Company Note

H1 trading update

28 July 2026

Empresaria Group plc (EMR.L)

H1 adjusted PBT up c.250%. Significant upgrade to FY26 forecasts

In its H1 trading update to June 2026, Empresaria reported an excellent start to the year despite continuing market headwinds. This is in contrast to some other quoted human capital management companies that are still reporting yoy declines in NFI and profit. With five months of the year still to be completed, the Board has sufficient confidence to guide to a full year adjusted profit before tax of at least £5.2m, 30% ahead of the comparative period and 27% ahead of our original forecast.

- **Resilient performance against continuing market challenges** – The global market in which the Group operates, continues to be challenging with economic pressures and geo-political uncertainty. Despite these headwinds Empresaria, under its new Board has managed to deliver solid growth in net fee income (NFI) which has translated into a strong recovery in profits. Net debt was stable at £17.0m (FY25: £17.1m)
- **NFI ahead by c.5%** - In the period, NFI grew by c.5% yoy to c.£24.5m (H1 25: £23.4m) representing the first yoy increase in NFI since the second half of 2022.
- **Adjusted PBT ahead by c.250%** - Despite challenging markets, the c.5% growth in NFI coupled with improved margins from disciplined cost management, is expected to result in adjusted PBT increasing by around 250% to approximately £3.2m (H1 25: £0.9m), the best H1 outcome for the Group since H1 22. Particularly strong results were achieved by IMS Global Workforce Solutions, previously called Offshore Services and Headway
- **Board guiding to at least £5.2m of adjusted PBT** - The Board considers that although there are still five months trading to go in the current financial year it has sufficient confidence to guide that adjusted PBT for the full year to December 2026 will be at least £5.2m.
- **Impact from high effective tax rate** – Unfortunately, due to withholding taxes on dividends and interest paid abroad, particularly in relation to IMS Global and the inability to offset central costs in the UK, the effective rate of tax is currently of the order of 60-65% leaving EPS, after minority charges, of c.0.5p. We would hope for a gradual reduction in the effective rate over time as UK losses are reduced and profits increased.
- **Forecasts raised** – In our last research note dated 18 May 2026, we stated that given the continued macroeconomic and geopolitical uncertainty and the introduction of a new Board with a revised strategic focus, a cautious approach to forecasts was preferred. Thus, our forecasts anticipated adjusted PBT of £4.1m, a similar outcome to the £4.0m achieved in FY25. Given this H1 update, we are now raising adjusted PBT forecasts to £5.2m, in line with the Board's guidance. However, this outcome, if achieved, would imply a reduction in H2 profits of 36% which, currently, seems unlikely.
- **Further upgrades possible** – With five months of the year still to go, the Board's caution is understandable but also indicates to us that further upgrades are possible, dependent of course on end markets and broader, geo-political considerations.

Year End: December					
(£m)	2023A	2024A	2025A	*2026E (OLD)*	2026E (NEW)
NFI	57.5	50.4	47.3	*47.4*	**48.0**
ADJ. EBITDA	11.7	10.7	12.1	*12.3*	**13.7**
ADJ. PBT	3.5	2.2	4.0	*4.1*	**5.2**
ADJ. BASIC EPS (p)	0.6	-1.0	-0.6	*2.0*	**0.5**
NET (DEBT)/CASH (£m)	-11.1	-15.5	-17.1	*-16.1*	**-16.1**
EV/EBITDA (x)	1.9	2.5	2.3	-	**2.0**
PER (x)	36.8	-22.1	-36.8	-	**44.2**

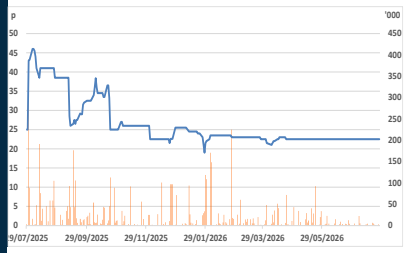
Source: Company; Allenby Capital. Allenby Capital acts as Nomad & Broker to Empresaria Group plc (EMR.L).

Please refer to the last page of this communication for all required disclosures and risk warnings.

Corporate

Current price	**22.5p**
Sector	**Support Services**
Code	**EMR.L**
Listing	**AIM**

Share Performance



	1m	3m	12m
— EMR.L	0%	0%	-10%

Source: Thomson Reuters, Allenby Capital

Share Data		
Market Cap (£m)		**11.2**
Shares in issue (m)		**49.1**
52 weeks (p)	High	Low
	46.0	**19.0**
Financial year end		**December**

Source: Company Data, Allenby Capital

Key Shareholders	
AV Martin (Chair)	27.93%
HM van Heijst	17.89%
Stichting Hendricks FO	12.47%
TrinityBridge	5.95%
UBS	5.13%
The Ramsey Partnership Fund	4.90%
Beleggingsclub't Stockpaert	3.51%

Source: Company Data, Allenby Capital

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Income statement and forecasts

EXHIBIT 1: INCOME STATEMENT				
Y/E December	**FY 2023A**	**FY 2024A**	**FY 2025E**	**FY 2026E**
	£m	**£m**	**£m**	**£m**
ADJUSTED				
Total revenue	250.3	246.2	239.0	239.0
Cost of sales	(192.8)	(195.8)	(191.7)	(191.0)
Net Fee Income	**57.5**	**50.4**	**47.3**	**48.0**
NFI margin	*23.0%*	*20.5%*	*19.8%*	*19.9%*
Admin expenses (before D&A and SBP)	(45.8)	(39.7)	(35.2)	(34.3)
as a % of NFI	*18.3%*	*16.1%*	*14.7%*	*14.2%*
Adjusted EBITDA	**11.7**	**10.7**	**12.1**	**13.7**
margin	*20.3%*	*21.2%*	*25.6%*	*28.5%*
Share based charges	0.3	(0.1)	-	-
Depreciation & software amortisation	(6.9)	(6.8)	(6.4)	(6.6)
Adjusted operating profit	**5.1**	**3.8**	**5.7**	**7.1**
margin	*8.9%*	*7.5%*	*12.1%*	*14.8%*
Finance income	0.6	0.8	0.7	0.7
Finance expense	(2.2)	(2.4)	(2.4)	(2.6)
Adjusted profit before tax	**3.5**	**2.2**	**4.0**	**5.2**
Tax	(1.6)	(1.2)	(2.6)	(3.3)
Effective rate	*45.7%*	*54.5%*	*65.0%*	*62.5%*
Adjusted post tax profit	1.9	1.0	1.4	2.0
Minorities	(1.6)	(1.5)	(1.7)	(1.7)
Adjusted net post tax profit	**0.3**	**(0.5)**	**(0.3)**	**0.3**
STATUTORY				
Adjusted operating profit	5.1	3.8	5.7	7.1
Exceptional items	(0.6)	(4.1)	(2.0)	-
Fair value charge on acquisition of non-controlling shares	(0.1)	(0.4)	-	-
Impairment of goodwill	(1.5)	(1.1)	(5.3)	-
Impairment of other intangible assets	-	-	-	-
Loss on business disposal	-	(0.6)	-	-
Amortisation of acquired intangible assets	(1.2)	(1.2)	(1.1)	(1.0)
Statutory operating profit	**1.7**	**(3.6)**	**(2.7)**	**6.1**
Finance income	0.6	0.8	0.7	0.7
Finance expense	(2.2)	(2.4)	(2.4)	(2.6)
Statutory profit before tax	**0.1**	**(5.2)**	**(4.4)**	**4.2**
Tax	(1.4)	(3.7)	(3.2)	(3.3)
Statutory post tax profit	(1.3)	(8.9)	(7.6)	1.0
Minorities	(1.6)	(1.5)	(1.7)	(1.7)
Statutory net post tax profit	**(2.9)**	**(10.4)**	**(9.3)**	**(0.7)**
Weighted average shares basic	49.1	49.1	49.1	49.1
Weighted average shares diluted	49.8	51.1	49.9	49.9
Year-end shares	49.9	49.9	49.9	49.9
EPS (p)				
Statutory	(5.9)	(21.2)	(18.9)	(1.5)
Adjusted	**0.6**	**(1.0)**	**(0.6)**	**0.5**
Diluted EPS (p)				
Statutory	(5.8)	(20.4)	(18.6)	(0.7)
Adjusted	**0.6**	**(1.0)**	**(0.6)**	**0.5**
Total dividend (p)	0.0	0.0	0.0	0.0

Source: Empresaria Group; Allenby Capital

Balance Sheet and forecasts

EXHIBIT 2: BALANCE SHEET				
Y/E December	**FY 2023A**	**FY 2024A**	**FY 2025E**	**FY 2026E**
	£m	**£m**	**£m**	**£m**
Assets				
Non-current assets				
Property, plant & equipment	2.4	1.6	1.4	1.4
Right of use assets	6.4	5.9	6.4	6.4
Goodwill	29.7	26.6	21.6	21.6
Other intangible assets	6.9	5.7	4.3	3.8
Deferred tax assets	5.7	4.0	3.9	3.7
Non-current assets	**51.1**	**43.8**	**37.6**	**36.9**
Current assets				
Trade receivables	31.0	29.7	29.5	30.0
Other receivables	13.7	9.8	11.1	11.0
Cash and Cash equivalents	17.1	17.2	17.6	18.1
Current assets	**61.8**	**56.7**	**58.2**	**59.1**
Total Assets	**112.9**	**100.5**	**95.8**	**96.0**
Liabilities				
Current liabilities				
Borrowings	(18.7)	(18.5)	(34.7)	-
Trade payables	(2.0)	(2.0)	(2.5)	(3.0)
Accruals	(18.0)	(14.8)	(16.3)	(16.5)
Pilot bonds	(0.3)	(0.2)	(0.2)	-
Other payables	(11.2)	(9.8)	(9.9)	(9.9)
Lease liabilities	(4.3)	(5.0)	(5.4)	(5.4)
Tax liability	(1.3)	(1.0)	(2.7)	(2.5)
Current liabilities	**(55.8)**	**(51.3)**	**(71.7)**	**(37.3)**
Non-current liabilities				
Borrowings	(9.2)	(14.0)	-	(34.2)
Lease liabilities	(2.6)	(1.2)	(1.2)	(1.2)
Defined benefit pension liability	-	(0.4)	(0.4)	(0.4)
Deferred tax liability	(2.4)	(2.2)	(2.3)	(2.3)
Non-current liabilities	**(14.2)**	**(17.8)**	**(3.9)**	**(38.1)**
Total liabilities	**(70.0)**	**(69.1)**	**(75.6)**	**(75.4)**
Net Assets	**42.9**	**31.4**	**20.2**	**20.6**
Net current assets	**6.0**	**5.4**	**(13.5)**	**21.8**
Total equity & liabilities	**112.9**	**100.5**	**95.8**	**96.0**

Balance Sheet Ratios	**FY 2023A**	**FY 2024A**	**FY 2025E**	**FY 2026E**
	£m	**£m**	**£m**	**£m**
Long-term financial debts	(9.2)	(14.0)	-	(34.2)
Short term financial debts	(18.7)	(18.5)	(34.7)	-
Gross debt	(27.9)	(32.5)	(34.7)	(34.2)
Cash and cash equivalents (excluding pilot bonds)	17.1	17.2	17.6	18.1
Net (debt) / cash	(10.8)	(15.3)	(17.1)	(16.1)
Acid test (Current Assets less inventory / Current Liabilities)	1.1	1.1	0.8	1.6
Equity	42.9	31.4	20.2	20.6
Gearing (Net Debt: Equity)	*25.2%*	*48.7%*	*84.7%*	*78.3%*
Net debt/adj. EBITDA (x)	0.9	1.4	1.4	1.2

Source: Empresaria Group; Allenby Capital

Cash flow and forecasts

EXHIBIT 3: CASH FLOW				
Y/E December	**FY 2023A**	**FY 2024A**	**FY 2025E**	**FY 2026E**
	£m	**£m**	**£m**	**£m**
Operating cash flow				
Profit for year	-1.3	-8.9	-7.6	1.0
Depreciation	6.9	6.8	6.4	6.6
Intangible amortisation	1.2	1.2	1.1	0.0
Impairment of goodwill	1.5	1.5	5.3	0.0
Taxation expense recognised in income statement	1.4	3.7	3.2	3.3
Fair value charge on acquisition of non-controlling interests	0.1	0.4	0.0	0.0
Loss/(Gain) on disposal of subsidiary	0.0	0.6	0.0	0.0
Share based payments	-0.3	0.1	0.0	0.0
Net finance costs	1.6	1.6	1.7	1.9
Cash generated from operations before working capital movements	**11.1**	**7.0**	**10.1**	**12.7**
(Increase)/Decrease in trade receivables	*0.2*	*-0.2*	*0.7*	*0.6*
(Decrease)/Increase in trade payables	*-0.4*	*-0.9*	*2.3*	*0.5*
Net movement in WC	***-0.2***	***-1.1***	***3.0***	***1.1***
Cash generated from operations	10.9	5.9	13.1	13.8
Interest paid	-2.2	-2.4	-2.4	-2.6
Income taxes paid	-3.2	-2.1	-3.0	-2.0
Net cash from operating activities	**5.5**	**1.4**	**7.7**	**9.2**
Cash flows from investing activities				
Purchase of PP&E	-1.4	-0.8	-1.0	-1.0
Finance income	0.6	0.8	0.7	0.7
Net cash used in investing activities	**-0.8**	**0.0**	**-0.3**	**-0.3**
Cash flows from financing activities				
Purchase of own shares	-0.3	0.0	0.0	0.0
Further shares acquired in existing subsidiaries	-0.1	-0.2	-0.2	0.0
Proceeds from bank borrowings/loan	1.0	5.2	1.1	0.0
Increase/(decrease) in borrowings	-1.7	-0.6	-0.3	-0.5
Repayment of loan	-0.4	-0.1	0.0	0.0
Payment of obligations under leases	-5.4	-5.3	-5.4	-5.4
Increase/(Decrease) in invoice discount facilities	-0.3	1.4	1.0	1.0
Dividends paid	-0.7	-0.5	0.0	0.0
Dividends paid to minority shareholders in subsidiaries	-0.9	-0.8	-1.8	-1.8
Net cash from/(used in) financing activities	**-8.8**	**-0.9**	**-5.6**	**-6.7**
Net increase in cash and cash equivalents	**-4.1**	**0.5**	**1.8**	**0.5**
FX	-1.1	-0.4	-1.4	0.0
Cash and cash equivalents at beginning of period	22.3	17.1	17.2	17.6
Cash and cash equivalents at end of period	**17.1**	**17.2**	**17.6**	**18.1**

Source: Empresaria Group; Allenby Capital

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