

22 May 2024

Benchmark Holdings plc

("Benchmark", the "Company" or the "Group")

Second Quarter and Half Year results for the six months ended 31 March 2024

Positive quarterly momentum maintained and well on track to meet full year management's expectations

Benchmark (LSE: BMK), the aquaculture biotechnology company, announces its unaudited interim results for the six months ended 31 March 2024 (the "Period" or "H1 FY24"). The Company also announces its unaudited results for the three months ended 31 March 2024 ("Q2 FY24") in compliance with the terms of its unsecured Green bond.

Financial Highlights

- **Q2 FY24 positive momentum in Genetics and Advanced Nutrition partially offset by Health and forex headwinds**
 - Q2 FY24 revenues of £39.8m were 10% below Q2 FY23 (-3% CER) driven by a strong performance in Genetics and Advanced Nutrition, offset by Health
 - **Genetics** revenues were £13.2m (Q2 FY23: £12.9m) up 7% CER reflecting a solid performance in the core business and good progress in our growth vectors, particularly Chile
 - **Advanced Nutrition** revenues were £21.1m (Q2 FY23: £22.6m) up 3% CER reflecting the success of our strategy to adapt to difficult shrimp markets
 - **Health** revenues of £5.4m (Q2 FY23: £8.7m) were down 35% CER; focus remains on transition to new business model for Ectosan®Vet and CleanTreat®
 - 9% CER increase in Adjusted EBITDA excluding fair value movement in biological assets to £9.9m (Q2 FY23: £9.9m)
 - Adjusted EBITDA margin excluding fair value movement in biological assets of 25% (Q2 FY23: 22%) in line with the Group's medium-term target
 - **Genetics** Adjusted EBITDA excluding fair value movement of £3.1m was 42% above Q2 FY23 (+50% CER) due to higher profit from the Genetics joint venture and higher egg revenues. The Adjusted EBITDA excluding fair value movement margin was 24% (Q2 FY23: 17%)
 - **Advanced Nutrition** Adjusted EBITDA of £5.3m was down 14% (-3% CER) with effective cost control offsetting reduced revenue. The Adjusted EBITDA margin was 25%; (Q2 FY23: 27%)
 - **Health** Adjusted EBITDA of £1.6m (Q2 FY23: £2.6m) and Adjusted EBITDA margin of 30% reflecting efforts to manage costs (Q2 FY23: 30%)
 - Adjusted operating profit excluding fair value movements was £5.9m, 24% above the prior year
 - Operating profit was marginally below the prior year at £0.6m (Q2 FY23: £0.7m)
 - Increase in net operating cash inflow to £3.6m (Q2 FY23: £1.4m)
- **H1 FY24 results underpinned by strong Q2 performance, supporting positive outlook for the full year**
 - H1 FY24 revenues of £80.2m were 19% below a strong H1 FY23 (-12% CER) which benefited from supply constraints in the salmon egg market
 - **Genetics** revenues were £28.4m (H1 FY23: £34.3m) down 11% CER reflecting a normalised level against H1 FY23 which benefitted from supply constraints in the salmon egg market
 - **Advanced Nutrition** revenues were £40.4m (H1 FY23: £45.3m), down 2% CER representing a strong performance in challenging shrimp markets

- **Health** revenues of £11.5m (H1 FY23: £19.1m) were down 37% CER; reduced Ectosan®Vet and CleanTreat® capacity in the period as we transition to a new business model
 - Adjusted EBITDA excluding fair value movement in biological assets was £17.3m, 23% below a strong H1 FY23 (-15% CER)
 - Group operating costs in H1 FY24 were £20.4m, 14% below H1 FY23 with a reduction across all business areas despite a high inflation environment
 - Adjusted EBITDA margin excluding fair value movement in biological assets was 22% (H1 FY23: 23%) with strong margins in Advanced Nutrition (24%) and Genetics (23%) offset by Health (19%)
 - Operating loss was £3.7m (H1 FY23: profit of £1.0m) primarily due to lower revenues in the period offset by continued cost control
- Cash, liquidity and net debt:
 - Cash of £24.1m and liquidity (cash and available facility) of £41.3m at 20 May 2024
 - Net debt excluding lease liabilities of £56.8m at 31 March 2024 (31 March 2023: £44.5m, 30 September 2023: £45.6m)

H1 FY24 Operational Highlights

- **Genetics** – wide ranging progress
 - Excellent progress in Chile with new customer wins, establishing foundation for future growth
 - Launch of a new product portfolio in salmon genetics aligned with our strategy to invest in R&D to further enhance our customer value proposition and our competitive position
 - Successful launch of genotyping product portfolio; contracted customer projects commenced
 - Successful integration of shrimp activities with Advanced Nutrition generating commercial opportunities while we continue the work to develop local adapted strains
 - Significant progress in key innovation areas - complex gill disease project bolstered by a new partnership funded by the Biotechnology and Biological Sciences Research Council in the UK
- **Advanced Nutrition** – well positioned for recovery
 - The strategy and mitigating actions taken by management in response to challenging shrimp markets including the continuous development of our product portfolio, the establishment of new routes to market and the implementation of operational efficiencies are delivering positive results
 - Green shoots of recovery in the shrimp market translating into demand for the Group's hatchery portfolio as the industry prepares to increase production
 - Well positioned for market recovery
- **Health** – progress with development of new business model
 - Further progress made towards development of new business model for Ectosan® Vet and CleanTreat® aimed at reducing infrastructure costs. Design of the wellboat configuration completed in partnership with wellboat equipment provider MMC and wellboat designer SALT
 - Existing infrastructure being streamlined, rightsizing it for the new business model
 - Strong sales of Salmosan® Vet reflecting successful lifecycle management and strength of the Group's sea lice solution portfolio

Current trading and outlook

The Company is trading in line with management's expectations for the full year. There is good visibility of revenue in Genetics including excellent progress in Chile, and there have been no operational or financial consequences from the infectious salmon anaemia (ISA) incident reported in February this year. In Advanced Nutrition, there is continuing strong performance in soft markets albeit with some green shoots and the business is well positioned for market recovery. In Health, our focus remains on the transition to the new business model for Ectosan® Vet and CleanTreat®. We will continue to manage costs and reduce our capital exposure, taking the second CleanTreat® unit out ahead of the low season for sea lice treatments. Our established sea lice treatment Salmosan® Vet is performing well into the second half of the year.

Strategic review

In January 2024, the Company announced that the Board had unanimously decided to undertake a formal review of the Company's strategic options including a potential formal sale process. This process remains ongoing and further updates will be provided as appropriate.

Financial Summary

| £m | Q2 FY24 | Q2 FY23 | % CER Q2 FY24 | H1 FY24 | H1 FY23 | % CER H1 FY24 |
|--|---------|---------------|------------------|---------|----------------|------------------|
| Revenue | 39.8 | 44.2 -10% | -3% | 80.2 | 98.7 -19% | -12% |
| Adjusted | | | | | | |
| Adjusted EBITDA ¹ | 10.1 | 11.3 -10% | -1% | 16.8 | 22.6 -26% | -18% |
| Adjusted EBITDA excl. bio asset fair value movements | 9.9 | 9.9 0% | +9% | 17.3 | 22.4 -23% | -15% |
| Adjusted Operating profit ² | 6.2 | 6.2 0% | +15% | 6.0 | 12.4 -51% | -40% |
| Adjusted Operating profit excl. bio asset fair value movements | 5.9 | 4.8 +24% | +42% | 6.5 | 12.1 -46% | -34% |
| Statutory | | | | | | |
| Operating profit/(loss) | 0.6 | 0.7 -6% | | (3.7) | 1.0 -468% | |
| Loss before tax | (0.7) | (1.7) +61% | | (7.9) | (1.2) -564% | |
| Basic loss per share (p) | (0.18) | (0.40) | | (1.21) | (0.57) | |
| Net debt ³ | (72.7) | (66.3) | | (72.7) | (66.3) | |
| Net debt ³ excluding lease liabilities | (56.8) | (44.5) | | (56.8) | (44.5) | |

*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 related expenditure

(2) Adjusted Operating Profit is operating loss before exceptional items including acquisition related items and amortisation of intangible assets excluding development costs

(3) Net debt is cash and cash equivalents less loans and borrowings

Business Area summary

| £m | Q2 FY24 | Q2 FY23 | % CER* Q2 FY24 | H1 FY24 | H1 FY23 | %CER* H1 FY24 |
|---|---------|-------------|-------------------|---------|--------------|------------------|
| Revenue | | | | | | |
| Advanced Nutrition | 21.1 | 22.6 -7% | +3% | 40.4 | 45.3 -11% | -2% |
| Genetics | 13.2 | 12.9 +2% | +7% | 28.4 | 34.3 -17% | -11% |
| Health | 5.4 | 8.7 -38% | -35% | 11.5 | 19.1 -40% | -37% |
| Adjusted EBITDA¹ | | | | | | |
| Advanced Nutrition | 5.3 | 6.2 -14% | -3% | 9.9 | 11.5 -14% | -5% |
| <i>Adjusted EBITDA Margin (%)</i> | 25% | 27% | | 24% | 25% | |
| Genetics | 3.4 | 3.6 -5% | 1% | 5.9 | 6.5 -10% | -2% |
| - Net of fair value movement in biological assets | 3.1 | 2.2 +42% | +50% | 6.4 | 6.3 +2% | +12% |
| <i>Adjusted EBITDA Margin (%) excl. fair value movements in biological assets</i> | 24% | 17% | | 23% | 18% | |
| Health | 1.6 | 2.6 -37% | -34% | 2.2 | 6.6 -67% | -65% |
| <i>Adjusted EBITDA Margin (%)</i> | 30% | 30% | | 19% | 35% | |

*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 related expenditure

Trond Williksen, CEO, commented:

"I am pleased with the Company's performance in the second quarter, and the first half as a whole, which demonstrated good momentum in the business supporting our positive outlook. We have delivered strong trading in our established business areas, have made excellent progress in Chile, one of our key growth vectors, and made significant progress in our innovation programme where our recent investment to strengthen our innovation capabilities is bearing fruit. We remain focused on the transition to a new business model for Ectosan® Vet and CleanTreat® which will strengthen our sea lice solutions portfolio and deliver a much needed alternative to our customers.

"With our unique platform of mission critical specialised solutions in areas where we hold market leading positions we are strongly positioned to continue to deliver growth and to build sustainable shareholder value."

Presentation for analysts and institutional investors at 8.00 UK (9.00 CET)

Trond Williksen, Chief Executive Officer and Septima Maguire, Chief Financial Officer will host a presentation for analysts and institutional investors on the day at 08.00 UK time (9.00 CET).

The presentation will be held in person at Haakon Vlls Gate 2, Oslo, Norway. To register your interest, please contact benchmark@mhpgroup.com

A live webcast of the presentation will be available for analysts and investors to join remotely at the following link: https://channel.royalcast.com/landingpage/hegnarmedia/20240522_1/

Equity Development webcast for retail investors at 12:30pm UK time

Trond Williksen, Chief Executive Officer and Septima Maguire, Chief Financial Officer will host a second webcast for retail investors and wealth managers at 12.30pm UK time. The webcast is open to all existing and potential shareholders.

To register please visit: <https://www.equitydevelopment.co.uk/news-and-events/benchmark-investor-presentation-22may2024>

Enquiries

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About Benchmark

Benchmark is a market leading aquaculture biotechnology company. Benchmark's mission is to drive sustainability in aquaculture by delivering products and solutions in genetics, advanced nutrition and health which improve yield, growth, animal health and welfare.

Through a global footprint in 26 countries and a broad portfolio of products and solutions, Benchmark addresses the major aquaculture species in all the major aquaculture regions around the world. Find out more at www.benchmarkplc.com

Management Report

Q2 FY24 commentary

The Group delivered a strong performance in Q2 FY24 with Genetics and Advanced Nutrition performing strongly against a backdrop of difficult conditions in the shrimp markets, and progress made in Health towards a new business model for Ectosan® Vet and CleanTreat®. Group revenue was £39.8m, 10% below a strong Q2 FY23 (-3% CER). Adjusted EBITDA excluding fair value movement in biological assets was £9.9m, in line with Q2 FY23 despite strong forex headwinds, and ahead +9% at constant exchange rate. The Adjusted EBITDA margin excluding fair value movement in biological assets of 25% was in line with the Group's medium-term target (Q2 2023: 22%).

By business area, Genetics reported Q2 FY24 revenues of £13.2m, 2% above Q2 FY23 (+7% CER) driven by higher egg revenues (+2%) as well as higher harvest income (+70%) and genetic services revenues (+17%), partially offset by lower revenues in ancillary products. Adjusted EBITDA excluding fair value movements in biological assets was £3.1m, up 42% on the prior year (Q2 FY23: £2.2m) reflecting higher revenues as well as higher profits from the Genetics joint venture in the period of £0.7m (Q2 FY23: nil). The Adjusted EBITDA margin excluding fair value movements was 24% (Q2 FY23: 17%) reflecting higher profit from the joint venture and higher harvest income. There was excellent progress in Chile, a key growth vector for the Group with an increasing number of customers, building our market position and achieving operational profitability. In shrimp, the integration of our shrimp genetics commercial activities with Advanced Nutrition to leverage our commercial capabilities is creating new opportunities as we continue the development of local adapted strains. Shrimp sales were £0.5m in the period 31% above the prior year. During the period we successfully launched a new genotyping product portfolio and there are a number of contracted customer projects already underway which underpin future revenue. Innovation is a key component of our Genetics strategy and significant progress was made in our key R&D projects in the period. This included a new partnership for our complex gill disease project, which was bolstered by a new important partnership with funding from the Biotechnology and Biological Sciences Research Council in the UK.

Advanced Nutrition delivered Q2 FY24 revenues of £21.1m, 7% below Q2 FY23 largely due to forex impact (+3% CER) but 10% above Q1 FY24 showing good quarterly momentum. Q2 FY24 Adjusted EBITDA was £5.3m (Q2 FY23: £6.2m) with the impact of the lower sales partially offset by efficient cost control. The Adjusted EBITDA margin was 25% (Q2 FY23: 27%). While the shrimp markets remain soft, there are green shoots of recovery which translated into improving demand for our hatchery portfolio in the period as the industry prepares to increase production as further signs of recovery emerge.

In Health, Q2 FY24 revenues were £5.4m, 38% below Q2 FY23 (-35% CER), and Adjusted EBITDA was £1.6m (Q2 FY23: £2.6m). Sales of Salmosan® Vet were strong reflecting successful lifecycle management and the strength of the Group's sea lice solution portfolio. Our focus remains on the development of alternative operating models for Ectosan® Vet and CleanTreat® including barge and wellboat configurations. As part of this transition we are streamlining the infrastructure and organisation in Health, rightsizing for the new business model which will result in cost savings. Early in the quarter we took one of the two platform supply vessels (PSV) carrying the CleanTreat® systems out of service and we have streamlined the rest of the organisation accordingly. The wellboat configuration represents the long-term solution, with the CleanTreat® systems integrated into future wellboats owned and operated by customers or service providers. We have completed the design for the wellboat configuration in partnership with leading wellboat equipment provider, MMC, and leading wellboat designer SALT, and together we are now promoting the solution as part of the offering of new wellboats in the market.

Group operating costs were £9.9m, 19% below prior year (Q2 FY23: £12.2m) as focus continues on cost control across the Group, including streamlining the infrastructure of the Health business area, a programme of operational efficiencies and the ongoing integration of our activities around species. R&D expenses of £1.5m were marginally above the prior year (Q2 FY23: £1.4m) and represented 4% of Group revenues (Q2 FY23: 3%).

Exceptional costs in the quarter, mainly related to the ongoing strategic review, were £2.0m (Q2 FY23: £1.7m related to costs in preparation for an Oslo listing). Depreciation and amortisation was £7.5m (Q2 FY23: £8.9m) with the reduction mainly relating to right of use assets in Health, leading to a Group operating profit of £0.6m (Q2 FY23: £0.7m). Adjusted operating profit excluding fair value movement in biological assets was £5.9m, 24% (+42% CER) ahead of the prior year (Q2 FY23: £4.8m).

Net finance costs of £1.3m for the quarter were £1.1m lower than the same period last year (Q2 FY23: £2.4m), mainly due to net forex gains in the period of £1.3m (Q2 FY23: loss of £0.7m) partially offset by higher interest costs. Loss before tax for the quarter was £0.7m (Q2 FY23: £1.7m).

The tax charge for the quarter was £0.5m (Q2 FY23: £0.7m) resulting in loss after tax of £1.1m (Q2 FY23: £2.4m).

The Group reported a net operating cash outflow of £3.6m after an increase in working capital of £1.9m (Q2 FY23: £3.4m) and tax payments of £2.5m (Q2 FY23: £2.6m). Net cash outflow from investing activities was £0.7m (Q2 FY23: £1.3m) of which capex was £0.9m (Q2 FY23: £1.6m) offset by proceeds from sale of fixed assets, the reduction comes as the significant investment programme to support the Group's growth plans is now complete. Net cash outflow from financing activities was £5.9m (Q2 FY23: £3.4m). Current period relates to payments for interest and lease and borrowings payments, whereas prior year included increase in bank borrowings of £9.2m offset by £8.0m for acquisition of minority interest in Iceland.

Half year commentary

Revenues in H1 FY24 were £80.2m, 19% below a strong H1 FY23 (-12% CER) but 13% above the H2 FY23 period showing positive sequential progress against a backdrop of difficult conditions in the shrimp markets. Adjusted EBITDA excluding fair value movements from biological assets was £17.3m down 23% (-15% CER). The Adjusted EBITDA margin excluding fair value movement was marginally below at 22% (H1 FY23: 23%) with a higher contribution from joint venture profit offsetting a slightly lower gross profit margin of 49% (H1 FY23: 50%).

By business area, Advanced Nutrition delivered a strong performance against challenging markets, with green shoots of recovery in Q2 FY24. First half revenues were £40.4m, 11% below H1 FY23 impacted by forex headwinds (-2% CER) but 22% ahead of H2 FY23 showing sequential progression partially reflecting signs of market improvement as mentioned above. H1 FY24 Adjusted EBITDA was £9.9m, 14% below H1 FY23 (-5% CER) resulting in Adjusted EBITDA margin of 24% (H1 FY23: 25%). While conditions in the shrimp market remained difficult, signs of recovery give us optimism and we are confident that the business is very well positioned to benefit from market recovery, with the strategy and mitigating actions implemented over recent periods including development of our product portfolio and technologies, new routes to market and operational efficiencies delivering results.

Genetics performed well against a comparatively strong H1 FY23. Revenues of £28.4m were 17% below H1 FY23 and were impacted by adverse forex (CER -11%). The drop in revenues was driven by a 20% reduction in salmon egg revenues against H1 FY23, which benefitted from supply constraints in the salmon egg market and lower revenues from ancillary products and other income, partially offset by a 12% increase in harvest revenues and a 9% increase in revenues from Genetic Services. Revenues from shrimp genetics were marginally down. Adjusted EBITDA excluding fair value movement was £6.4m 2% above the prior year (+12% CER) resulting in a lift in Adjusted EBITDA margin excluding fair value movement to 23% (H1 FY23: 18%).

In Health, we continue our effort to transition to a new infrastructure and business model for Ectosan® Vet and CleanTreat® including streamlining our infrastructure and reducing capacity to manage costs during the transition period. Revenues in H1 FY24 were £11.5m 40% below the prior year (-37% CER) driven by a drop in Ectosan® Vet and CleanTreat® while revenues from Salmosan® Vet were 8% down as a result of a change in geographic mix with an increase in volume offset by lower average price.

Group operating costs in H1 FY24 were £20.4m, 14% below H1 FY23 with a reduction across all business areas despite a high inflation environment. This is the result of well embedded cost control across the Group, a programme of operational efficiencies and the ongoing integration of our activities around species. R&D expenses were £3.1m (H1 FY23: £3.0m) and total R&D investment including capitalised development costs was £3.2m, in line with the prior year (H1 FY23: £3.2m). Depreciation and amortisation were £18.1m (H1 FY23: £18.9m) with the reduction mainly related to right of use assets in the Health business area.

The Group reported an operating loss of £3.7m (H1 FY23: £1.0m profit) as a result of lower revenues partially offset by a reduction in operating costs and increased profit from joint ventures. Adjusted operating profit excluding fair value movements from biological assets was £6.5m, 46% below H1 FY23 (-34% CER) but significantly ahead (+151%) of the most recent six month period.

Net finance costs for H1 FY24 were £4.1m (H1 FY23: £2.2m). Interest costs were higher due to higher borrowings during the current year, and the remainder of the increase is the result of income from ineffectiveness in hedge accounting in the prior year offset by differences in foreign exchange gains and losses year on year.

Loss before tax in H1 FY24 was £7.9m (H1 FY23: £1.2m). This included the impact of significant exceptional costs in the period of £2.5m (H1 FY23: £2.7m), largely related to the ongoing strategic review and restructuring costs associated with the integration of our shrimp genetics activities and other operational efficiency initiatives, while those in the prior period were primarily concerned with preparation for a listing of the Group in Oslo.

Total tax charge in H1 FY24 was £0.9m (H1 FY23: £1.5m) with a small reduction (+£0.2m) in current tax charges in the territories for which no loss relief is available, together with a higher deferred tax credit (+£0.4m) from the reversal of temporary differences. Loss after tax was £8.8m (H1 FY23: £2.7m loss).

The Group reported a net operating cash outflow of £2.0m after an increase in working capital of £12.8m (H1 FY23: £4.2m) and tax payments of £3.7m (H1 FY23: £4.1m). The increase in working capital is somewhat seasonal, but the larger increase this year is due to higher receivables resulting from increased harvest income and timing of egg sales in Genetics, a reduction in payables in Advanced Nutrition due to different timing, and the utilisation of the demobilisation provision in Health following decommissioning of one of the vessels. Net cash outflow from investing activities was £1.5m (H1 FY23: £3.4m) as the significant investment programme to support the Group's growth plans is now complete. The majority of the outflow in the period relates to maintenance capex in Genetics.

Net cash outflow from financing activities was £11.4m (H1 FY23: £1.2m). Interest payments in the period were £4.5m (H1 FY23: £4.1m) and lease payments were £5.4m (H1 FY23: £4.7m). Additionally, H1 FY23 included an equity raise of (net) £11.4m, net proceeds from debt refinancing of £4.2m, and payments to acquire the minority interests in Benchmark Genetics Iceland of £8.0m. The cash position at 31 March 2024 was £20.8m (H1 FY23: £38.6m; FY23: £36.5m), and net debt including lease liabilities was £72.7m (H1 FY23: £66.3m; FY23: £65.5m).

Outlook

The Company is trading in line with management's expectations for the full year. There is good visibility of revenue in Genetics including excellent progress in Chile and no operational or financial consequences from the ISA incident reported in February this year. In Advanced Nutrition there is continuing strong performance in soft markets albeit with some green shoots, and the business is well positioned for market recovery. In Health our focus remains on the transition to the new business model for Ectosan® Vet and CleanTreat®. We will continue to manage costs and reduce our capital exposure, taking the second CleanTreat® unit out of service ahead of the low season for sea lice treatments. Our established sea lice treatment Salmosan® Vet is performing well into the second half of the year.

Benchmark Holdings plc

Consolidated Income Statement for the period ended 31 March 2024

| All figures in £000's | Notes | Q2 2024 (unaudited) | Q2 2023 Restated* (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated* (unaudited) | FY 2023 (audited) |
|---|-------|------------------------|-------------------------------------|----------------------------|---|----------------------|
| Revenue | 4 | 39,751 | 44,237 | 80,224 | 98,659 | 169,476 |
| Cost of sales | | (18,866) | (19,313) | (40,976) | (49,337) | (82,726) |
| Gross profit | | 20,885 | 24,924 | 39,248 | 49,322 | 86,750 |
| Research and development costs | | (1,542) | (1,434) | (3,059) | (2,985) | (6,069) |
| Other operating costs | | (9,862) | (12,203) | (20,352) | (23,771) | (45,157) |
| Share of profit/(loss) of equity-accounted investees, net of tax | | 667 | - | 985 | 56 | (32) |
| Adjusted EBITDA² | | 10,148 | 11,287 | 16,822 | 22,622 | 35,492 |
| Exceptional - restructuring, acquisition and disposal related items | 6 | (1,962) | (1,716) | (2,479) | (2,688) | (3,904) |
| EBITDA¹ | | 8,186 | 9,571 | 14,343 | 19,934 | 31,588 |
| Depreciation and impairment | | (3,318) | (4,475) | (9,567) | (9,014) | (18,409) |
| Amortisation and impairment | | (4,221) | (4,410) | (8,489) | (9,912) | (18,495) |
| Operating (loss)/profit | | 647 | 686 | (3,713) | 1,008 | (5,316) |
| Finance cost | 7 | (3,201) | (3,214) | (6,497) | (10,335) | (15,048) |
| Finance income | 7 | 1,884 | 791 | 2,349 | 8,143 | 7,670 |
| Loss before taxation | | (670) | (1,737) | (7,861) | (1,184) | (12,694) |
| Tax on loss | 8 | (477) | (704) | (910) | (1,483) | (3,365) |
| Loss from continuing operations | | (1,147) | (2,441) | (8,771) | (2,667) | (16,059) |
| Discontinued operations | | | | | | |
| Loss from discontinued operations, net of tax | 5 | - | (279) | - | (732) | (5,505) |
| | | (1,147) | (2,720) | (8,771) | (3,399) | (21,564) |
| Loss for the year attributable to: | | | | | | |
| - Owners of the parent | | (1,321) | (2,858) | (8,948) | (4,141) | (23,146) |
| - Non-controlling interest | | 174 | 138 | 177 | 742 | 1,582 |
| | | (1,147) | (2,720) | (8,771) | (3,399) | (21,564) |
| Earnings per share | | | | | | |
| Basic loss per share (pence) | 9 | (0.18) | (0.40) | (1.21) | (0.57) | (3.16) |
| Diluted loss per share (pence) | 9 | (0.18) | (0.40) | (1.21) | (0.57) | (3.16) |
| Earnings per share - continuing operations | | | | | | |
| Basic loss per share (pence) | 9 | (0.18) | (0.36) | (1.21) | (0.47) | (2.41) |
| Diluted loss per share (pence) | 9 | (0.18) | (0.36) | (1.21) | (0.47) | (2.41) |
| Adjusted EBITDA from continuing operations | | 10,148 | 11,287 | 16,822 | 22,622 | 35,492 |
| Adjusted EBITDA from discontinued operations | 5 | - | (194) | - | (562) | (1,254) |
| Total Adjusted EBITDA | | 10,148 | 11,093 | 16,822 | 22,060 | 34,238 |

1 EBITDA – Earnings before interest, tax, depreciation, amortisation, and impairment

2 Adjusted EBITDA – EBITDA before exceptional items including acquisition related items

* Q2 2023 numbers have been restated to reflect certain operations of the Group that have been classified as discontinued operations during the period in line with IFRS 5. (See Note 5).

Benchmark Holdings plc

Consolidated Statement of Comprehensive Income for the period ended 31 March 2024

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 Restated (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated (unaudited) | FY 2023 (audited) |
|--|------------------------|------------------------------------|----------------------------|--|----------------------|
| Loss for the period | (1,147) | (2,720) | (8,771) | (3,399) | (21,564) |
| Other comprehensive income Items that are or may be reclassified subsequently to profit or loss | | | | | |
| Foreign exchange translation differences | (3,579) | (5,973) | (10,992) | (24,013) | (23,475) |
| Cash flow hedges - changes in fair value | (1,455) | 217 | (2,345) | (299) | (2,123) |
| Cash flow hedges - reclassified to profit or loss | 1,494 | (179) | 1,614 | (292) | 2,623 |
| Total comprehensive income for the period | (4,687) | (8,655) | (20,494) | (28,003) | (44,539) |
| Total comprehensive income for the period attributable to: | | | | | |
| - Owners of the parent | (4,596) | (8,295) | (20,337) | (28,046) | (45,404) |
| - Non-controlling interest | (92) | (360) | (158) | 43 | 865 |
| | (4,688) | (8,655) | (20,495) | (28,003) | (44,539) |
| Total comprehensive income for the period attributable to owners of the parent: | | | | | |
| - Continuing operations | (4,596) | (7,954) | (20,337) | (27,048) | (39,777) |
| - Discontinued operations* | - | (341) | - | (998) | (5,627) |
| | (4,596) | (8,295) | (20,337) | (28,046) | (45,404) |

* Total comprehensive income for the period relating to discontinued operations for Q2 2024 includes the loss of £nil (Q2 2023: £279,000) and foreign exchange loss of £nil (Q2 2023: £62,000). FY23 includes the loss of £5,505,000 and foreign exchange loss of £122,000.

The accompanying notes are an integral part of this consolidated financial information.

Benchmark Holdings plc

Consolidated Balance Sheet as at 31 March 2024

| All figures in £000's | Notes | 31 March 2024 (unaudited) | 31 March 2023 (unaudited) | 30 September 2023 (audited) |
|---|-------|------------------------------|------------------------------|-----------------------------------|
| Assets | | | | |
| Property, plant and equipment | | 68,525 | 76,414 | 73,411 |
| Right-of-use assets | | 16,717 | 22,365 | 19,804 |
| Intangible assets | | 190,861 | 215,077 | 206,077 |
| Equity-accounted investees | | 4,538 | 3,136 | 3,558 |
| Other investments | | 1 | 14 | 14 |
| Biological and agricultural assets | | 18,547 | 20,605 | 18,406 |
| Non-current assets | | 299,189 | 337,611 | 321,270 |
| Inventories | | 22,790 | 27,129 | 25,269 |
| Biological and agricultural assets | | 25,132 | 22,550 | 27,586 |
| Trade and other receivables | | 54,589 | 48,433 | 59,795 |
| Cash and cash equivalents | | 20,759 | 38,647 | 36,525 |
| | | 123,270 | 136,759 | 149,175 |
| Assets held for sale | 10 | - | - | 850 |
| Current assets | | 123,270 | 136,759 | 150,025 |
| Total assets | | 422,459 | 474,370 | 471,295 |
| Liabilities | | | | |
| Trade and other payables | | (30,326) | (29,723) | (47,329) |
| Loans and borrowings | 11 | (17,292) | (22,115) | (20,045) |
| Corporation tax liability | | (4,583) | 8,413 | (6,422) |
| Provisions | | (1,843) | (1,574) | (1,280) |
| Current liabilities | | (54,044) | (61,825) | (75,076) |
| Loans and borrowings | 11 | (76,212) | (82,878) | (81,954) |
| Other payables | | (7,986) | (6,257) | (6,842) |
| Deferred tax | | (21,291) | (24,293) | (24,106) |
| Provisions | | - | - | (700) |
| Non-current liabilities | | (105,489) | (113,428) | (113,602) |
| Total liabilities | | (159,533) | (175,253) | (188,678) |
| Net assets | | 262,926 | 299,117 | 282,617 |
| Issued capital and reserves attributable to owners of the parent | | | | |
| Share capital | 12 | 739 | 739 | 739 |
| Additional paid-in share capital | 12 | 37,428 | 37,924 | 37,428 |
| Capital redemption reserve | | 5 | 5 | 5 |
| Retained earnings | | 175,344 | 201,962 | 183,489 |
| Hedging reserve | | (934) | (1,294) | (203) |
| Foreign exchange reserve | | 44,290 | 54,391 | 54,947 |
| Equity attributable to owners of the parent | | 256,872 | 293,727 | 276,405 |
| Non-controlling interest | | 6,054 | 5,390 | 6,212 |
| Total equity and reserves | | 262,926 | 299,117 | 282,617 |

The accompanying notes are an integral part of this consolidated financial information.

Benchmark Holdings plc

Consolidated Statement of Changes in Equity for the period ended 31 March 2024

| | Share capital £000 | Additional paid-in share capital £000 | Other reserves* £000 | Hedging reserve £000 | Retained earnings £000 | Total attributable to equity holders of parent £000 | Non-controlling interest £000 | Total equity £000 |
|---|-----------------------|--|-------------------------|-------------------------|---------------------------|--|----------------------------------|----------------------|
| As at 1 October 2023 (audited) | 739 | 37,428 | 54,952 | (203) | 183,489 | 276,405 | 6,212 | 282,617 |
| Comprehensive income/(loss) for the period | | | | | | | | |
| Profit/(loss) for the period | - | - | - | - | (8,949) | (8,949) | 177 | (8,772) |
| Other comprehensive income/(loss) | - | - | (10,657) | (731) | - | (11,388) | (335) | (11,723) |
| Total comprehensive income/(loss) for the period | - | - | (10,657) | (731) | (8,949) | (20,337) | (158) | (20,495) |
| Contributions by and distributions to owners | | | | | | | | |
| Share-based payment | - | - | - | - | 804 | 804 | - | 804 |
| Total contributions by and distributions to owners | - | - | - | - | 804 | 804 | - | 804 |
| Total changes in ownership interests | - | - | - | - | - | - | - | - |
| Total transactions with owners of the Company | - | - | - | - | 804 | 804 | - | 804 |
| As at 31 March 2024 (unaudited) | 739 | 37,428 | 44,295 | (934) | 175,344 | 256,872 | 6,054 | 262,926 |
| As at 1 October 2022 (audited) | 704 | 420,824 | 77,710 | (703) | (185,136) | 313,399 | 9,886 | 323,285 |
| Comprehensive income/(loss) for the period | | | | | | | | |
| Profit/(loss) for the period | - | - | - | - | (4,141) | (4,141) | 742 | (3,399) |
| Other comprehensive income/(loss) | - | - | (23,314) | (591) | - | (23,905) | (699) | (24,604) |
| Total comprehensive income/(loss) for the period | - | - | (23,314) | (591) | (4,141) | (28,046) | 43 | (28,003) |
| Contributions by and distributions to owners | | | | | | | | |
| Share issue | 35 | 12,985 | - | - | - | 13,020 | - | 13,020 |
| Share issue costs recognised through equity | - | (1,386) | - | - | - | (1,386) | - | (1,386) |
| Cancellation of part of share premium account | - | (394,235) | - | - | 394,235 | - | - | - |
| Share-based payment | - | - | - | - | 475 | 475 | - | 475 |
| Total contributions by and distributions to owners | 35 | (382,900) | - | - | 394,710 | 11,845 | - | 11,845 |
| Changes in ownership | | | | | | | | |
| Acquisition of NCI | - | - | - | - | (3,470) | (3,470) | (4,539) | (8,009) |
| Total changes in ownership interests | - | - | - | - | (3,470) | (3,470) | (4,539) | (8,009) |
| Total transactions with owners of the Company | 35 | (382,900) | - | - | 391,240 | 8,375 | (4,539) | 3,836 |
| As at 31 March 2023 (unaudited) | 739 | 37,924 | 54,396 | (1,294) | 201,963 | 293,728 | 5,390 | 299,118 |
| As at 1 October 2022 (audited) | 704 | 420,824 | 77,710 | (703) | (185,136) | 313,399 | 9,886 | 323,285 |
| Comprehensive income/(loss) for the period | | | | | | | | |
| Profit/(loss) for the period | - | - | - | - | (23,146) | (23,146) | 1,582 | (21,564) |
| Other comprehensive income/(loss) | - | - | (22,758) | 500 | - | (22,258) | (717) | (22,975) |
| Total comprehensive income/(loss) for the period | - | - | (22,758) | 500 | (23,146) | (45,404) | 865 | (44,539) |
| Contributions by and distributions to owners | | | | | | | | |
| Share issue | 35 | 12,985 | - | - | - | 13,020 | - | 13,020 |
| Share issue costs recognised through equity | - | (2,146) | - | - | - | (2,146) | - | (2,146) |
| Cancellation of part of share premium account | - | (394,235) | - | - | 394,235 | - | - | - |
| Share-based payment | - | - | - | - | 1,006 | 1,006 | - | 1,006 |
| Total contributions by and distributions to owners | 35 | (383,396) | - | - | 395,241 | 11,880 | - | 11,880 |
| Changes in ownership | | | | | | | | |
| Acquisition of NCI | - | - | - | - | (3,470) | (3,470) | (4,539) | (8,009) |
| Total changes in ownership interests | - | - | - | - | (3,470) | (3,470) | (4,539) | (8,009) |
| Total transactions with owners of the Company | 35 | (383,396) | - | - | 391,771 | 8,410 | (4,539) | 3,871 |
| As at 30 September 2023 (audited) | 739 | 37,428 | 54,952 | (203) | 183,489 | 276,405 | 6,212 | 282,617 |

*Other reserves in this statement is an aggregation of capital redemption reserve and foreign exchange reserve.

Benchmark Holdings plc

Consolidated Statement of Cash Flows for the period ended 31 March 2024

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited) | FY 2023 (audited) |
|---|------------------------|------------------------|----------------------------|----------------------------|----------------------|
| Cash flows from operating activities | | | | | |
| Loss for the period | (1,148) | (2,720) | (8,772) | (3,399) | (21,564) |
| Adjustments for: | | | | | |
| Depreciation and impairment of property, plant and equipment | 2,098 | 2,215 | 5,067 | 4,248 | 8,453 |
| Depreciation and impairment of right-of-use assets | 1,220 | 2,336 | 4,500 | 4,918 | 10,260 |
| Amortisation and impairment of intangible fixed assets | 4,221 | 4,410 | 8,489 | 9,912 | 18,495 |
| (Profit)/loss on sale of property, plant and equipment | (231) | 1 | (226) | (36) | (121) |
| Loss on sale of discontinued operation | - | - | - | - | 3,774 |
| Finance income | (76) | (292) | (286) | (320) | (2,802) |
| Finance costs | 2,710 | 2,028 | 5,395 | 1,715 | 10,535 |
| Loss on disposal of investments in joint ventures | - | - | (42) | - | - |
| Share of (profit)/loss of equity-accounted investees, net of tax | (667) | 1 | (985) | (55) | 32 |
| Foreign exchange gains | (1,079) | (1,365) | (334) | (1,104) | (1,814) |
| Share-based payment expense | 552 | 176 | 804 | 475 | 1,005 |
| Tax expense | 477 | 703 | 910 | 1,482 | 3,365 |
| Decrease/(increase) in trade and other receivables | 1,151 | 2,060 | 2,342 | 6,071 | (6,570) |
| Decrease in inventories | 1,177 | 946 | 1,747 | 2,517 | 2,877 |
| Decrease/(increase) in biological and agricultural assets | (695) | (2,401) | 118 | 893 | (1,659) |
| (Decrease)/Increase in trade and other payables | (2,564) | (4,040) | (15,957) | (13,673) | 3,909 |
| Decrease/(increase) in provisions | (1,010) | (4) | (1,003) | (13) | 386 |
| | 6,136 | 4,054 | 1,767 | 13,631 | 28,561 |
| Income taxes paid | (2,513) | (2,632) | (3,717) | (4,141) | (8,556) |
| Net cash flows generated from operating activities | 3,623 | 1,422 | (1,950) | 9,490 | 20,005 |
| Investing activities | | | | | |
| Acquisition of subsidiaries | - | - | - | - | (48) |
| Purchase of investments in associates | (143) | (244) | (143) | (307) | (558) |
| Receipts from disposal of subsidiaries, joint ventures, and other investments | - | - | 37 | - | 1,250 |
| Purchases of property, plant and equipment | (849) | (1,425) | (1,770) | (3,254) | (5,953) |
| Purchase of intangibles | (35) | (47) | (85) | (77) | (196) |
| Capitalised research and development costs | (32) | (143) | (94) | (197) | (632) |
| Cash advances and loans made to other parties | - | 415 | - | - | - |
| Proceeds from sale of fixed assets | 253 | 2 | 271 | 77 | 227 |
| Cash receipts from swap contracts | - | - | - | - | 11 |
| Interest received | 82 | 159 | 286 | 319 | 627 |
| Net cash flows used in investing activities | (724) | (1,283) | (1,498) | (3,439) | (5,272) |
| Financing activities | | | | | |
| Proceeds of share issues | - | - | - | 13,020 | 13,020 |
| Share-issue costs recognised through equity | - | (264) | - | (1,650) | (2,146) |
| Acquisition of minority interests in subsidiaries | - | (8,009) | - | (8,009) | (8,009) |
| Proceeds from bank or other borrowings, net of borrowing fees | (259) | 21,402 | (259) | 20,802 | 21,847 |
| Repayment of bank or other borrowings | (860) | (12,163) | (1,246) | (16,560) | (18,470) |
| Interest and finance charges paid | (2,257) | (1,871) | (4,507) | (4,082) | (9,131) |
| Repayments of lease liabilities | (2,514) | (2,489) | (5,368) | (4,689) | (9,438) |
| Net cash used in financing activities | (5,890) | (3,394) | (11,380) | (1,168) | (12,327) |
| Net increase/(decrease) in cash and cash equivalents | (2,991) | (3,255) | (14,828) | 4,883 | 2,406 |
| Cash and cash equivalents at beginning of period | 24,164 | 42,782 | 36,525 | 36,399 | 36,399 |
| Effect of movements in exchange rate | (414) | (880) | (938) | (2,635) | (2,280) |
| Cash and cash equivalents at end of period | 20,759 | 38,647 | 20,759 | 38,647 | 36,525 |

1. Basis of preparation

Benchmark Holdings plc (the 'Company') is a company incorporated and domiciled in the United Kingdom. These consolidated quarterly financial statements as at and for the six months ended 31 March 2024 comprises those of the Company and its subsidiaries (together referred to as the 'Group').

These consolidated quarterly financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006 and are unaudited. These financial statements do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. The Group's last annual statutory financial statements as at and for the year ended 30 September 2023 were prepared in accordance with (i) UK-adopted International Accounting Standards and (ii) IFRS adopted pursuant to Regulation (EC) No. 1606/2002 as it applied in the European Union ("Adopted IFRS") and are available from the Company's website at www.benchmarkplc.com.

The prior year comparatives are derived from audited financial information for Benchmark Holdings PLC Group as set out in the Annual Report and Accounts for the year ended 30 September 2023 and the unaudited financial information in the Quarterly Financial Report for the six months ended 31 March 2023. The comparative figures for the financial year ended 30 September 2023 are not the Company's statutory accounts for that financial year. Those accounts were approved by the Directors on 29 November 2023 and have been delivered to the Registrar of Companies. The audit report received on those accounts was (i) unqualified and (ii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Statement of Compliance

These consolidated quarterly financial statements have been prepared and approved by the Directors in accordance with UK and EU adopted IAS 34 'Interim Financial Reporting'. These financial statements do not include all of the information required for the full annual financial statements and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 30 September 2023. These consolidated quarterly financial statements were approved by the Board of Directors on 22 May 2024.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Management Report.

As at 31 March 2024 the Group had net assets of £262.9m (30 September 2023: £282.6m), including cash of £20.8m (30 September 2023: £36.5m) as set out in the consolidated balance sheet. The Group made a total loss for the period of £8.8m (year ended 30 September 2023: loss £21.6m).

As noted in the Management Report, the business experienced tough market conditions in the shrimp markets in FY23 which continued into the first quarter of FY24, but robust results in the second quarter are evidence of early signs of market recovery. Additionally, the Health and Genetics business areas both had good quarters and the group as a whole is trading in line with expectations for the full year.

The Directors have reviewed forecasts and cash flow projections for a period of at least 12 months including downside sensitivity assumptions in relation to trading performance across the Group to assess the impact on the Group's trading and cash flow forecasts and on the forecast compliance with the covenants included within the Group's financing arrangements.

In the downside analysis performed, the Directors considered severe but plausible scenarios on the Group's trading and cash flow forecasts, firstly in relation to continued roll out of the Ectosan®Vet and CleanTreat offering. Sensitivities considered included modelling slower ramp up of the commercialisation of Ectosan® Vet and CleanTreat® through delayed roll-out of the revised operating model for the service, together with reduction in medicine sales. Key downside sensitivities modelled in other areas included assumptions on slower commercialisation of SPR shrimp, slower salmon egg sales growth in Chile and removal of an additional financing opportunity within Genetics, along with sensitivity of lower sales growth from a possible slower recovery in the shrimp market in Advanced Nutrition. Mitigating measures within the control of management have been identified should they be required in response to these sensitivities, including reductions in areas of discretionary spend, tight control over new hires, deferral of capital projects and temporary hold on R&D for non-imminent products.

During the period on 26 March 2024 an additional facility of £7.5m was added to the existing RCF with an expiry date of 31 March 2025. The original £20m RCF term remains unaltered, ending on 27 June 2025. The Directors consider that adequate finance facilities are in place, and with financial instruments in place to fix interest rates and opportunities available to mitigate globally high inflation rates, the Group continues to show resilience against current global economic pressures.

The Board believes that the current share price materially undervalues the combined value of Benchmark's businesses and the long-term prospects of the Company. Consequently, the Board announced on 22 January 2024 the decision to undertake a formal review of the

Company's strategic options, which include a potential sale of the Company as a whole or of one or more of the individual business units. The sales process is ongoing, but there are currently no deals identified or underway and all parts of the business are operating as usual, so there is no impact on the Directors' assessment of going concern.

The Directors are therefore confident that even under all of the above sensitivity analysis and ongoing strategic review, the Group has sufficient liquidity and resources throughout the period under review whilst still maintaining adequate headroom against the borrowing covenants. They therefore remain confident that the Group has adequate resources to continue to meet its liabilities as and when they fall due within the period of 12 months from the date of approval of these financial statements. Based on their assessment, the Directors believe it remains appropriate to prepare the financial statements on a going concern basis.

2. Accounting policies

The accounting policies adopted are consistent with those used in preparing the consolidated financial statements for the financial year ended 30 September 2023.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total earnings.

Alternative performance measures ('APMs')

The Directors measure the performance of the Group based on a range of financial measures, including measures not recognised by UK or EU-adopted IFRS. These APMs may not be directly comparable with other companies' APMs, and the Directors do not intend these as a substitute for, or superior to, IFRS measures.

Directors have presented the performance measures Adjusted EBITDA, Adjusted Operating Profit, Adjusted Profit Before Tax and Adjusted EBITDA excluding fair value movement on biological assets because they monitor performance at a consolidated level using these and believe that these measures are relevant to an understanding of the Group's financial performance (see note 13). Furthermore, the Directors also refer to current period results using constant currency, which are derived by retranslating current period results using the prior year's foreign exchange rates.

Use of estimates and judgements

The preparation of quarterly financial information requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual amounts may differ from these estimates.

In preparing these quarterly financial statements the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 30 September 2023.

3. Segment information

Operating segments are reported in a manner consistent with the reports made to the chief operating decision maker. It is considered that the role of chief operating decision maker is performed by the Board of Directors.

The Group operates globally and for management purposes is organised into reportable segments based on the following business areas:

- *Genetics* - harnesses industry leading salmon breeding technologies combined with state-of-the-art production facilities to provide a range of year-round high genetic merit ova.
- *Advanced Nutrition* - manufactures and provides technically advanced nutrition and health products to the global aquaculture industry.
- *Health* - the segment provides health products and services to the global aquaculture market.

In order to reconcile the segmental analysis to the consolidated income statement, corporate and inter-segment sales are also shown. Corporate sales represent revenues earned from recharging certain central costs to the operating business areas, together with unallocated central costs.

Measurement of operating segment profit or loss

Inter-segment sales are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of Group resources at a rate acceptable to local tax authorities. This policy was applied consistently throughout the current and prior period.

3. Segment information (continued)

Reconciliations of segmental information to IFRS measures

| Segmental Revenue | | | | | |
|--------------------------|------------------------|-------------------------|----------------------------|-----------------------------|-----------------------|
| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 (unaudited)* | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited)* | FY 2023 (audited)* |
| Genetics | 13,231 | 13,042 | 28,395 | 34,481 | 65,791 |
| Advanced Nutrition | 21,130 | 22,644 | 40,413 | 45,324 | 78,503 |
| Health | 5,401 | 8,692 | 11,460 | 19,077 | 25,514 |
| Corporate | 1,349 | 1,436 | 2,698 | 2,873 | 5,747 |
| Inter-segment sales | (1,360) | (1,447) | (2,742) | (2,893) | (5,811) |
| Total | 39,751 | 44,367 | 80,224 | 98,862 | 169,744 |

| Segmental Adjusted EBITDA | | | | | |
|----------------------------------|------------------------|-------------------------|----------------------------|-----------------------------|-----------------------|
| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 (unaudited)* | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited)* | FY 2023 (audited)* |
| Genetics | 3,425 | 3,420 | 5,923 | 5,983 | 14,409 |
| Advanced Nutrition | 5,276 | 6,169 | 9,876 | 11,466 | 18,374 |
| Health | 1,636 | 2,583 | 2,206 | 6,650 | 4,772 |
| Corporate | (189) | (1,079) | (1,183) | (2,039) | (3,317) |
| Total | 10,148 | 11,093 | 16,822 | 22,060 | 34,238 |

| Reconciliation of Reportable Segments Adjusted EBITDA to Loss before taxation | | | | | |
|--|------------------------|-------------------------|----------------------------|-----------------------------|-----------------------|
| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 (unaudited)* | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited)* | FY 2023 (audited)* |
| Total reportable segment Adjusted EBITDA | 10,337 | 12,172 | 18,005 | 24,099 | 37,555 |
| Corporate Adjusted EBITDA | (189) | (1,079) | (1,183) | (2,039) | (3,317) |
| Adjusted EBITDA | 10,148 | 11,093 | 16,822 | 22,060 | 34,238 |
| Exceptional - restructuring, acquisition and disposal related items | (1,962) | (1,716) | (2,479) | (2,688) | (7,817) |
| Depreciation and impairment | (3,318) | (4,551) | (9,567) | (9,166) | (18,713) |
| Amortisation and impairment | (4,221) | (4,410) | (8,489) | (9,912) | (18,495) |
| Net finance costs | (1,317) | (2,432) | (4,148) | (2,210) | (7,412) |
| Loss before taxation | (670) | (2,016) | (7,861) | (1,916) | (18,199) |

Reconciliation of segmental information to IFRS measures – Revenue and Loss before tax

| Revenue | | | | | |
|--|------------------------|-------------------------|----------------------------|-----------------------------|----------------------|
| | Q2 2024 (unaudited) | Q2 2023 (unaudited)* | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited)* | FY 2023 (audited) |
| Total revenue per segmental information | 39,751 | 44,367 | 80,224 | 98,862 | 169,744 |
| Less: revenue from discontinued operations | - | (130) | - | (203) | (268) |
| Consolidated revenue | 39,751 | 44,237 | 80,224 | 98,659 | 169,476 |

| Loss before tax | | | | | |
|--|------------------------|-------------------------|----------------------------|-----------------------------|----------------------|
| | Q2 2024 (unaudited) | Q2 2023 (unaudited)* | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited)* | FY 2023 (audited) |
| Profit/(loss) before tax per segmental information | (670) | (2,016) | (7,861) | (1,916) | (18,199) |
| Less: loss before tax from discontinued operations | - | 279 | - | 732 | 5,505 |
| Consolidated Profit/(loss) before tax | (670) | (1,737) | (7,861) | (1,184) | (12,694) |

* Results include discontinued operations, see note 5 for further detail

Unaudited notes to the quarterly financial statements for the period ended 31 March 2024

4. Revenue

The Group's operations and main revenue streams are those described in its financial statements to 30 September 2023. The Group's revenue is derived from contracts with customers.

Disaggregation of revenue

In the following tables, revenue is disaggregated by primary geographical market and by sales of goods and services. The table includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see note 3).

Sale of goods and provision of services

3 months ended 31 March 2024

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|--------|--------------|------------|
| Sale of goods | 12,687 | 21,087 | 4,624 | - | - | 38,398 | - | 38,398 |
| Provision of services | 542 | 34 | 777 | - | - | 1,353 | - | 1,353 |
| Inter-segment sales | 2 | 9 | - | 1,349 | (1,360) | - | - | - |
| | 13,231 | 21,130 | 5,401 | 1,349 | (1,360) | 39,751 | - | 39,751 |

3 months ended 31 March 2023

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|--------|--------------|------------|
| Sale of goods | 11,083 | 22,635 | 6,115 | - | - | 39,833 | 130 | 39,703 |
| Provision of services | 1,957 | - | 2,577 | - | - | 4,534 | - | 4,534 |
| Inter-segment sales | 2 | 9 | - | 1,436 | (1,447) | - | - | - |
| | 13,042 | 22,644 | 8,692 | 1,436 | (1,447) | 44,367 | 130 | 44,237 |

6 months ended 31 March 2024

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|--------|--------------|------------|
| Sale of goods | 27,529 | 40,341 | 9,083 | - | - | 76,953 | - | 76,953 |
| Provision of services | 860 | 34 | 2,377 | - | - | 3,271 | - | 3,271 |
| Inter-segment sales | 6 | 38 | - | 2,698 | (2,742) | - | - | - |
| | 28,395 | 40,413 | 11,460 | 2,698 | (2,742) | 80,224 | - | 80,224 |

6 months ended 31 March 2023

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|--------|--------------|------------|
| Sale of goods | 32,204 | 45,307 | 13,564 | - | - | 91,075 | 203 | 90,872 |
| Provision of services | 2,274 | - | 5,513 | - | - | 7,787 | - | 7,787 |
| Inter-segment sales | 3 | 17 | - | 2,873 | (2,893) | - | - | - |
| | 34,481 | 45,324 | 19,077 | 2,873 | (2,893) | 98,862 | 203 | 98,659 |

12 months ended 30 September 2023

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|---------|--------------|------------|
| Sale of goods | 61,372 | 78,449 | 17,707 | - | - | 157,528 | 268 | 157,260 |
| Provision of services | 4,409 | - | 7,807 | - | - | 12,216 | - | 12,216 |
| Inter-segment sales | 10 | 54 | - | 5,747 | (5,811) | - | - | - |
| | 65,791 | 78,503 | 25,514 | 5,747 | (5,811) | 169,744 | 268 | 169,476 |

Benchmark Holdings plc

Unaudited notes to the quarterly financial statements for the period ended 31 March 2024

4. Revenue (continued)

Primary geographical markets

3 months ended 31 March 2024

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|--------|--------------|------------|
| Norway | 6,873 | 138 | 2,348 | - | - | 9,359 | - | 9,359 |
| Vietnam | - | 3,071 | - | - | - | 3,071 | - | 3,071 |
| India | - | 2,572 | - | - | - | 2,572 | - | 2,572 |
| Iceland | 1,478 | - | - | - | - | 1,478 | - | 1,478 |
| Ecuador | 8 | 1,733 | - | - | - | 1,741 | - | 1,741 |
| Canada | 35 | 40 | 2,470 | - | - | 2,545 | - | 2,545 |
| Turkey | - | 2,317 | - | - | - | 2,317 | - | 2,317 |
| Indonesia | 66 | 853 | - | - | - | 919 | - | 919 |
| Faroe Islands | 1,238 | - | 70 | - | - | 1,308 | - | 1,308 |
| Greece | - | 1,711 | - | - | - | 1,711 | - | 1,711 |
| China | 92 | 743 | - | - | - | 835 | - | 835 |
| United Kingdom | 576 | 19 | 93 | - | - | 688 | - | 688 |
| Chile | 2,009 | - | 420 | - | - | 2,429 | - | 2,429 |
| Rest of Europe | 317 | 1,759 | - | - | - | 2,076 | - | 2,076 |
| Rest of World | 537 | 6,165 | - | - | - | 6,702 | - | 6,702 |
| Inter-segment sales | 2 | 9 | - | 1,349 | (1,360) | - | - | - |
| | 13,231 | 21,130 | 5,401 | 1,349 | (1,360) | 39,751 | - | 39,751 |

3 months ended 31 March 2023

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|--------|--------------|------------|
| Norway | 6,177 | 252 | 6,157 | - | - | 12,587 | - | 12,587 |
| Vietnam | - | 2,330 | - | - | - | 2,330 | - | 2,330 |
| India | - | 2,822 | - | - | - | 2,822 | - | 2,822 |
| Iceland | 1,184 | - | - | - | - | 1,184 | - | 1,184 |
| Ecuador | 9 | 1,832 | - | - | - | 1,841 | - | 1,841 |
| Canada | 30 | 37 | 2,328 | - | - | 2,395 | - | 2,395 |
| Turkey | - | 2,528 | - | - | - | 2,528 | - | 2,528 |
| Indonesia | 130 | 418 | - | - | - | 548 | - | 548 |
| Faroe Islands | 2,224 | - | 119 | - | - | 2,343 | - | 2,343 |
| Greece | - | 2,002 | - | - | - | 2,002 | - | 2,002 |
| China | 152 | 1,155 | - | - | - | 1,307 | - | 1,307 |
| United Kingdom | 814 | 8 | - | - | - | 822 | - | 822 |
| Chile | 1,121 | 9 | 88 | - | - | 1,218 | - | 1,218 |
| Rest of Europe | 474 | 1,716 | - | - | - | 2,190 | - | 2,190 |
| Rest of World | 725 | 7,526 | - | - | - | 8,250 | 130 | 8,120 |
| Inter-segment sales | 2 | 9 | - | 1,436 | (1,447) | - | - | - |
| | 13,042 | 22,644 | 8,692 | 1,436 | (1,447) | 44,367 | 130 | 44,237 |

4. Revenue (continued)

Primary geographical markets (continued)

6 months ended 31 March 2024

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|--------|--------------|------------|
| Norway | 16,430 | 449 | 7,157 | - | - | 24,036 | - | 24,036 |
| Vietnam | - | 4,706 | - | - | - | 4,706 | - | 4,706 |
| India | - | 6,735 | - | - | - | 6,735 | - | 6,735 |
| Iceland | 2,711 | - | - | - | - | 2,711 | - | 2,711 |
| Ecuador | 40 | 3,222 | - | - | - | 3,262 | - | 3,262 |
| Canada | 95 | 62 | 2,612 | - | - | 2,769 | - | 2,769 |
| Turkey | 9 | 4,215 | - | - | - | 4,224 | - | 4,224 |
| Indonesia | 158 | 2,135 | - | - | - | 2,293 | - | 2,293 |
| Faroe Islands | 2,710 | - | 502 | - | - | 3,212 | - | 3,212 |
| Greece | - | 3,659 | - | - | - | 3,659 | - | 3,659 |
| China | 190 | 1,245 | - | - | - | 1,435 | - | 1,435 |
| United Kingdom | 1,350 | 26 | 146 | - | - | 1,522 | - | 1,522 |
| Chile | 2,993 | - | 1,043 | - | - | 4,036 | - | 4,036 |
| Rest of Europe | 699 | 3,415 | - | - | - | 4,114 | - | 4,114 |
| Rest of World | 1,004 | 10,506 | - | - | - | 11,510 | - | 11,510 |
| Inter-segment sales | 6 | 38 | - | 2,698 | (2,742) | - | - | - |
| | 28,395 | 40,413 | 11,460 | 2,698 | (2,742) | 80,224 | - | 80,224 |

6 months ended 31 March 2023

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing | |
|-----------------------|----------|--------------------|--------|-----------|---------------------|---------|--------------|------------|--------|
| Norway | 23,061 | 342 | 14,452 | - | - | 37,855 | - | 37,855 | |
| Vietnam | - | 5,025 | - | - | - | 5,025 | - | 5,025 | |
| India | - | 7,025 | - | - | - | 7,025 | - | 7,025 | |
| Iceland | 2,972 | - | - | - | - | 2,972 | - | 2,972 | |
| Ecuador | 29 | 3,572 | - | - | - | 3,601 | - | 3,601 | |
| Canada | 55 | 58 | 3,893 | - | - | 4,006 | - | 4,006 | |
| Turkey | 2 | 4,732 | - | - | - | 4,734 | - | 4,734 | |
| Indonesia | 338 | 2,109 | - | - | - | 2,447 | - | 2,447 | |
| Faroe Islands | 3,319 | - | 348 | - | - | 3,667 | - | 3,667 | |
| Greece | - | 4,271 | - | - | - | 4,271 | - | 4,271 | |
| China | 152 | 2,991 | - | - | - | 3,143 | - | 3,143 | |
| United Kingdom | 1,551 | 27 | 42 | - | - | 1,620 | - | 1,620 | |
| Chile | 1,133 | 11 | 342 | - | - | 1,486 | - | 1,486 | |
| Rest of Europe | 770 | 3,338 | - | - | - | 4,108 | - | 4,108 | |
| Rest of World | 1,096 | 11,806 | - | - | - | 12,902 | 203 | 12,699 | |
| Inter-segment sales | 3 | 17 | - | 2,873 | (2,893) | - | - | - | |
| | - | 34,481 | 45,324 | 19,077 | 2,873 | (2,893) | 98,862 | 203 | 98,659 |

4. Revenue (continued)

Primary geographical markets (continued)

12 months ended 30 September 2023

| All figures in £000's | Genetics | Advanced Nutrition | Health | Corporate | Inter-segment sales | Total | Discontinued | Continuing |
|-----------------------|----------|--------------------|--------|-----------|---------------------|---------|--------------|------------|
| Norway | 39,008 | 899 | 19,596 | - | - | 59,503 | - | 59,503 |
| Vietnam | - | 11,087 | - | - | - | 11,087 | - | 11,087 |
| India | - | 9,743 | - | - | - | 9,743 | - | 9,743 |
| Iceland | 7,343 | - | - | - | - | 7,343 | - | 7,343 |
| Ecuador | 38 | 7,257 | - | - | - | 7,295 | - | 7,295 |
| Canada | 3,071 | 96 | 4,032 | - | - | 7,199 | - | 7,199 |
| Turkey | 93 | 7,009 | - | - | - | 7,102 | - | 7,102 |
| Indonesia | 637 | 4,099 | - | - | - | 4,736 | - | 4,736 |
| Faroe Islands | 6,160 | - | 718 | - | - | 6,878 | - | 6,878 |
| Greece | - | 6,759 | - | - | - | 6,759 | - | 6,759 |
| China | 327 | 4,502 | - | - | - | 4,829 | - | 4,829 |
| United Kingdom | 3,957 | 85 | 177 | - | - | 4,219 | - | 4,219 |
| Chile | 1,824 | 12 | 991 | - | - | 2,827 | - | 2,827 |
| Rest of Europe | 1,470 | 4,879 | - | - | - | 6,349 | - | 6,349 |
| Rest of World | 1,853 | 22,022 | - | - | - | 23,875 | 268 | 23,607 |
| Inter-segment sales | 10 | 54 | - | 5,747 | (5,811) | - | - | - |
| | 65,791 | 78,503 | 25,514 | 5,747 | (5,811) | 169,744 | 268 | 169,476 |

5. Discontinued activities

During FY23, the group divested its tilapia business for consideration of USD 1 in a management buy out. Consequently, these operations were classified as discontinued in the prior year and a restatement of the consolidated income statement for the period ended 31 March 2024 has been made to reflect these changes.

Summary of restatement of Q2 FY23 results as reported in Q2 FY24 financial statements

| All figures in £000's | Continuing operations | | Discontinued operations | |
|---|-----------------------|-----------------|---------------------------------|-----------------------------------|
| | Revenue | Adjusted EBITDA | Loss from continuing operations | Loss from discontinued operations |
| As stated in Q2 FY23 financial statements | 98,862 | 22,060 | (3,399) | - |
| Reclassified in Q1 | (73) | 368 | 453 | (453) |
| Reclassified in Q2 | (130) | 194 | 279 | (279) |
| As stated in Q2 FY24 financial statements | 98,659 | 22,622 | (2,667) | (732) |

Results from discontinued operations

| | Q2 FY24 £000 | Q2 FY23 £000 | YTD Q2 FY24 £000 | YTD Q2 FY23 £000 | FY23 £000 |
|---|-----------------|-----------------|---------------------|---------------------|--------------|
| Revenue | - | 130 | - | 203 | 268 |
| Cost of sales | - | (236) | - | (480) | (973) |
| Gross profit | - | (106) | - | (277) | (705) |
| Research and development costs | - | (1) | - | (13) | (59) |
| Other operating costs | - | (87) | - | (272) | (490) |
| Share of profit of equity-accounted investees, net of tax | - | - | - | - | - |
| Adjusted EBITDA | - | (194) | - | (562) | (1,254) |
| Exceptional loss on disposal | - | - | - | - | (3,913) |
| EBITDA | - | (194) | - | (562) | (5,167) |
| Depreciation and impairment | - | (76) | - | (152) | (304) |
| Amortisation and impairment | - | - | - | - | - |
| Operating loss / Loss before taxation | - | (270) | - | (714) | (5,471) |
| Net finance costs | - | (9) | - | (18) | (34) |
| Loss before taxation | - | (279) | - | (732) | (5,505) |
| Tax on loss | - | - | - | - | - |
| Loss from discontinued operations | - | (279) | - | (732) | (5,505) |

Exceptional items within discontinued operations

| | Q2 FY24 £000 | Q2 FY23 £000 | YTD Q2 FY24 £000 | YTD Q2 FY23 £000 | FY23 £000 |
|---|-----------------|-----------------|---------------------|---------------------|--------------|
| Profit/(loss) on disposal of subsidiaries | - | - | - | - | 3,774 |
| Profit/(loss) on other asset disposals | - | - | - | - | 139 |
| Total exceptional recognised | - | - | - | - | 3,913 |

Results from discontinued operations by segment

The results from discontinued operations relate solely to the Genetics operating segment.

Unaudited notes to the quarterly financial statements for the period ended 31 March 2024

6. Exceptional items from continuing operations – restructuring/acquisition and disposal related items

Items that are material because of their size or nature, are non-recurring and whose significance is sufficient to warrant separate disclosure and identification within the consolidated financial statements are referred to as exceptional items. The separate reporting of exceptional items helps to provide an understanding of the Group's underlying performance.

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited) | FY 2023 (audited) |
|---------------------------------|------------------------|------------------------|----------------------------|----------------------------|----------------------|
| Acquisition related items | - | - | - | - | 652 |
| Exceptional restructuring costs | 2,139 | 1,716 | 2,656 | 2,688 | 3,470 |
| Disposal related items | (177) | - | (177) | - | (218) |
| Total exceptional items | 1,962 | 1,716 | 2,479 | 2,688 | 3,904 |

Exceptional restructuring costs in the quarter include £1,782,000 (Q2 2023: £nil) relating to the formal review of the Company's strategic options and potential sale of all or parts of the group, and other restructuring costs of £357,000 (Q2 2023: £50,000). In the year to date, the costs of the strategic review were £1,782,000 (YTD Q2 2023: £nil; FY 2023: £nil) and other restructuring costs were £357,000 (YTD Q2 2023: £135,000; FY 2023: £872,000). Additionally in the prior year, exceptional restructuring costs were incurred on legal and professional expenses in relation to preparing for listing the Group on the Oslo stock exchange, and these were £1,666,000 in Q2 2023 (YTD Q2 2023: £2,553,000; FY 2023: £2,598,000).

Disposal related items is a gain of £177,000 from sale of equipment left over from an old business disposed of in a prior year. In FY23 there was a credit of £235,000 for additional contingent consideration received relating to the disposal of a subsidiary in a prior year, which was offset by £17,000 of other disposal related costs.

In FY23 acquisition related items comprise fees incurred in the year in connection with an aborted acquisition.

7. Net finance costs from continuing operations

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 Restated (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated (unaudited) | FY 2023 (audited) |
|--|------------------------|------------------------------------|----------------------------|--|----------------------|
| Interest received on bank deposits | 76 | 163 | 286 | 323 | 627 |
| Foreign exchange gains on financing activities | - | - | - | - | 158 |
| Foreign exchange gains on operating activities | 1,808 | 499 | 2,063 | 5,169 | 4,709 |
| Cash flow hedges - ineffective portion of changes in fair value | - | 129 | - | 2,651 | 2,176 |
| Finance income | 1,884 | 791 | 2,349 | 8,143 | 7,670 |
| Leases (interest portion) | (353) | (527) | (689) | (873) | (1,620) |
| Foreign exchange losses on operating activities | (491) | (1,195) | (1,102) | (5,961) | (4,547) |
| Interest expense on financial liabilities measured at amortised cost | (2,357) | (1,491) | (4,706) | (3,501) | (8,881) |
| Finance costs | (3,201) | (3,214) | (6,497) | (10,335) | (15,048) |
| Net finance costs recognised in profit or loss | (1,317) | (2,423) | (4,148) | (2,192) | (7,378) |

Benchmark Holdings plc

Unaudited notes to the quarterly financial statements for the period ended 31 March 2024

8. Taxation

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited) | FY 2023 (audited) |
|--|------------------------|------------------------|----------------------------|----------------------------|----------------------|
| Analysis of charge in period | | | | | |
| Current tax: | | | | | |
| Current income tax expense on profits for the period | 1,307 | 997 | 2,626 | 2,835 | 6,178 |
| Adjustment in respect of prior periods | - | - | - | - | (880) |
| Total current tax charge | 1,307 | 997 | 2,626 | 2,835 | 5,298 |
| Deferred tax: | | | | | |
| Origination and reversal of temporary differences | (830) | (293) | (1,716) | (1,352) | (1,933) |
| Total deferred tax charge/(credit) | (830) | (293) | (1,716) | (1,352) | (1,933) |
| | | | | - | - |
| Total tax charge | 477 | 704 | 910 | 1,483 | 3,365 |

9. Loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

| | Q2 2024 (unaudited) | Q2 2023 Restated (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated (unaudited) | FY 2023 (audited) |
|---|------------------------|------------------------------------|----------------------------|--|----------------------|
| Loss attributable to equity holders of the parent (£000) | | | | | |
| Continuing operations | (1,321) | (2,579) | (8,948) | (3,409) | (17,641) |
| Discontinued operations | - | (279) | - | (732) | (5,505) |
| Total | (1,321) | (2,858) | (8,948) | (4,141) | (23,146) |
| Weighted average number of shares in issue (thousands) | | | | | |
| | 739,464 | 723,173 | 739,480 | 724,505 | 731,935 |
| Basic loss per share (pence) | | | | | |
| Continuing operations | (0.18) | (0.36) | (1.21) | (0.47) | (2.41) |
| Discontinued operations | - | (0.04) | - | (0.10) | (0.75) |
| Total | (0.18) | (0.40) | (1.21) | (0.57) | (3.16) |

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. This is done by calculating the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options and warrants. The number of shares calculated above is compared with the number of shares that would have been issued assuming the exercise of the share options and warrants.

Therefore, the Company is required to adjust the earnings per share calculation in relation to the share options that are in issue under the Company's share-based incentive schemes, and outstanding warrants. However, as any potential ordinary shares would be anti-dilutive due to losses being made there is no difference between Basic loss per share and Diluted loss per share for any of the periods being reported.

Benchmark Holdings plc

Unaudited notes to the quarterly financial statements for the period ended 31 March 2024

A total of 14,056,643 potential ordinary shares have not been included within the calculation of statutory diluted loss per share for the year (30 September 2023: 8,948,132 and 31 March 2023: 4,312,880). These potential ordinary shares could dilute earnings/loss per share in the future.

10. Assets held for sale

During 2022, management committed to sell certain property, plant and equipment held within the Health business area. The property concerned is no longer required by the business and the decision was made to sell. The market value of the property fell during the period and a further impairment charge of £200,000 has been incurred to write the asset down to its current market value of £300,000 (30 September 2023: £850,000). The property was sold for £300,000 on 28 March 2024.

There were no liabilities directly associated with the assets held for sale.

| Assets held for sale | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited) | FY 2023 (audited) |
|-----------------------------------|----------------------------|----------------------------|----------------------|
| All figures in £000's | | | |
| Property, plant and equipment | - | - | 850 |
| Total Assets held for sale | - | - | 850 |

11. Loans and borrowings

| All figures in £000's | YTD Q2 2024 (unaudited) | YTD Q2 2023 (unaudited) | FY 2023 (audited) |
|-----------------------------------|----------------------------|----------------------------|----------------------|
| Non-Current | | | |
| 2025 750m NOK Loan notes | 54,914 | 56,756 | 57,604 |
| Bank borrowings | 14,808 | 16,974 | 16,799 |
| Unamortised debt issue costs | (373) | - | (742) |
| Lease liabilities | 6,863 | 9,148 | 8,293 |
| | 76,212 | 82,878 | 81,954 |
| Current | | | |
| Bank borrowings | 9,257 | 9,421 | 9,320 |
| Unamortised debt issue costs | (1,048) | - | (842) |
| Lease liabilities | 9,083 | 12,694 | 11,567 |
| | 17,292 | 22,115 | 20,045 |
| Total loans and borrowings | 93,504 | 104,993 | 101,999 |

The Group has an unsecured floating rate listed green bond of NOK 750m in issue. The bond which matures in September 2025, has a coupon of three-month NIBOR + 6.50% p.a. with quarterly interest payments, and is listed on the Oslo Stock Exchange.

The Group has a secured GBP 20m RCF provided by DNB Bank ASA, maturing on 27 June 2025. This facility was extended on the same terms in March 2024 by GBP 7.5m, to a total facility of GBP 27.5m, with the GBP 7.5m extension maturing on 27 March 2025. The margin on this combined facility is a minimum of 2.75% and a maximum of 3.25%, dependent upon the leverage of the Group above the relevant risk-free reference or IBOR rates depending on which currency is drawn. As at 31 March 2024 there was £19.75m undrawn.

Additionally, Benchmark Genetics Salten AS had the following loans (which are ring-fenced debt without recourse to the remainder of the Group) at 31 March 2024:

- term loan with Nordea Bank with a balance of NOK 164.3m, which has a maturity date of five years ending 15 January 2028 and an interest rate of 2.5% above three-month NIBOR.
- twelve month working capital facility of NOK 20.0m provided by Nordea Bank Norge Abp. This was undrawn at 31 March 2024
- term loan with a balance of NOK 33.2m provided by Innovasjon Norge. The loan is a 12-and-a-half year term loan maturing in March 2031. The interest rate on this loan at 31 March 2024 was 7.45%
- an additional 15-year term loan with a balance of NOK 9.7m provided by Innovasjon Norge and maturing in July 2038. The interest rate on this loan at 31 March 2024 was 6.6%
- a loan of NOK 15.5m provided by the minority shareholder Salten Stamfisk AS. The loan attracts interest at 2.5% above three month NIBOR and is repayable on maturity of the Nordea loan above.

12. Share capital and additional paid-in share capital

| Allotted, called up and fully paid | Number | Share Capital £000 | Additional paid-in share capital £000 |
|--|--------------------|-------------------------------|--|
| Ordinary shares of 0.1 pence each | | | |
| Balance at 30 September 2023 | 739,352,390 | 739 | 37,428 |
| Exercise of share options | 199,580 | - | - |
| Shares issued through placing and open offer | 34,576 | - | - |
| Balance at 31 March 2024 | 739,586,546 | 739 | 37,428 |

13. Alternative performance measures and other metrics

Management has presented the performance measures EBITDA, Adjusted EBITDA, Adjusted EBITDA before fair value movement in biological assets, Adjusted Operating Profit and Adjusted Profit Before Tax because it monitors performance at a consolidated level using these and believes that these measures are relevant to an understanding of the Group's financial performance.

Adjusted EBITDA which reflects underlying profitability, is earnings before interest, tax, depreciation, amortisation, impairment, and exceptional items and is shown on the Income Statement.

Adjusted EBITDA before fair value movements in biological assets, which is Adjusted EBITDA before the non-cash fair value movements in biological assets arising from their revaluation in line with International Accounting Standards.

Adjusted Operating Profit is operating loss before exceptional items and amortisation and impairment of intangible assets excluding development costs as reconciled below.

Adjusted Profit Before Tax is earnings before tax, amortisation and impairment of intangibles assets excluding development costs, and exceptional items as reconciled below. These measures are not defined performance measures in IFRS. The Group's definition of these measures may not be comparable with similarly titled performance measures and disclosures by other entities.

13. Alternative performance measures and other metrics (continued)

Reconciliation of Adjusted Operating Profit/(loss) to Operating Profit/(loss)

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 Restated (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated (unaudited) | FY 2023 (audited) |
|--|------------------------|------------------------------------|----------------------------|--|----------------------|
| Revenue | 39,751 | 44,237 | 80,224 | 98,659 | 169,476 |
| Cost of sales | (18,866) | (19,313) | (40,976) | (49,337) | (82,726) |
| Gross profit | 20,885 | 24,924 | 39,248 | 49,322 | 86,750 |
| Research and development costs | (1,542) | (1,434) | (3,059) | (2,985) | (6,069) |
| Other operating costs | (9,862) | (12,203) | (20,352) | (23,771) | (45,157) |
| Depreciation and impairment | (3,318) | (4,475) | (9,567) | (9,014) | (18,409) |
| Amortisation of capitalised development costs | (604) | (610) | (1,211) | (1,227) | (2,437) |
| Share of profit/(loss) of equity accounted investees net of tax | 667 | - | 985 | 56 | (32) |
| Adjusted operating profit | 6,226 | 6,202 | 6,044 | 12,381 | 14,646 |
| Exceptional - restructuring, acquisition and disposal related items | (1,962) | (1,716) | (2,479) | (2,688) | (3,904) |
| Amortisation and impairment of intangible assets excluding development costs | (3,617) | (3,800) | (7,278) | (8,685) | (16,058) |
| Operating profit/(loss) | 647 | 686 | (3,713) | 1,008 | (5,316) |

Reconciliation of Loss Before Taxation to Adjusted Profit Before Tax

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 Restated (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated (unaudited) | FY 2023 (audited) |
|--|------------------------|------------------------------------|----------------------------|--|----------------------|
| Loss before taxation | (670) | (1,737) | (7,861) | (1,184) | (12,694) |
| Exceptional - restructuring, acquisition and disposal related items | 1,962 | 1,716 | 2,479 | 2,688 | 3,904 |
| Amortisation and impairment of intangible assets excluding development costs | 3,617 | 3,800 | 7,278 | 8,685 | 16,058 |
| Adjusted profit before tax | 4,909 | 3,779 | 1,896 | 10,189 | 7,268 |

Other Metrics

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 Restated (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated (unaudited) | FY 2023 (audited) |
|--|------------------------|------------------------------------|----------------------------|--|----------------------|
| Total R&D Investment | | | | | |
| Research and development costs | | | | | |
| - Continuing operations | 1,542 | 1,434 | 3,059 | 2,985 | 6,069 |
| - Discontinued operations | - | 1 | - | 13 | 59 |
| Internal capitalised development costs | 32 | 144 | 94 | 197 | 632 |
| Total R&D investment | 1,574 | 1,579 | 3,153 | 3,195 | 6,760 |

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 Restated (unaudited) | YTD Q2 2024 (unaudited) | YTD Q2 2023 Restated (unaudited) | FY 2023 (audited) |
|---|------------------------|------------------------------------|----------------------------|--|----------------------|
| Adjusted EBITDA excluding fair value movement in biological assets | | | | | |
| Adjusted EBITDA | 10,148 | 11,287 | 16,822 | 22,622 | 35,492 |
| Exclude fair value movement | (287) | (1,401) | 506 | (247) | 103 |

Unaudited notes to the quarterly financial statements for the period ended 31 March 2024

| | | | | | |
|---|--------------|-------|---------------|--------|--------|
| Adjusted EBITDA excluding fair value movement in biological assets | 9,861 | 9,886 | 17,328 | 22,375 | 35,595 |
|---|--------------|-------|---------------|--------|--------|

13. Alternative performance measures and other metrics (continued)

Liquidity

A key financial covenant is a minimum liquidity of £10m, defined as cash plus undrawn facilities.

| All figures in £000's | Q2 2024 (unaudited) | Q2 2023 (unaudited) | FY 2023 (audited) |
|---------------------------|------------------------|------------------------|----------------------|
| Cash and cash equivalents | 20,759 | 38,647 | 36,525 |
| Undrawn bank facility | 19,750 | 12,110 | 12,250 |
| Total liquidity | 40,509 | 50,757 | 48,775 |

The undrawn bank facility relates to the RCF facility. At 31 March 2024, £7.75m of the RCF was drawn (31 March 2023: £7.89m, 30 September 2023: £7.75m), leaving £19.75m undrawn (31 March 2023: £12.11m, 30 September 2023: £12.25m).

14. Net debt

Net debt is cash and cash equivalents less loans and borrowings.

| All figures in £000's | 31 March 2024 (unaudited) | 31 March 2023 (unaudited) | 30 September 2023 (audited) |
|--|------------------------------|------------------------------|-----------------------------------|
| Cash and cash equivalents | 20,759 | 38,647 | 36,525 |
| Loans and borrowings (excluding lease liabilities) – current | (8,209) | (9,421) | (8,478) |
| Loans and borrowings (excluding lease liabilities) – non-current | (69,349) | (73,730) | (73,661) |
| Net debt excluding lease liabilities | (56,799) | (44,504) | (45,614) |
| Lease liabilities – current | (9,083) | (12,694) | (11,567) |
| Lease liabilities – non-current | (6,863) | (9,148) | (8,293) |
| Net debt | (72,745) | (66,346) | (65,474) |

We hereby confirm that the financial statements for the period from 1 October 2023 to 31 March 2024, to the best of our knowledge, have been prepared in accordance with IAS 34 – Interim Financial Reporting – and that the information in the accounts gives a true and fair view of the Group and of the Group’s assets, liabilities, financial position and overall results.

We also confirm that, to the best of our knowledge, the half-year report gives a true and fair view of the main events during the accounting period and their effect on the accounts for the second half year, as well as the principal risks and uncertainties, described below (which have remained unchanged from those disclosed in the Company Annual Report of FY23), facing the Company and the Group in the next accounting period.

This Statement was approved by the board of directors and signed on its behalf by:

Trond Williksen

(Chief Executive Officer)

Date: 22 May 2024

Principal risks and uncertainties

The Group's principal risks are categorised as either strategic, operational, financial or emerging risks and are developed through the Audit Committee and Board's review of the Group's risk register, performance of our businesses and analysis of emerging global trends.

Strategic risks

| Risks | Risk commentary | Risk mitigation and controls | Business Areas affected |
|--|---|--|---|
| Competition and loss of competitive advantage | <ul style="list-style-type: none"> Falling behind competitors with the development and commercialisation of new, innovative products. Threat to market share and revenues. | <ul style="list-style-type: none"> Innovative development focus and strong pipeline of products. Intellectual Property ("IP") protection including patents. Strong customer relationships with key account structure. | Advanced Nutrition, Health and Genetics |
| Reliance on continued success of existing products | <ul style="list-style-type: none"> The Group is currently exposed to risk by limited diversity of revenue streams. Risks associated with legal costs of protecting Group IP. Group products require the holding of certain licences, accreditations or regulatory approvals that could be withdrawn. Failure to gain additional claims on the labels for certain Group products which could result in reduced revenue from such products. Failure to achieve the projected customers growth/uptake for newly launched products | <ul style="list-style-type: none"> Increasing number of products/ services from development pipeline is diversifying revenues. Strong Group legal team with dedicated IP expertise. Vigorous defence of own IP. High levels of employee competency and stringent processes related to regulatory affairs. Highly proficient and experienced commercial team equipped with extensive knowledge and with robust customer relationships. | Advanced Nutrition, Health and Genetics |
| Delivery of cross-Group synergies | <ul style="list-style-type: none"> Risks associated with failure to fully realise operational synergies and cost benefits. Lower profitability and cash generation, and slower returns than anticipated. Risks on delivering the synergy within the timeline set. | <ul style="list-style-type: none"> EMT continues tracking progress of the Group strategy on a weekly basis. Extended-EMT assists with planning and managing key projects. | Advanced Nutrition, Health and Genetics |
| New product and service commercialisation | <ul style="list-style-type: none"> Risk that pipeline products may be delayed or fail technically before launch. Risk inherent in timing and market penetration of new products and services. | <ul style="list-style-type: none"> Close dialogue with regulators. The innovation board (which includes the head of Group Innovation) monitors the R&D projects across the Group. Experienced Group regulatory affairs team, commercial team and Marketing team. Close dialogue with customers regarding their product and service satisfaction to enable efficient and appropriate reaction to their feedback and needs. | Advanced Nutrition, Health and Genetics |

Operational risks

| Risks | Risk commentary | Risk mitigation and controls | Business Areas affected |
|--|---|--|---|
| Environmental risk and crisis management | <ul style="list-style-type: none"> The nature of certain of the Group's operating activities exposes us to certain significant risks to the environment, such as incidents associated with releases of chemicals or hazardous substances when conducting our operations, which could result in liability, fines, risk to our product permissions and reputational damage. There is a risk that natural disasters could lead to damage to infrastructure, loss of resources, products or containment of hazardous substances. Our business activities could be disrupted if we do not respond, or are perceived not to respond, in an appropriate manner to any major crisis or if we are not able to restore or replace critical operational capacity. | <ul style="list-style-type: none"> We have implemented standards and requirements which govern key risk management activities such as inspection, maintenance, testing, business continuity and crisis response. | Advanced Nutrition, Health and Genetics |
| Biological and climatic risks | <ul style="list-style-type: none"> The Group is exposed to the risk of disease within the Group's own operations and disease in the market resulting in possible border closures. Sales of the Group's sea lice medicines and other relevant solutions such as CleanTreat® are affected by the degree of sea lice challenge in the environment, which is driven by sea temperatures and other biological factors. | <ul style="list-style-type: none"> The Group operates the highest levels of biosecurity. The Group holds genetic stock at multiple sites; increasingly sources from its own land-based salmon breeding facilities. The Group operates containment zones which mitigates the risk of border closures affecting its ability to import or export. The Group has placed increased focus on insuring its biological stock. The Group's product diversity across business areas offers some mitigation. | Advanced Nutrition, Health and Genetics |
| Volatility of end markets (salmon, sea bass and shrimp markets) and market and regulatory trends | <ul style="list-style-type: none"> Market fluctuations in shrimp production volumes and pricing, often influenced by disease, drive customer and food services demand for shrimp. Market and regulatory trends for tackling sea lice have an influence on customer demand for the Group's sea lice products. | <ul style="list-style-type: none"> The geographic diversity of the business area's customer base offers some mitigation. The Group's product diversity across business areas offers some mitigation. | Advanced Nutrition, Health and Genetics |

| Risks | Risk commentary | Risk mitigation and controls | Business Areas affected |
|--|--|---|--------------------------------------|
| Threats to the supply chain | <ul style="list-style-type: none"> • Benchmark is reliant on a small number of key raw materials and manufacturers and suppliers for important products. • The Group has R&D and production sites which are important to its current revenues and future success and which are leased. • Commissioning of new facilities could be delayed leading to late product deliveries. • Benchmark relies on third parties for importation authorisations required in certain jurisdictions for certain products. | <ul style="list-style-type: none"> • Dual supplies of raw materials where possible. • Supplies secured with contractual arrangements, and import authorisations in the process of being applied for where deemed material for the Group. • Seek long-term tenure of sites. | Advanced Nutrition, Genetics, Health |
| Health and well-being of employees | <ul style="list-style-type: none"> • Poor health or well-being impacts employees' lives and reduces productivity. • Some aquaculture activities have inherent operational risks. | <ul style="list-style-type: none"> • Well-developed health and safety management regime in place across the Group. • Senior level commitment to ESG programme Group-wide. | Advanced Nutrition, Genetics, Health |
| Recruitment and retention of high-calibre people | <ul style="list-style-type: none"> • To maintain market leadership, it is essential that the Group has and keeps people with key skills. | <ul style="list-style-type: none"> • Centralised people team delivering people strategy. • Succession planning process. • Remuneration policy designed to encourage retention. | Advanced Nutrition, Genetics, Health |
| Loss of key IT system | <ul style="list-style-type: none"> • The Group IT systems facilitate daily work, collaboration and hold Group IP and trade secrets. • Multiple risks of systems failure or cyber attack. • Loss of access or key information would be disruptive to the Group. | <ul style="list-style-type: none"> • Internal experienced IT team. • Increasing integration of software platforms to improve security and reliability. • The Group increased the frequency of phishing simulation exercises to ensure staff awareness of cyber security. | Advanced Nutrition, Genetics, Health |
| Geopolitical risk | <ul style="list-style-type: none"> • The diverse locations of our operations around the world expose us to a wide range of political developments and consequent changes to the economic and operating environment. Geopolitical risk is inherent to many regions in which we operate, and heightened political or social tensions or changes in key relationships could adversely affect the Group. | <ul style="list-style-type: none"> • We seek to manage this risk through development and maintenance of relationships with governments and stakeholders. We closely monitor events and implement risk mitigation plans where appropriate. | Advanced Nutrition, Genetics, Health |

| Risks | Risk commentary | Risk mitigation and controls | Business Areas affected |
|--|--|--|--------------------------------------|
| Application of appropriate standards of governance | <ul style="list-style-type: none"> • As an international business, the Group is required to comply with laws and regulations in several jurisdictions. • There is risk of non-compliance leading to potential fines, penalties, loss of revenues and damage to reputation. | <ul style="list-style-type: none"> • Experienced Group legal, finance, people, regulatory affairs, investor relations, health and safety and IT teams work closely with the business areas. • Training programme, whistleblowing policy, and informal routes by which concerns can be raised, are designed to identify and address potential non-compliance. | Advanced Nutrition, Genetics, Health |

Financial and legal risks

| Risks | Risk commentary | Risk and controls | mitigation | Business Areas affected |
|---|--|---|------------|--------------------------------------|
| Maintain liquidity and manage leverage | <ul style="list-style-type: none"> Failure to identify and maintain sufficient liquidity headroom. Risk to funding of key growth strategies. | <ul style="list-style-type: none"> Close control of cash flows with regular update of short- and long-term projections. The refinanced facilities provide greater covenant flexibility and headroom. Group Treasury Manager oversees cash flow management. Group treasury policy introduced to support how the Group manages cash. | | Advanced Nutrition, Genetics, Health |
| Growth in trading results in higher investment in working capital | <ul style="list-style-type: none"> Top-line growth through new products and markets can drive changing patterns of working capital. Growth in some markets presents increased risk of slow paying or bad debts. | <ul style="list-style-type: none"> Business area management of pricing and credit terms. Close monitoring of investment in working capital by the EMT and PLC Board. Key performance indicators include working capital measures. | | Advanced Nutrition, Genetics, Health |
| Currency exchange | <ul style="list-style-type: none"> The Group as a whole is also exposed to fluctuations in currency exchange rates. These impact sales volumes where products are priced by reference to USD but sold in local currencies; and impacts reported results when local results, assets and liabilities are converted to GBP for reporting purposes. | <ul style="list-style-type: none"> The Group reduces its exposure to its principal foreign currency risks through the use of hedging instruments. Group treasury policy explains how the Group should manage FX risk. | | Advanced Nutrition, Genetics, Health |
| Criminal activity, fraud, bribery and compliance risk | <ul style="list-style-type: none"> Some countries where the Group operates may be exposed to high levels of risk relating to criminal activity, fraud, bribery and corruption. There are a number of regulatory requirements applicable to the Group and its listing on the London and Oslo Stock exchanges. | <ul style="list-style-type: none"> The Group provides compliance training programmes to all its employees through an online training platform and provide face-to-face and virtual training to higher risk teams. The Group has introduced a code of conduct for its suppliers. The CFO and Group Legal Counsel are involved in mitigating fraudulent activities in the Group. The Group has access to competent and experienced external counsel. Fraud response policy introduced. | | Advanced Nutrition, Genetics, Health |

Emerging risks

| Risks | Risk commentary | Risk mitigation and controls | Business Areas affected |
|---|---|---|--------------------------------------|
| Climate change | <ul style="list-style-type: none"> Climate change and the evolving regulatory environment may expose the Group to regulatory breaches, significant disruption, reputational risk or a reduction in supply for biological raw materials, and demand for products or services. | <ul style="list-style-type: none"> The Group's Sustainability Committee reports to the Board regularly and its mandate is to ensure the Group's strategy and operations are carried out within the framework of caring for the environment, people, and animals. Its work aligns with major frameworks including the London Stock Exchange Guidance for Environmental, Social and Governance reporting and the UN Sustainable Development Goals. New ESG strategy approved and implemented by the Group. Plan adopted for reduction in the Group's carbon emissions and progressing according to timetable set. The Group is exploring alternatives solutions to decrease its reliance on raw materials that could be vulnerable to the impacts of climate changes. | Advanced Nutrition, Genetics, Health |
| Environmental, Social and Governance responsibilities | <ul style="list-style-type: none"> Increasingly our stakeholders are requiring reassurance that we are overseeing and responding to ethical and environmental issues across the Group's business. | <ul style="list-style-type: none"> Code of Conduct in place. New ESG strategy approved and in place. Plan adopted for reduction in the Group's carbon emissions. Code of conduct and ABC policies in place. Green bond successfully launched and subscribed. | Advanced Nutrition, Genetics, Health |