Year ended 28 February 2019 –
Strong Strategic and Financial Progress achieved

• Growth in continuing operations’ revenue and underlying profit

• **Shipbroking** achieved a strong second-half performance, and maintained its forward order book

• **Financial division** increased both their mandates and pipeline of business

• **Logistics** maintained UK market share, developed overseas offices and improved margins

• Resolution of **Technical Division** future with recently announced transaction with Aqualis ASA

• Disposal of loss making operation, Braemar Response

• Final dividend of 10.0p, making a total of 15.0p for full year

• Net debt of £7.8m (2018: £2.4m)

• Board changes will bring stability

• Well placed to build on strong results from the core business
Combination of Technical with Aqualis

Key features

• Creates market leading position with genuine global coverage

• Continuing use of the Braemar brand, through AqualisBraemar

• Retains Offshore recovery upside potential. Market consolidation opportunities.

• Simplifies the Group - easier to understand and establishes a value for Braemar’s Technical Services assets

• Aqualis management team has a strong track record of operating and growing marine consulting businesses and realising value through mergers

• Expected synergies derived from scale, efficiency and utilisation

• Ongoing relationship, joint branding and joint marketing capability

• Braemar to become a 26% shareholder with warrants giving opportunity to become 33%

• Braemar to appoint James Kidwell, CEO, to the Board of AqualisBraemar
Combination of Technical with Aqualis
Transaction Overview

**Transaction implementation**

100% acquisition of shares

AQUALIS

Braemar Technical Services Holding Limited
Holding company of Braemar Technical Services
assets to be acquired

**Board and management**

- 5 member board
- Braemar has the right to nominate 1 member to the AqualisBraemar Board – to be James Kidwell, CEO of Braemar
- Chairman of Board is to be Glen Rødland, Chairman of Aqualis
- Gross Management AS, the largest pre-transaction Aqualis shareholder (see right), has undertaken to support the appointment of James Kidwell to the Board at the post-transaction general meeting
- Shares quoted on Oslo Bors (OB: AQUA)

**Consideration**

Consideration equal to 33.0% of the Diluted Aqualis Share Capital to be paid in:

- Initial consideration shares representing 26.0% of the Enlarged Aqualis Share Capital, with a 2 year lock up period for this portion of consideration
- 2 equal tranches of performance-based warrants, with performance measured from 1 April 2019:
  - Tranche 1: based on AqualisBraemar’s average annual, adjusted EBITDA\(^1\) over 2 years with an average EBITDA performance floor of $4.5m and a ceiling of $7.5m for proportional nil / max. vesting
  - Tranche 2: based on average annual, aggregate adjusted gross profit\(^2\) for the former Braemar Adjusting and Marine divisions over two years, with a performance floor of $12.6m and a ceiling of $14.3m for proportional nil / max. vesting

**Post-transaction top 10 shareholders**

<table>
<thead>
<tr>
<th>#</th>
<th>Shareholder</th>
<th>Shares (m)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Braemar Shipping Services plc</td>
<td>14.9m</td>
<td>26.0%</td>
</tr>
<tr>
<td>2</td>
<td>Gross Management AS (Glen Rødland)</td>
<td>7.4m</td>
<td>12.9%</td>
</tr>
<tr>
<td>3</td>
<td>Carnegie Investment Bank AB</td>
<td>2.7m</td>
<td>4.7%</td>
</tr>
<tr>
<td>4</td>
<td>Tigerstaden AS</td>
<td>1.9m</td>
<td>3.3%</td>
</tr>
<tr>
<td>5</td>
<td>Danske Bank A/S</td>
<td>1.7m</td>
<td>3.0%</td>
</tr>
<tr>
<td>6</td>
<td>MP Pensjon PK</td>
<td>1.5m</td>
<td>2.6%</td>
</tr>
<tr>
<td>7</td>
<td>Lgt Bank AG</td>
<td>1.4m</td>
<td>2.5%</td>
</tr>
<tr>
<td>8</td>
<td>Oma Invest AS</td>
<td>1.4m</td>
<td>2.4%</td>
</tr>
<tr>
<td>9</td>
<td>Saxo Bank A/S</td>
<td>1.3m</td>
<td>2.3%</td>
</tr>
<tr>
<td>10</td>
<td>Badreddin Diab</td>
<td>1.0m</td>
<td>1.8%</td>
</tr>
</tbody>
</table>

*Top 10 shareholders 35.1m 61.1%

\(^1\)Adjusted EBITDA: earnings before interest, foreign exchange gains or losses, tax, depreciation and amortization for the consolidated combined business of Aqualis and BTS

\(^2\)Adjusted gross profit: gross profit, being revenue less cost of sales and direct costs, for the former Braemar Adjusting and Marine businesses
AqualisBraemar – sectors / services

**Offshore Oil & Gas**
Specialist offshore engineering and consultancy services:
- Construction supervision
- Transportation and installation
- Decommission projects
- Inspections and approvals
- Engineering service

**Marine**
Worldwide emergency casualty, accident or incident response and international marine survey services:
- Hull and machine surveys
- Casualty investigations
- Risk assessment
- Cargo and damage surveys

**Adjusting**
Serving the international insurance and reinsurance markets in the energy, marine, mining, renewables, power and utilities industries:
- Loss adjusting
- Risk assessment
- Legal / expert witnesses
- Construction dispute resolution

**Offshore Renewables**
Independent services to the offshore wind industry:
- Engineering consultancy
- Project management consultancy

---

**2018 revenue ($)**

- **Offshore Oil & Gas**: 38.3m (79% Aqualis, 21% Braemar)
- **Marine**: 18.8m (Braemar)
- **Adjusting**: 12.7m (Braemar)
- **Offshore Renewables**: 6.1m (Aqualis)

Note: Based on unaudited revenue for the year ended 28 February 2019 for BTS, and revenue for the year ended 31 December 2018 for Aqualis. Average monthly USD/GBP FX rates have been used to translate GBP. Sources: Aqualis and Braemar management information.
A combination of two businesses with market leading positions in different regions, and little client overlap...

...resulting in greater revenue diversification across global markets

Note: Based on unaudited revenue for the year ended 28 February 2019 for BTS, and revenue for the year ended 31 December 2018 for Aqualis. Average monthly USD/GBP FX rates have been used to translate GBP.

Sources: Aqualis and Braemar management information
Investment characteristics – structure following completion of Aqualis transaction

<table>
<thead>
<tr>
<th>Shipbroking</th>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Diverse business mix</td>
<td>• High margin</td>
</tr>
<tr>
<td>• Portfolio effect</td>
<td>• Advisory led</td>
</tr>
<tr>
<td>• Remuneration balance</td>
<td>• New shipping clients</td>
</tr>
<tr>
<td>• Consistent returns</td>
<td>• Group enhancing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Logistics</th>
<th>Technical</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Volume led</td>
<td>• 26% stake in Aqualis</td>
</tr>
<tr>
<td>• Port Agency strong UK market share</td>
<td>• Creating a global market leader</td>
</tr>
<tr>
<td>• Brexit potential</td>
<td>• Engineering retained</td>
</tr>
</tbody>
</table>
## Segmental Results (underlying)

<table>
<thead>
<tr>
<th></th>
<th>FY 18/19</th>
<th></th>
<th>FY 17/18</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenue</td>
<td>Profit</td>
<td>Margin</td>
<td>Revenue</td>
</tr>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
<td>%</td>
<td>£m</td>
</tr>
<tr>
<td>Shipbroking</td>
<td>75.7</td>
<td>9.3</td>
<td>12.3%</td>
<td>61.8</td>
</tr>
<tr>
<td>Financial *</td>
<td>7.0</td>
<td>2.1</td>
<td>30.0%</td>
<td>3.7</td>
</tr>
<tr>
<td>Logistics</td>
<td>32.1</td>
<td>0.8</td>
<td>2.5%</td>
<td>33.2</td>
</tr>
<tr>
<td>Engineering</td>
<td>3.1</td>
<td>(0.3)</td>
<td>(9.7)%</td>
<td>4.2</td>
</tr>
<tr>
<td>Central</td>
<td>-</td>
<td>(2.8)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>117.9</td>
<td>9.1</td>
<td>7.7%</td>
<td><strong>103.0</strong></td>
</tr>
</tbody>
</table>

*Financial Division established on 26 September 2017 and contributed 5 months results to the 2017/18 full year income statement
# Specific Items

<table>
<thead>
<tr>
<th></th>
<th>FY 18/19 £m</th>
<th>FY 17/18 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortisation</td>
<td>(1.1)</td>
<td>(2.4)</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>(0.8)</td>
<td>-</td>
</tr>
<tr>
<td>Gain of revaluation of investment</td>
<td>0.5</td>
<td>-</td>
</tr>
<tr>
<td>Acquisition related items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Braemar ACM</td>
<td>(0.1)</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Braemar Naves</td>
<td>(7.2)</td>
<td>(5.1)</td>
</tr>
<tr>
<td>Atlantic</td>
<td>(2.5)</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Attributed interest</td>
<td>(0.8)</td>
<td>(0.4)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(12.0)</strong></td>
<td><strong>(9.1)</strong></td>
</tr>
<tr>
<td>Cash Impact</td>
<td><strong>(2.2)</strong></td>
<td><strong>(3.1)</strong></td>
</tr>
</tbody>
</table>
## NAVES acquisition: future cash and P&L impact and investment

<table>
<thead>
<tr>
<th></th>
<th>Year ended Feb 2019</th>
<th>Year ended Feb 2020</th>
<th>Year ended Feb 2021</th>
<th>Year ended Feb 2022</th>
<th>Year ended Feb 2023 &amp; beyond</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Maximum cash payable £’m</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred consideration loan notes</td>
<td>0.6</td>
<td>7.1</td>
<td>1.8</td>
<td>1.2</td>
<td>2.5</td>
</tr>
<tr>
<td>Earn out notes</td>
<td>-</td>
<td>-</td>
<td>3.2*</td>
<td>3.2**</td>
<td>3.2***</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>0.6</td>
<td>7.1</td>
<td>5.0</td>
<td>4.4</td>
<td>5.7</td>
</tr>
<tr>
<td><strong>Maximum income statement charge</strong></td>
<td>7.2</td>
<td>3.1</td>
<td>1.1</td>
<td>0.2</td>
<td></td>
</tr>
</tbody>
</table>

* Earnout payment certain
** To be measured in 2020
*** To be measured in 2021

Excludes attributable interest
## Discontinued operations

<table>
<thead>
<tr>
<th>Technical division</th>
<th>FY 18/19</th>
<th>FY 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post tax trading (loss)/profit</td>
<td>(1.6)</td>
<td>0.5</td>
</tr>
<tr>
<td>Restructuring cost &amp; interest</td>
<td>(0.6)</td>
<td>-</td>
</tr>
<tr>
<td>Write down of intangible assets</td>
<td>(6.1)</td>
<td>-</td>
</tr>
<tr>
<td>Estimated impairment</td>
<td>(13.0)</td>
<td>-</td>
</tr>
<tr>
<td>Response</td>
<td>(1.4)</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Total reported loss</td>
<td>(22.7)</td>
<td>-</td>
</tr>
<tr>
<td>Cash Impact</td>
<td>(3.6)</td>
<td>-</td>
</tr>
</tbody>
</table>

Investment in AqualisBraemar to be accounted for on an equity basis for Braemar’s share of profits and net assets
## Group balance sheet

<table>
<thead>
<tr>
<th></th>
<th>28 Feb 2019 **</th>
<th>28 Feb 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>Goodwill and other intangibles</td>
<td>86.0</td>
<td>92.4</td>
</tr>
<tr>
<td>Non current assets</td>
<td>5.7</td>
<td>8.1</td>
</tr>
<tr>
<td>Current assets</td>
<td>37.1</td>
<td>52.7</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(46.4)</td>
<td>(43.6)</td>
</tr>
<tr>
<td>Convertible loan notes and deferred consideration*</td>
<td>(16.9)</td>
<td>(10.7)</td>
</tr>
<tr>
<td>Pension net liability</td>
<td>(2.0)</td>
<td>(3.4)</td>
</tr>
<tr>
<td>Net assets held for sale (net of cash)</td>
<td>3.9</td>
<td>2.1</td>
</tr>
<tr>
<td>Provisions / other</td>
<td>(1.2)</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Net (debt) / cash</td>
<td>(7.8)</td>
<td>(2.4)</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td><strong>58.4</strong></td>
<td><strong>93.7</strong></td>
</tr>
</tbody>
</table>

* See Appendix 1 for key terms re. conversion

** FY 2018/19 has been re-presented to reflect the discontinued operations that are part of the Aqualis transaction.
## Group cash flow

<table>
<thead>
<tr>
<th></th>
<th>FY 18/19 £m</th>
<th>FY 17/18 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cashflow from continuing trading operations</td>
<td>7.8</td>
<td>3.3</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>(3.6)</td>
<td>0.5</td>
</tr>
<tr>
<td>Working capital movement</td>
<td>5.1</td>
<td>-</td>
</tr>
<tr>
<td>Net interest payment</td>
<td>(1.2)</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Net capital expenditure</td>
<td>(2.8)</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Tax paid</td>
<td>(1.1)</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Pension payments</td>
<td>(0.5)</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Acquisition payments</td>
<td>(1.7)</td>
<td>(5.8)</td>
</tr>
<tr>
<td>Dividends/purchase of own shares</td>
<td>(6.3)</td>
<td>(4.0)</td>
</tr>
<tr>
<td>FX Impact</td>
<td>(1.1)</td>
<td>(1.4)</td>
</tr>
<tr>
<td><strong>Movements in cash</strong></td>
<td>(5.4)</td>
<td>(9.5)</td>
</tr>
<tr>
<td><strong>Net (debt)/cash</strong></td>
<td>(7.8)</td>
<td>(2.4)</td>
</tr>
</tbody>
</table>
Earnings and dividends (pence per share)

<table>
<thead>
<tr>
<th></th>
<th>FY 18/19</th>
<th>FY 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Half Year (pence)</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Full Year (pence)</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Total (pence)</td>
<td>15.0</td>
<td>15.0</td>
</tr>
<tr>
<td>Underlying EPS (pence)</td>
<td>23.32</td>
<td>19.57</td>
</tr>
<tr>
<td>Cover</td>
<td>1.6</td>
<td>1.3</td>
</tr>
</tbody>
</table>

- Proposed Final dividend of 10.0p (at a cost of ~£3.0m), payable on 26 July 2019
- Dividend policy to pay 1:2 split between interim and final
## Shipbroking Division

<table>
<thead>
<tr>
<th></th>
<th>FY 2018/19</th>
<th>FY 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£75.7m</td>
<td>£61.8m</td>
</tr>
<tr>
<td>Underlying operating profit</td>
<td>£9.3m</td>
<td>£7.7m</td>
</tr>
<tr>
<td>Staff</td>
<td>301</td>
<td>298</td>
</tr>
<tr>
<td>Forward order book</td>
<td>$43.1m</td>
<td>$44.0m</td>
</tr>
<tr>
<td>Total transactions</td>
<td>5,948</td>
<td>6,073</td>
</tr>
</tbody>
</table>

- Revenues excluding Atlantic up 18% year on year, 22% overall
- Forward order book maintained with US$27.6m to be realised in the next 12 months (2018: US$24.0m)
- Investment in recruitment of high quality brokers reaping rewards – 14 net new brokers in Dry Cargo and strong second half performance
- NAVES relationship opening up new opportunities for Shipbroking
- Atlantic Securities – team of 12 brokers across coal and dry FFA’s; coal derivative market volumes subdued; leading physical coal broker in the UK
Shipbroking – Revenue by desk

- Investment in Dry Cargo desk has contributed towards material uplift in revenues

FY 2018/19

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY19</th>
<th>Heads</th>
<th>Rev/Head</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>%</td>
<td>No</td>
<td>£’000</td>
</tr>
<tr>
<td>Tankers</td>
<td>37.1</td>
<td>49%</td>
<td>107.0</td>
<td>346.7</td>
</tr>
<tr>
<td>Dry Cargo</td>
<td>19.1</td>
<td>25%</td>
<td>88.0</td>
<td>217.0</td>
</tr>
</tbody>
</table>

FY2017/18

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY18</th>
<th>Heads</th>
<th>Rev/Head</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>%</td>
<td>No</td>
<td>£’000</td>
</tr>
<tr>
<td>Tankers</td>
<td>36.1</td>
<td>58%</td>
<td>119.0</td>
<td>303.4</td>
</tr>
<tr>
<td>Dry Cargo</td>
<td>12.3</td>
<td>20%</td>
<td>76.0</td>
<td>161.8</td>
</tr>
</tbody>
</table>
International Maritime Organisation regulations
- Market Opportunities

- IMO’s global 0.5% (presently 3.5%) fuel sulphur content cap regulation in force from 1 Jan 2020
- 0.1% sulphur cap Emission Control Areas (ECAs) in the Baltic Sea, North Sea and US coastline. Other countries implementing their own regulations
- Conundrum for shipowners. Choices with an uncertain pay-back
- Refiners will make configuration and production changes to meet demand, but at what pace?
- Marine Gas Oil (MGO) premium to Heavy Sulphur Fuel Oil (HSFO) has averaged $250 /tonne
- Global MGO and ULSFO (0.1% Ultra Low Sulphur Fuel Oil) availability and storage opportunities
- Impact of reduced fleet capacity while vessels dry-dock to fit a scrubber (capex ~$3m)
- Dis-location and freight pricing effects
- Longer term fuel choices for newbuildings (e.g. LNG)
## Financial Division

<table>
<thead>
<tr>
<th></th>
<th>FY 2018/19</th>
<th>FY 2017/18*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£7.0m</td>
<td>£3.7m</td>
</tr>
<tr>
<td>Underlying operating profit</td>
<td>£2.1m</td>
<td>£1.8m</td>
</tr>
<tr>
<td>Operating margin</td>
<td>30.0%</td>
<td>48.6%</td>
</tr>
<tr>
<td>Staff numbers</td>
<td>20</td>
<td>17</td>
</tr>
</tbody>
</table>

* 5 months only

- Good pipeline of advisory and re-financing business - less reliance on restructuring and insolvency work and the conventional ship-lending banks
- Revenue mix - shifting towards success fees as opposed to retainers
- Well integrated with Shipbroking and on-going relationship with AqualisBraemar – “one-stop shop” offering appeals to Private Equity funds
- October 2018 – set up Singapore operation within our Shipbroking office
Financial – broad client base

- Increasingly diversified and broad client base
- Retainer income covers operating costs

<table>
<thead>
<tr>
<th>Number of clients</th>
<th># May 19</th>
<th># Oct 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retainer only</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>Retainer + success fee</td>
<td>11</td>
<td>5</td>
</tr>
<tr>
<td>Success fee only</td>
<td>11</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income</th>
<th>£m</th>
<th>£m (half-year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retainer income</td>
<td>4.1</td>
<td>1.8</td>
</tr>
<tr>
<td>Success fees</td>
<td>2.9</td>
<td>2.6</td>
</tr>
<tr>
<td>Income</td>
<td>7.0</td>
<td>4.4</td>
</tr>
</tbody>
</table>

Current mandates include:
- Sell-side advice for dry bulk fleet disposal
- Sell-side advice for tanker company disposal
- LNG newbuilding financing
- Owner support for several high leverage refinancings
- Numerous vessel restructurings
- Advice on loan portfolio management
- Disposal and refinancing of cruise ship
## Logistics Division

### Port Agency

<table>
<thead>
<tr>
<th></th>
<th>FY 2018/19</th>
<th>FY 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£8.2m</td>
<td>£8.2m</td>
</tr>
<tr>
<td>Underlying operating profit</td>
<td>£0.7m</td>
<td>£0.6m</td>
</tr>
<tr>
<td>Margin</td>
<td>8.5%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

- Good performance from global hub operations
- Two new overseas offices – set-up costs incurred in H1; revenues from H2
- Market leader in the UK, maintaining share

### Freight Forwarding

<table>
<thead>
<tr>
<th></th>
<th>FY 2018/19</th>
<th>FY 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£23.9m</td>
<td>£25.0m</td>
</tr>
<tr>
<td>Underlying operating profit</td>
<td>£0.1m</td>
<td>£0.2m</td>
</tr>
<tr>
<td>Margin</td>
<td>0.4%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

- Market challenges of virtual platforms and consolidation within the container lines
- Structural changes and cost saving measures planned for 2019/20

**Staff Numbers for Logistics:**  
FY 2018/19: 192  
FY 2017/18: 194
Engineering Division - Braemar Engineering only

- Concentration on LNG market and newbuilding supervision services
- Synergies with Shipbroking operations
- Pipeline of opportunities for 2019/20 increasing

<table>
<thead>
<tr>
<th></th>
<th>FY 18/19</th>
<th>FY 17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£3.1m</td>
<td>£4.2m</td>
</tr>
<tr>
<td>Underlying operating profit / (loss)</td>
<td>(£0.3m)</td>
<td>(£0.1m)</td>
</tr>
<tr>
<td>Staff</td>
<td>16</td>
<td>15</td>
</tr>
</tbody>
</table>
Summary and outlook

• **Shipbroking**
  - investment in staff, especially in Dry Cargo is paying off
  - IMO 2020 opportunities
  - Increased forward book delivering in next 12 months

• **Financial**
  - access to much larger transactions and new financial clients
  - high value added services
  - success orientated income will make earnings more variable

• **Technical** – agreed transaction addresses under-performance and retains upside potential

• **Logistics** – Steady trading and improved margin

• **Focus on development of high margin businesses**
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## Appendix 1 – NAVES consideration breakdown

<table>
<thead>
<tr>
<th>TRANCHE</th>
<th>DATE</th>
<th>€'000</th>
<th>€'000</th>
<th>COLLATERAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial consideration</td>
<td>26-Sep-2017</td>
<td>7,400</td>
<td>7,400</td>
<td>cash</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2017</td>
<td></td>
<td></td>
<td>convertible loan notes (all sellers)</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2017</td>
<td></td>
<td>1,505</td>
<td>shares (non-management sellers)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>16,305</strong></td>
</tr>
<tr>
<td>First deferred consideration</td>
<td>26-Sep-2018</td>
<td>700</td>
<td>700</td>
<td>cash</td>
</tr>
<tr>
<td>All sellers</td>
<td>26-Sep-2018</td>
<td></td>
<td></td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2019</td>
<td>700</td>
<td>700</td>
<td>cash</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2019</td>
<td></td>
<td></td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2020</td>
<td>700</td>
<td>700</td>
<td>cash</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2020</td>
<td></td>
<td></td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>4,200</strong></td>
</tr>
<tr>
<td>Second deferred consideration</td>
<td>26-Sep-2018</td>
<td>699</td>
<td>699</td>
<td>convertible loan notes</td>
</tr>
<tr>
<td>Management only</td>
<td>26-Sep-2019</td>
<td></td>
<td></td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2020</td>
<td>699</td>
<td>699</td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2021</td>
<td>699</td>
<td>699</td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td>26-Sep-2022</td>
<td>699</td>
<td></td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>3,495</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>24,000</strong></td>
</tr>
<tr>
<td>Max earn-out consideration</td>
<td>31-Aug-2018</td>
<td>3,667</td>
<td></td>
<td>convertible loan notes</td>
</tr>
<tr>
<td>Management only</td>
<td>31-Aug-2019</td>
<td></td>
<td>3,667</td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td>31-Aug-2020</td>
<td></td>
<td>3,667</td>
<td>convertible loan notes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>11,000</strong></td>
</tr>
<tr>
<td>Total maximum payout</td>
<td></td>
<td></td>
<td></td>
<td><strong>35,000</strong></td>
</tr>
</tbody>
</table>

Management sellers represented 69.9% of the total sellers (non-management = 30.1%)

Interest on Loan Notes are payable at 3% p.a. (in March and September) and payable from date of completion (initial and first deferred) or date of issue (second and earn-out)
A missed opportunity or a seasonal trend?

Baltic Dry Index

Baltic Dry Index

www.braemar.com
FFAs have recovered their Brumadinho losses, but remain well down on Q3 2018
Demand growth is not evenly spread across sectors

Dry Bulk Trade

Components of Trade

Iron Ore  Coal  Agribulk + Ferts  Other
China’s top 4 bulk imports: Bauxite overtakes soy

Chinese Imports
million tonnes / month

Iron Ore
Coal
Bauxite & Soybeans

Bauxite & Soybeans

www.braemar.com
Outlook for oil demand

Global Oil Demand Forecast (IEA) as of May 2019

- 2004: 83.3 m b/d
- 2005: 84.7 m b/d
- 2006: 85.6 m b/d
- 2007: 87.1 m b/d
- 2008: 86.3 m b/d
- 2009: 85.5 m b/d
- 2010: 88.3 m b/d
- 2011: 88.9 m b/d
- 2012: 90.2 m b/d
- 2013: 91.9 m b/d (increase of 2.0)
- 2014: 93.0 m b/d (increase of 1.1)
- 2015: 95.0 m b/d (increase of 1.6)
- 2016: 96.4 m b/d (increase of 1.2)
- 2017: 97.9 m b/d (increase of 1.3)
- 2018: 99.1 m b/d
- 2019: 100.4 m b/d

Note: The chart shows the forecasted global oil demand in millions of barrels per day (m b/d) from 2004 to 2019.
VLCC Price Vs Earnings
Oil Production

Oil Production in AG / RSea
(Key Net Exporters)

- Saudi Arabia
- Iran
- Iraq
- UAE
- Kuwait
- Neutral Zone
- Qatar
- Oman
- Yemen
- Forecast IEA

Source: IEA

Note: Qatar leaves OPEC effective Jan-19

'Oother' Oil Production

- OPEC NGLs
- Processing Gains
- Global Biofuels
- Forecast IEA

Source: IEA
Oil Production

Oil Production in South America
(Key Net Exporters)

- Ecuador
- Venezuela
- Colombia
- Brazil
- Argentina
- Forecast IEA

Source: IEA

Oil Production in North America

- USA
- Canada
- Mexico
- Forecast IEA

Source: IEA
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