

12 December 2024

Benchmark Holdings plc
("Benchmark", the "Company" or the "Group")
Q4 Results
(3 months ended 30 September 2024)

Resilient performance in a period of trading headwinds and change
Business areas well positioned for future development

In compliance with the terms of the Company's unsecured green bond which requires it to publish quarterly financial information, Benchmark, the aquaculture biotechnology business, announces its unaudited results for the 3 months ended 30 September 2024 (the "period"). All Q4 FY24 and Q4 FY23 figures quoted in this announcement are based on unaudited accounts.

This morning the Company published its full year audited results for the 12 months ended 30 September 2024 which can be found on <https://www.benchmarkplc.com/investors>

The Genetics business which is the subject of a post period end disposal has been treated as held for sale and discontinued in this statement and in the Annual Report. The 2024 results for Genetics have been included in the narrative below to enable our shareholders to evaluate the performance and development of the group as a whole before this disposal took place

Q4 FY24 Financial highlights

- Total Revenues (continuing and discontinued) operations of £36.8m, 1% ahead of the prior year (+7% at constant exchange rate (CER)):
 - Advanced Nutrition – strong performance against a backdrop of challenging conditions in the global shrimp markets; revenues were 9% above the prior year (+17% CER)
 - Health – revenues were 66% below Q4 FY23 reflecting pause in Ectosan® Vet and CleanTreat® activities following decommissioning of the two CleanTreat® systems transitioning away from capital intensive model
 - Genetics (discontinued) – Revenues were 2% above Q4 FY23 (+7% CER) as the early harvest of the Spring 23 generation offset lower salmon egg volumes sold
- Revenue from continuing operations £19.6m, 1% below the prior year (+6% CER)
- Total Adjusted EBITDA (continuing and discontinued operations) excluding fair value movements from biological assets £6.9m (Q4 FY23: £8.9m) driven by lower gross margin in Advanced Nutrition and to a lesser extent in Genetics, partially offset by reduced adjusted EBITDA loss in Health and lower operating costs
- Adjusted EBITDA from continuing operations of £1.6m, 20% above the prior year
- Cash and cash equivalents of £15.2m and available liquidity of £26.5m as at 11 December 2024

Operational highlights

- Resilient operations in Advanced Nutrition mitigates market headwinds and periodic headwinds in product mix
- Genetics business with steady performance paving ground for further value creation
- Financial discipline across the Group maintained
- Business well positioned for future development

Current trading and outlook

Advanced Nutrition

- Soft start to the year with unchanged conditions in the shrimp market.
- Expect improvement through the year and recovery in gross margin underpinned by higher quality of Artemia harvest.
- Actions taken over the past years to strengthen our commercial effort, broaden the product portfolio and increase operational efficiency, mitigate the impact of market cyclicality and position the business to deliver growth and improved profitability in the short and medium term.

Health

- Health has had a good start of the year. Our established sea lice treatment Salmosan® Vet is well positioned in customers' toolkit to tackle sea lice which continues to be a critical issue for the industry.

- With a reduced cost base Health is expected to deliver stable profitability. At the same time, we will continue to work with customers to develop an optimal model for Ectosan® Vet and CleanTreat® based on customer owned infrastructure representing future upside.

Group

- Focus on simplifying and streamlining the Group structure which is expected to result in significant cost savings.
- Effort will commence upon completion of the disposal of Genetics, taking into consideration the Company's commitments under the Transition Services Agreement which has an expected duration of [three to six months].

Financial Summary

| £m | Q4 FY24 | Q4 FY23 restated* | % AER | % CER** | FY24 (full year) | FY23 restated* |
|---|---------|-------------------|-------|---------|------------------|----------------|
| Revenue from continuing operations | 19.6 | 19.7 | -1% | +6% | 90.4 | 104.0 |
| Total Revenue (continuing and discontinued) | 36.8 | 36.6 | +1% | +7% | 147.7 | 169.7 |
| Adjusted | | | | | | |
| Adjusted EBITDA ¹ from continuing operations | 1.6 | 1.3 | +20% | +11% | 11.9 | 17.0 |
| Total Adj. EBITDA excluding fair value movements from biological assets (continuing and discontinued) | 6.9 | 8.9 | -22% | -19% | 28.9 | 34.3 |
| Statutory | | | | | | |
| Operating loss from continuing operations | (20.8) | (6.8) | -205% | -210% | (35.5) | (17.5) |
| Loss before tax from continuing operations | (25.1) | (10.9) | -131% | -134% | (45.9) | (24.7) |
| Loss for the period including discontinued operations | (20.4) | (13.5) | -51% | -52% | (39.1) | (21.6) |
| Basic loss per share (p) | (2.78) | (1.90) | | | (5.34) | (3.16) |
| Net debt ² | (49.0) | (65.5) | | | (49.0) | (65.5) |

* 2023 numbers have been restated to reflect the results of the Genetics business being classified as discontinued operations in FY24 in line with IFRS 5 following the decision to sell the business area (see note 5).

** Constant exchange rate (CER) figures derived by retranslating current year figures using previous year's foreign exchange rates.

(1) Adjusted EBITDA is EBITDA (earnings before interest, tax, depreciation and amortisation and impairment), before exceptional items including acquisition and disposal related expenditure.

(2) Net debt is cash and cash equivalents less loans and borrowings, with FY24 figures stated after transferring £22.3m into assets and liabilities held for sale.

Business Area Summary*

| £m | Q4 FY24 | Q4 FY23 restated | % AER | % CER** | FY24 (full year) | FY23 restated |
|-------------------------|---------|------------------|-------|---------|------------------|---------------|
| Revenue | | | | | | |
| Advanced Nutrition | 18.7 | 17.1 | +9% | +17% | 75.9 | 78.5 |
| Genetics (discontinued) | 17.2 | 16.9 | +2% | +7% | 57.4 | 65.8 |
| Health | 0.9 | 2.6 | -66% | -64% | 14.5 | 25.5 |

Unaudited notes to the quarterly financial statements for the period ended 30 September 2023**5. Discontinued activities**

On 22 January 2024, the Board announced the decision to undertake a formal review of the Group's strategic options including the exploration of a potential sale of the Group as a whole or of one or more business units, should any attractive offers be made by potential bidders. As at 30 September, the Board assessed that a deal for the sale of the Genetics business was reaching an advanced stage and that a sale of the business area was highly probable. The circumstances at the year end were such that the conditions outlined within IFRS 5 Non-current Assets Held for Sale and Discontinued Operations for treatment as 'Held for Sale' and 'Discontinued Operations' were met, and this has been reflected in the financial statements.

In the prior year, the group divested its Tilapia business, which was also in the Genetics business area, for consideration of USD 1 in a management buy out. Consequently, these operations were already classified as discontinued in the prior year.

Summary of restatement of FY23 results as reported in FY23 financial statements

| | Continuing operations | | Discontinued operations | |
|---|-----------------------|-----------------|---------------------------------|-----------------------------------|
| | Revenue | Adjusted EBITDA | Loss from continuing operations | Loss from discontinued operations |
| All figures in £000's | | | | |
| As stated in financial year 2023 financial statements | 169,476 | 35,492 | (16,059) | (5,505) |
| Reclassified Q1 | (21,365) | (3,631) | (1,791) | 1,791 |
| Restated Q1 2023 financial statements | 148,111 | 31,861 | (17,850) | (3,714) |
| Reclassified Q2 | (12,910) | (4,328) | (1,121) | 1,121 |
| Restated Q2 2023 financial statements | 135,201 | 27,533 | (18,971) | (2,593) |
| Reclassified Q3 | (14,380) | (4,422) | (2,565) | 2,565 |
| Restated Q3 2023 financial statements | 120,821 | 23,111 | (21,536) | (28) |
| Reclassified in Q4 | (16,858) | (6,130) | (1,940) | 1,940 |
| Restated Q4 2023 financial statements | 103,963 | 16,981 | (23,476) | 1,912 |

| Results from discontinued operations | Q4 2024 | Q4 2023 | FY 2024 | FY 2023 |
|---|---------------|-----------------------|---------------|---------------------|
| | (unaudited) | Restated* (unaudited) | (audited) | Restated* (audited) |
| | £000 | £000 | £000 | £000 |
| Revenue | 17,200 | 16,880 | 57,361 | 65,781 |
| Cost of sales | (9,048) | (7,834) | (30,931) | (35,820) |
| Gross profit | 8,152 | 9,046 | 26,430 | 29,961 |
| Research and development costs | (654) | (871) | (3,276) | (3,778) |
| Other operating costs | (1,892) | (2,349) | (7,744) | (8,894) |
| Share of profit of equity-accounted investees, net of tax | 118 | (33) | 1,288 | (32) |
| Adjusted EBITDA | 5,724 | 5,793 | 16,698 | 17,257 |
| Exceptional - restructuring, acquisition and disposal related items | (396) | (3,913) | (1,800) | (3,913) |
| EBITDA | 5,328 | 1,880 | 14,898 | 13,344 |
| Depreciation and impairment | (1,500) | (1,259) | (5,371) | (4,703) |
| Amortisation and impairment | (426) | (427) | (1,638) | (1,894) |
| Operating loss / Loss before taxation | 3,402 | 194 | 7,889 | 6,747 |
| Net finance costs | 385 | (909) | (589) | (247) |
| Loss before taxation | 3,787 | (715) | 7,300 | 6,500 |
| Tax on loss | (533) | (1,682) | (2,141) | (4,588) |
| Loss from discontinued operations | 3,254 | (2,397) | 5,159 | 1,912 |

* 2023 numbers were restated to reflect the results of the Genetics business being classified as discontinued operations in FY24 in line with IFRS5 following the decision to sell the business are (see Note 5).

These numbers do not tie into the Genetics results in note 3 due intercompany transactions that relate to the rest of the group and have been deemed to be continuing, being Q4 2024: £19,000 (Q4 2023: £719,000), FY 2024: £1,868,000 (FY 2023: £2,848,000).