

Braemar

H1 trading as expected, but rates edging up

Braemar's H126 trading update confirms that the first half was a tough period but the company is making progress against its FY30 growth targets (announced earlier this year). These include the opening of a new Cape Town office focusing on tanker chartering, which brought Braemar's global footprint to 19 offices in 14 countries. The long-term fundamentals remain in place and we expect a return to growth in FY27e. Following the update, our profit estimates are unchanged, as is our valuation of 462p, which offers c 90% upside.

Year end	Revenue (£m)	PBT (£m)	EPS (p)	DPS (p)	P/E (x)	Yield (%)
2/24	152.8	7.5	32.39	13.00	7.6	5.3
2/25	141.9	9.2	28.03	7.00	8.8	2.8
2/26e	131.1	6.4	21.62	7.00	11.4	2.8
2/27e	137.7	11.6	24.14	7.50	10.2	3.0

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

Braemar continues to diversify its operations within the broader ship-broking environment and this has borne fruit in the half year as good performance in the Investment Advisory and Risk Advisory divisions was offset by the financial impact of lower chartering rates, geopolitical volatility and a weaker US dollar versus sterling.

H126 revenue is expected to be in the region of £63.8m (H125: £76.0m) and underlying operating profit (pre-acquisition-related expenditure) of c £5.5m (H125: £8.0m).

H126 net debt at the end of August 2025 was c £5.5m (H125: £2.5m), after the completion of a £2.0m share buyback programme and reflecting the usual working capital cycle.

Braemar continues to make headway against its ambitious Strategic Framework to deliver on its FY30 targets and its shorter-term FY26 operational objectives. To this end, it opened a new office in South Africa, efficiencies have been delivered in the Tanker operations and progress has been made internally in evaluating potential acquisitions.

The forward order book remained strong at \$73.8m (H125: \$80.9m) and has strengthened further through September. Encouragingly, charter rates have improved since the end of the half year, which is supportive of group revenue.

As a result, management's expectations for the full-year outcome are unchanged and we have not made any alterations to forecasts, though we note that profits are expected to be second-half-weighted as is normal for the company.

H126 results are expected to be announced by mid-November.

H126 trading update

General industrials

25 September 2025

Price 246.00p

Market cap £79m

Net cash/(debt) at end August 2025 £(2.5)m

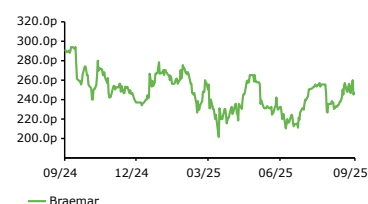
Shares in issue 32.1m

Code BMS

Primary exchange LSE

Secondary exchange N/A

Share price performance



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.

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