

Braemar

H126 results

Freight rate recovery points to optimism

Braemar's H126 results confirm a tough trading period, but the company is making progress against its FY30 growth targets. These include the opening of a new Cape Town office, which brings Braemar's global footprint to 19 offices in 13 countries. The long-term fundamentals remain in place, and we expect a return to growth in FY27. We have modestly trimmed our FY26 and FY27 profit estimates and our valuation, which slips from 462p to 455p, is nearly twice the current share price.

Year end	Revenue (£m)	PBT (£m)	EPS (p)	DPS (p)	P/E (x)	Yield (%)
2/24	152.8	7.5	32.39	13.00	7.1	5.7
2/25	141.9	9.2	28.03	7.00	8.2	3.0
2/26e	130.5	5.9	20.61	7.00	11.2	3.0
2/27e	137.1	10.8	22.48	7.50	10.2	3.3

Note: PBT is on a company reported basis. EPS is on a continuing and diluted basis.

Results reflect underlying conditions

Management highlighted weak charter rates earlier this year and these rates are reflected in the H126 results. Group revenue declined 16% to £63.9m (down 13% in US dollar terms) and operating profit fell 30% to £5.1m post acquisition-related expenditure of c £0.5m. Net debt at the end of the period was £5.6m, compared to a net cash position last year, reflecting the results, the working capital cycle and the completion of a £2m share buyback. Adjusted EPS declined 36% to 9.3p and a 2.5p dividend was declared in line with the capital allocation policy.

Chartering division hindered by weak rates

In the Chartering division, revenue fell 25% to £37.5m, reflecting weaker rates in the Braemar Tanker Spot Earnings Index and the Braemar Dry Index, which were down by an average 29% and 17%, respectively. Tanker revenue fell 32% to £17.4m as the lower rates took effect and longer lead times led to fewer fixtures. Specialised Tanker revenue fell 19% to £7.4m but benefited from geographic expansion. Dry cargo revenue fell 24% to £8.1m, while Offshore revenue improved 3% to £4.5m. Chartering operating profit declined 36% to £4.0m.

Investment and Risk Advisory more resilient

Investment Advisory revenue declined 6% to £13.8m. This was the net effect of Sale and Purchase revenue, which slipped 9% to £12.8m, and Corporate Finance revenue, which increased 49% to £1.0m as a number of mandates were completed. Investment Advisory profit was flat at £2.4m. Risk Advisory was a standout performer with revenue increasing 9% to £12.6m and operating profit increasing c 50% to £2.3m, as it benefited from growth initiatives.

Trimmed valuation still offers substantial upside

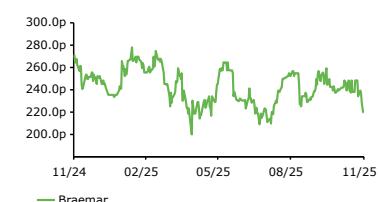
The outlook is improving as geopolitical uncertainties appear to be settling and the US dollar strengthens. This is reflected in tanker and dry cargo rates that are now c 23% and c 36% higher than the H1 average respectively. That said, we have trimmed our FY26 and FY27 underlying operating profit estimates modestly to reflect uncertain timing and have reduced our valuation from 462p/share to 455p.

General industrials

10 November 2025

Price	230.00p
Market cap	£76m
Net cash/(debt) at H126	£(5.6)m
Shares in issue	32.1m
Code	BMS
Primary exchange	LSE
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(1.2)	(5.9)	(4.0)
52-week high/low	275.2p	195.0p	

Business description

Braemar is the second-largest shipbroker in the world, providing broking services to the dry cargo, deep sea tanker, specialised tanker and sale and purchase markets. It also addresses the fast-growing areas of offshore and renewables, securities and financial markets.

Next events

Full year trading update	March 2026
Full year results	May 2026

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Edison profile page

Revised forecasts

Exhibit 1: Revised estimates

	2025	2026		2027			
		Old	New	% chg	Old	New	% chg
Revenue	141.9	131.1	130.5	-0.4%	137.7	137.1	-0.5%
Year-on-year % change	-7.1%	-3.0%	-8.0%	-	5.0%	5.0%	-
EBITDA – Edison basis	19.4	16.3	15.9	-2.5%	17.8	17.1	-3.8%
Year-on-year % change	-4.6%	-2.9%	-18.2%	-	10.8%	7.8%	-
Underlying operating profit	15.6	12.5	12.1	-3.4%	14.0	13.3	-4.9%
Year-on-year % change	-5.7%	-3.6%	-22.6%	-	13.5%	10.2%	-
Normalised operating profit	15.6	12.5	12.1	-3.4%	14.0	13.3	-4.9%
Year-on-year % change	-5.7%	-3.6%	-22.6%	-	13.5%	10.2%	-
PBT (reported, pre-exceptionals)	9.2	6.4	5.9	-7.6%	11.6	10.8	-7.2%
Year-on-year % change	22.6%	4.7%	-35.9%	-	54.8%	82.1%	-
EPS – diluted, normalised (p)	28.0	21.6	20.6	-4.6%	24.1	22.5	-6.7%
Year-on-year % change	-13.6%	-6.6%	-26.5%	-	12.5%	9.1%	-
DPS (p)	7.0	7.0	7.0	0.0%	7.5	7.5	0.0%
Year-on-year % change	-46.2%	14.3%	0.0%	-	12.5%	7.1%	-
Net debt (pre IFRS 16)	(2.5)	(2.0)	(2.4)	23.9%	8.9	7.8	-13.0%
Year-on-year % change	-349.2%	-141.6%	-1.7%	-	371.9%	-421.9%	-

Source: Company data and Edison Investment Research

Exhibit 2: Financial summary

£'m	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
Year end 28 February	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT										
Revenue	117.9	117.7	83.7	101.3	152.9	152.8	141.9	130.5	137.1	143.9
EBITDA	10.4	14.4	11.4	13.5	23.4	20.4	19.4	15.9	17.1	18.0
Normalised operating profit	9.1	11.0	7.7	10.1	20.1	16.5	15.6	12.1	13.3	14.2
Amortisation of acquired intangibles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exceptionals	(12.5)	(3.8)	(1.5)	(0.3)	(2.5)	(7.2)	(4.4)	(3.0)	0.0	0.0
Share-based payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment	0.0	0.0	0.0	0.0	(9.1)	0.0	0.0	0.0	0.0	0.0
Other	0.5	0.7	0.0	0.0	3.0	0.1	0.2	0.0	0.0	0.0
Reported operating profit	(2.9)	7.9	6.2	9.7	11.5	9.4	11.2	9.1	13.3	14.2
Net Interest	(0.2)	(1.4)	(1.1)	(1.2)	(2.0)	(2.0)	(2.2)	(3.2)	(2.5)	(1.6)
Joint ventures & associates (post ta)	0.0	(0.3)	0.0	(0.0)	(0.0)	0.0	0.0	0.0	0.0	0.0
Exceptionals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit Before Tax (norm)	8.9	9.4	6.7	8.9	18.0	14.6	13.4	8.9	10.8	12.6
Profit Before Tax (reported)	(3.1)	6.3	5.1	8.5	9.5	7.5	9.2	5.9	10.8	12.6
Reported tax	(1.5)	0.0	(1.6)	(1.8)	(4.9)	(2.9)	(3.1)	(1.5)	(2.7)	(3.1)
Profit After Tax (norm)	7.3	9.4	5.1	7.0	13.2	11.7	10.3	7.4	8.1	9.4
Profit After Tax (reported)	(4.7)	6.3	3.6	6.7	4.6	4.6	6.1	4.4	8.1	9.4
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Discontinued operations	(22.7)	(2.3)	1.0	7.2	0.0	0.0	0.0	0.0	0.0	0.0
Net income (normalised)	7.3	9.4	5.1	7.0	13.2	11.7	10.3	7.4	8.1	9.4
Net income (reported)	(27.4)	4.0	4.5	13.9	4.6	4.6	6.1	4.4	8.1	9.4
Basic average number of shares out	30.9	31.2	31.4	30.6	29.0	29.5	31.4	32.5	32.5	32.5
EPS - basic normalised (p)	23.8	30.2	16.2	23.1	45.5	39.6	32.8	22.9	24.9	29.0
EPS - diluted normalised (p)	21.8	27.3	13.4	18.8	37.8	32.4	28.0	20.6	22.5	26.3
EPS - basic reported (p)	(88.6)	12.9	14.4	45.6	15.9	15.6	19.4	13.6	24.9	29.0
Dividend (p)	5.0	5.0	5.0	9.0	12.0	13.0	7.0	7.0	7.5	8.5
Revenue growth (%)	14%	0%	-29%	21%	51%	0%	-7%	-8%	5%	5%
EBITDA Margin (%)	9%	12%	14%	13%	15%	13%	14%	12%	12%	13%
Normalised Operating Margin (%)	8%	9%	9%	10%	13%	11%	11%	9%	10%	10%
BALANCE SHEET										
Fixed Assets	91.7	114.7	106.6	99.8	97.7	91.7	94.3	89.6	87.9	86.2
Intangible Assets	86.0	86.2	86.1	80.9	75.4	74.5	73.9	71.9	73.0	74.1
Tangible Assets	2.0	11.9	9.8	7.1	5.3	5.6	10.1	7.3	4.5	1.7
Investments & other	3.7	16.5	10.7	11.9	17.0	11.6	10.3	10.3	10.3	10.3
Current Assets	71.9	68.3	50.3	49.8	80.3	69.9	63.1	57.9	67.2	74.4
Stocks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debtors	37.1	39.5	33.4	35.8	43.3	37.7	40.9	37.6	36.7	38.9
Cash & cash equivalents	24.1	28.7	16.4	14.0	36.0	29.2	20.7	18.7	28.9	34.0
Other	10.6	0.0	0.4	0.0	1.0	2.9	1.6	1.6	1.6	1.6
Current Liabilities	92.0	78.9	54.0	43.4	65.8	49.1	41.8	37.4	43.0	45.3
Creditors	44.9	47.6	47.8	39.9	58.4	43.8	35.3	32.6	36.9	38.7
Tax and social security	1.4	1.3	1.3	1.6	4.1	1.6	1.7	0.0	1.2	1.7
Short-term borrowings	35.8	25.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	9.8	4.8	4.9	1.9	3.3	3.7	4.8	4.8	4.8	4.8
Long-Term Liabilities	13.2	44.9	39.9	34.8	35.4	32.8	31.4	31.4	31.4	31.4
Long-term borrowings	4.6	2.6	2.7	2.8	2.9	2.3	0.0	0.0	0.0	0.0
Other long-term liabilities	8.6	42.2	37.3	32.0	32.6	30.5	31.4	31.4	31.4	31.4
Net Assets	58.4	59.2	62.9	71.5	76.7	79.6	84.2	78.6	80.6	83.9
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders' equity	58.4	59.2	62.9	71.5	76.7	79.6	84.2	78.6	80.6	83.9
CASH FLOW										
Op Cash Flow before WC and tax	(1.8)	9.7	8.8	12.0	12.8	11.3	13.0	9.7	14.6	16.4
Working capital	4.6	(0.4)	4.1	5.2	4.1	(6.0)	(12.0)	0.5	5.2	(0.3)
Exceptional & other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tax	(1.1)	1.2	(0.8)	(2.2)	(4.4)	(6.5)	(1.0)	(3.1)	(1.5)	(2.7)
Other	6.1	1.4	1.8	6.2	11.4	8.5	8.1	8.8	5.2	4.3
Net operating cash flow	7.8	11.8	13.9	21.3	23.9	7.4	8.1	16.0	23.5	17.7
Capex	(2.4)	(1.7)	(1.1)	(1.2)	(0.8)	(0.5)	(0.6)	(1.6)	(1.6)	(1.6)
Acquisitions/disposals	(1.7)	(6.3)	3.7	(8.1)	5.4	0.8	1.1	0.0	0.0	0.0
Net interest	(0.9)	(1.5)	(1.2)	(0.8)	(1.8)	(2.2)	(2.2)	(3.2)	(2.5)	(1.6)
Equity financing	23.0	3.9	(28.9)	(2.5)	1.4	(3.1)	(6.9)	(2.9)	(2.9)	(2.9)
Dividends	(4.6)	(4.6)	0.6	(2.1)	(3.2)	(2.4)	(5.5)	(2.3)	(2.3)	(2.5)
Other	(2.4)	0.0	(0.9)	(7.0)	(6.8)	(5.3)	(1.9)	(8.0)	(4.0)	(4.0)
Net Cash Flow	18.7	1.6	(13.9)	(0.5)	18.1	(5.4)	(7.8)	(2.0)	10.2	5.1
Opening net debt/(cash)	2.4	11.7	20.0	8.8	9.3	(6.9)	(1.0)	2.5	4.4	(5.8)
FX	(1.1)	(0.8)	(0.7)	0.3	2.6	(1.4)	0.3	0.0	0.0	0.0
Other non-cash movements	(26.9)	(9.0)	25.8	(0.3)	(4.5)	0.8	4.0	0.0	0.0	0.0
Closing net debt/(cash)	11.7	20.0	8.8	9.3	(6.9)	(1.0)	2.5	4.4	(5.8)	(10.9)

Source: Company data, Edison Investment Research

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