28 February 2023

Information within this announcement is deemed by the Company to constitute inside information under the Market Abuse Regulations (EU) No. 596/2014

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

Q1 Results
(Three months ended 31 December 2022)

Excellent start to the year with growth in all business areas and significant uplift in Health

In compliance with the terms of the Company's unsecured Green bond, which requires it to publish quarterly financial information, Benchmark, the aquaculture biotechnology business, announces its unaudited results for the three months ended 31 December 2022 (the "Period"), which constitute the first quarter for the fiscal year ("FY") 2023. All Q1 FY22 and Q1 FY23 figures quoted in this announcement are based on unaudited accounts.

Financial highlights

Continuation of consistent year-on-year growth in Revenue and Adjusted EBITDA on a rolling twelve month basis

- Q1 FY23 revenues were £54.5m, 36% ahead of the prior year (+29% CER)
    - **Genetics** delivered strong revenue growth 41% above Q1 FY22, driven primarily by higher sales of salmon eggs and harvest revenues
    - **Advanced Nutrition** also reported strong growth with revenues 19% above Q1 FY22, benefitting from continued positive trading and forex movements
    - **Health** reported excellent growth with revenues 80% above Q1 FY22, driven by increased adoption of Ectosan® Vet and CleanTreat® and significantly higher sales of Salmosan® Vet
- Q1 FY23 Adjusted EBITDA excluding fair value movements from biological assets increased 61% (+56% CER) to £12.1m as a result of higher revenues, higher asset utilisation and continued cost discipline
    - Notably, Adjusted EBITDA in Health increased substantially to £4.1m in the quarter (Q1 FY22: £0.5m) demonstrating the potential of this business area to deliver good profitability
    - Group Adjusted EBITDA margin of 22% excluding fair value movements from biological assets (Q1 FY22:19%)
- Net operating loss of £0.1m (Q1 FY22: £1.5m loss)
- Net loss of -£0.7m significantly reduced from prior year (Q1 FY22: -£5.1m)
- Cash inflow from operating activities of £8.1m (Q1 FY22: inflow £1.1m)
- Cash, liquidity and net debt all improved compared to the year end position:
    - Cash of £42.8m and liquidity of £62.8m (cash and available facility)
    - Reduced net debt excluding lease liabilities of £37.9m (30 September 2022: £47.5m)
    - Includes benefit of net proceeds from the fundraise in December 2022 of £11.6m

Operational highlights

- **Advanced Nutrition - continued good performance despite relative softness in the shrimp market**
  - Growth in all product areas
  - Adjusted EBITDA margin in line with prior year at 23% (Q1 FY22: 23%) benefitting from success of new commercial focus, cost discipline and ongoing actions to improve efficiency and asset utilisation offsetting cost inflation
  - Continued innovation with pre-launch of new artemia tool which counts hatched Artemia
- **Genetics – Continued growth in salmon egg sales with record number of eggs sold**
  - 118m eggs sold in Q1 FY23 (Q1 FY22: 76m eggs) demonstrating continued success in meeting increased customer demand supported by recent investment in incubation unit in Iceland
  - Temporary slowdown in commercialisation of shrimp genetics (SPR shrimp) in order to refine product offering based on customer feedback from first commercial cycle. Expect to relaunch commercial effort in H2
  - Post period end, acquisition of remaining 10.52% minority interest in its subsidiary Benchmark Genetics Iceland, ensuring Benchmark receives the full benefit from its successful salmon genetics business in Iceland which represents 50% of the Group's salmon egg capacity
  - Exploring strategic alternatives for tilapia breeding activities
- **Health – Significant increase in customer adoption of Ectosan® Vet and CleanTreat®**
  - Significant growth in customer adoption of Ectosan® Vet and CleanTreat® with repeat orders and new client wins which resulted in improved capacity utilisation and strong profitability
  - Progress made towards development of new business model for Ectosan® Vet and CleanTreat® aimed at reducing infrastructure costs and capex
    - Timing of commercial launch of integrated wellboat projects subject to availability and adoption of new large wellboats by customers
    - Progress being made around Customer owned PSV's which represent a viable alternative in the medium to long term

Oslo Børs listing

- Progress towards listing on the Oslo Børs, the leading seafood and aquaculture listing venue globally; ongoing shareholder consultation on whether to maintain an AIM listing

Current trading and outlook

- Strong Q1 FY23 performance and continued positive trading post period end. Encouraging outlook for the full year
  - **Genetics** – good visibility of revenues
  - **Advanced Nutrition** – continuing positive performance despite some softness in the shrimp market
  - **Health** – increasing evidence of customer growing adoption of Ectosan® Vet and CleanTreat®

Financial Summary

£m	Q1 FY23	Q1 FY22	% AER	% CER**	FY22 (full year)
Revenue	54.5	40.0	+36%	+29%	158.3
Adjusted					

Adjusted EBITDA[1]	11.0	7.4	+48%	+44%	31.2
Adj. EBITDA excluding fair value movement in biological asset	12.1	7.5	+61%	+56%	29.6
Adjusted Operating Profit[2]	5.7	2.5	+131%	+127%	9.1
Statutory					
Operating loss	(0.1)	(1.5)	+92%	+86%	(7.9)
Profit/(loss) before tax	0.1	(3.7)	+103%	+114%	(23.2)
Loss for the period	(0.7)	(5.1)	+87%	+96%	(30.5)
Basic loss per share (p)	(0.18)	(0.79)			(4.60)
Net debt[3]	(61.4)	(64.3)			(73.7)
Net debt excluding lease liabilities	(37.9)	(43.1)			(47.5)

Business Area summary

£m	Q1 FY23	Q1 FY22	% AER	% CER**	FY22 (full year)
Revenue					
Advanced Nutrition	22.7	19.1	+19%	+4%	80.3
Genetics	21.4	15.2	+41%	+42%	58.0
Health	10.4	5.8	+80%	+80%	20.1
Adjusted EBITDA[1]					
Advanced Nutrition	5.3	4.3	+23%	+9%	19.0
Genetics	2.6	3.3	-21%	-10%	16.0
- Genetics net of fair value movements in biological assets	3.7	3.4	+11%	+19%	14.4
Health	4.1	0.5	+643%	+635%	0.1

*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
(2) Adjusted Operating Profit is operating gain or loss before exceptional items and amortisation of intangible assets excluding development costs
(3) Net debt is cash and cash equivalents less loans and borrowings

Trond Williksen, CEO, commented:

“Benchmark has had an excellent start to the year, again showing a continuation of the consistent growth we have seen in revenues and net operating profit on a twelve month rolling basis. This is the result of a good performance in all our business areas. In particular, it is pleasing to see traction in our Health business driven by significantly higher adoption of our sea lice solutions, contributing to a positive financial performance for the quarter.”

“We are making progress towards our goal of up-listing to the Oslo Børs, the preeminent listing venue for aquaculture and seafood companies globally. This will enable us to increase our visibility with a dedicated group of analysts and investors.”

“We are grateful to our existing shareholders for their support through the years and we are committed to continuing to deliver improved financial performance and strategic progress for the benefit of all our stakeholders.”

Analyst / investor presentation and webcast being held today

Trond Williksen, Chief Executive Officer and Septima Maguire, Chief Financial Officer will host an in-person presentation for analysts and institutional investors today at 9.00 am CET/8.00 am UK time. The presentation will take place at Hotel Continental, Stortingsgata 24/26, 0117 Oslo.

A live webcast of the presentation is available for analysts and investors to join remotely at the following link: https://channel.royalcast.com/hegnarmedia/#!/hegnarmedia/20230228_7

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 and animal health and welfare.

Through a global footprint in 26 countries and a broad portfolio of products and solutions, Benchmark addresses many of the major aquaculture species – salmon, shrimp, sea bass and sea bream, and tilapia - in all the major aquaculture regions around the world. Find out more at www.benchmarkplc.com

Management Report

The Group delivered excellent performance in the first three months of the year translating into a 36% growth in revenue and 61% growth in Adjusted EBITDA excluding fair value movements from biological assets. Performance was good across all business areas, with each business area reporting improved revenues and Adjusted EBITDA excluding fair value movements from biological assets when compared to the same period last year. On a constant exchange rate basis, Group revenue and Adjusted EBITDA excluding fair value movements were up 29% and 56% respectively.

Other operating costs were £11.8m, a 18% increase from the prior year (Q1 FY22: £9.9m) due to cost inflation and the impact of forex movements. By business area, operating costs increased more significantly in Genetics reflecting the investment in growth vectors including SPR shrimp, tilapia and salmon in Chile. R&D expenses for the Group of £1.6m were in line with the prior year. Total R&D investment including capitalised development costs was £1.6m (Q1 FY22: £2.3m), reflecting commercialisation of SPR shrimp during the previous year for which costs are no longer capitalised.

Adjusted EBITDA (excluding fair value movement from biological assets) was £12.1m (Q1 FY22: £7.5m) driven by higher revenues, increased asset utilisation and ongoing cost control. As a result, the Group achieved an Adjusted EBITDA margin (excluding fair value movement from biological assets) of 22% (Q1 FY22: 19%). Depreciation and amortisation increased 13% from the comparative period last year to £10.1m (Q1 FY22: £8.9m) as a result of investment in the businesses and £0.5m impairment of intangible assets in the Health business area which are no longer being utilised. Exceptional costs incurred in the period of £1.0m (Q1 FY22: £nil) related to costs associated with the listing on Euronext Growth Oslo and preparation for up-listing on the Oslo stock exchange. However, despite these increased costs, the Group reported only a small operating loss of £0.1m, a significant improvement from the £1.5m loss in Q1 FY22.

Net finance income in the period was £0.2m (Q1 FY22: £2.2m expense), with a £2.5m credit relating to the ineffectively hedged portion of the movement in the fair value of derivate instruments and a lower amortisation charge on capitalised borrowing fees of £0.1m (Q1 FY22: £0.3m charge) offsetting the increased interest charges (-£0.3m) following the refinancing exercise.

The Group reported a small profit before tax of £0.1m (Q1 FY22: loss before tax £3.7m); the loss after tax for the period was £0.7m (Q1 FY22: loss after tax £5.1m).

The Group's improved result translated in a significantly higher net operating cash inflow from operating activities for the period at £8.1m (Q1 FY22: inflow £1.1m). This was after an increase in working capital of £0.8m and tax payments of £1.5m in the period. Net cash used in investing activities was £2.2m (Q1 FY22: £2.6m) of which capex was £1.9m (Q1 FY22: £2.5m). Capex in the period related to investment in Genetics (£1.3m), Nutrition (£0.4m) and in Health (£0.2m). Net cash inflow from financing activities was £2.2m, with net proceeds from the fundraise in December 2022 of £11.6m being offset by £4.4m repayment of debt, £0.6m of capitalised borrowing fees, £2.2m of interest paid and £2.2m of lease payments. Net increase in cash in the quarter was £8.1m to leave the period end cash position at £42.8m and liquidity of £62.8m.

Advanced Nutrition

Advanced Nutrition revenues were £22.7m, up 19% with sales higher in all product areas, also aided by favourable forex rates in the period (revenues increased at CER by 4%). By product area, sales of Artemia were +23%, Diets +10% and Health +27% higher than Q1 FY22. Q1 FY23 Adjusted EBITDA was £5.3m, up by 23% reflecting improved asset utilisation and ongoing cost discipline. Adjusted EBITDA margin was consistent at 23% (Q1 FY22: 23%). Notably, the Company's good performance in Advanced Nutrition was delivered against a backdrop of soft market conditions entering into FY23 affected by weather conditions in Thailand, the presence of SHIV virus in Indonesia and in Latin America by high fuel costs combined with low farm gate prices.

Our continued growth in Advanced Nutrition revenues is a reflection of our focused commercial effort which brings together our market leading, high performing product portfolio, experienced technical support and a quality oriented, reliable supply chain. We continue to innovate both in our existing range and development of new products and during the period we carried out a pre-launch of our Artemia counter, adding to our suite of Artemia technologies to improve customer experience. Examples of our customer-centric commercial effort in the period include trials of our specialist diets conducted by our global and regional technical experts working together to optimise customer performance in Indonesia, and artemia workshops conducted by our regional technical support and local sales teams aimed at tailoring the use of artemia tools and hatching protocols to individual customer needs.

Genetics

Genetics delivered revenues of £21.4m in Q1 FY23 (Q1 FY22: £15.2m), reflecting a strong growth of 41% (+42% CER). This was driven primarily by sales of salmon eggs and harvest income which increased by 57% and 31%, respectively. Revenues from genetic services, our consulting business were 14% ahead of Q1 FY22. There was a slowdown in the commercial roll-out of the SPR shrimp as we refine our product offering based on customer feedback in our first year of trading. As a result, sales from SPR shrimp were 20% below the prior year.

Adjusted EBITDA for Q1 FY23 (excluding fair value movements of biological assets) was £3.7m, 11% ahead of the prior year (Q1 FY22: £3.4m), and at constant exchange rates, was 19% higher than the prior year. The fair value movements on biological assets in the quarter was a £1.1m reduction in value (Q1 FY22: £0.1m reduction), so Adjusted EBITDA including fair value movements for Q1 FY23 was £2.6m (Q1 FY22: £3.3m).

Post period end the Company announced the retirement of Jan-Emil Johannessen, Head of Benchmark Genetics who will be succeeded by Geir Olav Melingen, currently Commercial Director Salmon at Benchmark, with effect from 1 June 2023. During his tenure Jan-Emil has built a talented and experienced team capable of taking Benchmark Genetics through the next phase of growth. Geir Olav Melingen has extensive experience from leading roles in the aquaculture industry including at MSD, as CEO of Fishguard and CEO of the Bergen Aquarium. He has deep experience in fish health and the salmon industry with a PhD in fish health from the University of Bergen.

Health

Revenues in Q1 FY23 were £10.4m (Q1 FY22: £5.8m) as a result of significantly increased customer uptake and sales of Ectosan® Vet and CleanTreat® and significant growth in Salmosan Vet – our well established sea lice treatment. Revenues from Ectosan® Vet and CleanTreat® were £7.5m of which £1.7m was derived from recharging vessel and fuel costs associated with the Ectosan® Vet and CleanTreat® operations.

Revenues from Salmosan® Vet, our long-established sea lice treatment were £2.9m (Q1 FY22: £1.3m) with significant growth achieved in Canada, Norway and the Faroe Islands. Growth was driven by a variation to the marketing label which supports a longer product exposure, as well as enhanced engagement with customers through our portfolio of sea lice solutions which can be used in combination to address our customers' sea lice challenge.

The significant increase in revenues resulted in Adjusted EBITDA of £4.1m in the quarter (Q1 FY22: £0.5m) demonstrating the potential of this business area to deliver good profitability.

Operationally we continue to make improvements in the efficiency of the delivery of our Ectosan® Vet and CleanTreat® solution achieving a new record in the speed of water transfer between the treatment wellboat and the CleanTreat® units, a key parameter for our customers. Speed of water transfer is now approximately double what it was at launch.

In the period we made progress towards a new business model for Ectosan® Vet and CleanTreat® aimed at lowering the Company's exposure to infrastructure costs by lowering capital intensity and capital investment. The Company has established a partnership with leading specialist wellboat equipment provider MMC and ship designer SALT to capture opportunities to integrate its CleanTreat® systems into new wellboats coming to the market. The speed of adoption of a fully integrated solution on wellboats is reliant on the availability and customer adoption of new large wellboats. Customer owned PSV's/platforms are a viable alternative to large wellboats in the medium to long term.

Oslo Børs uplisting and delisting from AIM

As previously announced at the end of FY22, the Company intends to up-list from Euronext Growth Oslo to the Oslo Børs and we are making progress towards this goal. Oslo is the leading listing venue for aquaculture and seafood companies. There are 27 listed companies in the seafood sector in Oslo while Benchmark is the only pure play aquaculture company listed on the London Stock Exchange. A listing on the Oslo Børs provides natural access to an important pool of specialist investors best equipped to recognise the Company's added value and growth potential. The Company is conducting a consultation with shareholders on whether to maintain a listing on AIM. The potential up-listing to the Oslo Børs and delisting from AIM are subject to shareholder approval and market conditions.

Current Trading and Outlook

Post period end the Company continues to perform well across all business areas and the outlook for the full year is encouraging. This reflects good visibility of revenues in Genetics, a positive performance in Advanced Nutrition despite soft shrimp markets, and increasing evidence of customer adoption for Ectosan® Vet and CleanTreat® in Health.

Benchmark Holdings plc

Consolidated Income Statement for the period ended 31 December 2022

All figures in £000's	Notes	Q1 2023 (unaudited)	Q1 2022 (unaudited)	FY 2022 (audited)
Revenue	4	**54,495**	40,014	**158,277**
Cost of sales		**(30,268)**	(20,515)	**(75,149)**
Gross profit		**24,227**	19,499	**83,128**
Research and development costs		**(1,563)**	(1,647)	**(6,691)**
Other operating costs		**(11,753)**	(9,923)	**(44,661)**
Share of profit/(loss) of equity-accounted investees, net of tax		**56**	(504)	**(595)**
Adjusted EBITDA[2]		**10,967**	7,425	**31,181**
Exceptional items	5	**(972)**	-	**16**
EBITDA[1]		**9,995**	7,425	**31,197**
Depreciation and impairment		**(4,615)**	(4,495)	**(19,897)**
Amortisation and impairment		**(5,502)**	(4,388)	**(19,161)**
Operating loss		**(122)**	(1,458)	**(7,861)**
Finance cost		**(7,286)**	(2,343)	**(20,057)**
Finance income		**7,508**	119	**4,741**
Profit/(loss) before taxation		**100**	(3,682)	**(23,177)**
Tax on loss	6	**(779)**	(1,427)	**(7,274)**
Loss for the period		**(679)**	(5,109)	**(30,451)**
Loss for the period attributable to:				
- Owners of the parent		**(1,283)**	(5,357)	**(32,087)**
- Non-controlling interest		**604**	248	**1,636**
		(679)	(5,109)	**(30,451)**
Earnings per share				
Basic loss per share (pence)	7	**(0.18)**	(0.79)	**(4.60)**
Diluted loss per share (pence)	7	**(0.18)**	(0.79)	**(4.60)**

1 EBITDA – Earnings before interest, tax, depreciation, amortisation, and impairment
2 Adjusted EBITDA – EBITDA before exceptional items

Benchmark Holdings plc

Consolidated Statement of Comprehensive Income for the period ended 31 December 2022

All figures in £000's	Q1 2023 (unaudited)	Q1 2022 (unaudited)	FY 2022 (audited)
Loss for the period	**(679)**	(5,109)	**(30,451)**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Foreign exchange translation differences	**(18,040)**	(2,611)	**47,606**
Cash flow hedges - changes in fair value	**(516)**	(134)	**2,627**
Cash flow hedges - reclassified to profit or loss	**(113)**	115	**2,546**
Total comprehensive income for the period	**(19,348)**	(7,739)	**22,328**
Total comprehensive income for the period attributable to:			
- Owners of the parent	**(19,751)**	(7,948)	**20,326**
- Non-controlling interest	**403**	209	**2,002**
	(19,348)	(7,739)	**22,328**

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

Benchmark Holdings plc

Consolidated Balance Sheet as at 31 December 2022

All figures in £000's	Notes	31 December 2022 (unaudited)	31 December 2021 (unaudited)	30 September 2022 (audited)
Assets				
Property, plant and equipment		**80,505**	78,082	**81,900**
Right-of-use assets		**23,883**	23,062	**27,034**
Intangible assets		**224,606**	224,192	**245,264**
Equity-accounted investees		**3,041**	2,815	**3,113**
Other investments		**15**	15	**15**
Biological and agricultural assets		**24,930**	21,206	**20,878**
Trade and other receivables		**422**	-	**-**
Non-current assets		**357,402**	349,372	**378,204**
Inventories		**28,222**	21,343	**29,813**
Biological and agricultural assets		**17,154**	17,137	**25,780**
Trade and other receivables		**51,159**	43,267	**56,377**
Cash and cash equivalents		**42,782**	52,705	**36,399**
Current assets		**139,317**	134,452	**148,369**
Total assets		**496,719**	483,824	**526,573**
Liabilities				
Trade and other payables		**(35,254)**	(39,001)	**(44,324)**
Loans and borrowings	8	**(16,227)**	(6,872)	**(17,091)**
Corporation tax liability		**(10,349)**	(6,936)	**(10,211)**
Provisions		**(1,587)**	(557)	**(1,631)**
Current liabilities		**(63,417)**	(53,366)	**(73,257)**
Loans and borrowings	8	**(87,958)**	(110,119)	**(93,045)**
Other payables		**(4,369)**	(895)	**(8,996)**
Deferred tax		**(25,105)**	(27,159)	**(27,990)**
Non-current liabilities		**(117,432)**	(138,173)	**(130,031)**
Total liabilities		**(180,849)**	(191,539)	**(203,288)**
Net assets		**315,870**	292,285	**323,285**
Issued capital and reserves attributable to owners of the parent				
Share capital	9	**739**	704	**704**
Additional paid-in share capital	9	**432,423**	420,754	**420,824**
Capital redemption reserve		**5**	5	**5**
Retained earnings		**(186,120)**	(159,269)	**(185,136)**
Hedging reserve		**(1,332)**	(5,895)	**(703)**
Foreign exchange reserve		**59,866**	27,893	**77,705**
Equity attributable to owners of the parent		**305,581**	284,192	**313,399**
Non-controlling interest		**10,289**	8,093	**9,886**
Total equity and reserves		**315,870**	292,285	**323,285**

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 December 2022

	Share capital	Additional paid-in share capital*	Other reserves	Hedging reserve	Retained earnings	Total attributable to equity holders of parent	Non-controlling interest	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000
As at 1 October 2022 (audited)	**704**	**420,824**	**77,710**	**(703)**	**(185,136)**	**313,399**	**9,886**	**323,285**
Comprehensive income for the period								
(Loss)/profit for the period	-	-	-	-	(1,283)	(1,283)	604	(679)
Other comprehensive income	-	-	(17,839)	(629)	-	(18,468)	(201)	(18,669)
Total comprehensive income for the period	**-**	**-**	**(17,839)**	**(629)**	**(1,283)**	**(19,751)**	**403**	**(19,348)**
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)
Share-based payment	-	-	-	-	299	299	-	299
Total contributions by and distributions to owners	**35**	**11,599**	**-**	**-**	**299**	**11,933**	**-**	**11,933**
Total transactions with owners of the Company	**35**	**11,599**	**-**	**-**	**299**	**11,933**	**-**	**11,933**
As at 31 December 2022 (unaudited)	**739**	**432,423**	**59,871**	**(1,332)**	**(186,120)**	**305,581**	**10,289**	**315,870**
As at 1 October 2021 (audited)	670	400,682	30,470	(5,876)	(154,231)	271,715	7,884	279,599
Comprehensive income for the period								
(Loss)/profit for the period	-	-	-	-	(5,357)	(5,357)	248	(5,109)
Other comprehensive income	-	-	(2,572)	(19)	-	(2,591)	(39)	(2,630)
Total comprehensive income for the period	**-**	**-**	**(2,572)**	**(19)**	**(5,357)**	**(7,948)**	**209**	**(7,739)**
Contributions by and distributions to owners								
Share issue	34	20,634	-	-	-	20,668	-	20,668
Share issue costs recognised through equity	-	(562)	-	-	-	(562)	-	(562)
Share-based payment	-	-	-	-	319	319	-	319
Total contributions by and distributions to owners	**34**	**20,072**	**-**	**-**	**319**	**20,425**	**-**	**20,425**
Total transactions with owners of the Company	**34**	**20,072**	**-**	**-**	**319**	**20,425**	**-**	**20,425**
As at 31 December 2021 (unaudited)	**704**	**420,754**	**27,898**	**(5,895)**	**(159,269)**	**284,192**	**8,093**	**292,285**
As at 1 October 2021 (audited)	670	400,682	30,470	(5,876)	(154,231)	271,715	7,884	279,599
Comprehensive income for the period								
(Loss)/profit for the period	-	-	-	-	(32,087)	(32,087)	1,636	(30,451)
Other comprehensive income	-	-	47,240	5,173	-	52,413	366	52,779
Total comprehensive income for the period	**-**	**-**	**47,240**	**5,173**	**(32,087)**	**20,326**	**2,002**	**22,328**
Contributions by and distributions to owners								
Share issue	34	20,704	-	-	-	20,738	-	20,738
Share issue costs recognised through equity	-	(562)	-	-	-	(562)	-	(562)
Share-based payment	-	-	-	-	1,182	1,182	-	1,182
Total contributions by and distributions to owners	**34**	**20,142**	**-**	**-**	**1,182**	**21,358**	**-**	**21,358**
Total transactions with owners of the Company	**34**	**20,142**	**-**	**-**	**1,182**	**21,358**	**-**	**21,358**
As at 30 September 2022 (audited)	**704**	**420,824**	**77,710**	**(703)**	**(185,136)**	**313,399**	**9,886**	**323,285**

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

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

Benchmark Holdings plc

Consolidated Statement of Cash Flows for the period ended 31 December 2022

	Q1 2023 (unaudited) £000	Q1 2022 (unaudited) £000	FY 2022 (audited) £000
Cash flows from operating activities			
Loss for the period	**(679)**	(5,109)	**(30,451)**
Adjustments for:			
Depreciation and impairment of property, plant and equipment	**2,033**	2,022	**8,602**
Depreciation and impairment of right-of-use assets	**2,582**	2,473	**11,295**
Amortisation and impairment of intangible fixed assets	**5,502**	4,388	**19,161**
Loss on sale of property, plant and equipment	**(37)**	-	**(43)**
Finance income	**(7,508)**	(119)	**(319)**
Finance costs	**7,010**	2,247	**18,437**
Increase in fair value of contingent consideration receivable	**-**	-	**(1,203)**
Share of (profit)/loss of equity-accounted investees, net of tax	**(56)**	504	**595**
Foreign exchange losses/(gains)	**418**	(9)	**(3,985)**
Share-based payment expense	**299**	319	**1,182**
Other adjustments for non-cash items	**-**	-	**(276)**
Tax charge	**779**	1,427	**7,274**
Decrease/(increase) in trade and other receivables	**4,011**	2,683	**(8,511)**
Decrease/(increase) in inventories	**1,571**	(880)	**(5,406)**
Decrease/(increase) in biological and agricultural assets	**3,294**	(138)	**(6,099)**
(Decrease)/increase in trade and other payables	**(9,633)**	(7,687)	**6,946**
(Decrease)/increase in provisions	**(9)**	(6)	**1,058**
	9,577	2,115	**18,257**
Income taxes paid	**(1,509)**	(981)	**(7,447)**
Net cash flows generated from operating activities	**8,068**	**1,134**	**10,810**
Investing activities			
Purchase of investments	**(63)**	-	**(378)**
Receipts from disposal of investments	**-**	-	**1,544**
Purchases of property, plant and equipment	**(1,829)**	(1,914)	**(10,808)**
Purchase of intangibles	**(30)**	(53)	**(205)**
Capitalised research and development costs	**(54)**	(627)	**(1,708)**
Cash advances and loans made to other parties	**(415)**	-	**-**
Proceeds from sale of fixed assets	**75**	-	**220**
Interest received	**160**	19	**119**
Net cash flows used in investing activities	**(2,156)**	**(2,575)**	**(11,216)**
Financing activities			
Proceeds of share issues	**13,020**	20,712	**20,737**
Share-issue costs recognised through equity	**(1,386)**	(607)	**(562)**
Proceeds from bank or other borrowings	**-**	-	**67,939**
Repayment of bank or other borrowings	**(4,397)**	(638)	**(74,874)**
Interest and finance charges paid	**(2,211)**	(1,882)	**(9,629)**
Capitalised borrowing costs	**(600)**	-	**-**
Repayments of lease liabilities	**(2,200)**	(2,730)	**(10,533)**
Net cash inflow/(outflow) from financing activities	**2,226**	**14,855**	**(6,922)**
Net increase/(decrease) in cash and cash equivalents	**8,138**	**13,414**	**(7,328)**
Cash and cash equivalents at beginning of period	**36,399**	**39,460**	**39,460**
Effect of movements in exchange rate	**(1,755)**	(169)	**4,267**
Cash and cash equivalents at end of period	**42,782**	**52,705**	**36,399**

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

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 three months ended 31 December 2022 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 2022 were prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 as it applies to companies reporting under those standards ("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 2022 and the unaudited financial information in the Quarterly Financial Report for the three months ended 31 December 2021. The comparative figures for the financial year ended 30 September 2022 are not the Company's statutory accounts for that financial year. Those accounts were approved by the Directors on 30 November 2022 and have been delivered to the Registrar of Companies. The audit report received on those accounts was (i) unqualified and (ii) did not include a reference to any matters to which the external auditor drew attention by way of emphasis without qualifying their report, and (iii) 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 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 2022. These consolidated quarterly financial statements were approved by the Board of Directors on 28 February 2022.

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 December 2022 the Group had net assets of £315.9m (30 September 2022: £323.3m), including cash of £42.8m (30 September 2022: £36.4m) as set out in the consolidated balance sheet. The Group made a loss for the period of £0.7m (year ended 30 September 2022: loss £30.5m).

As noted in the Management Report, the business has continued to perform well on the back of a good year in FY22. All of the business areas have performed in line with or ahead of management expectations. 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 reductions in expected biomass treated and reduced treatment prices. Key downside sensitivities modelled in other areas included assumptions on slower commercialisation of SPR shrimp, slower salmon egg sales growth both in Chile and to land-based farms in Genetics, along with sensitivities on sales price increases and potential supply constraints on CIS artemia 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, deferral of capital projects and temporary hold on R&D for non-imminent products.

1. Basis of preparation (continued)

Going concern (continued)

Following the refinancing of its NOK 850 million bond with the issue of a NOK 750 million unsecured green bond maturing in 2025 in FY22, which was due to mature in June 2023, the USD15m RCF was refinanced in the quarter with a new GBP20m RCF with a maturity of June 2025. Also in the quarter, our NOK 216m loan facility (which had NOK 165.6m outstanding at the year end) which was set to mature in October 2023, was combined with our NOK 17.5m overdraft facility into a new loan facility of NOK 179.5m, with a new maturity date in a further 5 years no later than 15 January 2028. Following all of these refinancing transactions, the Directors are satisfied there are sufficient facilities in place during the assessment period.

The global economic environment is experiencing turbulence largely as a result of the conflict in Eastern Europe with supply issues in a number of industries impacted and inflation at high levels. Against this backdrop, the Group continues to show resilience against these pressures, with financial instruments in place to fix interest rates and with opportunities available to mitigate globally high inflation rates, such that even under all of the above sensitivity analysis, the Group has sufficient liquidity and resources throughout the period under review whilst still maintaining adequate headroom against the borrowing covenants.

The Directors 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 2022.

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 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 10). 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 critical 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 2022.

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 and technical services.
- *Advanced Nutrition* – manufactures and provides technically advanced nutrition and health products to the global aquaculture industry.
- *Health* –provides health products and services to the global aquaculture market.

3. Segment information (continued)

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.

Reconciliations of segmental information to IFRS measures

Segmental Revenue

All figures in £000's	**Q1 2023 (unaudited)**	**Q1 2022 (unaudited)**	**FY 2022 (audited)**
Genetics	**21,439**	15,195	**58,008**
Advanced Nutrition	**22,680**	19,059	**80,286**
Health	**10,385**	5,777	**20,135**
Corporate	**1,437**	1,406	**5,120**
Inter-segment sales	**(1,446)**	(1,423)	**(5,272)**
Total	**54,495**	40,014	**158,277**

Segmental Adjusted EBITDA

All figures in £000's	**Q1 2023 (unaudited)**	**Q1 2022 (unaudited)**	**FY 2022 (audited)**
Genetics	**2,563**	3,263	**15,980**
Advanced Nutrition	**5,297**	4,320	**19,017**
Health	**4,067**	547	**108**
Corporate	**(960)**	(705)	**(3,924)**
Total	**10,967**	7,425	**31,181**

Reconciliation of Reportable Segments Adjusted EBITDA to Loss before taxation

All figures in £000's	**Q1 2023 (unaudited)**	**Q1 2022 (unaudited)**	**FY 2022 (audited)**
Total reportable segment Adjusted EBITDA	**11,927**	8,130	**35,105**
Corporate Adjusted EBITDA	**(960)**	(705)	**(3,924)**
Adjusted EBITDA	**10,967**	7,425	**31,181**
Exceptional items	**(972)**	-	**16**
Depreciation and impairment	**(4,615)**	(4,495)	**(19,897)**
Amortisation and impairment	**(5,502)**	(4,388)	**(19,161)**
Net finance income/(costs)	**222**	(2,224)	**(15,316)**
Profit/(loss) before taxation	**100**	(3,682)	**(23,177)**

4. Revenue

The Group's operations and main revenue streams are those described in its financial statements to 30 September 2022. 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 December 2022 (unaudited)					
All figures in £000's	**Genetics**	**Advanced Nutrition**	**Health**	**Corporate**	**Inter-segment sales**	**Total**
Sale of goods	**21,121**	**22,672**	**7,449**	**-**	**-**	**51,242**
Provision of services	**317**	**-**	**2,936**	**-**	**-**	**3,253**
Inter-segment sales	**1**	**8**	**-**	**1,437**	**(1,446)**	**-**
	21,439	**22,680**	**10,385**	**1,437**	**(1,446)**	**54,495**

	3 months ended 31 December 2021 (unaudited)					
All figures in £000's	**Genetics**	**Advanced Nutrition**	**Health**	**Corporate**	**Inter-segment sales**	**Total**
Sale of goods	14,509	19,048	3,251	-	-	36,808
Provision of services	680	-	2,526	-	-	3,206
Inter-segment sales	6	11	-	1,406	(1,423)	-
	15,195	19,059	5,777	1,406	(1,423)	40,014

	12 months ended 30 September 2022 (audited)					
All figures in £000's	**Genetics**	**Advanced Nutrition**	**Health**	**Corporate**	**Inter-segment sales**	**Total**
Sale of goods	**53,978**	**80,191**	**13,528**	**-**	**-**	**147,697**
Provision of services	**3,973**	**-**	**6,607**	**-**	**-**	**10,580**
Inter-segment sales	**57**	**95**	**-**	**5,120**	**(5,272)**	**-**
	58,008	**80,286**	**20,135**	**5,120**	**(5,272)**	**158,277**

4. Revenue (continued)

Sale of goods and provision of services (continued)

Primary geographical markets

	3 months ended 31 December 2022 (unaudited)					
All figures in £000's	**Genetics**	**Advanced Nutrition**	**Health**	**Corporate**	**Inter-segment sales**	**Total**
Norway	**16,884**	**90**	**8,295**	**-**	**-**	**25,269**
India	**-**	**4,203**	**-**	**-**	**-**	**4,203**
Singapore	**-**	**39**	**-**	**-**	**-**	**39**
Turkey	**6**	**2,204**	**-**	**-**	**-**	**2,210**
Ecuador	**20**	**1,740**	**-**	**-**	**-**	**1,760**
Greece	**-**	**2,269**	**-**	**-**	**-**	**2,269**
Faroe Islands	**1,095**	**-**	**229**	**-**	**-**	**1,324**
UK	**737**	**19**	**42**	**-**	**-**	**798**
Chile	**12**	**2**	**254**	**-**	**-**	**268**
Rest of Europe	**2,062**	**1,622**	**-**	**-**	**-**	**3,684**
Rest of World	**622**	**10,484**	**1,565**	**-**	**-**	**12,671**
Inter-segment sales	**1**	**8**	**-**	**1,437**	**(1,446)**	**-**
	21,439	**22,680**	**10,385**	**1,437**	**(1,446)**	**54,495**

	3 months ended 31 December 2021 (unaudited)					
All figures in £000's	**Genetics**	**Advanced Nutrition**	**Health**	**Corporate**	**Inter-segment sales**	**Total**
Norway	9,679	112	4,668	-	-	14,459
India	140	4,008	-	-	-	4,148
Singapore	-	1,138	-	-	-	1,138
Turkey	-	1,694	-	-	-	1,694
Ecuador	-	1,064	-	-	-	1,064
Greece	-	1,639	-	-	-	1,639
Faroe Islands	892	1	130	-	-	1,023
UK	1,957	14	88	-	-	2,059
Chile	116	-	403	-	-	519
Rest of Europe	1,771	1,303	-	-	-	3,074
Rest of World	634	8,075	488	-	-	9,197
Inter-segment sales	6	11	-	1,406	(1,423)	-
	15,195	19,059	5,777	1,406	(1,423)	40,014

4. Revenue (continued)

Primary geographical markets (continued)

	12 months ended 30 September 2022 (audited)					
All figures in £000's	**Genetics**	**Advanced Nutrition**	**Health**	**Corporate**	**Inter-segment sales**	**Total**
Norway	**34,666**	**965**	**15,571**	**-**	**-**	**51,202**
India	**619**	**12,001**	**-**	**-**	**-**	**12,620**
Singapore	**-**	**7,044**	**-**	**-**	**-**	**7,044**
Turkey	**-**	**6,419**	**-**	**-**	**-**	**6,419**
Ecuador	**18**	**6,472**	**-**	**-**	**-**	**6,490**
Greece	**2**	**6,197**	**-**	**-**	**-**	**6,199**
Faroe Islands	**5,465**	**9**	**587**	**-**	**-**	**6,061**
UK	**4,318**	**93**	**199**	**-**	**-**	**4,610**
Chile	**1,006**	**15**	**871**	**-**	**-**	**1,892**
Rest of Europe	**7,110**	**4,056**	**-**	**-**	**-**	**11,166**
Rest of World	**4,747**	**36,920**	**2,907**	**-**	**-**	**44,574**
Inter-segment sales	**57**	**95**	**-**	**5,120**	**(5,272)**	**-**
	58,008	**80,286**	**20,135**	**5,120**	**(5,272)**	**158,277**

5. Exceptional items

Items that are material because of their size or nature, 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	**Q1 2023 (unaudited)**	**Q1 2022 (unaudited)**	**FY 2022 (audited)**
Exceptional restructuring costs	**948**	-	**1,229**
Costs/(credit) in relation to disposals	**24**	-	**(1,245)**
Total exceptional items	**972**	-	**(16)**

Exceptional restructuring costs include £863,000 of legal and professional costs in relation to preparing for listing the Group on the Oslo stock exchange, and £85,000 relating to other restructuring costs. The comparative figure for FY 2022 figure includes £843,000 of legal and professional costs in relation to preparing for listing the Group on the Oslo stock exchange, and £276,000 relating to other restructuring costs.

Costs in relation to disposals totaling £24,000 are additional costs relating to disposals that occurred in 2020. The comparative figure for FY 2022 figure includes a credit of £1,203,000 in relation to additional contingent consideration received and receivable from disposals in previous years (£294,000 relating to the disposal of Aquaculture UK on 7 February 2020, and £909,000 relating to the disposal of Improve International Limited and its subsidiaries on 23 June 2020) together with legal fees, lease costs and disposal items (net of proceeds received) totalling £42,000 relating to additional costs and disposals proceeds relating to disposals that occurred in 2020.

6. Taxation

All figures in £000's	**Q1 2023 (unaudited)**	**Q1 2022 (unaudited)**	**FY 2022 (audited)**
Analysis of charge in period			
Current tax:			
Current income tax expense on profits for the period	**1,838**	2,359	**11,727**
Adjustment in respect of prior periods	**-**	5	**(39)**
Total current tax charge	**1,838**	2,364	**11,688**
Deferred tax:			
Origination and reversal of temporary differences	**(1,059)**	(937)	**(4,414)**
Deferred tax movements in respect of prior periods	**-**	-	**-**
Total deferred tax credit	**(1,059)**	(937)	**(4,414)**
			-
Total tax charge	**779**	1,427	**7,274**

7. 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.

	Q1 2023 (unaudited)	**Q1 2022 (unaudited)**	**FY 2022 (audited)**
Loss attributable to equity holders of the parent (£000)	**(1,283)**	(5,357)	**(32,087)**
Weighted average number of shares in issue (thousands)	**710,087**	681,271	**698,233**
Basic loss per share (pence)	**(0.18)**	(0.79)	**(4.60)**

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.

A total of 4,053,469 potential ordinary shares have not been included within the calculation of statutory diluted loss per share for the year (30 September 2022: 6,240,304 and 31 December 2021: 5,782,581). These potential ordinary shares could dilute earnings/loss per share in the future.

8. Loans and borrowings

All figures in £000's	Q1 2023 (unaudited)	Q1 2022 (unaudited)	FY 2022 (audited)
Non-Current			
2025 750m NOK Loan notes	**61,866**	-	**61,054**
2023 850m NOK Loan notes	**-**	75,592	**-**
Bank borrowings	**17,201**	18,578	**17,226**
Lease liabilities	**8,891**	15,949	**14,765**
	87,958	110,119	**93,045**
Current			
Bank borrowings	**1,603**	1,592	**5,569**
Lease liabilities	**14,624**	5,280	**11,522**
	16,227	6,872	**17,091**
Total loans and borrowings	**104,185**	116,991	**110,136**

On 27 September 2022, the Group successfully issued a new unsecured floating rate listed green bond of NOK 750m. The bond which matures in September 2025, has a coupon of three-month NIBOR + 6.50% p.a. with quarterly interest payments, and is to be listed on the Oslo Stock Exchange. The proceeds were used to repay its existing NOK 850m floating rate listed bond, originally raised in June 2019.

On 21 November 2022, the Group refinanced its USD15m RCF, which was provided by DNB Bank ASA (50%) and HSBC UK Bank PLC (50%), with a secured GBP20m RCF provided by DNB Bank ASA, maturing on 27 June 2025. The margin on this 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. The facility was undrawn at 31 December 2022.

Additionally, during the period, on 1 November 2022, the Group's Nordea Bank term loan of NOK 165.6m, which had a term loan of five years ending in November 2023 and interest rate of 2.5% above three month NIBOR, was refinanced together with an existing undrawn overdraft facility into a new loan facility of NOK 179.5m with a new maturity date in a further five years no later than 15 January 2028. Other terms of this facility remain the same.

9. 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 2022	703,960,798	704	420,824
Shares issued through placing and open offer	35,189,350	35	11,599
Exercise of share options	45,000	-	-
Balance at 31 December 2022	**739,195,148**	**739**	**432,423**

On 15 December 2022, the Company issued 35,189,350 new ordinary shares of 0.1 pence each by way of a placing and subscriptions at an issue price of 37.0 pence per share. Gross proceeds of £13.0m were received for the placing and subscription shares. Non-recurring costs of £1.4m were in relation to the share issues and this has been charged to the share premium account (presented within additional paid-in share capital).

10. 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.

10. Alternative performance measures and other metrics (continued)

Reconciliation of Adjusted Operating Profit to Operating Loss

All figures in £000's	Q1 2023 (unaudited)	Q1 2022 (unaudited)	FY 2022 (audited)
Revenue	**54,495**	40,014	**158,277**
Cost of sales	**(30,268)**	(20,515)	**(75,149)**
Gross profit	**24,227**	19,499	**83,128**
Research and development costs	**(1,563)**	(1,647)	**(6,691)**
Other operating costs	**(11,753)**	(9,923)	**(44,661)**
Depreciation and impairment	**(4,615)**	(4,495)	**(19,897)**
Amortisation of capitalised development costs	**(617)**	(448)	**(2,165)**
Share of loss of equity accounted investees net of tax	**56**	(504)	**(595)**
Adjusted operating profit	**5,735**	2,482	**9,119**
Exceptional items	**(972)**	-	**16**
Amortisation and impairment of intangible assets excluding development costs	**(4,885)**	(3,940)	**(16,996)**
Operating loss	**(122)**	(1,458)	**(7,861)**

Reconciliation of Loss Before Taxation to Adjusted Profit Before Tax

All figures in £000's	Q1 2023 (unaudited)	Q1 2022 (unaudited)	FY 2022 (audited)
Profit/(loss) before taxation	**100**	(3,682)	**(23,177)**
Exceptional items	**972**	-	**(16)**
Amortisation and impairment of intangible assets excluding development costs	**4,885**	3,940	**16,996**
Adjusted profit before tax	**5,957**	258	**(6,197)**

Other Metrics

All figures in £000's	Q1 2023 (unaudited)	Q1 2022 (unaudited)	FY 2022 (audited)
Total R&D Investment			
Research and development costs	**1,563**	1,647	**6,691**
Internal capitalised development costs	**54**	627	**1,708**
Total R&D investment	**1,617**	2,274	**8,399**

All figures in £000's	Q1 2023 (unaudited)	Q1 2022 (unaudited)	FY 2022 (audited)
Adjusted EBITDA excluding fair value movement in biological assets			
Adjusted EBITDA	**10,967**	7,425	**31,181**
Exclude fair value movement	**1,154**	96	**(1,595)**
Adjusted EBITDA excluding fair value movement in biological assets	**12,121**	7,521	**29,586**

10. 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	**31 December 2022 (unaudited)**
Cash and cash equivalents	**42,782**
Undrawn bank facility	**20,000**
	62,782

The undrawn bank facility relates to the RCF facility. At 31 December 2022, £nil of the RCF was drawn (30 September 2022: £4m and 31 December 2021: £nil), leaving £20m undrawn (30 September 2022: £9.4m and 31 December 2021: £11.1m).

11. Net debt

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

All figures in £000's	**31 December 2022 (unaudited)**	**31 December 2021 (unaudited)**	**30 September 2022 (audited)**
Cash and cash equivalents	**42,782**	**52,705**	**36,399**
Loans and borrowings (excluding lease liabilities) – current	**(1,603)**	**(1,592)**	**(5,569)**
Loans and borrowings (excluding lease liabilities) – non-current	**(79,067)**	**(94,170)**	**(78,280)**
Net debt excluding lease liabilities	**(37,888)**	**(43,057)**	**(47,450)**
Lease liabilities – current	**(14,624)**	**(5,280)**	**(11,522)**
Lease liabilities – non-current	**(8,891)**	**(15,949)**	**(14,765)**
Net debt	**(61,403)**	**(64,286)**	**(73,737)**

12. Post balance sheet events

On 15 February 2023, the Group purchased the minority interest's shareholding of 14,981,272 shares in Benchmark Genetics Iceland HF for €9,000,000. Following this acquisition, Benchmark Genetics Limited, a subsidiary of Benchmark Holdings PLC, now owns 100% of the share capital of Benchmark Genetics Iceland HF.