



Benchmark[®]

Driving Sustainability in Aquaculture

Q2 and H1 FY24 Presentation

Trond Williksen, CEO

Septima Maguire, CFO

22 May 2024

*This document and any information contained within it is
the property of Benchmark Holdings Plc and its Affiliates*

GENETICS

ADVANCED NUTRITION

HEALTH

Agenda

1. Highlights
2. Operational Update
3. Financials
4. Outlook
5. Q&A

Q2 Highlights

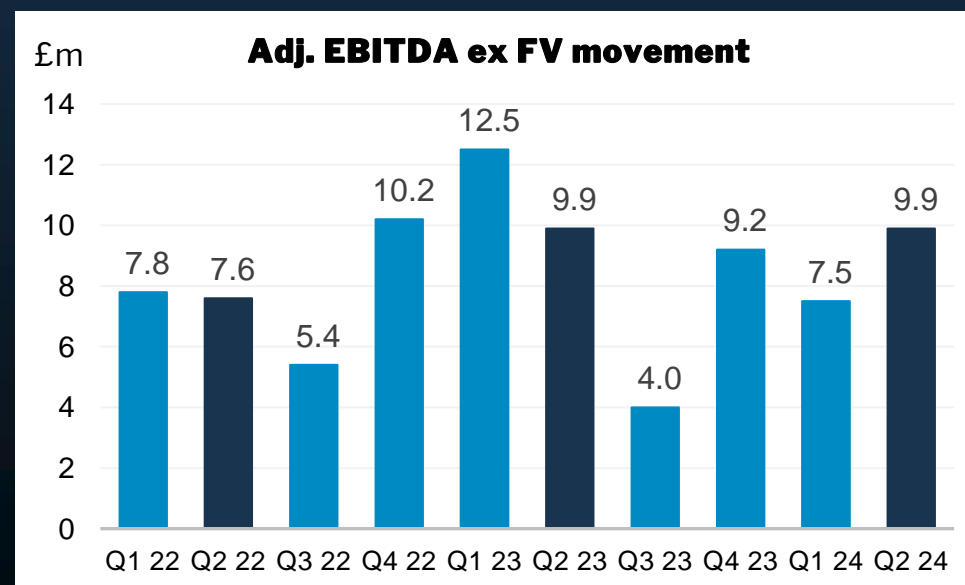
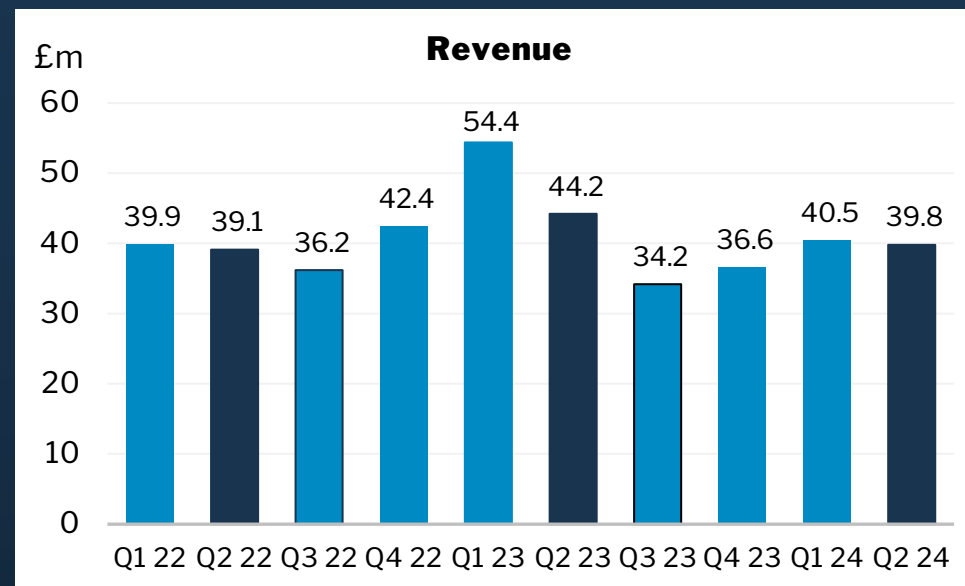
Quarterly momentum delivering improved profitability despite forex and market headwinds

- Group revenues of £39.8m (-3% CER⁽²⁾)
 - Strong performance in Genetics: +7% CER
 - Strong performance in Advanced Nutrition: +3% CER
 - Health -35% CER; focus on transition to new Ectosan®Vet and CleanTreat® model
- Adj. EBITDA⁽¹⁾ ex. FV movement in biological assets +9% CER; 32% above prior quarter, showing sequential progress against backdrop of difficult shrimp markets
- Adj. EBITDA margin ex FV movement in biological assets of 25% in line with medium term target (Q2 2023: 22%)
 - Genetics Adj. EBITDA margin ex FV movement: 24%
 - Adv. Nutrition Adj. EBITDA margin: 25%
 - Health Adj. EBITDA margin: 30%
- Adj. Operating profit ex FV movement in biological assets +24% (+42% CER⁽²⁾) at £5.9m
- Cash of £20.8m and liquidity of £40.5m
- Net debt excluding lease liabilities of £56.8m (30 September 2023: £45.6m)

Q2 performance underpins H1 FY24 progress and outlook for the full year



(1) Adj. EBITDA is EBITDA (earnings before interest, tax, depreciation and amortisation and impairment), before exceptional items including acquisition related expenditure (2) Constant exchange rate (CER) figures derived by retranslating current year figures using previous year's foreign exchange rates



Operational Update

Genetics



Strong Q2 with solid performance in core business and good progress in growth vectors

Q2 FY24

- Revenue +2% (+7% CER⁽²⁾) driven by higher egg revenues and higher harvest and genetic services income
- Adj. EBITDA⁽¹⁾ ex FV movement +42% (+50% CER⁽²⁾) reflecting higher JV profit and progress in growth vectors
- Adj. EBITDA⁽¹⁾ margin ex FV movement increased to 24%

H1 FY24

- Revenue below H1 FY23 which benefitted from supply constraints in the market
- Adj. EBITDA⁽¹⁾ ex FV movement slightly ahead of H1 FY23 at £6.4m
- Significant increase in Adj. EBITDA⁽¹⁾ margin ex FV movement: 23% (H1 FY23: 18%)
- No impact from ISA incident in Salten

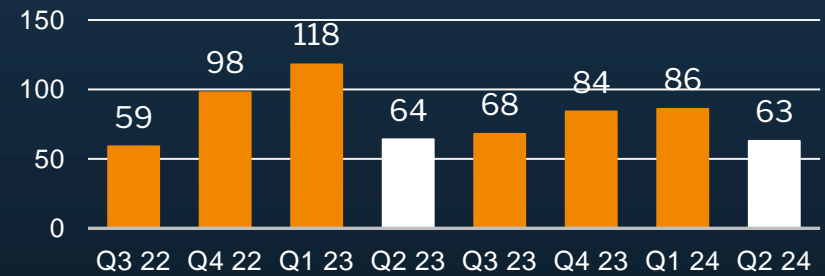
R&D Growth Vectors

- Launch of new salmon genetics lines applying state of the art technologies to build in differentiated traits which are important to our customers
- Progress in key R&D growth vectors including gene editing, diploid sterility and complex gill disease which was bolstered by a major new partnership
- Successful launch of genotyping product portfolio

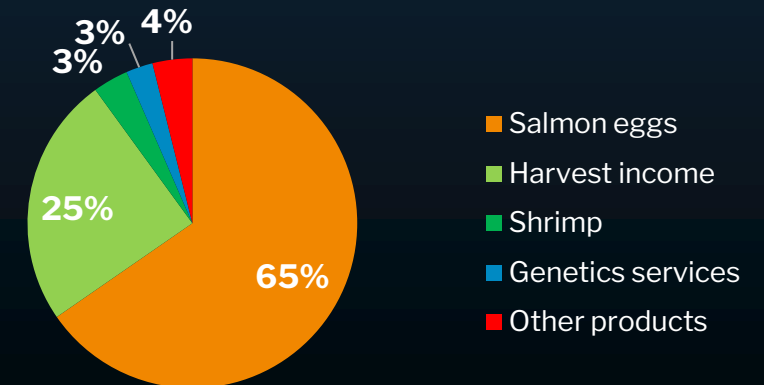
(1) Adj. EBITDA is EBITDA (earnings before interest, tax, depreciation and amortisation and impairment), before exceptional items including acquisition related expenditure (2) Constant exchange rate (CER) figures derived by retranslating current year figures using previous year's foreign exchange rates

(£m)	Q2 24	Q2 23	CER %	H1 24	H1 23
Revenue	13.2	12.9	+7%	28.4	34.3
Gross Margin ex FV mov	47%	47%		44%	41%
Adj. EBITDA ¹	3.4	3.6	+1%	5.9	6.5
Adj. EBITDA ¹ ex FV mov	3.1	2.2	+50%	6.4	6.3
Adj. EBITDA ¹ ex FV margin	24%	17%		23%	18%

Salmon eggs sold (m)



Q2 FY24 Revenue contribution



Genetics



Solid performance in core business and substantial progress in growth vectors towards profitability

- **Core salmon:** lower sales reflect normal business fluctuations
- **Chile:** excellent performance with customer wins building foundation for future growth
- **Shrimp:** successful integration across Genetics and Advanced Nutrition, creating new commercial opportunities and cost savings
- **Genetic Services:** investment in resources to strengthen our offering including genotyping; benefits expected to come through in periods to come

(£m)	Core salmon Including harvest income		Chile		Shrimp		Genetic Services		Total	
	Q2 FY24	Q2 FY23	Q2 FY24	Q2 FY23	Q2 FY24	Q2 FY23	Q2 FY24	Q2 FY23	Q2 FY24	Q2 FY23
Revenue	10.3	11.1	2.0	1.1	0.5	0.4	0.5	0.3	13.2	12.9
Gross profit ex FV	4.6	6.5	1.4	0.2	(0.2)	(0.8)	0.4	0.2	6.2	6.1
Adj. EBITDA ex FV	2.2	2.9	1.1	(0.0)	(0.4)	(0.9)	0.2	0.2	3.1	2.2
<i>Adj. EBITDA ex FV %</i>	21%	26%	54%	(4%)	(77%)	(199%)	49%	56%	24%	17%
Adj. EBITDA	2.5	4.3	1.1	(0.0)	(0.4)	(0.9)	0.2	0.2	3.4	3.6
<i>Adj. EBITDA %</i>	24%	39%	54%	(4%)	(77%)	(199%)	49%	56%	26%	28%
Adj. Op. Profit ex FV	1.0	2.0	1.0	(0.1)	(0.4)	(1.0)	0.2	0.2	1.7	1.1



Advanced Nutrition

Strong Q2 performance against challenging markets and well positioned for recovery

Q2 FY24

- Revenues +3% CER⁽³⁾; 10% above Q1 FY24 showing good quarterly momentum
- Adjusted EBITDA⁽¹⁾ slightly below (-3% CER) but strong Adj. EBITDA margin of 25%

H1 FY24

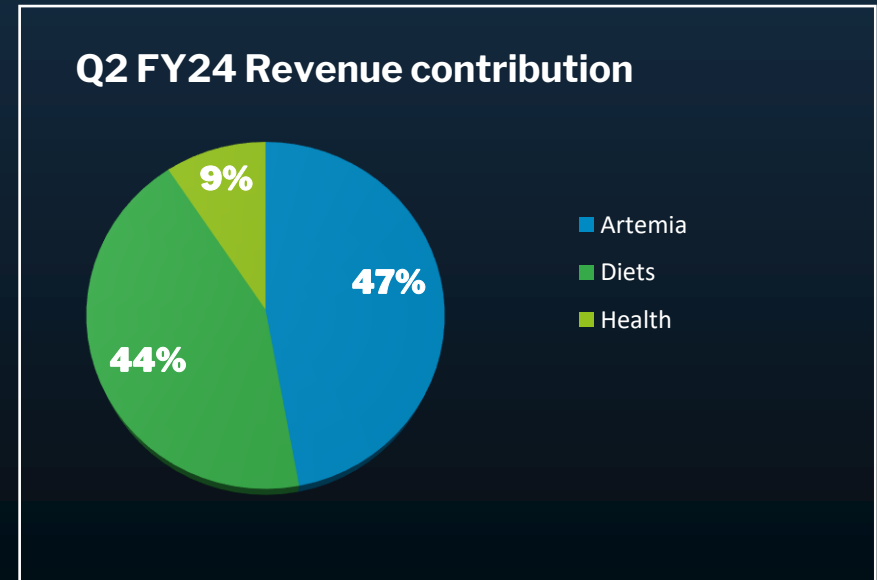
- Revenue 11% below H1 FY23 reflecting forex headwinds (-2% CER⁽³⁾),
- Adjusted EBITDA⁽¹⁾ margin was 24%; H1 FY23: 25%

Market conditions and actions taken

- Soft market conditions remain but with some green shoots of recovery. Fundamentals remain strong
- Well positioned for market recovery
 - Leading trusted brand and products
 - Continued innovation and product development adding new technologies
 - New routes to market
 - Operational efficiencies

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

(£m)	Q2 24	Q2 23	CER%	H1 24	H1 23
Revenue	21.1	22.6	+3%	40.4	45.3
Gross Margin	53%	57%		53%	53%
Adj. EBITDA ¹	5.3	6.2	-3%	9.9	11.5
Adj. EBITDA margin	25%	27%		24%	25%
Adj. Operating Profit ⁽²⁾	4.6	5.5	-4%	8.6	10.3





Health

Focus remains on transition to new business model for Ectosan® Vet and CleanTreat®

Q2 FY24

- Revenue -38% as we transition towards a new business model for Ectosan® Vet and CleanTreat®
- Adjusted EBITDA⁽¹⁾ margin maintained at 30%

H1 FY24

- Revenue 40% below prior year; Adjusted EBITDA⁽¹⁾ margin: 19% (H1 FY23: 35%)
- Strong sales of Salmosan® Vet reflecting successful lifecycle management and strength of the Company's sea lice solution portfolio

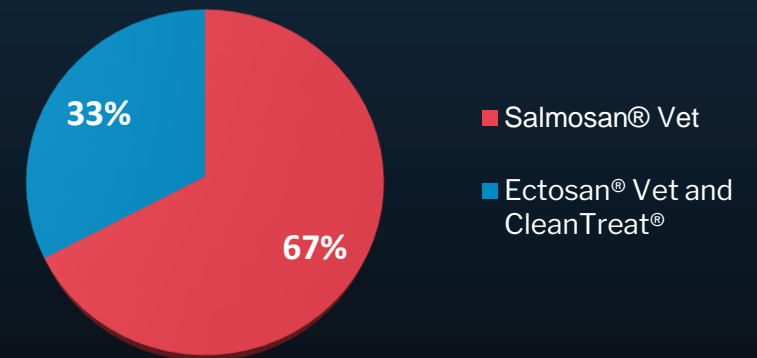
Ectosan® Vet and CleanTreat®

- Further progress towards development of new configurations and business model aimed at reducing infrastructure costs
 - Streamlining of infrastructure and organisation. First PSV taken out; second PSV will be taken out ahead of low summer season
 - Wellboat configuration in place and being promoted with MMC and SALT
 - Barge technical configuration developed

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

(£m)	Q2 24	Q2 23	CER %	H1 24	H1 23
Revenue	5.4	8.7	-35%	11.5	19.1
Gross Margin	58%	54%		50%	57%
Adj. EBITDA ¹	1.6	2.6	-34%	2.2	6.6
Adj. EBITDA margin	30%	30%		19%	35%
Adj. Operating Profit ² /(loss)	(0.2)	(0.8)	+79%	(4.6)	0.1

Q2 FY24 Revenue contribution



Financial Update

Income statement highlights

£m	Q2 24	Q2 23	% AER	% CER	H1 24	H1 23	% AER	% CER
Revenue	39.8	44.2	-10%	-3%	80.2	98.7	-19%	-12%
Gross profit	20.9	24.9	-16%	-10%	39.2	49.3	-20%	-15%
R&D	(1.5)	(1.4)	-8%	-12%	(3.1)	(3.0)	-2%	-7%
Other operating costs	(9.9)	(12.2)	19%	16%	(20.4)	(23.8)	14%	11%
Adjusted EBITDA ¹	10.1	11.3	-10%	-1%	16.8	22.6	-26%	-18%
Adj. EBITDA ex FV movement	9.9	9.9	0%	9%	17.3	22.4	-23%	-15%
Adj. EBITDA margin ex FV mov.	25%	22%			22%	23%		
Adjusted Operating Profit/(loss) ²	6.2	6.2	0%	15%	6.0	12.4	-51%	-40%
Adj. Operating Profit ² ex FV mov.	5.9	4.8	24%	42%	6.5	12.1	-46%	-34%
Exceptional costs	(2.0)	(1.7)	-14%	-15%	(2.5)	(2.7)	8%	4%
Net finance costs	(1.3)	(2.4)	+46%		(4.1)	(2.2)	-89%	
Loss before tax	(0.7)	(1.7)	61%	118%	(7.9)	(1.2)	-564%	-454%
Loss for the period	(1.1)	(2.4)	53%	89%	(8.8)	(2.7)	-229%	-189%

(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

Q2 FY24

- Revenue 10% below a strong Q2 FY23 (-3% CER)
- Adj. EBITDA excluding FV movement in biological assets in line with Q2 FY23 (+9% CER)
- Adj. EBITDA margin excluding FV movement in biological assets of 25% in line with medium term target
- 19% reduction in operating costs (-16% CER)

H1 FY24

- Revenue below strong H1 FY23, but 13% above H2 FY23 showing positive sequential progression
- Adj. EBITDA margin excluding FV movement marginally below H1 FY23 at 22%

Cashflow, net debt and liquidity (Q2 FY24)

£m	
Net debt¹ at 1 January 2024	(74.6)
Cash generated from operations	6.1
Capital expenditure	(0.9)
Foreign exchange on cash and debt	2.8
Interest and tax (inc. lease interest)	(4.7)
Lease additions and modifications	(1.5)
Other	0.1
Net debt¹ at 31 March 2024	(72.7)

- Net cash inflow from operating activities of £6.1m (Q2 FY23: £4.1m)
- Lower investment into working capital of £1.5m from £3.4m outflow in Q2 FY23 to an outflow of £1.9m in Q2 FY24
- Net cash used in investing activities £0.7m (Q2 FY23: £1.3m) of which capex was £0.9m (Q2 FY23: £1.6m) offset by proceeds from sale of fixed assets
- Interest and tax:
 - net interest paid of £2.2m
 - tax paid of £2.5m
- £5.9m used in financing activities (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

Cashflow, net debt and liquidity (YTD)

£m	
Net debt¹ at 1 October 2023	(65.5)
Cash generated from operations	1.8
Capital expenditure	(1.9)
Foreign exchange on cash and debt	2.9
Interest and tax (inc. lease interest)	(7.9)
Lease additions and modifications	(1.8)
Other	(0.3)
Net debt¹ at 31 March 2024	(72.7)

- Net cash inflow from operating activities of £1.8m (Q2 FY23: £13.6m inflow) due to increased working capital and greater loss for the period
- Working capital outflow in Q2 FY24 of £12.8m (Q2 FY23: £4.2m) with impacts from the timing and volume of sales and supplier payments as well as utilisation of provision following decommissioning of one of the CleanTreat vessels
- Net cash used in investing activities £1.5m (Q2 FY23: £3.4m) of which capex was £1.9m (Q2 FY23: £3.5m)
- Interest and tax:
 - net interest paid of £4.2m
 - tax paid of £3.7m
- Cash outflow from financing activities of £11.4m. Q2 FY23: £1.2m, including £11.4m net proceeds from equity raise and £4.2m net income from borrowings offset by the acquisition of minority interest in Iceland of £8.0m
- Cash of £20.8m and liquidity of £40.5m (cash and available facility) as at 31 March 2024
- Cash of £24.1m and liquidity of £41.3m (cash and available facility) as at 20 May 2024

A person is swimming in the ocean, with only their head and shoulders visible above the water. The scene is captured at sunset or sunrise, with a soft, warm glow on the horizon. The water is dark blue with gentle ripples. The sky transitions from a pale blue at the top to a warm orange and pink near the horizon. Two horizontal white lines are positioned above and below the word "Outlook".

Outlook

Outlook FY24

Trading in line with management expectations for the full year



Genetics

- Good visibility of salmon egg revenues
- Performing in line with expectations in growth vectors – Chile and shrimp
- No operational or financial consequences from ISA incident



Advanced Nutrition

- Continuing robust performance
- Difficult markets prevail with some green shoots of recovery
- Strongly positioned for market recovery



Health

- Progress on transition to new business model and managing costs
- Salmosan® Vet expected to continue to perform well

**Thank you
Q&A**

Disclaimer

IMPORTANT NOTICE

This presentation has been prepared by Benchmark Holdings plc (the "**Company**") in connection with the Q3 FY 23 results on 24 August 2023.

This presentation does not constitute a prospectus or an admission document relating to the Company, nor does it constitute or form part of any offer or invitation to purchase, sell or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any securities in the Company nor shall this presentation or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract for the same.

Information in this presentation relating to the price at which relevant investments have been bought or sold in the past or the yield on such investments cannot be relied upon as a guide to the future performance of such investments.

The presentation may contain forward-looking statements. These statements relate to the future prospects, developments and business strategies of the Company. Forward-looking statements are identified by the use of such terms as "believe", "could", "envisage", "estimate", "potential", "intend", "may", "plan", "will" or variations or similar expressions, or the negative thereof. Any forward-looking statements contained in the presentation are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. If one or more of these risks or uncertainties materialise, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Any forward-looking statements speak only as at the date of the presentation. Except to the extent required by applicable law or regulation, including the rules made by the AIM Rules of the London Stock Exchange, the Company undertakes no obligation to publicly release any update or revisions to any forward-looking statements contained in the presentation to reflect any change in events, conditions or circumstances on which any such statements are based after the time they are made.

This presentation contains non-GAAP/non-IFRS financial information which the Company's management believes is valuable in understanding the performance of the Company. However, such non-GAAP/non-IFRS information is not uniformly defined by all companies and therefore it may not be comparable with similarly titled measures disclosed by other companies, including those in the Company's industry. Although these measures are important in the assessment and management of the Company's business, they should not be viewed in isolation or as replacements for, but rather as complementary to, the comparable GAAP/IFRS measures.

No reliance may be placed, for any purposes whatsoever, on the information contained in this presentation or on its completeness. No representation or warranty, express or implied, is given by or on behalf of the Company, or any of its respective directors, partners, officers, employees, advisers or any other persons as to the accuracy, fairness or sufficiency of the information or opinions contained in this presentation and none of the information contained in this presentation has been independently verified by any person. Save in the case of fraud, no liability is accepted for any errors, omissions or inaccuracies in such information or opinions.

Neither this presentation nor any copy of it may be (i) taken or transmitted into the United States of America, (ii) distributed, directly or indirectly, in the United States of America or to any US person (within the meaning of regulations made under the Securities Act 1933, as amended), (iii) taken or transmitted into or distributed in Canada, Australia, the Republic of Ireland or the Republic of South Africa or to any resident thereof, or (iv) taken or transmitted into or distributed in Japan or to any resident thereof. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction. The distribution of this document in other jurisdictions may be restricted by law and the persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.