information. Our APMs include underlying profit before taxation and underlying earnings per share. An explanation and reconciliation of the term ‘underlying’ and related calculations are included within the ‘Other information’ section at the end of this announcement. All APMs used within this announcement are denoted by an asterisk (*).

About Clarkson PLC

Clarkson PLC is the world’s leading provider of integrated services and investment banking capabilities to the shipping and offshore markets, facilitating global trade.

Founded in 1852, Clarksons offers its diverse and growing client base an unrivalled range of shipbroking services, sector research, on-hand logistical support and full investment banking capabilities in all key shipping and offshore sectors. Clarksons continues to drive innovation across its business, developing digital solutions which underpin the Group’s unrivalled expertise and knowledge with leading technology.

The Group employs over 2,100 people in over 60 different offices across its four divisions.

The Company has delivered 22 years of consecutive dividend growth. The highly cash-generative nature of the business, supported by a strong balance sheet, has enabled Clarksons to continue to invest to position the business to capitalise on opportunities in its markets.

Clarksons is listed on the main market of the London Stock Exchange under the ticker CKN and is a member of the FTSE 250 Index.

For more information, visit www.clarksons.com

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended (together, ‘MAR’). Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Chair's review

As I reflect on 2024, I am extremely proud of the way Clarksons has successfully navigated a landscape marked by significant political, economic and environmental change.

Our expert and market-leading global teams have supported our clients through these turbulent times, offering strategic insights to help overcome challenges and capitalise on emerging opportunities.

The geo-political landscape has been particularly fast-moving, with ongoing global conflicts underscoring the critical importance of strong governance, deep knowledge and high-quality data as we advise our clients on vital decision-making against a backdrop of increasingly complex international sanctions.

Results

This year marks the third consecutive year that our business has achieved an underlying profit before tax* of over £100m. Revenue increased by 3.4% to £661.4m, driven by growth across the business. This outstanding achievement underscores the importance, and success, of our strategy to focus on global expansion, recognising opportunities, entering new markets, hiring the best individuals and teams, and building a business with the scale and leading market position to deliver sustained growth.

Dividend

We are delighted that, for the 22nd consecutive year, and in line with our progressive dividend policy, the Board is recommending an increased final dividend of 77p per share, bringing the total dividend for 2024 to 109p per share, an increase of 7% compared to 2023.

People

We are now a global group of over 2,100 talented and diverse employees with an expanded breadth of services and reach. We are proud of being able to attract and retain the best talent in the industry.

Our people are unquestionably our most important asset and the key to our success, and we thank each and every member of Clarksons for their unstinting hard work and dedication.

We know from employee feedback how The Clarkson Foundation aligns to the culture of the Group and are proud to be able to support its aim of making a meaningful positive impact in the world.

Board

In August we welcomed Constantin Cotzias to the Board as an independent Non-Executive Director, and member of the Audit and Risk Committee.

Constantin is European Director at Bloomberg, where he is Global Head of External Affairs, the Chair of Bloomberg Tradebook and a Director of Bloomberg Multilateral Trading Facility. Constantin brings a strong understanding of financial markets, data and technology, and also experience in growing data-focused businesses. His experience will be invaluable as we continue to grow the business across all of these areas.

Birger Nergaard stepped down from the Board in May 2024 following the Company's AGM. We thank him for nine years of valuable and dedicated service to the Group.

Outlook

2024 has been a year of resilience and growth for Clarksons. We have delivered strong financial performance in a challenging environment and supported our clients through extensive global change.

The opportunity before us remains significant, as commodity demands combined with energy security and environmental factors, provide a complex backdrop for market growth in the medium term.

However, following a year of extensive political change, ongoing conflicts in the Middle East and Russia-Ukraine, adding further complexities, markets have softened as economies grapple with the immediate impacts of this phase of change.

We are uniquely positioned through our global and regional expertise, accompanied by our exceptional data insights, to respond to any changes that arise. We will focus all our efforts on supporting our clients as they evolve their strategies to meet these changes.

As we look ahead, we continue to hire and build on our strengths, driving sustainable growth for our shareholders. Our robust cash flow and forward order book ('FOB') affords us agility and enables us to take swift and decisive decisions to make investments to support the business.

Thank you for your continued support.

Laurence Hollingworth
Chair
7 March 2025

Chief Executive Officer's review

2024 was another year of disruption, complexity and opportunity for global shipping markets, and I am immensely proud of, and grateful to, our colleagues across the world for their unwavering commitment and exceptional contributions, which have led to another record year for Clarksons.

The fundamental supply and demand dynamics of the industry remained in fine balance during the year, with underlying trade volume growth and disruptions to trade patterns increasing demand, while the supply side remained challenged by low orderbooks in certain sectors and a tight shipbuilding market. Seaborne trade grew by 2.4% in 2024, driven by global economic consumption and rising energy and resource requirements.

Conversely, despite a 13% increase in global shipyard output in the year, the global fleet grew steadily at 3.4%, weighted towards the containers and LNG sectors. Prices for newbuild vessels remained high, reaching peak 2008 levels, following inflationary pressures at shipyards, firm forward cover and strong ordering volume.

Ongoing conflicts in the Middle East and Russia-Ukraine continued to underscore the importance and fragility of global supply chains. An increasingly complex and evolving sanctions environment added to challenges for shipowners and charterers alike with some 1,300 ships in the global fleet now sanctioned. These events led to significant shifts in the global flows of energy and resources and the largest increase in tonne miles in the sector for 15 years. Our position at the forefront of the industry, bolstered by our global and regional expertise and deep market intelligence, has enabled us to support our clients in managing these complexities effectively.

The green transition remains a significant underlying trend as the industry moves towards alternative fuels and more efficient technology, and embarks on an unprecedented fleet renewal programme to meet 2030 and 2050 emissions targets. Half of orders by tonnage in 2024 involved alternative fuel and 7% of the global fleet is now fitted with green or alternative fuel technology, a number which is forecast to rise to 20% by 2030. Retrofitting has also been a key theme, with 34% of the fleet now equipped with energy-saving technology. Our Green Transition and Research teams continue to provide clients with the support, data and intelligence they need as they respond to the opportunities and challenges the move towards decarbonisation provides.

Broking

The Broking division had a very strong year, supported by an active sale and purchase market across newbuilding and secondhand transactions, and generally robust conditions across all other sectors. The forward order book ('FOB') continues to grow, both for invoicing in 2025 and further out over the coming years. This FOB gives us good visibility of baseline future earnings.

Geo-political disruptions, the redistribution of energy flows and an underlying increase in Atlantic to Pacific commodity trade resulted in significantly increased tonne miles, supporting rates and activity in chartering. The offshore sector also performed well during the year, with rates reaching record levels on the back of investor sentiment following a supply-side rebalancing and incremental demand gains.

Carbon emissions from the industry increased slightly due to the increase in tonne miles. Our Broking and Green Transition teams continue to advise clients on fleet renewal programmes and the latest green technologies to achieve longer-term environmental targets.

The Broking division continued to invest in expanding its global footprint through the hiring of new people and teams both in the UK and overseas. Key hires included leaders from both competitors and principals, increasing the scope and services we offer our clients, and extending the products we cover in both the physical and derivative markets. The truly global nature of the business is demonstrated by the fact that two-thirds of our brokers are now based outside of the UK, with representation in every major shipping geography and sector. We remain focused on being best in class in every sector of shipping, servicing clients with local expertise supported by the data, technology and insights of a truly global business.

Segmental profit before taxation from Broking was £122.6m at a margin of 23.2% (2023: £121.2m and 23.5%).

Financial

The Financial division faced a more challenging year, with reduced investor risk appetite in certain sectors amid geo-political uncertainty. Capital markets activity was also tempered in shipping equities as companies continued to focus on debt repayments and returns to shareholders. Investor sentiment was more stable across the metals and minerals and offshore sectors.

Overall, our investment banking team supported and advised clients on executing a number of mandates across, particularly, debt capital markets and M&A.

Debt capital markets performed particularly well, supported by a record year of activity in the Nordic high-yield bond market.

Investor interest in shipping project finance remained healthy, albeit real estate market activity has continued to be challenged.

The division reported a segmental profit before taxation of £5.2m in 2024 compared with £6.6m in 2023.

Support

Our Support division had a record year despite the significant reduction in transits through the Suez Canal. The division's increasingly diversified offering across the offshore oil and gas, marine and renewable energy sectors, and broadening client base, has enhanced performance during recent years.

The activities of Gibb Group, specialists in tools and supplies, and safety and survival products, were enhanced further by the acquisition of Trauma & Resuscitation Services Limited, now rebranded to Gibb Medical and Rescue, in early 2024. The company is a leading provider of enhanced first aid training, compliance and emergency response services and has performed beyond management's expectations in its first year of ownership.

The Support division produced a segmental profit before taxation of £7.7m and a 11.8% margin in 2024 (2023: £6.4m and 11.3%).

Research

As markets become more complex and the supply of data becomes increasingly key to decision-making, our leading Research division plays a progressively more important role in offering depth of knowledge and best-in-class insights across the sector.

We continue to invest in providing market-leading intelligence which, combined with our understanding of the shipping and offshore markets and digital capabilities, is supporting over 3,500 clients globally. The division is constantly evolving its products across geo-political trends, the energy transition and fleet evolution. 2024 also saw increasing demand from clients to embed data within workflows to support real-time information and decision-making. The increasing demand from clients has resulted in recurring revenue increasing to 90%.

The division increased segmental profit before taxation by 13% to £9.5m (2023: £8.4m).

Sea

Our Sea platform continues to move forward, achieving growth in both customer base and volumes. Sea Trade 2.0 was released in the second half of the year, with all clients now successfully migrated to the new operating platform. This more flexible technology base will enable our clients to benefit from increasingly efficient workflows and data access to manage their pre-fixture activities, and will provide the base for faster and more extensive cross-market product releases in the future.

Outlook

For some years now we have started each new financial period with an uncertain geo-political outlook; 2025 has started with more uncertainty than most due to political change, ongoing regional conflicts, increased trade tensions, tariffs and sanctions, inflation and changing monetary policy across global economies. As I write this report, the impact of these uncertainties is that freight rates and asset values have broadly fallen, which has meant that the value of spot business done to date is less than the same period last year.

Our FOB continues to grow, both for 2025 and beyond, providing good visibility of baseline future earnings. The FOB for invoicing in 2025, as at the end of 2024, amounted to US$231m, US$14m higher than at the beginning of 2024. The invoicing profile of this FOB, together with the expected uptick in spot revenues following a slow start to the year, means that 2025 is expected to be second-half weighted, as it has been in most years.

Once the current uncertainty starts to recede, the markets will, over time, rebalance, incorporating trade currently operated by the shadow fleet, and clients will again be able to be more strategic in their forward planning, including a focus on fleet renewal programmes. We will continue to invest in our business to ensure we maintain market-leading positions across all sectors, that we use value added technology, and that we have the best market intelligence and insight to support and advise our clients.

The strength of our balance sheet, excellent cash generation and a healthy FOB going forward many years gives us confidence to be at the forefront of opportunities for growth and to consider opportunities for M&A where accretive to the business. Clarksons is uniquely positioned to manage and advise clients through these more volatile markets.

Andi Case
Chief Executive Officer
7 March 2025

Financial review

Revenue: £661.4m (2023: £639.4m)
Underlying profit before taxation*: £115.3m (2023: £109.2m)
Reported profit before taxation: £112.1m (2023: £108.8m)
Dividend per share: 109p (2023: 102p)

The Group delivered another outstanding set of results in 2024, with revenue of £661.4m (2023: £639.4m) and underlying profit before taxation* of £115.3m (2023: £109.2m), both ahead of the comparative period. The performance was driven by a strong underlying operating result of £101.7m (2023: £100.2m) and finance income of £14.9m (2023: £10.5m), which benefited from the supportive interest rate environment. Underlying basic earnings per share* grew 4.3% to 286.9p (2023: 275.0p).

Reported profit before taxation and basic earnings per share were £112.1m (2023: £108.8m) and 277.1p (2023: 275.2p) respectively. Our performance has enabled the Group to continue its progressive dividend policy, which is now in its 22nd consecutive year. Accordingly, a full year dividend of 109p is recommended as described in more detail below.

Free cash resources* increased to £216.3m (2023: £175.4m); the Group's diversified portfolio of businesses continues to deliver strong cash-generation across the cycle, which provides support for investment in the best people, market intelligence and technology to support and advise our clients. Where complementary to strategy, including establishing new teams, setting up in new geographies, expanding our coverage or increasing market presence, the Group actively pursues strategic and value-enhancing M&A opportunities.

2024 performance overview

The Broking division had another successful year, reporting revenue of £529.3m (2023: £516.8m), representing growth of 2.4%. Supply and demand dynamics within the industry remained highly complex as global GDP growth and disruptions to trade patterns increased demand, while the supply side remained challenged by low orderbooks in certain sectors and a tight shipbuilding market. The division generated a segmental profit of £122.6m (2023: £121.2m), advising clients through complexity and enhancing its market-leading position across all sectors of shipping.

Geo-political complexity, energy security and the green transition remained consistent trends in 2024. Most sectors were impacted by disruption to key trade routes, notably the Suez and Panama canals. Whilst conditions in Panama eased towards the end of 2024, traffic through Suez remained at historically low levels. This disruption, in addition to the ongoing redistribution of energy flows following the Russia-Ukraine conflict, resulted in one of the largest increases in tonne miles for 15 years and provided upward momentum to rates across most sectors, in particular the dry cargo and containers sectors. Offshore oil and gas markets also performed well during the year, with day rates at record levels.

Newbuild sale and purchase activity across the industry was particularly strong in 2024, reaching the third highest total on record. Healthy cross-sector demand was supported by generally robust shipping markets, a focus on green fleet renewal and competition for berths at shipyards. Secondhand activity this year has also been positive, supported by bulker sales volumes and strong tanker and container activity against a backdrop of firm market conditions.

In the tankers and gases sectors, whilst market conditions were generally supportive of rates during the year, these were below the levels experienced in 2023. Both sectors experienced headwinds in the second half of the year from a slowdown in global demand, cuts in production and delays to projects coming online.

The Financial division faced a challenging economic backdrop in 2024, including inflation, extended periods of high interest rates and reduced investor confidence caused by geo-political tensions. Against this backdrop and faced with increased competition, the division performed well, reporting revenue of £42.6m (2023: £44.1m) and segmental profit before taxation of £5.2m (2023: £6.6m).

Activity and investor sentiment in the shipping and offshore markets remained generally positive throughout 2024 and the investment banking team remained active, executing several deals as clients sought to restructure and recapitalise their balance sheets or issue debt to support further investment and growth. Revenue from commissions on secondary trading was lower than in 2023, driven mainly by weaker activity in the equity capital markets. There was, however, strength in the debt capital markets, where favourable market conditions, particularly in the Nordic high-yield bond market, increased both revenue and the volumes of transactions executed.

Within the project finance business, positive investor sentiment enabled shipping and offshore activities to perform well, although real estate opportunities continue to be impacted by the prolonged high-interest rate environment, a volatile bond market and challenging construction and rental prices.

The Support division produced a record performance in 2024, delivering revenue of £65.0m (2023: £56.6m) and a segmental profit of £7.7m (2023: £6.4m). This was despite challenges in some sectors, including reduced transits through the Suez Canal impacting Egyptian agency business, delays and reduced activity in offshore energy projects in Northern Europe and pressure on margins in UK agency business. The division continues to look for opportunities to leverage its UK and Northern European footprint to support clients, including initiatives such as the agreement with Norway-based Peak Group to combine expertise in port agency logistics, expanding its reach across the expanse of the North Sea.

In addition to core agency activity, the division continues to focus on supporting the offshore oil, gas and renewables sectors through the provision of specialist tooling, training and equipment. In February 2024, this offering was extended further through the acquisition of Trauma & Resuscitation Services Limited, which rebranded to Gibb Medical and Rescue during the year.

The Research division also produced another excellent financial performance generating revenue of £24.5m (2023: £21.9m) and a segmental profit of £9.5m (2023: £8.4m). Growth was achieved from new client penetration, and a cross-selling of services. Recurring revenue continues to represent over 90% of the division's sales, as clients value the market-leading insights and intelligence provided by the team. The division continues to innovate and invest in providing a consistent flow of high-quality, market-leading insights which this year have included a macro focus on decarbonisation and geo-political disruption.

Administrative expenses

The Group incurred underlying administrative expenses* of £526.0m (2023: £508.8m), representing an increase of 3.4%. The main driver of the increase year on year was continued investment in people and teams, which has enabled us to expand our product offering across new markets and geographies and to develop and train new talent across the business. Although the Group is focused on disciplined expense management, it is not immune from inflationary pressure and economic decisions affecting the global economy. The announcement in the Autumn 2024 Budget that UK employers' national insurance will rise by 1.2% is expected to increase the Group's remuneration and variable incentive costs in 2025.

The Group remains committed to investing across all areas of the business to ensure it has the best people, technology and market intelligence to support and service our clients globally.

Acquisitions

At the beginning of the year, the Group completed the acquisition of Trauma & Resuscitation Services Limited (since rebranded to Gibb Medical and Rescue) for an initial consideration of £2.0m. The acquisition extends the Group's offering to the oil and gas, marine and renewable energy sectors by providing market-leading first aid training, compliance and emergency response services. The business performed ahead of management's expectations in its first year of ownership, leveraging the breadth of the Group's network to generate new business opportunities.

In May 2024, the Group completed an asset purchase agreement with Independent Shipping Agencies Limited to acquire selected assets for an initial consideration of £0.1m. The investment increases the Support division's service offering to the dry cargo sector through the provision of superintending services.

In September 2024, the Support division also completed an asset purchase agreement with Wind Farm Equipment Limited for an initial consideration of £0.7m. This transaction further enhances the capabilities of the tooling and supplies business in the renewable energy sector.

Acquisition-related costs of £3.2m (2023: £2.6m), which include the above transactions, have been disclosed separately in the consolidated income statement, and relate to the amortisation of intangibles and costs linked to ongoing employment obligations. We estimate acquisition-related costs for 2025 to be £3.0m assuming no further acquisitions are made.

Dividend

The Board is recommending a final dividend in respect of 2024 of 77p (2023: 72p) which, subject to shareholder approval, will be paid on 23 May 2025 to shareholders on the register at the close of business on 9 May 2025.

Together with the interim dividend in respect of 2024 of 32p (2023: 30p), this would give a total dividend of 109p for 2024, an increase of 7% on 2023 (2023: 102p) and representing the 22nd consecutive year the Group has increased returns to shareholders. In reaching its decision, the Board took into consideration the Group's 2024 performance, balance sheet strength, ability to generate cash and forward order book.

Finance income and costs

The Group reported finance income of £14.9m (2023: £10.5m), as strong underlying cash generation from the business and proactive treasury management enabled the Group to capitalise on an extended period of high interest rates. Central banks' review of monetary policy saw interest rates cut towards the end of 2024, a trend which is forecast to continue in 2025. Finance costs were £1.9m (2023: £2.2m) and are mainly comprised of interest expenses on lease liabilities.

Taxation

The Group reported an underlying effective tax rate* of 22.5% (2023: 21.4%). The Group's underlying effective tax rate remains stable and is reflective of the broad international operations of the Group. The Group's reported effective tax rate was 23.0% (2023: 21.1%).

Foreign exchange

The Group is exposed to adverse movements in foreign exchange as its revenue is mainly denominated in US dollars whereas operating expenses are denominated in local currencies and financial performance is reported in sterling. The average sterling to US dollar exchange rate during the year was US$1.28 (2023: US$1.25), providing a headwind to this year's financial performance.

Free cash resources

The Group ended the year with cash balances of £431.3m (2023: £398.9m) and a further £62.0m (2023: £39.9m) held in short-term deposit accounts and government bonds, classified as current investments on the balance sheet.

Net cash and available funds*, being cash balances after the deduction of the total cost of accrued bonuses, at 31 December 2024 were £243.7m (2023: £201.1m). The Board uses this figure as a better representation of the net cash available to the business since bonuses are typically paid after the year-end, hence an element of the year-end cash balance is earmarked for this purpose. It should be noted that accrued bonuses include amounts relating to the current year and amounts held back from previous years which will be payable in the future.

A further measure used by the Board in taking decisions over capital allocation is free cash resources*, which deducts monies held by regulated entities from the net cash and available funds* figure. Free cash resources* at 31 December 2024 were £216.3m (2023: £175.4m).

In addition to these free cash resources*, the Group has a strong balance sheet and has consistently generated an underlying operating profit and good cash inflow. Management has stress tested a range of scenarios from the base case, modelling different assumptions with respect to the Group's cash resources and, as a result, continues to adopt the going concern basis in preparing the financial statements.

Balance sheet

Net assets at 31 December 2024 were £495.7m (2023: £456.6m). The balance sheet remains strong, with net current assets and investments exceeding non-current liabilities (excluding pension assets and lease liabilities as accounted for under IFRS 16 'Leases') by £257.7m (2023: £206.5m). The Group's pension schemes had a combined surplus before deferred tax of £12.3m (2023: £13.4m).

Forward order book ('FOB')

The Group earns some of its commissions on contracts where the duration extends beyond the current year. Where this is the case, amounts that can be invoiced during the current financial year are recognised as revenue accordingly. Those amounts which are not yet invoiced, and therefore not recognised as revenue, are held in the FOB. In challenging markets, such amounts may be cancelled or deferred into later periods.

The Directors review the FOB at the year-end and only publish the FOB items which will, in their view, be invoiced in the following 12 months. At 31 December 2024, this estimate was US$231m (31 December 2023: US$217m).

Alternative Performance Measures ('APMs')

Clarksons uses APMs as key financial indicators to assess the underlying performance of the Group. Management considers the APMs used by the Group to better reflect business performance and provide useful information. Our APMs include underlying profit before taxation, underlying earnings per share, net funds and free cash resources.

Jeff Woyda
Chief Financial Officer & Chief Operating Officer
7 March 2025

Business review

Broking

Revenue: £529.3m (2023: £516.8m)
Segmental split of underlying profit before taxation: £122.6m (2023: £121.2m)
Forward order book for 2025: US$231m^ (At 31 December 2023 for 2024: US$217m^)

^ Directors' best estimate of deliverable forward order book ('FOB')

Dry cargo

The dry cargo sector supports a range of important industrial sectors including construction, energy and agriculture, moving a record 5.7bn tonnes of cargo last year. Our dry cargo shipbroking team have a leading position across all ship sizes, performing robustly in 2024 and including strong growth in longer-term business. Overall, 2024 was a generally positive year for the bulkcarrier sector, with Clarksons' weighted earnings averaging over US$15,000/day, up 21% on 2023 and 18% on the 10-year average. All sub-segments saw improved earnings year on year but gains were most significant in the Capesize sector, where spot earnings averaged over US$25,000/day, the second strongest year since 2010. This was in part driven by strong trade volumes, which grew by circa 3.3% to 5.7bn tonnes, led by strong demand from China. Firm iron ore and bauxite exports from the Atlantic to Asia were particularly supportive to the Capesize sector, while the re-routing of vessels away from the Red Sea also added to vessel demand, albeit to a lesser degree than some other sectors. The bulkcarrier market ended the year on a softer note, as the typical seasonal upswing in demand in the fourth quarter disappointed; restrictions on Panama Canal transits (which provided some disruption upside in the first half) eased; and steady fleet growth (circa 3% in the full year) added to vessel supply. Looking ahead, demand trends remain reasonable heading into 2025, although growth rates could trend lower than 2024. Alongside another year of steady fleet growth (circa 3% is expected), earnings overall could see a softer tone with potential trade tariffs; the unwinding of Red Sea re-routing; and developments in the Chinese economy potentially impacting.

Containers

The container sector facilitates the transportation of a wide range of typically manufactured goods, including consumer and industrial goods, foodstuffs, chemicals and other manufactures. Container shipping markets experienced high freight and charter conditions across 2024, and our container shipbroking team leveraged its expertise and global breadth to successfully support clients on asset and chartering decisions in a volatile market heavily impacted by geo-political events. Diversions away from the Red Sea by major liner companies amid the hostility in the region generated a significant increase in vessel demand, amplified by underlying trade expansion and port congestion hotspots. As a result, and despite rapid fleet capacity growth (more than 10%) and record newbuilding deliveries, both box freight rates and timecharter rates hit extremely strong levels. The SCFI Spot Box Freight Index stood at 3,734 points in early July, the highest level outside of the exceptional 2020-22 COVID-19 era. It ended the year at 2,460 points after some erosion post-peak season and amid ongoing fleet growth, although still 2.4 times the 2023 average. Containership charter markets had an exceptionally strong year as liners sought 'extra-loaders' to cover Red Sea-related disruption. Clarksons Containership Timecharter Rate Index hit 182 points in mid-July, up 258% versus the 2010-19 average, although still lower than the all-time-high COVID-19 markets, and ended the year at 178 points (up 165% versus the end of 2023). Looking ahead, the short-term outlook for the sector is closely linked to trends in the Red Sea, with any significant resumption of transits expected to drive softer market conditions.

Tankers

The tanker sector plays a crucial role in global energy supply chains, moving crude oil and refined oil products to facilitate their eventual use as transportation fuels, for heating and electricity generation, and as industrial feedstocks. 2024 was another strong year for tanker markets overall, and our tanker shipbroking team experienced another very successful year, utilising its scale and deep expertise to support clients through the volatile and complex markets. In general, the second half of the year was softer than the first for the tanker shipping market. There remained variation across sectors, with Suezmaxes and Aframaxes outperforming VLCCs over the year, while LR product tankers fared better than MRs. VLCC earnings were strong across the first quarter, before easing seasonally across the second and third quarters. However, the typical strong seasonal increase in the fourth quarter failed to materialise. OPEC+ production cuts and a decline in Chinese crude imports impacted the market. Overall, average VLCC earnings declined year on year with our index averaging US$33,502/day, close to long-term averages. Suezmaxes and Aframaxes earnings also eased, softening by 16% and 22% year on year respectively. However, markets overall remained historically strong, boosted by the continued impact of altered trade flows due to sanctions on Russia.

Products tanker earnings were driven to high levels in early 2024, primarily boosted by the re-routing of vessels via the Cape of Good Hope. This strength persisted throughout the first half of the year. However, the third quarter saw a notable increase in the use of crude oil tankers to transport clean products cargoes, while softer refining margins also impacted markets. In spite of the softer second half of the year, earnings for LR2s and LR1s on the benchmark Middle East – Far East route increased by 11% and 7% year on year respectively in 2024. However, average MR earnings declined by 5% year on year across 2024 and averaged US$16,501/day across the fourth quarter. Tanker fleet growth was very low in 2024, falling below 1%, and while product tanker fleet growth is expected to pick up in 2025, total crude tanker fleet growth is set to remain supportively low.

Specialised products

The specialised products tanker market moves a diverse range of liquid cargoes derived from natural gas, crude oil, agricultural crops (including biofuels) and other manufacturing processes. All are intrinsically linked to end consumer demand and play a crucial part in global supply chains for finished goods and products.

The specialised products tanker market had a strong year overall, although trends varied across 2024. The first half of the year saw freight rates surge to new record highs, largely on the back of re-routing around the Cape of Good Hope which led to longer voyage distances. However, rates eased across the second half of the year amid weaker consumer demand, as well as softer trends in the adjacent clean petroleum products market, although rate levels remained fairly healthy in a historical context with supply side growth limited over recent years. In a complex and evolving market, our specialised products team navigated these shifts with confidence and grew market share. The team has expanded its regional presence to 13 offices globally and using our strategic expertise, analytical insight and broking experience, is uniquely positioned to participate in the global chemical tanker market and support our clients.

Gas

LPG/PCG

The gas shipping markets move liquefied petroleum and other gases such as ammonia and ethane, supporting a wide range of sectors from plastics and rubber production to industrial and domestic energy markets.

While VLGC markets softened in 2024, rates were still relatively healthy for much of the year. Markets started strongly in the early weeks of 2024, following on from record levels in late 2023 when disruption at the Panama Canal supported markets. However, rates began to soften as Panama disruption eased, while continued firm fleet growth (VLGC fleet capacity grew a further 6% in 2024) and higher terminal fees in the US also impacted. Overall, spot earnings for a non-scrubber fitted ‘eco’ VLGC averaged circa US$42,000/day on the Ras Tanura-Chiba route, down 54% year on year but standing in line with long-run averages. The market started 2025 relatively balanced although there are a range of uncertainties for the year ahead.

2024 also proved to be another healthy year for the petrochemical gas sector, with timecharter rates generally continuing to climb as charterers sought to secure term coverage. Rates for a 22.5k cbm Handysize fully ref. vessel were up by 10% on 2023 on average, despite some challenges in European and Asian petrochemical markets and a drop in US ethylene exports.

Newbuilding activity was very strong in 2024 with a record volume of LPG carrier tonnage ordered, including the first orders for ‘ULECs’ (specialist ethane carriers of circa 150,000 cbm).

LNG

The LNG carrier sector transported circa 410mt of liquefied natural gas in 2024 on a fleet of highly specialised vessels. This sector is critical to both energy transition and energy security, and is set for a major phase of expansion in the coming years following record levels of investment in LNG vessels and LNG export capacity.

Spot LNG freight rates dropped across 2024 as limited trade volume growth (amid delays in the commissioning of several LNG export terminals in North America and West Africa); strong LNG carrier fleet expansion (67 units were delivered in 2024 – an annual record); and a narrow Atlantic-Pacific arbitrage saw spot tonnage availability grow, despite support to tonne-mile trade from re-routing of vessels away from both the Suez and Panama canals. Overall, LNG carrier spot rates for a 160k cbm TFDE vessel averaged circa US$42,000/day, down 57% year on year, with rates falling to record lows during Q4 2024.

Four new export projects with an aggregate capacity of 30mtpa reached FID in 2024, and there is more than 60mtpa of capacity that is scheduled to take FID in 2025. Newbuild vessel ordering remained firm in 2024, led by Qatari requirements, and further orders are expected from new projects and for fleet renewal through 2025. Our LNG team continues to provide excellent support to clients across spot, period, newbuilding and Sale & Purchase.

Sale and purchase (‘S&P’)

Secondhand

S&P markets remained active in 2024, with over 2,000 vessels of over 115m dwt combined and an estimated value of in excess of US$50bn reported sold in the full year, down around 9% year on year in tonnage terms but still firm by historical standards, with 2024 the fourth consecutive year with sales volumes topping 100m dwt.

Activity was supported by near record bulker sales volumes and strong tanker and container activity. This was against a backdrop of firm charter market conditions that supported buyer demand, high pricing offering a return on assets for some sellers and with some owners using the secondhand market to progress fleet renewal plans due to newbuild prices and yard lead times being elevated. However, volumes varied through the year, with the first half seeing particularly firm trends amid strong sentiment in various shipping sectors, before activity slowed by around a quarter in the second half of the year as sentiment in some segments became more uncertain. Secondhand prices were generally very firm, with our overall Secondhand Price Index increasing by 22% between the start of 2024 and the end of August, before easing back at the end of the year. Tanker and bulker pricing eased by around 10-15% between the summer and year-end, while containership prices continued to rise. Our S&P team remained very active, with several key hires made during the year.

Newbuilding

The newbuilding market was incredibly active in 2024, with the largest order intake for 17 years. Contracts totalling 66m CGT and US$204bn were placed, with appetite strong across segments. The containership sector saw particularly firm activity (4.4m TEU ordered), while there was also a good flow of gas carrier and tanker orders. The overall orderbook increased by 26% across the year and average lead times lengthened. Chinese builders consolidated their lead position, taking two-thirds of orders, and are the only major producer expanding capacity (through expansion of existing and reactivation of dormant facilities). However, some much smaller players are looking strategically at their shipbuilding positions. Newbuilding prices remained close to record highs, edging up a further 6% across the year with some softening in certain segments towards the year-end. Meanwhile, half of orders by tonnage in 2024 involved alternative fuel, with LNG dual fuel dominating.

Our global newbuilding broking team had an excellent year, benefiting from its market-leading position and strong cross-segment demand. We also remained very active supporting clients with alternative fuel newbuild orders, as green fleet renewal and an increasingly complex and evolving regulatory backdrop drive investment decisions. The newbuilding team has expanded through a number of key hires across our offices.

Offshore and Offshore Renewables

Offshore oil and gas

The offshore oil and gas vessel sector supports the development, production and support of offshore oil and gas fields, with over 13,000 mobile vessels and rigs playing a vital role in supporting operations across the lifecycle of offshore energy projects. Our offshore broking team remained very active through 2024, with markets strengthening further across the first half of the year, before sentiment and rate levels eased from all-time highs towards year-end. Overall, offshore project investment remained relatively positive amidst a continued focus on energy security, with oil projects in South America and West Africa accounting for the majority of CAPEX (in total, an estimated US$81bn). Rig vessel markets had a mixed 2024, with space in the backlog and impacts from some contract suspensions being weathered well initially, although dayrates eased across the second half amid increased unit availability. However, underlying fleet supply constraints should remain supportive in the medium and long term. The OSV sector faced seasonal pressures in the second half, following record markets earlier in the year. Subsea markets had another strong year, and the backlog of leading EPC contractors is today at record highs. Meanwhile, the MOPU sector made further progress with a number of awards confirmed.

In the near term, there is some uncertainty around demand trends and impacts from heightened geo-political uncertainty. However, supply constraints are generally set to remain a key supportive feature of offshore vessel markets, with the newbuilding interest that materialised in 2024 in some sectors relatively modest in scale.

Offshore renewables

The offshore renewables industry continues to expand, and going forward is expected to account for a growing share of the global energy mix supported by energy transition and energy security trends. 2024 was generally a mixed year for the offshore wind sector, with installed offshore wind capacity continuing to expand but lower year-on-year project sanctioning, with project economics becoming increasingly important and political support being more varied across geographies.

European wind vessel markets were strong in 2024, with WTIV availability in the next few years expected to remain tight, while C/SOV units were effectively fully utilised in the summer. Although challenges remain, the long-term outlook for the sector remains positive.

Our offshore renewables team continued to utilise its expertise and network to support clients through the evolving and growing market, and actively engaged in discussions around technical green solutions and initiatives as focus on the green transition continues to develop.

Futures

Our Futures business is a leading provider of freight derivative products, helping shipping companies, banks, investment houses and other institutions seeking to manage freight exposure by increasing or reducing risk. The dry futures market remains competitive but our team saw a strong end to 2024 and have increased market share in some key sectors. Our tanker FFA team had a strong year, with disruption and volatility supporting trading volumes, particularly in the first half of the year.

Financial

Revenue: £42.6m (2023: £44.1m)
Segmental split of underlying profit before taxation: £5.2m (2023: £6.6m)

Securities

Clarksons Securities is a sector-focused investment bank for the shipping, offshore energy, renewables and minerals industries, with deep sector knowledge and global reach driven by research and relationships. Despite facing a more challenging economic backdrop, the division performed well during the year. Increased activity in the debt and equity capital markets offset some of the reduction in activity in M&A and convertible bonds.

Secondary trading

Activity in the secondary trading sector fell in the second half of the year on the back of reduced investor risk appetite amid volatility and geo-political uncertainty, as well as the ongoing strength in the primary credit market. While total trading volumes for 2024 decreased on 2023, the Clarksons Securities team was still able to execute an increased number of blocks.

Shipping

The shipping industry experienced a generally weak stock performance in 2024, whilst in terms of capital market activity, listed shipping companies remained disciplined and focused on returning capital to shareholders and taking advantage of a strengthening bond market.

Energy services

The second half of the year began with a sell-off in oil services stocks, erasing earlier gains, amid lower oil prices and investor uncertainty. Capital markets activity was lower in the second half, although Brazil's deepwater market continued to show strength. Credit markets remained strong, and M&A opportunities remained in focus.

Metals and minerals

2024 saw generally more positive and stable trends in the metals and minerals sector after a volatile 2023. Clarksons Securities was actively engaged in several transactions, particularly within the strong credit market and M&A segment in the mining industry.

Renewable energies

Despite some challenges around investor appetite in the renewables segment, underlying activity continued to grow strongly, and investments generally continued to be made, with clients valuing assistance in navigating growth and financing options. Despite some delays to transaction execution in certain subsectors, the renewables coverage team completed various private M&A and equity transactions during 2024.

Exploration & Production ('E&P')

Capital market transactions in the E&P sector were robust, encompassing both M&A and debt activities. Clarksons Securities participated in several transactions, and there is good momentum going into 2025.

Debt capital markets

The Nordic high-yield bond market experienced strong growth in 2024, marking a record year in terms of issuance volume and market activity, and both existing bond issuers and new entrants capitalised on the favourable window. Across the year, Clarksons Securities participated in transactions across shipping, offshore and natural resources.

Project finance

Our project finance business is a leading Nordic player within shipping and real estate project finance, which has in recent years offered investment opportunities in modern fuel (and carbon) efficient shipping and offshore assets, with an overall focus on assisting the shipping and offshore industry in transitioning to more sustainable and less carbon-intensive transportation.

Our project finance team recorded good results in 2024, with healthy investor interest in both shipping and offshore projects supporting activity in the Norwegian market. The attractions of the Norwegian partnership model encouraged more shipowners to participate in the sector, and projects were concluded across a range of vessel segments. There remains good availability of competitive bank finance for non-recourse projects, and investor interest remains promising.

Structured asset finance

Our structured asset finance business provides clients with both general advice and support on specific financing and reporting requirements, helping industrial clients and cargo owners to structure bespoke financial solutions and evaluate the impact of changing accounting and environmental regulations on the fulfilment of their shipping finance requirements.

2024 was a successful year for our structured asset finance team, with our expertise helping clients to navigate the wide range of available financing choices and weigh up various financial, legal, accounting, tax and risk transfer implications. Our position as expert independent financial advisers with a first-class execution track record helped us to develop new capital sources and products to support our clients in a fast-changing world.

The ship finance market generally in 2024 was characterised by owners lowering leverage and re-financing existing facilities on lower margins as they reacted to having more liquidity on improved earnings. This was countered slightly by a higher interest rate environment during the first half, increased liquidity costs and upward pressure on margins for some mainstream traditional shipping banks.

The mortgage-backed debt market appears as a three-tier market. The Poseidon Principles banks offer lower margins than other sources but access to funding is usually limited to blue chip borrowers for green vessels and/or projects. However, savings remain relatively modest compared to more conventional financing. Non-Poseidon banks remain a competitive source of finance with fewer constraints, although pressure is still growing to reduce portfolio emissions. Restrictions on 'financeable' assets have resulted in a growing third group of debt lenders, represented by credit funds and providers of private credit facilities, typically seeking higher margins and returns but offering cashflow-driven leverage and with appetite for a wider range of tonnage (including older vessels).

Leasing remains the other main asset-backed finance product supporting the shipping sector, and here too a tiered market is apparent. In the first tier are products offered by some larger Chinese leasing companies, and French and Japanese tax-based products. Generally attractive terms led to a stable flow of leasing transactions through 2024. However, many lessors were focused on preservation rather than active growth of portfolios. The market also continues to be served by some of the smaller Chinese and European leasing companies and some credit funds. With typically higher margins, this sector has seen some of the largest pre-payments over recent years, and financier responses have included retrenching domestically and diversifying sectors (eg offshore oil transactions).

Overall, there are plenty of financing sources currently available for investments in newbuilding and secondhand tonnage, with a focus on optimisation of financing arrangements rather than securing funds. From a macro perspective, the credit outlook in 2025 appears broadly neutral, but there are a range of risks from Chinese and European economic trends, uncertainty around US policy and geo-political flashpoints.

Support

Revenue: £65.0m (2023: £56.6m)
Segmental split of underlying profit before taxation: £7.7m (2023: £6.4m)

Shortsea broking

Our specialist shortsea broking team saw significantly increased revenue in 2024 despite softer freight rates, with support from stronger UK grain imports amid a poor harvest. The client base and team also continue to grow and collaboration with the dry cargo shipbroking team within the Broking division was enhanced.

Gibb Group

Gibb Group, the industry's leading provider of PPE and MRO products and services and an experienced supplier into the renewable energy sector, made very good progress during 2024. This included expanding the business' offering in several UK and mainland European locations, opening facilities in the Far East to service regional offshore wind activity and continued growth in recently opened facilities. Performance by Gibb Medical and Rescue, which was acquired in early 2024, has exceeded initial expectations.

Vessel agency, project logistics and customs clearance

Through exceptional port agency and first-class logistics services, our business provides a range of solutions for clients in the marine and energy sectors. Record profits were achieved in 2024, supported by project income, strong UK grain imports, growth in the aggregates business, oil and gas decommissioning and offshore windfarm maintenance.

Stevedoring

Our stevedoring business, highly experienced in loading and discharging bulk cargoes, saw impacts in 2024 from weaker UK grain exports, although increased rental income from storage volumes of imported grain helped to offset the decline.

Egypt agency

2024 was a challenging year for our Egypt agency business, although the team still delivered solid results. While the drop in Suez Canal transits due to vessel attacks in the Red Sea impacted, increased Egyptian port calls, a new strategic regional partnership and increased chartering fixtures provided some support.

Research

Revenue: £24.5m (2023: £21.9m)
Segmental split of underlying profit before taxation: £9.5m (2023: £8.4m)

Clarksons Research, the data and analytics arm of Clarksons, are market leaders in the provision of independent data and intelligence around shipping, trade, offshore and the maritime energy transition.

Millions of data points are processed and analysed each day to provide trusted and insightful intelligence to thousands of organisations across maritime, supporting decision-making across our increasingly complex markets.

Research performed encouragingly over 2024. This continues a long-term growth trajectory, facilitated by ongoing investments into our proprietary database, the delivery of trusted insights and in the development of our market-leading digital platform. Recurring revenue has now reached 90% of sales across a client base involving over 3,500 companies and 15,000 platform users. Research has developed excellent client penetration across all aspects of the maritime ecosystem, including owners, financiers, yards, equipment suppliers, government agencies, energy, cargo, traders, insurance and developers while also expanding its position in Asia and other emerging markets.

Besides its role as a cash-generative and industry-leading intelligence provider, Research also continues to support the Broking, Financial and Support divisions and the Technology business with differentiating data, research and profile. These synergies were successfully enhanced in 2024.

Digital

Developments across our digital platform included:

Shipping Intelligence Network ('SIN'), our market-leading offering providing data and analysis tracking and projecting shipping market supply and demand, freight, vessel earnings, asset values and macro-economic data around trade flows and global economic developments, experienced strong sales growth in 2024. This was supported by well-received intelligence briefings on the market impacts of Red Sea disruption, tariffs on car imports, US East and Gulf Coast port strikes and the building geo-political complexities in a seaborne trade matrix that reached 12.6bn tonnes in 2024 and experienced the fastest growth in distance of trade for over 10 years. Our intelligence flow also tracked many of the major themes in the shipping markets in 2024: cross-market strength in dayrates, albeit with a softer tone in some segments towards year-end; an energy security and energy transition focus; volume growth in the 'gases'; additional tonne mile demand from geo-political disruption; active S&P markets; a strong flow of newbuild orders; and continued supply side constraints despite some reactivation of shipyard capacity.

World Fleet Register ('WFR') sales also grew strongly, as client interest in shipbuilding capacity, alternative fuels and energy saving technologies strengthened. Besides providing granular data on the world fleet, vessel equipment, companies, shipyards and ports, the WFR focuses on the tracking of green technology and decarbonisation across the shipping industry, aligning with the broader Group's investments around the green transition. New data and functionality around ports, liner services, incidents and vessel deployment were added to this offering in 2024.

Offshore Intelligence Network ('OIN') provides data and analysis of utilisation, dayrates and market supply and demand of the offshore oil and gas fleet including rigs, OSVs, subsea and floating production. Supported by strong client appetite as market conditions reached all-time highs in some segments, sales also benefited from the roll-out of regional and country profiles leveraging newly developed utilisation and deployment data. Although market conditions have softened in early 2025, offshore oil and gas still supplies over 16% of global energy supply.

Renewables Intelligence Network ('RIN') provides comprehensive data, intelligence and analysis around every offshore wind farm in the world and the fleet of vessels that support development and maintenance of offshore wind farms. Despite mixed market conditions in 2025, with project sanctioning down but vessel dayrates firm, offshore wind's contribution to global energy supply has reached 0.4% and is expected to play a key long-term role in global needs for both energy transition and energy security. New data on cable interconnectors, Power Purchase Agreements and vessel sector utilisation, alongside a series of country briefings, were added to the offering. Despite a strong competitive landscape, sales grew in 2024.

Seanet has been developed in conjunction with the Clarksons technology business, Maritech. This vessel movement system blends satellite, vessel and land-based AIS data with the Clarksons Research database of vessels, ports and berths. Investments into our underlying AIS data sources, our processing stack and the expansion of cloud capacity were made.

Services

Our dedicated services team, managing data contracts and multi-year research agreements across key corporates operating in maritime, was very active in 2024. There was strong demand and uptake of our API offering, allowing our powerful data to be embedded within the workflows of clients, and also of our modelling of forecasts for trade, fleet development, shipbuilding capacity and sector earning potential. Our valuation offering remains the industry benchmark for trusted valuations to the ship finance market, leveraging the expertise of the world's largest shipbroker with the diligence and technology of shipping's leading research unit. Investments into our valuation technology offer has supported our banking and leasing clients in monitoring of their portfolios and in meeting the needs of regulators.

Investments into headcount focused on our Asian operations, with expansion of our teams in Shanghai, Singapore and Delhi. Our data analytics, digital development, market analyst and business development teams were also expanded, in part through our highly effective graduate programme. There have been investments to fully digitalise workflows across business development, account management, renewals, invoicing and KYC. Research is actively pursuing investment opportunities.

Sea

Our technology arm, Sea, saw continued progress and growth in its client base through 2024. Our platform driving the digitalisation of freight and fixtures (’The Intelligent Marketplace For Fixing Freight’) is enabling charterers, brokers and owners to benefit from seamless workflows, access to the right data at the right time, and integrated governance, leading to better optimisation of both dollars and carbon when fixing freight.

A new Trade solution was launched in 2024, with existing clients migrated to a more modern technology base, forming a solid foundation for the Sea platform and offering a seamless workflow, faster iterations and one data structure. Compliance Manager was also introduced in 2024, allowing users to ensure compliance with increasingly complex regulations within the fixture workflow.

The client base continued to grow across our Intelligence, Contracts and Trade solutions, increasing the benefits for all participants. The remaining clients from the Mardocs acquisition in 2023 migrated to Recap Manager, providing the tanker industry with a unified contract management system. AI-powered features are being developed, which will act as cognitive amplifiers throughout the platform, leaving users to focus on the vital fixing process.

Meanwhile, our business unit dedicated to contract management for commodity transactions (ICP commodities) made inroads into new segments and onboarded a major new grains client, while expanding the platform’s functionality and gearing for further expansion.

Risk management

Full details of our principal risks and how we manage them will be included in the risk management section of the 2024 Annual Report, together with our viability and going concern statements.

Our principal risks are:

- Macro-economic and geo-political factors
- Changes in the broking industry
- Adverse movements in foreign exchange
- Financial loss arising from failure of a client to meet its obligations
- Cyber risk and data security
- Breaches in rules and regulations
- Loss of key personnel – normal course of business
- Loss of key personnel – Board members

Directors' responsibilities statement

The statement of Directors' responsibilities below has been prepared in connection with the Group's full Annual Report for the year ended 31 December 2024. Certain parts of the Annual Report have not been included in this announcement as set out in note 1 of the financial information.

We confirm that:

- to the best of our knowledge, the consolidated financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities and financial position of the Group; and

- to the best of our knowledge, the Strategic Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces; and

- we consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

This responsibilities statement was approved by the Board of Directors on 7 March 2025 and is signed on its behalf by:

Laurence Hollingworth
Chair
7 March 2025

Consolidated income statement

for the year ended 31 December

	2024			2023			
	Before acquisition-related costs £m	**Acquisition-related costs £m**	**After acquisition-related costs £m**	Before exceptional items and acquisition-related costs £m	Exceptional items £m	Acquisition-related costs £m	After Exceptional items and acquisition-related costs £m
Revenue	**661.4**	**-**	**661.4**	639.4	-	-	639.4
Cost of sales	**(33.7)**	**-**	**(33.7)**	(30.4)	-	-	(30.4)
Trading profit	**627.7**	**-**	**627.7**	609.0	-	-	609.0
Administrative expenses	**(526.0)**	**(3.2)**	**(529.2)**	(508.8)	2.2	(2.6)	(509.2)
Operating profit/(loss)	**101.7**	**(3.2)**	**98.5**	100.2	2.2	(2.6)	99.8
Finance income	**14.9**	**-**	**14.9**	10.5	-	-	10.5
Finance costs	**(1.9)**	**-**	**(1.9)**	(2.2)	-	-	(2.2)
Other finance income – pensions	**0.6**	**-**	**0.6**	0.7	-	-	0.7
Profit/(loss) before taxation	**115.3**	**(3.2)**	**112.1**	109.2	2.2	(2.6)	108.8
Taxation	**(26.0)**	**0.2**	**(25.8)**	(23.4)	0.3	0.1	(23.0)
Profit/(loss) for the year	**89.3**	**(3.0)**	**86.3**	85.8	2.5	(2.5)	85.8
Attributable to:							
Equity holders of the Parent Company	**87.9**	**(3.0)**	**84.9**	83.8	2.5	(2.5)	83.8
Non-controlling interests	**1.4**	**-**	**1.4**	2.0	-	-	2.0
Profit/(loss) for the year	**89.3**	**(3.0)**	**86.3**	85.8	2.5	(2.5)	85.8
Earnings per share							
Basic	**286.9p**		**277.1p**	275.0p			275.2p
Diluted	**284.9p**		**275.2p**	273.5p			273.6p

Included in the consolidated income statement are net impairment losses on financial assets amounting to £1.3m (2023: £3.9m)

Consolidated statement of comprehensive income

for the year ended 31 December

	2024 £m	2023 £m
Profit for the year	**86.3**	85.8
Other comprehensive loss:		
Items that will not be reclassified to profit or loss:		
Actuarial loss on employee benefit schemes – net of tax	**(0.9)**	(1.6)
Items that may be reclassified subsequently to profit or loss:		
Foreign exchange differences on retranslation of foreign operations	**(12.4)**	(17.5)
Foreign currency hedges recycled to profit or loss – net of tax	**0.1**	2.1
Foreign currency hedge revaluations – net of tax	**(4.9)**	5.7
Other comprehensive loss	**(18.1)**	(11.3)
Total comprehensive income for the year	**68.2**	74.5
Attributable to:		
Equity holders of the Parent Company	**67.2**	72.8
Non-controlling interests	**1.0**	1.7
Total comprehensive income for the year	**68.2**	74.5

Consolidated balance sheet
as at 31 December

	2024 £m	2023 £m
Non-current assets		
Property, plant and equipment	**28.5**	28.5
Investment properties	**1.0**	1.0
Right-of-use assets	**32.0**	35.9
Intangible assets	**172.6**	182.9
Trade and other receivables	**1.0**	4.4
Investments	**1.9**	1.3
Employee benefits	**12.4**	13.8
Deferred tax assets	**18.1**	16.8
	267.5	284.6
Current assets		
Inventories	**4.3**	3.3
Trade and other receivables	**130.5**	147.5
Income tax receivable	**4.5**	1.2
Investments	**62.2**	40.1
Cash and cash equivalents	**431.3**	398.9
	632.8	591.0
Current liabilities		
Trade and other payables	**(326.4)**	(339.4)
Lease liabilities	**(10.6)**	(10.4)
Income tax payable	**(20.7)**	(20.9)
Provisions	**(1.0)**	(0.6)
	(358.7)	(371.3)
Net current assets	**274.1**	219.7
Non-current liabilities		
Trade and other payables	**(6.8)**	(3.2)
Lease liabilities	**(27.5)**	(32.8)
Provisions	**(3.6)**	(1.9)
Employee benefits	**(0.1)**	(0.4)
Deferred tax liabilities	**(7.9)**	(9.4)
	(45.9)	(47.7)
Net assets	**495.7**	456.6
Capital and reserves		
Share capital	**7.7**	7.7
Other reserves	**89.0**	104.9
Retained earnings	**395.3**	340.0
Equity attributable to shareholders of the Parent Company	**492.0**	452.6
Non-controlling interests	**3.7**	4.0
Total equity	**495.7**	456.6

Consolidated statement of changes in equity
for the year ended 31 December

	Attributable to equity holders of the Parent Company					
	Share capital £m	**Other reserves £m**	**Retained earnings £m**	**Total £m**	**Non-controlling interests £m**	**Total equity £m**
Balance at 1 January 2024	**7.7**	**104.9**	**340.0**	**452.6**	**4.0**	**456.6**
Profit for the year	**-**	**-**	**84.9**	**84.9**	**1.4**	**86.3**
Other comprehensive loss	**-**	**(16.8)**	**(0.9)**	**(17.7)**	**(0.4)**	**(18.1)**
Total comprehensive (loss)/income for the year	**-**	**(16.8)**	**84.0**	**67.2**	**1.0**	**68.2**
Transactions with owners:						
Share issues	**-**	**1.2**	**-**	**1.2**	**-**	**1.2**
Employee share schemes	**-**	**(0.3)**	**(0.3)**	**(0.6)**	**-**	**(0.6)**
Tax on other employee benefits	**-**	**-**	**3.1**	**3.1**	**-**	**3.1**
Dividend paid	**-**	**-**	**(31.5)**	**(31.5)**	**(1.5)**	**(33.0)**
Other movements	**-**	**-**	**-**	**-**	**0.2**	**0.2**
Total transactions with owners	**-**	**0.9**	**(28.7)**	**(27.8)**	**(1.3)**	**(29.1)**
Balance at 31 December 2024	**7.7**	**89.0**	**395.3**	**492.0**	**3.7**	**495.7**

	Attributable to equity holders of the Parent Company					
	Share capital £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
Balance at 1 January 2023	7.7	114.8	287.2	409.7	3.5	413.2
Profit for the year	-	-	83.8	83.8	2.0	85.8
Other comprehensive loss	-	(9.4)	(1.6)	(11.0)	(0.3)	(11.3)
Total comprehensive (loss)/income for the year	-	(9.4)	82.2	72.8	1.7	74.5
Transactions with owners:						
Share issues	-	1.9	-	1.9	-	1.9
Employee share schemes	-	(2.4)	(1.1)	(3.5)	-	(3.5)
Tax on other employee benefits	-	-	(0.2)	(0.2)	-	(0.2)
Tax on other items in equity	-	-	0.1	0.1	-	0.1
Dividend paid	-	-	(28.3)	(28.3)	(1.1)	(29.4)
Other movements	-	-	0.1	0.1	(0.1)	-
Total transactions with owners	-	(0.5)	(29.4)	(29.9)	(1.2)	(31.1)
Balance at 31 December 2023	7.7	104.9	340.0	452.6	4.0	456.6

Consolidated cash flow statement
for the year ended 31 December

	2024 £m	2023 £m
Cash flows from operating activities		
Profit before taxation	**112.1**	108.8
Adjustments for:		
Foreign exchange differences	**(5.7)**	6.8
Depreciation	**15.0**	14.7
Share-based payment expense	**2.5**	1.9
Gain on sale of property, plant and equipment	**(0.2)**	(3.6)
Gain on sale of investments	**(0.4)**	-
Amortisation of intangibles	**5.2**	4.8
Difference between pension contributions paid and amount recognised in the income statement	**0.4**	0.6
Finance income	**(14.9)**	(10.5)
Finance costs	**1.9**	2.2
Other finance income – pensions	**(0.6)**	(0.7)
Increase in inventories	**(0.8)**	(0.9)
Decrease in trade and other receivables	**14.9**	2.0
Increase in bonus accrual	**32.4**	58.7
Decrease in trade and other payables	**(22.2)**	(7.2)
Increase in provisions	**2.3**	0.1
Cash generated from operations	**141.9**	177.7
Income tax paid	**(27.2)**	(22.4)
Net cash flow from operating activities	**114.7**	155.3
Cash flows from investing activities		
Interest received	**14.8**	10.3
Purchase of property, plant and equipment	**(5.7)**	(8.0)
Purchase of intangible assets	**(1.6)**	(2.8)
Purchase of investments	**(0.9)**	(0.3)
Proceeds from sale of investments	**0.7**	0.3
Proceeds from sale of property, plant and equipment	**0.4**	3.9
Transfer to current investments (cash on deposit and government bonds)	**(22.1)**	(36.8)
Acquisition of subsidiaries, net of cash acquired	**(2.5)**	(5.3)
Dividends received from investments	**0.1**	0.1
Net cash flow from investing activities	**(16.8)**	(38.6)
Cash flows from financing activities		
Interest paid and other charges	**(1.8)**	(2.0)
Dividend paid	**(31.5)**	(28.3)
Dividend paid to non-controlling interests	**(1.5)**	(1.1)
Repayment of borrowings	**-**	(0.5)
Principal elements of lease payments	**(10.9)**	(10.5)
Proceeds from shares issued	**1.2**	1.9
Contributions from non-controlling interests	**0.2**	-
ESOP shares acquired	**(26.4)**	(49.5)
Net cash flow from financing activities	**(70.7)**	(90.0)
Net increase in cash and cash equivalents	**27.2**	26.7
Cash and cash equivalents at 1 January	**398.9**	384.4
Net foreign exchange differences	**5.2**	(12.2)
Cash and cash equivalents at 31 December	**431.3**	398.9

Notes to the preliminary financial statements

1 Corporate information

The preliminary financial statements of Clarkson PLC for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 7 March 2025. Clarkson PLC is a public limited company, listed on the London Stock Exchange, incorporated and registered in England and Wales and domiciled in the UK.

The preliminary financial information ('financial information') set out in this announcement does not constitute the consolidated statutory financial statements for the years ended 31 December 2023 and 2024, but is derived from those financial statements. Statutory financial statements for 2023 have been delivered to the Registrar of Companies and those for 2024 will be delivered following the Company's Annual General Meeting. The External Auditor has reported on the financial statements for 2023 and 2024; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under s498(2) or (3) Companies Act 2006.

2 Statement of accounting policies

2.1 Basis of preparation

The financial information set out in this announcement is based on the consolidated financial statements, which are prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards and the Disclosure Guidance and Transparency Rules Sourcebook of the United Kingdom's Financial Conduct Authority.

The consolidated income statement is shown in columnar format to assist with understanding the Group's results by presenting profit for the year before exceptional items and acquisition-related costs; this is referred to as 'underlying profit'. Items which are non-recurring in nature and considered to be material in size are shown as 'exceptional items'. The column 'acquisition-related costs' includes the amortisation of acquired intangible assets, the costs of acquiring new businesses and the expensing of the cash and share-based elements of consideration linked to ongoing employment obligations on acquisitions, see note 5.

Going concern

The Group has considerable financial resources available to it, a strong balance sheet and has consistently generated a profit and good cash inflows. As a result of this, the Directors believe that the Group is well placed to manage its business risks successfully.

Management has stress tested a range of scenarios, using the Board-approved budget and monthly cash flows to 31 December 2027, modelling different assumptions with respect to the Group's cash resources. Three different scenarios were considered:

- Management modelled the impact of a reduction in profitability to £30m (a level of profit the Group has exceeded in every year since 2013), whilst taking no mitigating actions.
- Management assessed the impact of a reduction in world seaborne trade similar to that experienced in the global financial crisis in 2008, the pandemic in 2020 and the Ukraine conflict in 2022: seaborne trade recovered in 2009, 2021 and 2023. Since 1990, no two consecutive years have seen reductions in world seaborne trade.
- Management undertook a reverse stress test over a period of three years to determine what it might take for the Group to encounter financial difficulties. This test was based on current levels of overheads, the net cash and available funds* position at 31 December 2024, the collection of debts and the invoicing and collection of the forward order book.

Under the first two scenarios, the Group is able to generate profits and cash, and has positive net cash and available funds* available to it. In the third scenario, current net cash and available funds*, together with the collection of debts and the forward order book, would leave sufficient cash resources to cover at least the next 12 months without any new business.

Accordingly, the Directors have a reasonable expectation that the Group has sufficient resources to continue in operation for at least the next 12 months. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.2 Accounting policies

The financial information is in accordance with the accounting policies set out in the 2024 financial statements and has been prepared on a going concern basis.

The Group has applied the following amendments for the first time for the annual reporting period commencing 1 January 2024:

- Classification of Liabilities as Current or Non-Current and Non-current liabilities with covenants – Amendments to IAS 1;

- Lease Liability in Sale and Leaseback – Amendments to IFRS 16; and
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Certain new accounting standards, amendments to accounting standards, and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions, however, the way information is presented in the primary statements may change with the adoption of IFRS 18.

2.3 Accounting judgements and estimates
The preparation of the preliminary financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

2.4 Forward-looking statements
Certain statements in this announcement are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. The Group undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

3 Segmental information

Business segments		**Revenue**		**Results**
	2024 £m	2023 £m	**2024 £m**	2023 £m
Broking	**529.3**	516.8	**122.6**	121.2
Financial	**42.6**	44.1	**5.2**	6.6
Support	**65.0**	56.6	**7.7**	6.4
Research	**24.5**	21.9	**9.5**	8.4
Segment revenue/profit	**661.4**	639.4	**145.0**	142.6
Head office costs			**(43.3)**	(42.4)
Operating profit before exceptional items and acquisition-related costs			**101.7**	100.2
Exceptional items			**-**	2.2
Acquisition-related costs			**(3.2)**	(2.6)
Operating profit after exceptional items and acquisition-related costs			**98.5**	99.8
Finance income			**14.9**	10.5
Finance costs			**(1.9)**	(2.2)
Other finance income – pensions			**0.6**	0.7
Profit before taxation			**112.1**	108.8
Taxation			**(25.8)**	(23.0)
Profit for the year			**86.3**	85.8

4 Exceptional items

There were no exceptional items in 2024.

In December 2023, the Group completed the sale of an industrial unit, which resulted in a gain of £3.5m, after transaction fees and costs. The Group donated £1.3m of the proceeds to The Clarkson Foundation. The net gain of £2.2m is shown as an exceptional item in 2023.

5 Acquisition-related costs

Included in acquisition-related costs is £0.5m (2023: £0.2m) relating to the amortisation of intangibles acquired and £1.2m (2023: £0.3m) of charges relating to previous acquisitions.

Also included is £0.3m (2023: £0.3m) relating to the amortisation of intangibles acquired and £1.1m (2023: £1.6m) of charges relating to current year acquisitions.

Included in administrative expenses is £0.1m (2023: £0.2m) of transaction costs relating to acquisitions in the current year.

6 Taxation

The major components of the income tax charge in the consolidated income statement are:

	2024 £m	2023 £m
Profit before taxation at UK average standard rate of corporation tax of 25.0% (2023: 23.5%)	**28.0**	25.6
Expenses not deductible for tax purposes	**2.7**	2.4
Non-taxable income	**-**	(1.2)
Lower tax rates on overseas earnings	**(4.9)**	(3.3)
Other	**-**	(0.5)
Total tax charge in the income statement	**25.8**	23.0

7 Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares in issue during the year, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2024 £m	2023 £m
Underlying profit for the year attributable to ordinary equity holders of the Parent Company*	**87.9**	83.8
Reported profit for the year attributable to ordinary equity holders of the Parent Company*	**84.9**	83.8

	2024 Million	2023 Million
Weighted average number of ordinary shares - basic	**30.7**	30.5
Weighted average number of ordinary shares - diluted	**30.9**	30.7

8 Dividends

The Board is recommending a final dividend of 77p (2023: 72p), giving a total dividend of 109p (2023: 102p).

9 Intangible assets

On 5 February 2024, Gibb Group Limited acquired 100% of the share capital of Trauma & Resuscitation Services Limited. The initial cash consideration was £2.0m, with a further £0.3m paid during the year. An additional maximum deferred consideration (including earn-out) of £3.3m is payable.

On 31 May 2024, Clarkson Port Services Limited entered into an Asset Purchase Agreement with Independent Shipping Agencies Limited. The initial cash consideration was £0.1m, with additional maximum deferred consideration (including earn-out) of £0.2m.

On 20 September 2024, Gibb Group Limited entered into an Asset Purchase Agreement with Wind Farm Equipment Limited. The initial consideration was £0.7m.

The above acquisitions resulted in goodwill of £0.3m.

10 Investments

Included within current investments are deposits totalling £62.0m (2023: £37.8m) with maturity periods greater than three months.

11 Cash and cash equivalents

	2024 £m	2023 £m
Cash at bank and in hand	**234.5**	281.2
Short-term deposits	**196.8**	117.7
	431.3	398.9

12 Employee benefits

The Group operates three final salary defined benefit pension schemes, being the Clarkson PLC scheme, the Plowrights scheme and the Stewarts scheme.

The following tables summarise amounts recognised in the Consolidated balance sheet and the components of the net benefit charge recognised in the Consolidated income statement.

Recognised in the balance sheet

	2024 £m	2023 £m
Fair value of schemes' assets	**119.4**	131.3
Present value of funded defined benefit obligations	**(105.3)**	(115.5)
	14.1	15.8
Effect of asset ceiling in relation to the Plowrights scheme	**(1.8)**	(2.4)
Net benefit asset recognised in the balance sheet	**12.3**	13.4

The above is recognised on the balance sheet as an asset of £12.4m (2023: £13.8m) and a liability of £0.1m (2023: £0.4m).

A deferred tax asset on the benefit liability amounting to £nil (2023: £nil) and a deferred tax liability on the benefit asset of £3.1m (2023: £3.5m) is also recognised on the balance sheet.

Recognised in the income statement

	2024 £m	2023 £m
Recognised in other finance income – pensions:		
Expected return on schemes' assets	**6.1**	6.5
Interest cost on benefit obligation and asset ceiling	**(5.5)**	(5.8)
Recognised in administrative expenses:		
Schemes' administrative expenses	**(0.8)**	(1.0)
Net benefit charge recognised in the income statement	**(0.2)**	(0.3)

13 Share capital

	2024 Million	2024 £m	2023 Million	2023 £m
Ordinary shares of 25p each, issued and fully paid	**30.8**	**7.7**	30.7	7.7

During the year, the Company issued 52,737 shares (2023: 103,388) in relation to the ShareSave scheme.

14 Contingencies

From time to time, the Group is engaged in litigation in the ordinary course of business. The Group carries professional indemnity insurance. There is currently no litigation that is expected to have a material adverse financial impact on the Group's consolidated results or net assets.

15 Related party disclosures

The Group's significant related parties will be disclosed in the 2024 Annual Report. There were no material differences in related parties or related party transactions in the year, from the year ended 31 December 2023.

Other information

Alternative Performance Measures

The Directors believe that alternative performance measures can provide users of the financial statements with a better understanding of the Group's underlying financial performance, if used properly. Directors' judgement is required as to what items qualify for this classification.

Adjusting items

The Group excludes adjusting items from its underlying earnings metrics with the aim of removing the impact of one-offs which may distort period-on-period comparisons.

The term 'underlying' excludes the impact of exceptional items and acquisition-related costs, which are shown separately on the face of the income statement. Management separates these items due to their nature and size and believes this provides further useful information, in addition to statutory measures, to assist readers of the Annual Report to understand the results for the year.

Underlying profit before taxation
Reconciliation of reported profit before taxation to underlying profit before taxation for the year.

	2024	2023
	£m	£m
Reported profit before taxation	112.1	108.8
Less exceptional items	-	(2.2)
Add back acquisition-related costs	3.2	2.6
Underlying profit before taxation	115.3	109.2

Underlying effective tax rate
Reconciliation of reported effective tax rate to underlying effective tax rate.

	2024	2023
	%	%
Reported effective tax rate	23.0	21.1
Adjustment relating to exceptional items	-	0.7
Adjustment relating to acquisition-related costs	(0.5)	(0.4)
Underlying effective tax rate	22.5	21.4

Underlying profit for the year attributable to equity holders of the Parent Company
Reconciliation of reported profit attributable to equity holders of the Parent Company to underlying profit attributable to equity holders of the Parent Company.

	2024	2023
	£m	£m
Reported profit attributable to equity holders of the Parent Company	84.9	83.8
Less exceptional items	-	(2.5)
Add back acquisition-related costs	3.0	2.5
Underlying profit attributable to equity holders of the Parent Company	87.9	83.8

Underlying basic earnings per share
Reconciliation of reported basic earnings per share to underlying basic earnings per share.

	2024	2023
	Pence	Pence
Reported basic earnings per share	277.1	275.2
Less exceptional items	-	(8.4)
Add back acquisition-related costs	9.8	8.2
Underlying basic earnings per share	286.9	275.0

<u>Underlying administrative expenses</u>

Reconciliation of reported administrative expenses to underlying administrative expenses for the year.

	2024 £m	2023 £m
Reported administrative expenses	**529.2**	509.2
Add back exceptional items	**-**	2.2
Less acquisition-related costs	**(3.2)**	(2.6)
Underlying administrative expenses	**526.0**	508.8

Operational metrics

The Group monitors its cash and liquidity position by adjusting gross balances to reflect the payment of obligations to staff and restricted monies held by regulated entities.

<u>Net cash and available funds</u>

The Board uses net cash and available funds as a better representation of the net cash available to the business, since bonuses are typically paid after the year-end, hence an element of the year-end cash balance is earmarked for this purpose. It should be noted that accrued bonuses include amounts relating to the current year and amounts held back from previous years which will be payable in the future.

Reconciliation of reported cash and cash equivalents to net cash and available funds reported.

	2024 £m	2023 £m
Cash and cash equivalents as reported	**431.3**	398.9
Add cash on deposit and government bonds included within current investments	**62.0**	39.9
Less amounts reserved for bonuses included within current trade and other payables	**(249.6)**	(237.7)
Net cash and available funds	**243.7**	201.1

<u>Free cash resources</u>

Free cash resources is a further measure used by the Board in taking decisions over capital allocation. It deducts monies held by regulated entities from the net cash and available funds figure.

Reconciliation of reported cash and cash equivalents to reported free cash resources.

	2024 £m	2023 £m
Cash and cash equivalents as reported	**431.3**	398.9
Add cash on deposit and government bonds included within current investments	**62.0**	39.9
Less amounts reserved for bonuses included within current trade and other payables	**(249.6)**	(237.7)
Less net cash and available funds held in regulated entities	**(27.4)**	(25.7)
Free cash resources	**216.3**	175.4