



Benchmark[®]

A leading aquaculture
biotechnology company

Driving sustainability in aquaculture

Full year results FY20





FY20: A year of transformation and achievements

Unless otherwise stated, figures relate to continuing operations

- Restructuring complete and financial solidity achieved
- Operational resilience to Covid-19
- Strong performance in Genetics
- Trading in Advanced Nutrition impacted by shrimp markets and supply dynamics in Artemia
- Good progress towards commercialisation of BMK08 + CleanTreat[®] and SPR Shrimp
- Positive outlook and naturally aligned and committed to ESG trends and opportunities

Revenue

£105.6m

(2019: £124.0m)

Adjusted EBITDA¹

£14.5m

(2019: £21.3m)

Liquidity

£83.2m

(30 Sep 2019: £28.2m)

Net Debt

-£37.6m

(30 Sep 2019: -£87.1m)

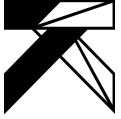
(1) Adjusted EBITDA – EBITDA before exceptional and acquisition related items IFRS 16 has been adopted for the year ending 30 September 2020 using the modified retrospective approach. The impact of IFRS 16 on Adjusted EBITDA for the year ended 30 September 2020 for continuing operations has been an improvement of £2.0m



A streamlined, profitable, market leading, aquaculture biotechnology company

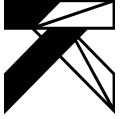
Three business areas with growth
and synergy opportunities





Financial Review





FY20 financial achievements

Commitment to transition from R&D investment into sustainable profitability

Substantially stronger balance sheet

- £42m net fundraise
- Up to £44m proceeds from disposals

Net debt¹

£37.6m

(31 Dec 2019: £87.1m)

Liquidity²

£83.2m

(30 Sep 2019: £28.2m)

Reduced cash burn

- Close loss making activities - **c.£2.3m p.a.**
- Vaccines
 - Manufacturing exited - **£5.5m p.a.**
 - Vaccine programme streamlined including companion animal - **£3m**

Total

£10.8m

Reduced cost base

- Review of end-to-end operations
- Cost containment during Covid-19
- Reorganisation of senior management c.£1.5m savings

FY20 operating costs

-12%

(1) Net debt is cash and cash equivalents less loans and borrowings. Net debt includes £9.6m (2019: £nil) relating to lease obligations which are now held on balance sheet following the adoption of IFRS 16. (2) Liquidity is cash plus undrawn facilities



Group performance

Continuing operations

£m	FY2020	FY2019
Revenue	105.6	124.0
Gross profit	55.0	68.9
<i>Gross profit %</i>	<i>52%</i>	<i>56%</i>
Operating Costs	33.3	37.7
R&D Expenses	7.3	9.5
EBITDA	12.4	20.8
Adj EBITDA	14.5	21.3
<i>Adj. EBITDA %</i>	<i>14%</i>	<i>17%</i>
Adj EBITDA excl. FV uplift	11.2	18.6
Operating loss	(10.9)	(46.4)

- Drop in revenues driven by Advanced Nutrition shrimp and Artemia markets
- Gross Margin impacted by Artemia pricing
- Reduction in operating costs reflects restructuring and cost containment efforts to mitigate impact from Covid-19
- R&D reduction a result of streamlining of activities in health and cost containment in light of Covid-19
- Uplift in fair value of biological assets £3.3m (FY2019: £2.7m)



Genetics

Strong performance



- Growth driven by sale of premium salmon egg products
 - Benefit of exports to Scotland from bio-secure facility in Iceland during import restrictions from Norway to EU
 - First year supplying eggs year-round from Salten - 79m eggs sold reaching breakeven
- Chile - completing infrastructure for 50m egg production; opex incurred ahead of launch
- SPR shrimp - first test market sales of broodstock shrimp
 - Progress in construction of multiplication centre in Thailand
 - Development costs capitalised ahead of launch
- Tilapia - ongoing investment in breeding programme; seeking partnerships
- Adj. EBITDA margin % excluding fair value uplift on biological assets: 27% (2019: 19%)

Revenue
£41.5m

2019: £39.7m

+5%
+14% cc¹

(1) constant currency

Adj. EBITDA
£14.4m

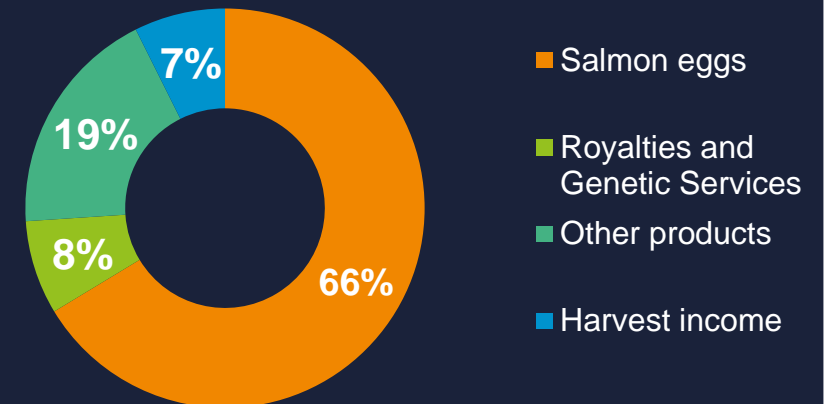
2019: £10.1m
+43%; +53% cc¹

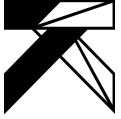
Adj. EBITDA
excl. FV uplift

£11.1m

2019: £7.4m
+50%; +61% cc¹

Revenue Contribution





Advanced Nutrition

Remains profitable despite impact from Covid-19 and Artemia supply imbalance

Actions taken to maintain and strengthen position ahead of market recovery

- Change in Artemia pricing strategy
- Health products more resilient
- Enhanced technical support and online market presence
- Successful launch of improved Sep-Art, a sustainable Artemia nauplii separation tool
- Successful trials of probiotics and environmental protocols with Vietnam's leading hatchery producer

Revenue

£59.4m

2019: £76.4m

-22%
-22% cc¹

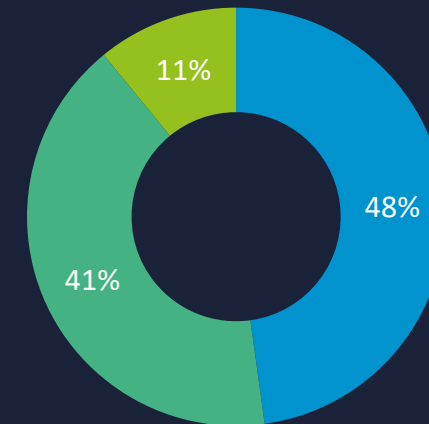
Adj. EBITDA

£6.4m

2019: £16.0m

-60%
-60% cc¹

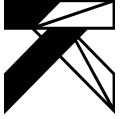
Revenue Contribution



**Revenues
FY20/19**

Artemia	-27%
Diets	-19%
Health	-2%

(1) constant currency



Health

Restructuring complete BMK08 + CleanTreat® progress

- Post restructuring, focus on sea lice treatments and streamlined salmon vaccine pipeline through partnerships
- Drop in revenues reflects exit from toll manufacturing and completion of BMK08 paid trials in 2019; Salmosan remains a contributor to sea lice management portfolio in certain markets
- BMK08 + CleanTreat® on track for Q2 CY21 launch
 - Submission of regulatory dossier to NEMA
 - Positive opinion from CVMP on maximum residue limit (MRL)
 - Construction of second CleanTreat® system
 - Crystallises 10 year investment

Revenue
£5.2m
2019: £8.7m

-40%
-34% cc¹

Adj. EBITDA
-£3.7m
2019: -£2.1m

-76%
-75% cc¹

(1) constant currency

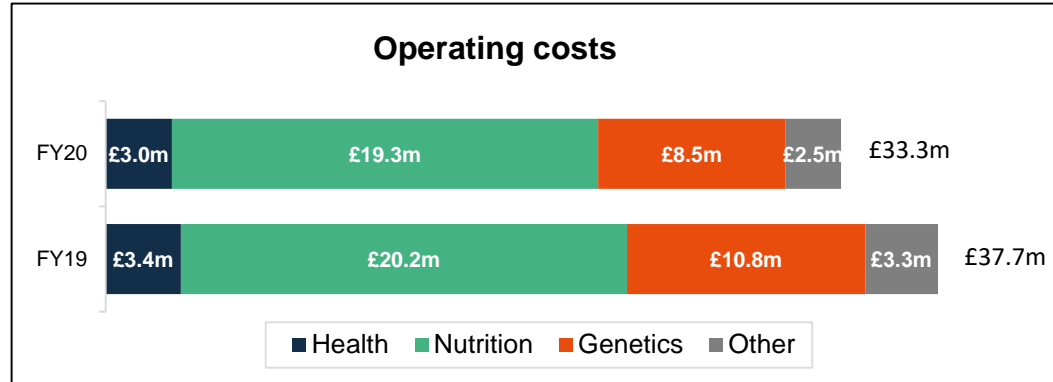


**BMK08
CleanTreat**

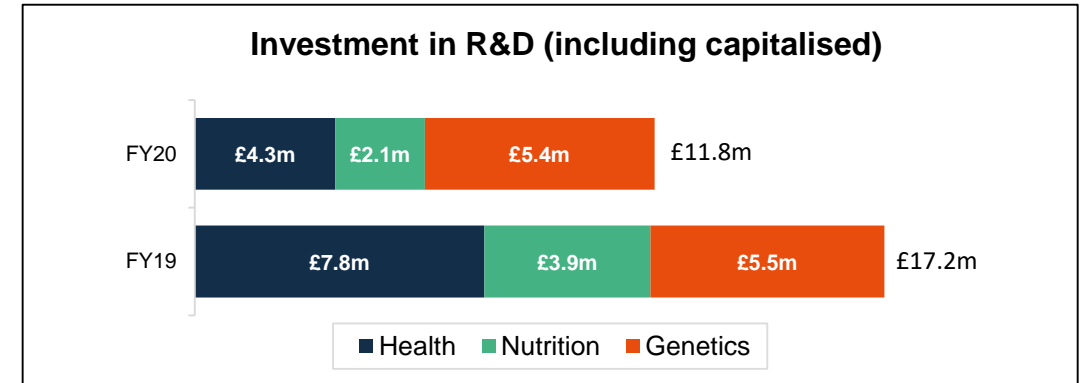
	>99% efficacy
	Higher fish welfare*
	Low environmental impact**



Operating costs and R&D



- Reduction in operating costs reflect cost containment effort in all business areas primarily from travel restrictions and pause in discretionary spend
- “Other” relates primarily to Corporate costs



- Significant reduction in Health now focused on BMK08 +CleanTreat®
- Continued investment in Genetics – ongoing breeding programmes
- Advanced Nutrition focused on expanding product portfolio including Artemia replacement where good progress was made
- Capitalised R&D of (£4.6m) – Artemia replacement, SPR shrimp and BMK08



Improved cashflow, net debt and liquidity

£m

Net debt¹ at 30 September 2019

(87.1)

Cash generated from operations

(7.2)

Movement in working capital

5.2

Interest and taxes

(9.6)

Investment in associate

(0.5)

Capital expenditure

(11.8)

Proceeds from divestments

38.5

Proceeds from Chile JV dissolution

6.9

Equity Raise

41.7

IFRS 16 leases

(15.3)

Other non cash movements

(0.9)

Foreign exchange on cash and debt


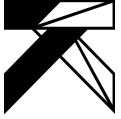
2.5

Net debt¹ at 30 September 2020

(37.6)

- Lower activity levels in 2020 resulted in:
 - Significantly lower cash outflow from operations in the year of £7.2m (2019: £14.2m)
 - Reduced working capital levels resulting in an inflow of £5.2m (2019: outflow of £19.2m)
- Cash conservation, the equity raised and proceeds from the divestments in 2020 strengthened cash and net debt position
- Capital expenditure was significantly reduced to £11.8m (2019: £15.8m)

(1) Net debt is cash and cash equivalents less loans and borrowings. Net debt includes £9.2m (2019: £nil) relating to lease obligations which are now held on balance sheet following the adoption of IFRS 16.



Strategy and Outlook



Uniquely positioned to deliver on one of the biggest ESG opportunities: sustainable food production

An attractive market



Aquaculture is inherently sustainable and growing faster than any other animal protein production creating a need for products that improve productivity and support sustainable growth

Uniquely positioned



With a complementary offering, market leading positions, a focused strategy and an experienced team, we are well positioned to deliver on this opportunity

Committed to profitability



Having completed an extensive streamlining programme exiting non-core and loss-making activities we are now in a strong financial position to achieve profitability and deliver growth



Strategy – Roadmap to profitability and growth

FY21 Priorities

1 Restructuring and streamlining

Further streamlining post restructuring
"One Benchmark"

2 Delivery of pipeline products

BMK08 and CleanTreat®
• Norway MA; commercial launch

3 Grow in our core established markets

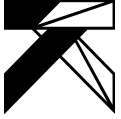
Salmon genetics: Iceland and Norway
Advanced Nutrition: grow in specialist high margin segments

4 Selective investment in areas that leverage Group capabilities

SPR shrimp: commercial launch
Chile - salmon genetics

5 Position BMK for future growth

Explore future growth opportunities within core business areas



Growth vectors

Operational focus and disciplined investment

BMK08&CleanTreat®



- Sustainable solution to biggest biological challenge in salmon production
- Launch Q2 CY21 in Norway
- Next milestones: MRL ratification, MA grant
- Full-service revenue model
- Two systems at launch; roll-out based on uptake

SPR shrimp



- Expanding genetics capability into underpenetrated shrimp market
- Commercial launch in FY21
- Exports from US and local production in Thailand
- US capacity expanded from 50k to 100k breeders

Advanced Nutrition

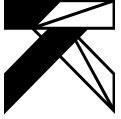


- Regain market share in Artemia growing volumes and margins as markets recover
- Grow in hatchery and nursery with specialist high margin products
- Develop leading position in health and environmental protocols
- Relaunch proprietary technologies and new tools in targeted segments
- Continued innovations focused on improved delivery technologies, and longer term Artemia replacement
- Launch new business model in Vietnam pooling demand through a new distributor network

Salmon Genetics



- Expansion into Chile, world's second largest salmon market
- Continued ramp-up of Salten facility
- Capacity expansion in Iceland
- Open 50m egg facility in Chile, first sales in FY21
- Currently at c.60% capacity



Group outlook and guidance

Focus remains on reaching profitability and positive cash generation

- Positive start to FY21; unchanged market conditions
 - Salmon genetics resilient to short term volatility in salmon market
 - Continued impact from Covid-19 on shrimp
- FY21 revenues in established business driven by conditions in underlying markets; upside from launch of BMK08 and CleanTreat®
- Ongoing focused investment in SPR shrimp, Chile, and BMK08 and CleanTreat®
- Committed to maintain a solid balance sheet aligning the pace of investment to cash generation

Longer term, positive fundamentals together with Benchmark's leading market position will drive growth



Benchmark[®]

Thank you
Q&A



Post restructuring: a diversified, resilient Group well positioned in each of our markets

Genetics Performing strongly



Group
revenue
39%

- Leading market position and products
- Diversified, biosecure production footprint
- Uninterrupted operations through Covid-19

Advanced Nutrition Positioning for market recovery



Group
revenue
56%

- Profitable with leading market position in hatchery despite market conditions
- Actions to position for market recovery; focus on specialist segments

Health Restructured Focus on BMK08 + CleanTreat®



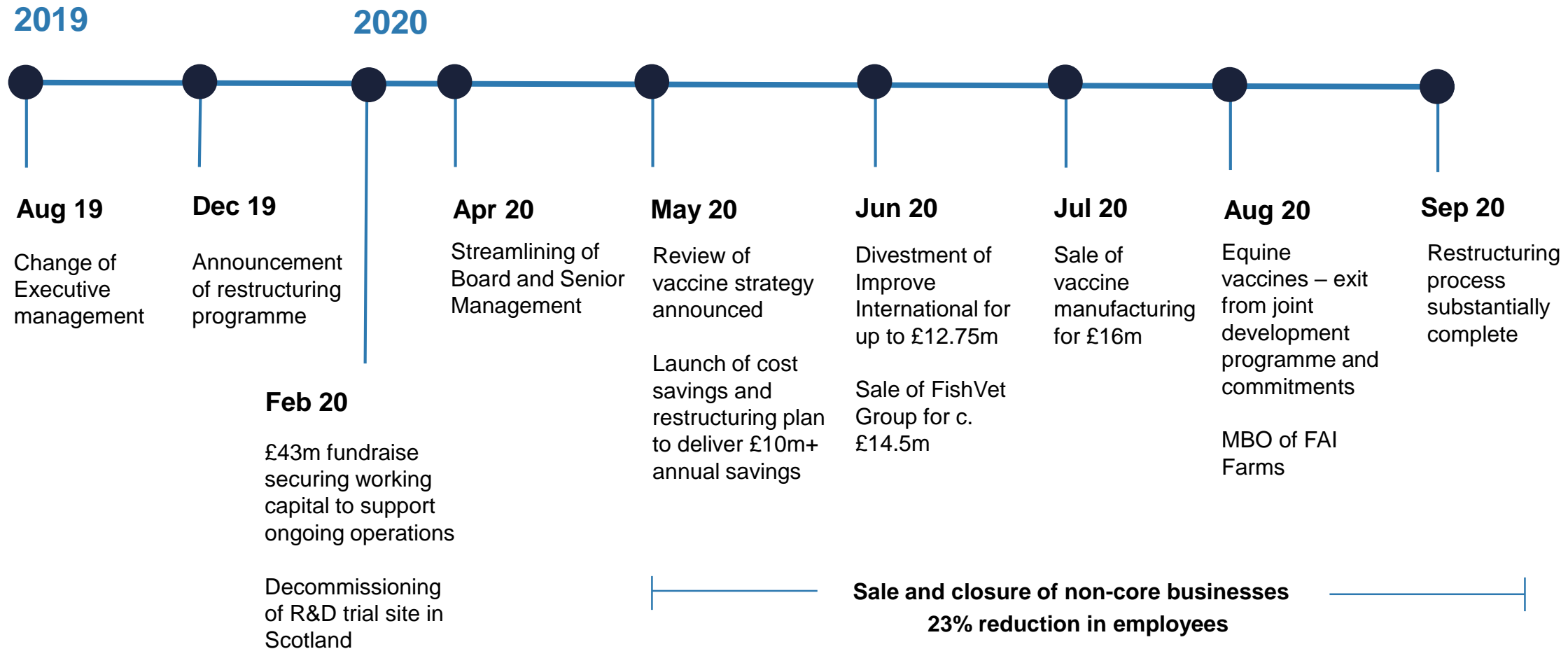
Group
revenue
5%

- Favourable trends for BMK08 launch — sea lice challenge; environmental and animal welfare drivers
- Opportunity to leverage commercial position in salmon Genetics



A year of transformation – restructuring complete

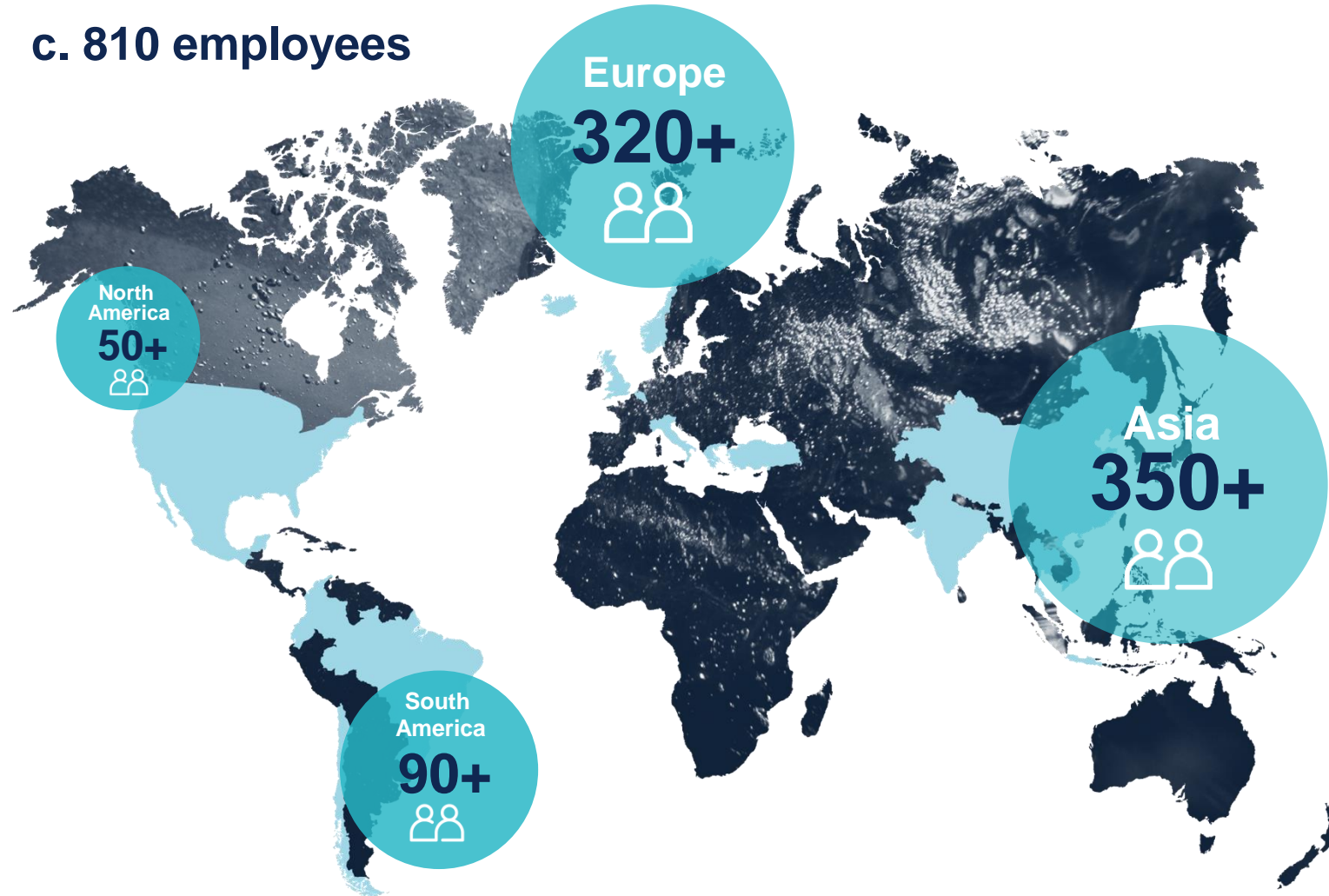
First step in roadmap towards profitability





Present in every major aquaculture market

c. 810 employees



Group Revenue
(FY20)*

£105.6m

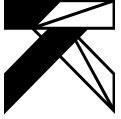
* continuing operations

Large scale
production

6
countries

Commercial and
R&D operations

23
countries



Global footprint with capacity for growth



GENETICS

Capacity (year operational for BMK)

Shrimp, Thailand

- 40K breeders (2020)



Salmon, Norway — 2 sites

- 150M eggs / 300T broodfish (2020)
- 350 families / 0.5m smolt (2015)



Shrimp, USA

- 60M PL / 52K breeders (2018)



Shrimp, Colombia

- 20M PL/month
250 families & 20K breeders (2016)



Tilapia, USA

- 200 families / 2M fingerlings (2015)



Salmon, Chile — 2 sites

- 50M eggs / 200 families (2017)
- 15K smolt / 2M 25g juveniles (2020)

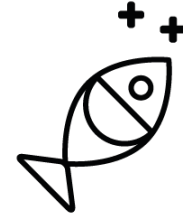


Salmon, Iceland — 4 sites

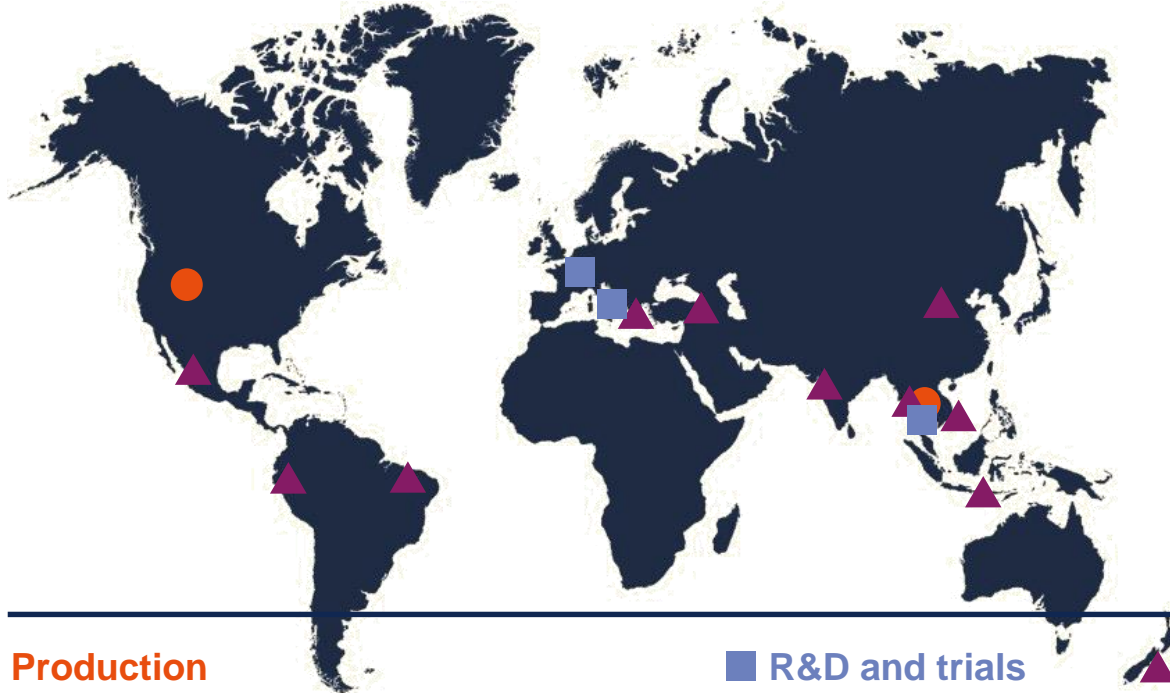
- 220M eggs & 600T broodfish
200 families / 80K smolt (2014)



Global integrated footprint and strong market position



ADVANCED
NUTRITION



● Production

Salt Lake City, US

- GSL artemia
- Probiotics mixing
- Diets packing

Phichit, TH

- CIS & GSL artemia
- Diets production
- Probiotics mixing

■ R&D and trials

Dendermonde, BE

Chonburi, TH Shrimp

Tuscany, Italy Marine fish

▲ Sales & distribution

10 key markets

600+

customers in **70+** countries served directly and through distributors

Well established in hatchery segment; opportunity to expand further into specialised margin segments

500

employees globally