

**24 August 2021**

*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”)**

**Q3 Results**  
**(3 months ended 30 June 2021)**

**Strong quarter with continuing momentum and strong performance across all business areas**  
**Strategic milestone with successful launch of Ectosan® Vet and CleanTreat® post period**

In compliance with the terms of the Company’s senior secured bond which requires it to publish quarterly financial information, Benchmark, the aquaculture biotechnology business, announces its unaudited results for the 3 months ended 30 June 2021 (the “period”). All Q3 FY21, Q3 FY20, YTD Q3 2021 and YTD Q3 2020 figures quoted in this announcement are based on unaudited accounts.

**Highlights – strong Q3 2021 performance across all business areas and continuing momentum**

- Revenues 17% ahead of the prior year (+25% CER) (continuing operations) with strong performance across all business areas:
  - Genetics revenues 21% above Q3 2020 driven by higher sales of salmon eggs
  - Advanced Nutrition revenues 15% above the prior year reflecting growth across all product lines and continuing its good performance
  - Health revenues 20% above Q3 2020 benefitting from higher Salmosan sales
- Adjusted EBITDA more than doubled as a result of higher revenues, operational improvements and continuous cost control
- YTD Q3 2021, Group revenues were 9% higher than the prior year (+15% CER) and Adjusted EBITDA 26% ahead (38% CER) (continuing operations)
- Liquidity of c.£51m (cash and available facility) as at 23 August 2021

| £m  | YTD Q3<br>2021 | YTD Q3<br>2020<br>Restated* | CER**<br>YTD Q3<br>2021 | Q3<br>2021   | Q3 2020<br>Restated* | CER** Q3<br>2021 |
|---|----------------|-----------------------------|-------------------------|--------------|----------------------|------------------|
| Revenue from continuing operations                      | 87.8<br>+9%    | 80.3                        | 92.6<br>+15%            | 28.3<br>+17% | 24.1                 | 30.2<br>+25%     |
| <b>Adjusted</b>   |                |                             |                         |              |                      |                  |
| Adjusted EBITDA <sup>1</sup> from continuing operations | 12.4<br>+27%   | 9.8                         | 13.5<br>+38%            | 4.4<br>+110% | 2.1                  | 4.7<br>+123%     |
| Adj. EBITDA excluding biological asset movements        | 10.0<br>+23%   | 8.1                         | 11.1<br>+37%            | 4.1<br>+37%  | 3.0                  | 4.4<br>+47%      |
| Adjusted Operating Profit <sup>2</sup>                  | 7.3<br>+40%    | 5.2                         | 8.3<br>+60%             | 2.9<br>+383% | 0.6                  | 3.1<br>+417%     |
| <b>Statutory</b>  |                |                             |                         |              |                      |                  |

|   |        |        |  |        |        |  |
|---|--------|--------|--|--------|--------|--|
| Operating loss  | (5.9)  | (8.1)  |  | (1.2)  | (4.2)  |  |
| Loss before tax from continuing operations                | (5.9)  | (19.6) |  | (2.7)  | (6.2)  |  |
| Loss for the Period - total incl. discontinued operations | (5.9)  | (23.2) |  | (2.8)  | (4.4)  |  |
| Basic loss per share (p)                                  | (1.01) | (3.83) |  | (0.44) | (0.66) |  |
| Net debt <sup>3</sup>                                     | 76.1   | 54.7   |  | 76.1   | 54.7   |  |
| Net debt excluding lease liabilities                      | 52.7   | 45.3   |  | 52.7   | 45.3   |  |

\* YTD Q3 2020 and Q3 2020 numbers have been restated to reflect changes to the ongoing continuing business since the figures were originally reported (note 5).

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

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

### Divisional summary (Continuing operations)

| £m   | YTD Q3 2021  | YTD Q3 2020 Restated* | CER** YTD Q3 2021 | Q3 2021      | Q3 2020 Restated* | CER** Q3 2021 |
|--|--------------|-----------------------|-------------------|--------------|-------------------|---------------|
| <b>Revenue</b>                                     |              |                       |                   |              |                   |               |
| Advanced Nutrition                                 | 53.4<br>+13% | 47.3                  | 57.3<br>+21%      | 18.4<br>+15% | 16.0              | 20.6<br>+29%  |
| Genetics   | 30.9<br>+4%  | 29.7                  | 31.7<br>+7%       | 8.7<br>+21%  | 7.2               | 8.5<br>+18%   |
| Health   | 3.6<br>-8%   | 3.9                   | 3.6<br>-8%        | 1.2<br>+20%  | 1.0               | 1.2<br>+20%   |
| <b>Adjusted EBITDA<sup>1</sup></b>                 |              |                       |                   |              |                   |               |
| Advanced Nutrition                                 | 10.2<br>+65% | 6.2                   | 11.0<br>+77%      | 3.9<br>+39%  | 2.8               | 4.4<br>+57%   |
| Genetics   | 8.2<br>-16%  | 9.8                   | 8.5<br>-13%       | 2.2<br>+83%  | 1.2               | 2.1<br>+75%   |
| - Net of fair value movements in biological assets | 5.9<br>-27%  | 8.1                   | 6.2<br>-23%       | 1.9<br>-10%  | 2.1               | 1.8<br>-14%   |
| Health   | (3.8)<br>+3% | (3.9)                 | (3.8)<br>+3%      | (1.2)<br>+8% | (1.3)             | (1.2)<br>+8%  |

\* YTD Q3 2020 and Q3 2020 numbers have been restated to reflect changes to the ongoing continuing business since the figures were originally reported (note 5).

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

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

**Operational highlights – launch of Ectosan® Vet (formerly BMK08) and CleanTreat® post period end; first sea lice treatments delivered successfully**

- Post period end, the Group received Marketing Authorisation in Norway for Ectosan® Vet and the MRL (Maximum Residue Limit) was adopted into the Agreement of the European Economic Area, completing the regulatory steps for commercialisation. The first treatments were successfully delivered in August 2021. Ectosan® Vet is the first new sea lice medicine to come to market in more than a decade
- Good commercial and operational momentum in Advanced Nutrition continues with strong growth YoY
- Expansion projects for salmon and shrimp Genetics in Iceland, Fellsmere and Chile are progressing according to plan
- Continue to win new contracts for future delivery in the emerging land-based salmon segment

**Market environment - Reopening of hospitality sector creates positive market outlook**

- The gradual reopening of the hospitality sector creates a positive outlook for our end markets
- Conditions in the salmon industry are positive with a recovery in prices after a drop related to Covid-19; demand growth continues to exceed global supply
- The shrimp market is recovering with potential to bounce back to pre-Covid-19 levels despite continued hardships due to the pandemic in certain markets
- The seabass and seabream market have substantially recovered

**Current trading and Outlook**

- The Group is trading in line with market expectations for the full year with good revenue visibility for the remainder of the year
- Looking forward to FY 2022, consistency in performance is expected to continue in Genetics and Advanced Nutrition, while Health starts benefitting from Ectosan® Vet and CleanTreat® revenue stream

**Trond Williksen, CEO, commented:**

“We are very pleased with the results and progress in Q3 2021 and the subsequent period. Our three business areas performed strongly, and we achieved a major strategic milestone with the successful commercial launch of Ectosan® Vet and CleanTreat®. We now have the basis to have three profitable business areas moving the Group closer to overall profitability.

“There is good momentum in the business following the streamlining exercise conducted in 2020 and the adoption of a new commercial focus. Our end markets are gradually recovering from the impact of Covid-19, creating a positive environment for our business. All this provides confidence in our ability to deliver full year results in line with market expectations as well as progress in future years.”

**Details of analyst / investor call today**

There will be a call at **9:00am UK time** today for analysts and investors. To register for the call please contact MHP Communications on +44 (0)20 3128 8990 or 8742, or by email on [benchmark@mhpc.com](mailto:benchmark@mhpc.com)

## Enquiries

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## About Benchmark

Benchmark is a leading aquaculture biotechnology company. Benchmark's mission is to enable aquaculture producers to improve their sustainability and profitability.

We bring together biology and technology to develop innovative products and solutions which improve yield, quality and animal health and welfare for our customers. We do this by improving the genetic make-up, health and nutrition of their stock - from broodstock and hatchery through to nursery and grow out.

Benchmark has a broad portfolio of products and solutions, including salmon eggs, live feed (Artemia), specialist diets and probiotics and sea lice treatments. Find out more at [www.benchmarkplc.com](http://www.benchmarkplc.com)

## Management Report

We are very pleased with the Group's performance in Q3 2021. Our three business areas delivered strong results, and we achieved a major strategic milestone post period end with the completion of all the regulatory steps required to commercialise Ectosan® Vet (previously code named BMK08) and CleanTreat® in Norway, our main target market for our new sea lice solution. The first sea lice treatments were delivered successfully in August 2021 generating the first commercial revenues from our new solution.

Group revenues from continuing operations for the quarter at £28.3m were 17% ahead of the prior year (+25% CER) reflecting good performance across all business areas. YTD group revenues from continuing operations were 9% higher than the prior year at £87.8m (+15% CER) (YTD Q3 2020 (restated): £80.3m). The drivers behind our results are outlined in the business area commentary below.

The continuing good performance in the year highlights the benefits of a streamlined organisation with a clear commercial focus. In addition, we have seen some recovery from Covid-19 in our end markets, particularly in shrimp, as Covid-19 restrictions ease and the hospitality sector reopens. While conditions in some shrimp producing countries including India remain difficult there is positive momentum and significant upside potential to reach pre Covid-19 levels. The salmon market remains stable with price recovery after a drop relating to Covid-19 and the Mediterranean sea bass/sea bream market has substantially recovered.

We maintain our disciplined approach to cost control, cash management and investment. Our goal is to maintain or improve the margins in our established business, while investing in the launch of new products including SPR shrimp, and in the expansion of our core areas such as salmon genetics. Operating expenses in Q3 2021 of £9.3m were 25% above the prior year and R&D expenses of £1.6m were up 27%. This expected increase is against a backdrop of significant savings in Q3 2020 when, in response to the Covid-19 pandemic, we implemented cost containment and temporary salary reductions for senior management and utilised government support schemes. Total R&D investment including capitalised development costs was £2.9m (Q3 2020: £2.6m). Total capex investment in the period of £7.8m (Q3 2020: £3.7m) and £17.1m YTD (YTD Q3 2020: £9.8m) includes investment in CleanTreat®, in our Advanced Nutrition facilities in Thailand and in the new incubation facility in Iceland.

Adjusted EBITDA from continuing operations for the quarter was 110% up at £4.4m against £2.1m in Q3 2020 as a result of higher revenues and ongoing cost control, partially offset by an increase in operating costs as activity normalises post Covid-19. YTD adjusted EBITDA at £12.4m was £2.6m, 27% up on the prior year (YTD Q3 2020 (restated): £9.8m).

We continued to make good progress in our strategic priorities which are aligned towards our goal of becoming the leading aquaculture biotechnology company delivering sustainable profitability.

## Advanced Nutrition

Advanced Nutrition performed strongly in the quarter with growth across all product areas – Artemia, diets and health. The good performance is the result of a successful commercial programme to regain market share in Artemia and strengthen our position in diets and health, as well as recovering shrimp and seabass/seabream markets. Revenues of £18.4m in Q3 were 15% above the prior year (Q3 2020: £16.0m). YTD Q3 revenues of £53.4m were 13% above the prior year (YTD Q3 2020: £47.3m). Adjusted EBITDA in Q3 2021 was £3.9m (Q3 2020: £2.8m) and YTD Q3 Adjusted EBITDA was £10.2m, 64% above the prior year YTD (YTD Q3 2020: £6.2m). The increase in Adjusted EBITDA margin reflects higher sales, as well as growth in diets which have a higher margin and ongoing cost control.

By product, Artemia revenues were up 21%, Diets were up 27% and Health was up 56% in the quarter. YTD Q3, Artemia revenues were up 19% versus prior year despite a strategic drop in price to regain market share. Diets were up 26% and Health was up 7%. By region, Asia performed strongly while the Americas remain challenging partly because of the ongoing Covid-19 pandemic and logistical difficulties.

## **Genetics**

Genetics performed well in the period with revenues of £8.7m, 21% above the prior year (Q3 2020: £7.2m) driven by higher sales of salmon eggs primarily from the Salten facility in Norway. Current capacity from our Salten facility is sold out and we continue to work on the operational optimisation and ramp up of Salten to reach its full 150m egg capacity. Harvest income was lower than the prior year due to lower salmon prices. YTD Q3 revenues at £30.9m were 4% ahead of the prior year (YTD Q3 2020: £29.7m) reflecting the same drivers as in Q3.

Adjusted EBITDA for Q3 2021 of £2.2m was 83% higher than prior year (Q3 2020: £1.2m) as a result of higher sales offsetting an increase in operating costs as operations normalise post Covid-19. Adjusted EBITDA for YTD Q3 of £8.2m was 16% below the prior year (YTD Q3 2020: £9.8m) due to lower harvest income and lower JV revenues.

Biological asset increase of £1.2m in the quarter (Q3 FY20: £1.5m) was impacted by adverse foreign exchange movements of £0.5m (Q3 FY20: favourable £1.0m) and includes a fair value increase of £0.4m (Q3 2020: £0.9m decrease) as a result of higher salmon egg sales and higher price. YTD Q3 increase in biological assets of £5.3m (YTD Q3 2020: £1.3m) reflects a favourable foreign exchange movement of £0.8m (YTD Q3 FY20: adverse £2.6m) and includes a fair value increase of £2.3m (YTD Q3 2020: £1.7m) as salmon egg production, sales and prices increase.

By species, salmon performed well maintaining a strong market position in the northern hemisphere. We also continue to win new contracts for future delivery in the emerging land-based segment where we have established a leading position which will support future growth. Delivery of land-based contracts will commence as the new land-based facilities come on stream which we expect to be gradual in the years to come. The expansion of the incubation facility in Iceland will support future demand across all production paradigms and is progressing according to plan. In Chile, we continued our efforts to penetrate the market in a disciplined manner, achieving first sales in the period. The Chilean market is well established and we expect to build a market position gradually over time.

In shrimp, test market sales of our SPR shrimp continued in the period and the expansion of the Fellsmere facility in Florida progressed according to plan. The additional capacity is expected to come onstream by the end of the year. We are planning a phased entry into the Asian markets ensuring that we have an optimised product in each region. During Q3 we capitalised £0.4m from development costs (YTD Q3 2021: £1.3m) and incurred operating costs of £0.2m (YTD Q3 2021: £1.2m).

In Tilapia, our focus is on achieving profitability seeking new commercial opportunities and establishing the optimal scale for a sustainably profitable business. During the period we incurred £0.2m operating costs (YTD Q3 2021: £0.7m).

## **Health**

Post period-end the Health business area achieved a very significant strategic milestone when marketing authorisation was obtained in Norway for its new sea lice treatment, Ectosan® Vet and CleanTreat®, as well as ratification of the MRL (Maximum Residue Limit) in Norway. Having concluded these steps, Benchmark is now able to commercialise its novel sea lice solution in Norway. Benchmark's solution which is highly

efficacious, is good for animal welfare and protects the environment from discharge of medicine into the ocean is the first sea lice medicine to be introduced in the market in more than a decade. We have two CleanTreat® units in operation and have successfully delivered the first sea lice treatments to our customers during August.

Revenues in Q3 2021 from continuing operations of £1.2m were 20% above the prior year (Q3 2020 (restated): £1.0m) due to higher sales of Salmosan in Norway and the Faroes. YTD Q3 2021 revenues were £3.6m, 8% behind prior year (YTD Q3 2020 (restated): £3.9m).

Adjusted EBITDA from continuing operations in Q3 2021 was a loss of £1.2m (Q3 2020 (restated): loss £1.3m) reflecting higher revenues offset by continued investment in Ectosan® Vet and CleanTreat®. YTD Q3 Adjusted EBITDA was a loss of £3.8m (Q3 YTD 2020 (restated): loss £3.9m).

Operating costs associated with Ectosan® Vet and CleanTreat® were £3.4m YTD Q3 2021, of which £1.7m have been capitalised and capex investment in CleanTreat® YTD Q3 2021 was £3m.

#### *Finance costs, cashflow and net debt*

Net finance cost for the quarter of £1.4m is £0.6m lower than the prior year (Q3 2020: £2.0m). Q3 2021 had forex gains of £0.7m (Q3 2020: £1.4m loss) and no movement on the fair value of the financial instrument used to hedge the currency and interest risk on the NOK bond financing (Q3 2020: £1.6m gain). Interest charge (including interest expense on right-of-use assets) of £2.1m (Q3 2020: £2.2m) was slightly lower due to favourable exchange rate movements, offset by £0.1m increase in interest on right-of-use assets.

Net finance cost for the YTD Q3 at £0.1m is £11.4m lower than the prior year (YTD 2020: £11.5m). The main reasons for the lower net cost are a YTD gain of £2.4m on revaluation of financial instruments mentioned above (YTD Q3 2020: £2.1m loss) and forex gains of £4.0m (YTD Q3 2020: £3.2m loss). Interest charge (including interest expense on right-of-use assets) of £6.5m (Q3 2020: £6.4m) is broadly in line with the previous year.

Net debt at the quarter end was £76.1m (30 June 2020: £54.7m; 30 Sept 2020: £37.6m) and net debt excluding lease liabilities was £52.7m (30 June 2020: £45.3m; 30 Sept 2020: £27.1m). This is a result of a cash outflow from operations of £0.1m (cash inflow YTD 2020: £0.5m) and capex of £13.5m. The main areas of capex investment in the period include CleanTreat®, the fire prevention equipment in our facility in Thailand and the new incubation centre in Iceland. Capitalised development costs totalled £3.6m, mainly related to Ectosan® Vet and CleanTreat® and SPR shrimp.

We continue to maintain tight control of costs and working capital across the Group. Our priority is to maintain a strong balance sheet in the business to maintain momentum and support the execution of our growth opportunities. Liquidity at the end of the period was £54.1m providing £44.1m of headroom against our minimum liquidity covenant.

#### **Current Trading and Outlook**

The Group is performing well across its three business areas and is trading in line with market expectations for the full year.

Looking forward, our end markets are gradually recovering from the impact of Covid-19 as restrictions ease in certain territories, creating a more positive trading environment for our businesses. This, together with the successful commercial launch of Ectosan® Vet and CleanTreat®, the continuing good performance in

Genetics and Advanced Nutrition and our ongoing cost and cash management discipline, are expected to benefit our financial performance going forward.

Longer term, the opportunities in our end markets remain significant with an increasing need for sustainable solutions in the aquaculture industry. As a focused aquaculture biotechnology company and proactive industry leader, with a clear commercial focus and capital allocation priorities, we are well positioned to improve sustainability across the aquaculture and deliver profitable growth in future years.



# Benchmark Holdings plc

## Consolidated Income Statement for the period ended 30 June 2021

| All figures in £000's   | Notes | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|---|-------|------------------------|-------------------------------------|----------------------------|---|----------------------|
| <b>Revenue</b>  | 4     | <b>28,336</b>          | 24,149                              | <b>87,801</b>              | 80,326                                  | 105,565              |
| Cost of sales   |       | <b>(13,024)</b>        | (13,131)                            | <b>(41,646)</b>            | (38,288)                                | (50,603)             |
| <b>Gross profit</b>   |       | <b>15,312</b>          | 11,018                              | <b>46,155</b>              | 42,038                                  | 54,962               |
| Research and development costs                                      |       | <b>(1,590)</b>         | (1,248)                             | <b>(5,172)</b>             | (5,975)                                 | (7,282)              |
| Other operating costs   |       | <b>(9,329)</b>         | (7,455)                             | <b>(28,026)</b>            | (26,427)                                | (33,337)             |
| Share of profit/(loss) of equity-accounted investees, net of tax    |       | <b>35</b>              | (186)                               | <b>(606)</b>               | 205                                     | 150                  |
| <b>Adjusted EBITDA<sup>2</sup></b>                                  |       | <b>4,428</b>           | 2,129                               | <b>12,351</b>              | 9,841                                   | 14,493               |
| Exceptional - restructuring, disposal and acquisition related items | 6     | <b>(187)</b>           | (581)                               | <b>(1,055)</b>             | (759)                                   | (2,114)              |
| <b>EBITDA<sup>1</sup></b>   |       | <b>4,241</b>           | 1,548                               | <b>11,296</b>              | 9,082                                   | 12,379               |
| Depreciation and impairment   |       | <b>(1,555)</b>         | (1,567)                             | <b>(5,050)</b>             | (4,656)                                 | (6,640)              |
| Amortisation and impairment   |       | <b>(3,931)</b>         | (4,173)                             | <b>(12,109)</b>            | (12,506)                                | (16,613)             |
| <b>Operating loss</b>   |       | <b>(1,245)</b>         | (4,192)                             | <b>(5,863)</b>             | (8,080)                                 | (10,874)             |
| Finance cost  |       | <b>(2,110)</b>         | (1,999)                             | <b>(6,495)</b>             | (11,635)                                | (12,779)             |
| Finance income  |       | <b>674</b>             | 11                                  | <b>6,424</b>               | 90                                      | 1,082                |
| <b>Loss before taxation</b>   |       | <b>(2,681)</b>         | (6,180)                             | <b>(5,934)</b>             | (19,625)                                | (22,571)             |
| Tax on loss   | 7     | <b>(128)</b>           | 580                                 | <b>58</b>                  | 223                                     | (204)                |
| <b>Loss from continuing operations</b>                              |       | <b>(2,809)</b>         | (5,600)                             | <b>(5,876)</b>             | (19,402)                                | (22,775)             |
| <b>Discontinued operations</b>                                      |       |                        |                                     |                            |   |                      |
| Profit/(loss) from discontinued operations, net of tax              | 5     | -                      | 1,204                               | -                          | (3,794)                                 | (9,174)              |
|   |       | <b>(2,809)</b>         | (4,396)                             | <b>(5,876)</b>             | (23,196)                                | (31,949)             |
| <b>Loss for the period attributable to:</b>                         |       |                        |                                     |                            |   |                      |
| - Owners of the parent  |       | <b>(2,972)</b>         | (4,413)                             | <b>(6,790)</b>             | (23,383)                                | (32,923)             |
| - Non-controlling interest  |       | <b>163</b>             | 17                                  | <b>914</b>                 | 187                                     | 974                  |
|   |       | <b>(2,809)</b>         | (4,396)                             | <b>(5,876)</b>             | (23,196)                                | (31,949)             |
| <b>Earnings per share</b>   |       |                        |                                     |                            |   |                      |
| Basic loss per share (pence)  | 8     | <b>(0.44)</b>          | (0.66)                              | <b>(1.01)</b>              | (3.83)                                  | (5.26)               |
| Diluted loss per share (pence)                                      | 8     | <b>(0.44)</b>          | (0.66)                              | <b>(1.01)</b>              | (3.83)                                  | (5.26)               |
| <b>Earnings per share - continuing operations</b>                   |       |                        |                                     |                            |   |                      |
| Basic loss per share (pence)  | 8     | <b>(0.44)</b>          | (0.84)                              | <b>(1.01)</b>              | (3.20)                                  | (3.80)               |
| Diluted loss per share (pence)                                      | 8     | <b>(0.44)</b>          | (0.84)                              | <b>(1.01)</b>              | (3.20)                                  | (3.80)               |
| All figures in £000's   |       |                        |                                     |                            |   |                      |
| Adjusted EBITDA from continuing operations                          |       | <b>4,428</b>           | 2,129                               | <b>12,351</b>              | 9,841                                   | 14,493               |
| Adjusted EBITDA from discontinued operations                        | 5     | -                      | (1,822)                             | -                          | (6,273)                                 | (8,726)              |
| <b>Total Adjusted EBITDA</b>  |       | <b>4,428</b>           | 307                                 | <b>12,351</b>              | 3,568                                   | 5,767                |

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

2 Adjusted EBITDA – EBITDA before exceptional and acquisition related items

\* Q3 2020 and YTD Q3 2020 numbers have been restated to reflect changes to the ongoing continuing business since the figures were originally reported (note 5)

Benchmark Holdings plc

Consolidated Statement of Comprehensive Income for the period ended 30 June 2021

| All figures in £000's  | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|--|------------------------|-------------------------------------|----------------------------|---|----------------------|
| <b>Loss for the period</b>   | <b>(2,809)</b>         | <b>(4,396)</b>                      | <b>(5,876)</b>             | <b>(23,196)</b>                         | <b>(31,949)</b>      |
| <b>Other comprehensive income</b>  |                        |                                     |                            |   |                      |
| <b>Items that are or may be reclassified<br/>subsequently to profit or loss</b>            |                        |                                     |                            |   |                      |
| Foreign exchange translation differences   | (385)                  | 8,886                               | (14,054)                   | (8,438)                                 | (20,327)             |
| Cash flow hedges - changes in fair value   | (514)                  | 4,982                               | 2,306                      | (4,904)                                 | (5,932)              |
| Cash flow hedges - reclassified to profit or loss  | 257                    | (1)                                 | 544                        | (163)                                   | (153)                |
| <b>Total comprehensive income for the period</b>   | <b>(3,451)</b>         | <b>9,471</b>                        | <b>(17,080)</b>            | <b>(36,701)</b>                         | <b>(58,361)</b>      |
| <b>Total comprehensive income for the period<br/>attributable to:</b>                      |                        |                                     |                            |   |                      |
| - Owners of the parent   | (3,645)                | 9,169                               | (18,304)                   | (36,253)                                | (58,532)             |
| - Non-controlling interest   | 194                    | 302                                 | 1,224                      | (448)                                   | 171                  |
|  | <b>(3,451)</b>         | <b>9,471</b>                        | <b>(17,080)</b>            | <b>(36,701)</b>                         | <b>(58,361)</b>      |
| <b>Total comprehensive income for the period<br/>attributable to owners of the parent:</b> |                        |                                     |                            |   |                      |
| - Continuing operations  | (3,645)                | 7,523                               | (18,304)                   | (33,441)                                | (50,604)             |
| - Discontinued operations  | -                      | 1,646                               | -                          | (2,812)                                 | (7,928)              |
|  | <b>(3,645)</b>         | <b>9,169</b>                        | <b>(18,304)</b>            | <b>(36,253)</b>                         | <b>(58,532)</b>      |

\* Q3 2020 and YTD Q3 2020 numbers have been restated to reflect changes to the ongoing continuing business since the figures were originally reported (note 5).

# Benchmark Holdings plc

## Consolidated Balance Sheet as at 30 June 2021

|   |       | 30 June 2021     | 30 June 2020     | 30 September 2020 |
|---|-------|------------------|------------------|-------------------|
| All figures in £000's   | Notes | (unaudited)      | (unaudited)      | (audited)         |
| <b>Assets</b>   |       |                  |                  |                   |
| Property, plant and equipment   |       | 74,995           | 86,021           | 65,601            |
| Right-of-use assets   |       | 25,306           | 8,743            | 10,347            |
| Intangible assets   |       | 228,156          | 260,158          | 247,003           |
| Equity-accounted investees  |       | 3,289            | 3,884            | 3,690             |
| Other investments   |       | 15               | 24               | 23                |
| Biological and agricultural assets                                      |       | 17,119           | 9,328            | 16,621            |
| <b>Non-current assets</b>   |       | <b>348,880</b>   | <b>368,158</b>   | <b>343,285</b>    |
| Inventories   |       | 20,260           | 23,323           | 18,926            |
| Biological and agricultural assets                                      |       | 20,610           | 20,435           | 15,848            |
| Trade and other receivables   |       | 34,462           | 31,505           | 39,371            |
| Cash and cash equivalents   |       | 43,187           | 54,492           | 71,605            |
|   |       | <b>118,519</b>   | <b>129,755</b>   | <b>145,750</b>    |
| Assets held for sale  |       | -                | 9,812            | -                 |
| <b>Current assets</b>   |       | <b>118,519</b>   | <b>139,567</b>   | <b>145,750</b>    |
| <b>Total assets</b>   |       | <b>467,399</b>   | <b>507,725</b>   | <b>489,035</b>    |
| <b>Liabilities</b>  |       |                  |                  |                   |
| Trade and other payables  |       | (32,798)         | (37,489)         | (45,692)          |
| Loans and borrowings  | 9     | (10,481)         | (4,809)          | (5,339)           |
| Corporation tax liability   |       | (4,439)          | (3,553)          | (4,344)           |
| Provisions  |       | -                | (386)            | -                 |
|   |       | <b>(47,718)</b>  | <b>(46,237)</b>  | <b>(55,375)</b>   |
| Liabilities directly associated with the assets held for sale           |       | -                | (3,799)          | -                 |
| <b>Current liabilities</b>  |       | <b>(47,718)</b>  | <b>(50,036)</b>  | <b>(55,375)</b>   |
| Loans and borrowings  | 9     | (108,829)        | (104,335)        | (103,819)         |
| Other payables  |       | (1,803)          | (2,020)          | (1,754)           |
| Deferred tax  |       | (28,582)         | (34,915)         | (32,647)          |
| <b>Non-current liabilities</b>  |       | <b>(139,214)</b> | <b>(141,270)</b> | <b>(138,220)</b>  |
| <b>Total liabilities</b>  |       | <b>(186,932)</b> | <b>(191,306)</b> | <b>(193,595)</b>  |
| <b>Net assets</b>   |       | <b>280,467</b>   | <b>316,419</b>   | <b>295,440</b>    |
| <b>Issued capital and reserves attributable to owners of the parent</b> |       |                  |                  |                   |
| Share capital   | 10    | 670              | 668              | 668               |
| Additional paid-in share capital  | 10    | 400,622          | 399,601          | 399,601           |
| Capital redemption reserve  |       | 5                | 5                | 5                 |
| Retained earnings   |       | (147,876)        | (133,311)        | (142,170)         |
| Hedging reserve   |       | (6,800)          | (8,633)          | (9,651)           |
| Foreign exchange reserve  |       | 26,313           | 52,399           | 40,678            |
| <b>Equity attributable to owners of the parent</b>                      |       | <b>272,934</b>   | <b>310,729</b>   | <b>289,131</b>    |
| Non-controlling interest  |       | 7,533            | 5,690            | 6,309             |
| <b>Total equity and reserves</b>  |       | <b>280,467</b>   | <b>316,419</b>   | <b>295,440</b>    |

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 30 June 2021

|   | 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         |
| <b>As at 1 October 2020 (audited)</b>                     | 668           | 399,601                          | 40,683          | (9,651)         | (142,170)         | 289,131  | 6,309                    | 295,440      |
| <b>Comprehensive income for the period</b>                |               |                                  |                 |                 |                   |  |                          |              |
| (Loss)/profit for the period                              | -             | -                                | -               | -               | (6,790)           | (6,790)  | 914                      | (5,876)      |
| Other comprehensive income                                | -             | -                                | (14,365)        | 2,851           | -                 | (11,514)                                       | 310                      | (11,204)     |
| <b>Total comprehensive income for the period</b>          | -             | -                                | (14,365)        | 2,851           | (6,790)           | (18,304)                                       | 1,224                    | (17,080)     |
| <b>Contributions by and distributions to owners</b>       |               |                                  |                 |                 |                   |  |                          |              |
| Share issue   | 2             | 1,021                            | -               | -               | -                 | 1,023  | -                        | 1,023        |
| Share-based payment                                       | -             | -                                | -               | -               | 1,084             | 1,084  | -                        | 1,084        |
| <b>Total contributions by and distributions to owners</b> | 2             | 1,021                            | -               | -               | 1,084             | 2,107  | -                        | 2,107        |
| <b>Total transactions with owners of the Company</b>      | 2             | 1,021                            | -               | -               | 1,084             | 2,107  | -                        | 2,107        |
| <b>As at 30 June 2021 (unaudited)</b>                     | 670           | 400,622                          | 26,318          | (6,800)         | (147,876)         | 272,934  | 7,533                    | 280,467      |
| <b>As at 1 October 2019 (audited)</b>                     | 559           | 358,044                          | 60,207          | (3,566)         | (110,916)         | 304,328  | 6,138                    | 310,466      |
| <b>Comprehensive income for the period</b>                |               |                                  |                 |                 |                   |  |                          |              |
| (Loss)/profit for the period                              | -             | -                                | -               | -               | (23,383)          | (23,383)                                       | 187                      | (23,196)     |
| Other comprehensive income                                | -             | -                                | (7,803)         | (5,067)         | -                 | (12,870)                                       | (635)                    | (13,505)     |
| <b>Total comprehensive income for the period</b>          | -             | -                                | (7,803)         | (5,067)         | (23,383)          | (36,253)                                       | (448)                    | (36,701)     |
| <b>Contributions by and distributions to owners</b>       |               |                                  |                 |                 |                   |  |                          |              |
| Share issue   | 109           | 42,869                           | -               | -               | -                 | 42,978   | -                        | 42,978       |
| Share issue costs recognised through equity               | -             | (1,312)                          | -               | -               | -                 | (1,312)  | -                        | (1,312)      |
| Share-based payment                                       | -             | -                                | -               | -               | 988               | 988  | -                        | 988          |
| <b>Total contributions by and distributions to owners</b> | 109           | 41,557                           | -               | -               | 988               | 42,654   | -                        | 42,654       |
| <b>Total transactions with owners of the Company</b>      | 109           | 41,557                           | -               | -               | 988               | 42,654   | -                        | 42,654       |
| <b>As at 30 June 2020 (unaudited)</b>                     | 668           | 399,601                          | 52,404          | (8,633)         | (133,311)         | 310,729  | 5,690                    | 316,419      |
| <b>As at 1 October 2019 (audited)</b>                     | 559           | 358,044                          | 60,207          | (3,566)         | (110,916)         | 304,328  | 6,138                    | 310,466      |
| <b>Comprehensive income for the period</b>                |               |                                  |                 |                 |                   |  |                          |              |
| (Loss)/profit for the period                              | -             | -                                | -               | -               | (32,923)          | (32,923)                                       | 974                      | (31,949)     |
| Other comprehensive income                                | -             | -                                | (19,524)        | (6,085)         | -                 | (25,609)                                       | (803)                    | (26,412)     |
| <b>Total comprehensive income for the period</b>          | -             | -                                | (19,524)        | (6,085)         | (32,923)          | (58,532)                                       | 171                      | (58,361)     |
| <b>Contributions by and distributions to owners</b>       |               |                                  |                 |                 |                   |  |                          |              |
| Share issue   | 109           | 42,869                           | -               | -               | -                 | 42,978   | -                        | 42,978       |
| Share issue costs recognised through equity               | -             | (1,312)                          | -               | -               | -                 | (1,312)  | -                        | (1,312)      |
| Share-based payment                                       | -             | -                                | -               | -               | 1,669             | 1,669  | -                        | 1,669        |
| <b>Total contributions by and distributions to owners</b> | 109           | 41,557                           | -               | -               | 1,669             | 43,335   | -                        | 43,335       |
| <b>Total transactions with owners of the Company</b>      | 109           | 41,557                           | -               | -               | 1,669             | 43,335   | -                        | 43,335       |
| <b>As at 30 September 2020 (audited)</b>                  | 668           | 399,601                          | 40,683          | (9,651)         | (142,170)         | 289,131  | 6,309                    | 295,440      |

\*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 30 June 2021**

|  | YTD Q3 2021<br>(unaudited)<br>£000 | YTD Q3 2020<br>(unaudited)<br>£000 | FY 2020<br>(audited)<br>£000 |
|--|------------------------------------|------------------------------------|------------------------------|
| <b>Cash flows from operating activities</b>                      |                                    |                                    |                              |
| <b>Loss for the period</b>                                       | <b>(5,876)</b>                     | (23,196)                           | (31,949)                     |
| <b>Adjustments for:</b>  |                                    |                                    |                              |
| Depreciation and impairment of property, plant and equipment     | 5,050                              | 6,353                              | 9,138                        |
| Amortisation and impairment of intangible fixed assets           | 12,109                             | 13,259                             | 19,402                       |
| (Loss)/gain on sale of property, plant and equipment             | 47                                 | 75                                 | (1,140)                      |
| Gain on sale of subsidiaries                                     | -                                  | (5,564)                            | (14,120)                     |
| Gain on sale of other investments                                | (91)                               | -                                  | -                            |
| Finance income   | (2,460)                            | (89)                               | (111)                        |
| Finance costs  | 6,495                              | 6,394                              | 9,695                        |
| Other adjustments for non-cash items                             | -                                  | (1,776)                            | 200                          |
| Share of loss/(profit) of equity-accounted investees, net of tax | 606                                | (205)                              | (150)                        |
| Foreign exchange (gains)/losses                                  | (4,237)                            | 4,015                              | (132)                        |
| Share based payment expense                                      | 1,084                              | 988                                | 1,669                        |
| Tax (credit)/charge  | (58)                               | (113)                              | 314                          |
|  | <b>12,669</b>                      | 141                                | (7,184)                      |
| Decrease in trade and other receivables                          | 4,579                              | 9,790                              | 4,202                        |
| (Increase)/decrease in inventories                               | (2,559)                            | (648)                              | 3,741                        |
| Increase in biological assets                                    | (4,418)                            | (3,931)                            | (7,474)                      |
| (Decrease)/increase in trade and other payables                  | (7,760)                            | (3,175)                            | 5,006                        |
| Decrease in provisions   | (29)                               | (18)                               | (260)                        |
|  | <b>2,482</b>                       | 2,159                              | (1,969)                      |
| Income taxes paid  | (2,625)                            | (1,667)                            | (2,087)                      |
| <b>Net cash flows used in operating activities</b>               | <b>(143)</b>                       | 492                                | (4,056)                      |
| <b>Investing activities</b>                                      |                                    |                                    |                              |
| Proceeds from sale of subsidiaries, net of cash disposed of      | -                                  | 5,025                              | 17,487                       |
| Purchases of investments   | (247)                              | (373)                              | (522)                        |
| Proceeds from disposal of investments                            | 99                                 | 6,932                              | 6,932                        |
| Purchases of property, plant and equipment                       | (12,789)                           | (5,235)                            | (5,851)                      |
| Payments for initial costs of right-of-use assets                | (586)                              | -                                  | -                            |
| Proceeds from sales of intangible assets                         | -                                  | 207                                | 261                          |
| Purchases of intangibles   | (3,629)                            | (3,249)                            | (5,563)                      |
| Purchases of held for sale assets                                | -                                  | -                                  | (402)                        |
| Proceeds from sale of fixed assets                               | 88                                 | 123                                | 16,147                       |
| Proceeds from sales of other long-term assets                    | -                                  | 1,776                              | 1,776                        |
| Interest received  | 48                                 | 89                                 | 111                          |
| <b>Net cash flows used in investing activities</b>               | <b>(17,016)</b>                    | 5,295                              | 30,376                       |
| <b>Financing activities</b>                                      |                                    |                                    |                              |
| Proceeds of share issues   | 689                                | 42,978                             | 42,978                       |
| Share-issue costs recognised through equity                      | -                                  | (1,312)                            | (1,312)                      |
| Proceeds from bank or other borrowings                           | -                                  | 7,925                              | 8,387                        |
| Repayments of bank or other borrowings                           | (2,696)                            | (9,614)                            | (10,141)                     |
| Interest and finance charges paid                                | (5,685)                            | (5,309)                            | (7,659)                      |
| Repayments of lease liabilities                                  | (2,884)                            | (1,914)                            | (2,120)                      |
| <b>Net cash inflow from financing activities</b>                 | <b>(10,576)</b>                    | 32,754                             | 30,133                       |
| <b>Net (decrease)/increase in cash and cash equivalents</b>      | <b>(27,735)</b>                    | 38,541                             | 56,453                       |
| Cash and cash equivalents at beginning of period                 | 71,605                             | 16,051                             | 16,051                       |
| Effect of movements in exchange rate                             | (683)                              | (100)                              | (899)                        |
| <b>Cash and cash equivalents at end of period</b>                | <b>43,187</b>                      | 54,492                             | 71,605                       |

The Consolidated Statement of Cash Flows presents cash flows from both Continuing and Discontinued operations in the comparatives. There were no Discontinued operations in the current period.

**1. Basis of preparation**

Benchmark Holdings plc (the 'Company') is a company incorporated domiciled in the United Kingdom. These consolidated interim financial statements as at and for the nine months ended 30 June 2021 represent those of the Company and its subsidiaries (together referred to as the 'Group').

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 30 September 2020. They do not include all of 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. Statutory accounts for the year ended 30 September 2020 were approved by the Directors on 27 November 2020 and have been delivered to the Registrar of Companies. The audit report received on those accounts was unqualified and did not make a statement under section 498 of the Companies Act 2006.

**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 30 June 2021 the Group had net assets of £280.5m (30 September 2020: £295.4m), including cash of £43.2m (30 September 2020: £71.6m) as set out in the consolidated balance sheet. The Group made a loss for the period of £5.9m (30 September 2020: £31.9m).

As noted in the Management Report, we have seen some recovery in our end markets as the Covid-19 vaccine programmes across the world are rolled out in key markets and the hospitality sector reopens. The ultimate lasting impact of the pandemic on industry, the economy, Benchmark's markets and its businesses remains to some extent uncertain, but strong performance in the quarter and year to date has been positive and has given cause for optimism.

The Directors prepared cash flow projections covering the period to September 2022 as part of the budgeting process for 2021, and these were used to assess the Group's trading and cash flow forecasts and the forecast compliance with the covenants included within the Group's financing arrangements. Year to date performance has been in line with these forecasts. Cash resources were boosted by non-core business disposals during 2020 and the ongoing cost base following these transactions was significantly reduced.

The uncertainty relating to the future impact on the Group of the pandemic continues to be considered as part of the Directors' assessment of the going concern assumption, and positive preventative measures implemented by the Directors at an early stage in response to the pandemic continue to be in force where necessary. In the downside scenario analysis performed, the Directors considered severe but plausible impacts of Covid-19 on the Group's trading and cash flow forecasts, modelling reductions in the revenues and cash flows in Advanced Nutrition, being the segment most impacted by Covid-19 because of its exposure to global shrimp markets, alongside modelling delays to new product launches in the Health business area. Key downside sensitivities modelled included assumptions on slower than expected recovery in global shrimp markets, affecting demand for Advanced Nutrition products and a three-month potential delay in the launch of Ectosan® Vet (formerly referred to as BMK08) and CleanTreat®, pushing commercial launch back to September 2021. As noted in the Management Report, the Directors have observed some recovery in the shrimp markets in the performance of the Advanced Nutrition business during the period and also announced receipt of the marketing authorisation for its new sea lice treatment (Ectosan® Vet and CleanTreat®) as well as and ratification of the MRL in Norway. The latter has allowed Benchmark to commercialise this novel treatment with first sales in August 2021, so the group outperformed the downside sensitivity scenario noted above. Nevertheless, mitigating measures within the control of management were implemented early in the pandemic and remain in place and have been factored into the downside analysis performed. These measures include reductions in areas of discretionary spend, deferral of capital projects and temporary hold on R&D for non-imminent products.

The budgeting process is well underway for 2022, and while this is not yet finalised, the projections show adequate resources and liquidity to continue to support the going concern assertion.

It remains difficult to predict the overall outcome and lasting impact of the pandemic, but under the severe but plausible downside scenarios modelled, which the Group has so far outperformed, 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 interim financial statements. Accordingly, these interim financial statements have been prepared 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 2020.

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 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 (see note 11). Furthermore, the Directors also refer to current period results using constant currency, which are derived by retranslating current period results using 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 2020.

## **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* - provided veterinary services, environmental services diagnostics and health products to the global aquaculture market, and manufactures licenced veterinary vaccines and vaccine components; following the divestment programme the segment now focusses on providing health products to the global aquaculture market.

In addition to the above, reported as "all other segments" is the Knowledge Services business area, the operations of which were disposed of or discontinued in the two previous years. The business area provided sustainable food production consultancy, technical consultancy and assurance services and promotes sustainable food production and ethics through online news and technical publications for the international agriculture and food processing sectors and through delivery of training courses to the industries.

In order to reconcile the segmental analysis to the Consolidated Income Statement, Corporate and Inter-segment sales are also shown. Corporate represents revenues earned from recharging certain central costs to the operating divisions, 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)

**Segmental Revenue**

| All figures in £000's | Q3 2021<br>(unaudited) | Q3 2020<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>(unaudited) | FY 2020<br>(audited) |
|-----------------------|------------------------|------------------------|----------------------------|----------------------------|----------------------|
| Genetics              | 8,735                  | 7,168                  | 30,865                     | 29,672                     | 41,504               |
| Advanced Nutrition    | 18,410                 | 15,972                 | 53,437                     | 47,267                     | 59,362               |
| Health                | 1,226                  | 2,706                  | 3,563                      | 9,428                      | 10,799               |
| All other segments    | -                      | 1,953                  | -                          | 8,874                      | 9,257                |
| Corporate             | 1,207                  | 1,209                  | 3,611                      | 3,993                      | 4,939                |
| Inter-segment sales   | (1,242)                | (1,211)                | (3,675)                    | (4,480)                    | (5,469)              |
| <b>Total</b>          | <b>28,336</b>          | <b>27,797</b>          | <b>87,801</b>              | <b>94,754</b>              | <b>120,392</b>       |

**Segmental Adjusted EBITDA**

| All figures in £000's | Q3 2021<br>(unaudited) | Q3 2020<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>(unaudited) | FY 2020<br>(audited) |
|-----------------------|------------------------|------------------------|----------------------------|----------------------------|----------------------|
| Genetics              | 2,232                  | 1,185                  | 8,219                      | 9,794                      | 14,442               |
| Advanced Nutrition    | 3,919                  | 2,787                  | 10,158                     | 6,086                      | 6,266                |
| Health                | (1,226)                | (2,847)                | (3,789)                    | (10,535)                   | (12,886)             |
| All other segments    | -                      | (299)                  | -                          | 140                        | 244                  |
| Corporate             | (497)                  | (519)                  | (2,237)                    | (1,917)                    | (2,299)              |
| <b>Total</b>          | <b>4,428</b>           | <b>307</b>             | <b>12,351</b>              | <b>3,568</b>               | <b>5,767</b>         |

**Reconciliations of segmental information to IFRS measures**

| All figures in £000's                      | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|--|------------------------|-------------------------------------|----------------------------|---|----------------------|
| Total revenue per segmental information    | 28,336                 | 27,797                              | 87,801                     | 94,754                                  | 120,392              |
| Less: revenue from discontinued operations | -                      | (3,648)                             | -                          | (14,428)                                | (14,827)             |
| <b>Consolidated revenue</b>                | <b>28,336</b>          | <b>24,149</b>                       | <b>87,801</b>              | <b>80,326</b>                           | <b>105,565</b>       |

**Reconciliation of Reportable Segments Adjusted EBITDA to Loss before taxation from continuing operations**

| All figures in £000's   | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|---|------------------------|-------------------------------------|----------------------------|---|----------------------|
| Total reportable segment Adjusted EBITDA                            | 4,925                  | 1,125                               | 14,588                     | 5,345                                   | 7,822                |
| All other segments and Corporate Adjusted EBITDA                    | (497)                  | (818)                               | (2,237)                    | (1,777)                                 | (2,055)              |
|   | 4,428                  | 307                                 | 12,351                     | 3,568                                   | 5,767                |
| Less: Adjusted EBITDA from discontinued operations                  | -                      | 1,822                               | -                          | 6,273                                   | 8,726                |
| Adjusted EBITDA from continuing operations                          | 4,428                  | 2,129                               | 12,351                     | 9,841                                   | 14,493               |
| Exceptional - restructuring, disposal and acquisition related items | (187)                  | (581)                               | (1,055)                    | (759)                                   | (2,114)              |
| Depreciation and impairment   | (1,555)                | (1,567)                             | (5,050)                    | (4,656)                                 | (6,640)              |
| Amortisation and impairment   | (3,931)                | (4,173)                             | (12,109)                   | (12,506)                                | (16,613)             |
| Net finance costs   | (1,436)                | (1,988)                             | (71)                       | (11,545)                                | (11,697)             |
| Loss before taxation from continuing operations                     | (2,681)                | (6,180)                             | (5,934)                    | (19,625)                                | (22,571)             |

\*See note 5.



Unaudited notes to the interim financial statements for period ended 30 June 2021

4. Revenue

The Group's operations and main revenue streams are those described in its financial statements to 30 September 2020. 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 30 June 2021 (unaudited) |          |                    |        |                    |           |                     |        |              |           |
|---|----------|--------------------|--------|--------------------|-----------|---------------------|--------|--------------|-----------|
| All figures in £000's                   | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued | Continued |
| Sale of goods                           | 6,991    | 18,371             | 1,225  | -                  | -         | -                   | 26,587 | -            | 26,587    |
| Provision of services                   | 1,748    | -                  | 1      | -                  | -         | -                   | 1,749  | -            | 1,749     |
| Inter-segment sales                     | (4)      | 39                 | -      | -                  | 1,207     | (1,242)             | -      | -            | -         |
|   | 8,735    | 18,410             | 1,226  | -                  | 1,207     | (1,242)             | 28,336 | -            | 28,336    |

| 3 months ended 30 June 2020 (unaudited) |          |                    |        |                    |           |                     |        |                        |                     |
|---|----------|--------------------|--------|--------------------|-----------|---------------------|--------|------------------------|---------------------|
| All figures in £000's                   | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued Restated* | Continued Restated* |
| Sale of goods                           | 6,457    | 15,956             | 1,983  | 177                | -         | -                   | 24,573 | 1,271                  | 23,302              |
| Provision of services                   | 822      | -                  | 643    | 1,759              | -         | -                   | 3,224  | 2,377                  | 847                 |
| Inter-segment sales                     | (111)    | 16                 | 80     | 17                 | 1,209     | (1,211)             | -      | -                      | -                   |
|   | 7,168    | 15,972             | 2,706  | 1,953              | 1,209     | (1,211)             | 27,797 | 3,648                  | 24,149              |

| 9 months ended 30 June 2021 (unaudited) |          |                    |        |                    |           |                     |        |              |           |
|---|----------|--------------------|--------|--------------------|-----------|---------------------|--------|--------------|-----------|
| All figures in £000's                   | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued | Continued |
| Sale of goods                           | 27,022   | 53,381             | 3,542  | -                  | -         | -                   | 83,945 | -            | 83,945    |
| Provision of services                   | 3,835    | -                  | 21     | -                  | -         | -                   | 3,856  | -            | 3,856     |
| Inter-segment sales                     | 8        | 56                 | -      | -                  | 3,611     | (3,675)             | -      | -            | -         |
|   | 30,865   | 53,437             | 3,563  | -                  | 3,611     | (3,675)             | 87,801 | -            | 87,801    |

| 9 months ended 30 June 2020 (unaudited) |          |                    |        |                    |           |                     |        |                        |                     |
|---|----------|--------------------|--------|--------------------|-----------|---------------------|--------|------------------------|---------------------|
| All figures in £000's                   | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued Restated* | Continued Restated* |
| Sale of goods                           | 26,407   | 47,219             | 5,207  | 431                | -         | -                   | 79,264 | 2,310                  | 76,954              |
| Provision of services                   | 3,264    | -                  | 3,798  | 8,406              | 22        | -                   | 15,490 | 12,118                 | 3,372               |
| Inter-segment sales                     | 1        | 48                 | 423    | 37                 | 3,971     | (4,480)             | -      | -                      | -                   |
|   | 29,672   | 47,267             | 9,428  | 8,874              | 3,993     | (4,480)             | 94,754 | 14,428                 | 80,326              |

\*See note 5.

#### 4. Revenue (continued)

##### Sale of goods and provision of services (continued)

##### 12 months ended 30 September 2020 (audited)

| All figures in £000's | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total   | Discontinued | Continued |
|-----------------------|----------|--------------------|--------|--------------------|-----------|---------------------|---------|--------------|-----------|
| Sale of goods         | 37,555   | 59,301             | 6,529  | 547                | -         | -                   | 103,932 | 2,551        | 101,381   |
| Provision of services | 3,909    | -                  | 3,846  | 8,683              | 22        | -                   | 16,460  | 12,276       | 4,184     |
| Inter-segment sales   | 40       | 61                 | 424    | 27                 | 4,917     | (5,469)             | -       | -            | -         |
|                       | 41,504   | 59,362             | 10,799 | 9,257              | 4,939     | (5,469)             | 120,392 | 14,827       | 105,565   |

##### Primary geographical markets

##### 3 months ended 30 June 2021 (unaudited)

| All figures in £000's | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued | Continued |
|-----------------------|----------|--------------------|--------|--------------------|-----------|---------------------|--------|--------------|-----------|
| Norway                | 4,340    | 178                | 356    | -                  | -         | -                   | 4,874  | -            | 4,874     |
| UK                    | 911      | 31                 | 462    | -                  | -         | -                   | 1,404  | -            | 1,404     |
| Faroe Islands         | 1,094    | 7                  | 168    | -                  | -         | -                   | 1,269  | -            | 1,269     |
| Ecuador               | -        | 1,009              | -      | -                  | -         | -                   | 1,009  | -            | 1,009     |
| India                 | -        | 2,870              | 3      | -                  | -         | -                   | 2,873  | -            | 2,873     |
| Greece                | -        | 1,650              | -      | -                  | -         | -                   | 1,650  | -            | 1,650     |
| Singapore             | -        | 2,240              | -      | -                  | -         | -                   | 2,240  | -            | 2,240     |
| Chile                 | -        | 2                  | 604    | -                  | -         | -                   | 606    | -            | 606       |
| Turkey                | -        | 1,423              | -      | -                  | -         | -                   | 1,423  | -            | 1,423     |
| Rest of Europe        | 1,825    | 645                | -      | -                  | -         | -                   | 2,470  | -            | 2,470     |
| Rest of World         | 569      | 8,316              | (367)  | -                  | -         | -                   | 8,518  | -            | 8,518     |
| Inter-segment sales   | (4)      | 39                 | -      | -                  | 1,207     | (1,242)             | -      | -            | -         |
|                       | 8,735    | 18,410             | 1,226  | -                  | 1,207     | (1,242)             | 28,336 | -            | 28,336    |

##### 3 months ended 30 June 2020 (unaudited)

| All figures in £000's | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued Restated* | Continued Restated* |
|-----------------------|----------|--------------------|--------|--------------------|-----------|---------------------|--------|------------------------|---------------------|
| Norway                | 3,098    | 205                | 321    | -                  | -         | -                   | 3,624  | 316                    | 3,308               |
| UK                    | 1,226    | 21                 | 657    | 1,341              | -         | -                   | 3,245  | 1,711                  | 1,534               |
| Faroe Islands         | 1,598    | 2                  | -      | -                  | -         | -                   | 1,600  | -                      | 1,600               |
| Ecuador               | -        | 1,550              | -      | -                  | -         | -                   | 1,550  | -                      | 1,550               |
| India                 | -        | 2,085              | 3      | -                  | -         | -                   | 2,088  | -                      | 2,088               |
| Greece                | 20       | 1,031              | -      | -                  | -         | -                   | 1,051  | -                      | 1,051               |
| Singapore             | -        | 2,392              | -      | -                  | -         | -                   | 2,392  | -                      | 2,392               |
| Chile                 | -        | -                  | 1,084  | -                  | -         | -                   | 1,084  | 483                    | 601                 |
| Turkey                | -        | 681                | -      | -                  | -         | -                   | 681    | -                      | 681                 |
| Rest of Europe        | 890      | 775                | 537    | 509                | -         | -                   | 2,711  | 1,043                  | 1,668               |
| Rest of World         | 447      | 7,214              | 24     | 86                 | -         | -                   | 7,771  | 95                     | 7,676               |
| Inter-segment sales   | (111)    | 16                 | 80     | 17                 | 1,209     | (1,211)             | -      | -                      | -                   |
|                       | 7,168    | 15,972             | 2,706  | 1,953              | 1,209     | (1,211)             | 27,797 | 3,648                  | 24,149              |

\*See note 5.

4. Revenue (continued)

Primary geographical markets (continued)

| 9 months ended 30 June 2021 (unaudited) |          |                    |        |                    |           |                     |        |              |           |
|---|----------|--------------------|--------|--------------------|-----------|---------------------|--------|--------------|-----------|
| All figures in £000's                   | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued | Continued |
| Norway                                  | 16,603   | 435                | 791    | -                  | -         | -                   | 17,829 | -            | 17,829    |
| UK                                      | 3,567    | 97                 | 477    | -                  | -         | -                   | 4,141  | -            | 4,141     |
| Faroe Islands                           | 4,465    | 16                 | 168    | -                  | -         | -                   | 4,649  | -            | 4,649     |
| Ecuador                                 | -        | 3,009              | -      | -                  | -         | -                   | 3,009  | -            | 3,009     |
| India                                   | -        | 9,137              | 3      | -                  | -         | -                   | 9,140  | -            | 9,140     |
| Greece                                  | 25       | 5,122              | -      | -                  | -         | -                   | 5,147  | -            | 5,147     |
| Singapore                               | -        | 5,590              | -      | -                  | -         | -                   | 5,590  | -            | 5,590     |
| Chile                                   | 37       | 6                  | 2,039  | -                  | -         | -                   | 2,082  | -            | 2,082     |
| Turkey                                  | -        | 4,868              | -      | -                  | -         | -                   | 4,868  | -            | 4,868     |
| Rest of Europe                          | 4,575    | 3,445              | 26     | -                  | -         | -                   | 8,046  | -            | 8,046     |
| Rest of World                           | 1,585    | 21,656             | 59     | -                  | -         | -                   | 23,300 | -            | 23,300    |
| Inter-segment sales                     | 8        | 56                 | -      | -                  | 3,611     | (3,675)             | -      | -            | -         |
|   | 30,865   | 53,437             | 3,563  | -                  | 3,611     | (3,675)             | 87,801 | -            | 87,801    |

| 9 months ended 30 June 2020 (unaudited) |          |                    |        |                    |           |                     |        |                        |                     |
|---|----------|--------------------|--------|--------------------|-----------|---------------------|--------|------------------------|---------------------|
| All figures in £000's                   | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total  | Discontinued Restated* | Continued Restated* |
| Norway                                  | 13,974   | 446                | 1,428  | -                  | -         | -                   | 15,848 | 1,145                  | 14,703              |
| UK                                      | 5,584    | 75                 | 1,909  | 5,795              | 22        | -                   | 13,385 | 7,150                  | 6,235               |
| Faroe Islands                           | 5,164    | 3                  | 34     | -                  | -         | -                   | 5,201  | -                      | 5,201               |
| Ecuador                                 | -        | 5,412              | -      | -                  | -         | -                   | 5,412  | -                      | 5,412               |
| India                                   | -        | 4,642              | 6      | -                  | -         | -                   | 4,648  | 3                      | 4,645               |
| Greece                                  | 61       | 5,025              | -      | -                  | -         | -                   | 5,086  | -                      | 5,086               |
| Singapore                               | -        | 4,257              | 7      | -                  | -         | -                   | 4,264  | 7                      | 4,257               |
| Chile                                   | 24       | 16                 | 3,256  | -                  | -         | -                   | 3,296  | 1,157                  | 2,139               |
| Turkey                                  | -        | 3,287              | -      | -                  | -         | -                   | 3,287  | -                      | 3,287               |
| Rest of Europe                          | 3,323    | 3,870              | 1,549  | 2,549              | -         | -                   | 11,291 | 4,071                  | 7,220               |
| Rest of World                           | 1,541    | 20,186             | 816    | 493                | -         | -                   | 23,036 | 895                    | 22,141              |
| Inter-segment sales                     | 1        | 48                 | 423    | 37                 | 3,971     | (4,480)             | -      | -                      | -                   |
|   | 29,672   | 47,267             | 9,428  | 8,874              | 3,993     | (4,480)             | 94,754 | 14,428                 | 80,326              |

\*See note 5.

4. Revenue (continued)

Primary geographical markets (continued)

| 12 months ended 30 September 2020 (audited) |          |                    |        |                    |           |                     |         |              |           |
|---|----------|--------------------|--------|--------------------|-----------|---------------------|---------|--------------|-----------|
| All figures in £000's                       | Genetics | Advanced Nutrition | Health | All other segments | Corporate | Inter-segment sales | Total   | Discontinued | Continued |
| Norway                                      | 19,709   | 633                | 1,608  | -                  | -         | -                   | 21,950  | 1,145        | 20,805    |
| UK  | 6,402    | 124                | 1,951  | 6,149              | 22        | -                   | 14,648  | 7,506        | 7,142     |
| Faroe Islands                               | 6,961    | 3                  | 114    | -                  | -         | -                   | 7,078   | -            | 7,078     |
| Ecuador                                     | -        | 6,822              | -      | -                  | -         | -                   | 6,822   | -            | 6,822     |
| India                                       | -        | 6,452              | 6      | -                  | -         | -                   | 6,458   | 3            | 6,455     |
| Greece                                      | 61       | 5,666              | -      | -                  | -         | -                   | 5,727   | -            | 5,727     |
| Singapore                                   | -        | 5,356              | 7      | -                  | -         | -                   | 5,363   | 7            | 5,356     |
| Chile                                       | 119      | 21                 | 4,083  | -                  | -         | -                   | 4,223   | 1,159        | 3,064     |
| Turkey                                      | -        | 6,452              | 6      | -                  | -         | -                   | 6,458   | -            | 6,458     |
| Rest of Europe                              | 5,421    | 4,554              | 1,566  | 2,549              | -         | -                   | 14,090  | 4,071        | 10,019    |
| Rest of World                               | 2,791    | 23,218             | 1,034  | 532                | -         | -                   | 27,575  | 936          | 26,639    |
| Inter-segment sales                         | 40       | 61                 | 424    | 27                 | 4,917     | (5,469)             | -       | -            | -         |
|   | 41,504   | 59,362             | 10,799 | 9,257              | 4,939     | (5,469)             | 120,392 | 14,827       | 105,565   |

## 5. Discontinued activities

In June 2019, the Group announced a programme of structural efficiencies which focused on the disposal and discontinuation of non-core activities. This programme primarily included the businesses within Knowledge Services (reported within 'all other segments') and the veterinary services business within Health. These operations were presented as discontinued, and the sales of the disposal group were completed during the previous year and therefore continue to be shown as discontinued. During Q1 of the prior year, as a continuation of the above programme, a small non-core business within Advanced Nutrition was put up for sale and sold and a business within the Corporate category was closed.

During the prior year but after 30 June 2020, a restructuring of the Health business area saw the closure of the research and development operations at two sites, the sale of the Group's vaccine manufacturing facility and exit from non-core vaccine development collaborations. Consequently, these operations have been classified as discontinued with a corresponding restatement of the consolidated income statement and consolidated statement of comprehensive income for the quarter ended 30 June 2020 to reflect these changes.

### Results from discontinued operations

|   | Q3 2021     | Q3 2020<br>Restated | YTD Q3<br>2021 | YTD Q3<br>2020<br>Restated | FY 2020   |
|---|-------------|---------------------|----------------|----------------------------|-----------|
| All figures in £000's                             | (unaudited) | (unaudited)         | (unaudited)    | (unaudited)                | (audited) |
| <b>Revenue</b>                                    | -           | 3,648               | -              | 14,428                     | 14,827    |
| Cost of sales                                     | -           | (2,964)             | -              | (11,081)                   | (13,000)  |
| <b>Gross profit</b>                               | -           | 684                 | -              | 3,347                      | 1,827     |
| Research and development costs                    | -           | (385)               | -              | (2,462)                    | (2,725)   |
| Other operating costs                             | -           | (2,121)             | -              | (7,158)                    | (7,828)   |
| <b>Adjusted EBITDA</b>                            | -           | (1,822)             | -              | (6,273)                    | (8,726)   |
| Exceptional items                                 | -           | 4,713               | -              | 5,121                      | 5,086     |
| <b>EBITDA</b>                                     | -           | 2,891               | -              | (1,152)                    | (3,640)   |
| Depreciation and impairment                       | -           | (951)               | -              | (1,697)                    | (2,498)   |
| Amortisation and impairment                       | -           | (685)               | -              | (753)                      | (2,789)   |
| <b>Operating profit/(loss)</b>                    | -           | 1,255               | -              | (3,602)                    | (8,927)   |
| Finance costs                                     | -           | (24)                | -              | (82)                       | (137)     |
| <b>Profit/(loss) before taxation</b>              | -           | 1,231               | -              | (3,684)                    | (9,064)   |
| Tax on profit/(loss)                              | -           | (27)                | -              | (110)                      | (110)     |
| <b>Profit/(loss) from discontinued operations</b> | -           | 1,204               | -              | (3,794)                    | (9,174)   |

### Results from discontinued operations by segment

|                       | Advanced<br>Nutrition  | Health                 | All other<br>segments  | Corporate              | Total<br>Discontinued  |
|-----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| All figures in £000's | Q3 2021<br>(unaudited) | Q3 2021<br>(unaudited) | Q3 2021<br>(unaudited) | Q3 2021<br>(unaudited) | Q3 2021<br>(unaudited) |
| Revenue               | -                      | -                      | -                      | -                      | -                      |
| Adjusted EBITDA       | -                      | -                      | -                      | -                      | -                      |
| Operating loss        | -                      | -                      | -                      | -                      | -                      |

|                         | Advanced<br>Nutrition  | Health                             | All other<br>segments  | Corporate              | Total<br>Discontinued              |
|-------------------------|------------------------|------------------------------------|------------------------|------------------------|------------------------------------|
| All figures in £000's   | Q3 2020<br>(unaudited) | Q3 2020<br>Restated<br>(unaudited) | Q3 2020<br>(unaudited) | Q3 2020<br>(unaudited) | Q3 2020<br>Restated<br>(unaudited) |
| Revenue                 | -                      | 1,711                              | 1,937                  | -                      | 3,648                              |
| Adjusted EBITDA         | -                      | (1,578)                            | (234)                  | (10)                   | (1,822)                            |
| Operating profit/(loss) | 12                     | (2,421)                            | 3,841                  | (177)                  | 1,255                              |

5. Discontinued activities (continued)

Results from discontinued operations by segment (continued)

|                       | Advanced<br>Nutrition<br>YTD Q3<br>2021<br>(unaudited) | Health<br>YTD Q3<br>2021<br>(unaudited) | All other<br>segments<br>YTD Q3<br>2021<br>(unaudited) | Corporate<br>YTD Q3<br>2021<br>(unaudited) | Total<br>Discontinued<br>YTD Q3 2021<br>(unaudited) |
|-----------------------|--|---|--|--|---|
| All figures in £000's |  |   |  |  |   |
| Revenue               | -  | -                                       | -  | -  | -   |
| Adjusted EBITDA       | -  | -                                       | -  | -  | -   |
| Operating loss        | -  | -                                       | -  | -  | -   |

|                         | Advanced<br>Nutrition<br>YTD Q3<br>2020<br>(unaudited) | Health<br>YTD Q3<br>2020<br>Restated<br>(unaudited) | All other<br>segments<br>YTD Q3<br>2020<br>(unaudited) | Corporate<br>YTD Q3<br>2020<br>(unaudited) | Total<br>Discontinued<br>YTD Q3 2020<br>Restated<br>(unaudited) |
|-------------------------|--|---|--|--|---|
| All figures in £000's   |  |   |  |  |   |
| Revenue                 | 2  | 5,565   | 8,838  | 23   | 14,428  |
| Adjusted EBITDA         | (118)  | (6,595)   | 591  | (151)                                      | (6,273)   |
| Operating (loss)/profit | (369)  | (8,359)   | 5,532  | (406)                                      | (3,602)   |

|                         | Advanced<br>Nutrition<br>FY 2020<br>(audited) | Health<br>FY 2020<br>(audited) | All other<br>segments<br>FY 2020<br>(audited) | Corporate<br>FY 2020<br>(audited) | Total<br>Discontinued<br>FY 2020<br>(audited) |
|-------------------------|---|--------------------------------|---|-----------------------------------|---|
| All figures in £000's   |   |                                |   |                                   |   |
| Revenue                 | 2   | 5,573                          | 9,230   | 22                                | 14,827  |
| Adjusted EBITDA         | (143)   | (9,151)                        | 749   | (181)                             | (8,726)                                       |
| Operating (loss)/profit | (394)   | (11,914)                       | 3,818   | (437)                             | (8,927)                                       |

6. Exceptional – restructuring, disposal, and acquisition related 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.

|  | Q3 2021<br>(unaudited) | Q3 2020<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|--|------------------------|------------------------|----------------------------|---|----------------------|
| All figures in £000's                        |                        |                        |                            |   |                      |
| Acquisition related items                    | -                      | -                      | -                          | -                                       | 586                  |
| Exceptional restructuring and disposal items | 187                    | 581                    | 1,055                      | 759                                     | 1,528                |
| <b>Total exceptional items</b>               | <b>187</b>             | <b>581</b>             | <b>1,055</b>               | <b>759</b>                              | <b>2,114</b>         |

\*See note 5.

Exceptional restructuring and disposal items in Q3 2021 include £74,000 of staff costs relating to the Board's decision to make significant changes to the Group's management team and bring in new management, £22,000 of costs (including staff costs of £19,000) relating to disposals completed in the prior year and a charge of £91,000 relating to the sale of shares in an investment.

## Unaudited notes to the interim financial statements for period ended 30 June 2021

## 7. Taxation

| All figures in £000's                                     | Q3 2021<br>(unaudited) | Q3 2020<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>(unaudited) | FY 2020<br>(audited) |
|---|------------------------|------------------------|----------------------------|----------------------------|----------------------|
| <b>Current tax expense</b>                                |                        |                        |                            |                            |                      |
| Analysis of charge in period                              |                        |                        |                            |                            |                      |
| <b>Current tax:</b>                                       |                        |                        |                            |                            |                      |
| Current income tax expense on profits for the period      | 1,037                  | 328                    | 2,667                      | 2,634                      | 3,141                |
| Adjustment in respect of prior periods                    | -                      | -                      | -                          | -                          | 836                  |
| <b>Total current tax charge</b>                           | <b>1,037</b>           | <b>328</b>             | <b>2,667</b>               | <b>2,634</b>               | <b>3,977</b>         |
| <b>Deferred tax expense</b>                               |                        |                        |                            |                            |                      |
| Origination and reversal of temporary differences         | (909)                  | (908)                  | (2,460)                    | (2,857)                    | (3,490)              |
| Deferred tax movements in respect of prior periods        | -                      | -                      | (265)                      | -                          | (283)                |
| <b>Total deferred tax credit</b>                          | <b>(909)</b>           | <b>(908)</b>           | <b>(2,725)</b>             | <b>(2,857)</b>             | <b>(3,773)</b>       |
| <b>Total tax charge/(credit) on continuing operations</b> | <b>128</b>             | <b>(580)</b>           | <b>(58)</b>                | <b>(223)</b>               | <b>204</b>           |

## 8. 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.

|   | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3<br>2021<br>(unaudited) | YTD Q3<br>2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|---|------------------------|-------------------------------------|-------------------------------|--|----------------------|
| <b>Loss attributable to equity holders of the parent (£000)</b> |                        |                                     |                               |  |                      |
| Continuing operations   | (2,972)                | (5,617)                             | (6,790)                       | (19,589)                                   | (23,749)             |
| Discontinued operations   | -                      | 1,204                               | -                             | (3,794)                                    | (9,174)              |
| <b>Total</b>  | <b>(2,972)</b>         | <b>(4,413)</b>                      | <b>(6,790)</b>                | <b>(23,383)</b>                            | <b>(32,923)</b>      |
| <b>Weighted average number of shares in issue (thousands)</b>   | <b>670,158</b>         | 667,596                             | 669,164                       | 611,301                                    | 625,466              |
| <b>Basic loss per share (pence)</b>                             |                        |                                     |                               |  |                      |
| Continuing operations   | (0.44)                 | (0.84)                              | (1.01)                        | (3.20)                                     | (3.80)               |
| Discontinued operations   | -                      | 0.18                                | -                             | (0.63)                                     | (1.46)               |
| <b>Total</b>  | <b>(0.44)</b>          | <b>(0.66)</b>                       | <b>(1.01)</b>                 | <b>(3.83)</b>                              | <b>(5.26)</b>        |

\* see note 5.

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.

At 30 June 2021, a total of 4,138,057 potential ordinary shares have not been included within the calculation of statutory diluted loss per share for the period (30 September 2020: 1,426,663) as they are anti-dilutive. These potential ordinary shares could dilute earnings/loss per share in the future.

## 9. Loans and borrowings

The Group's borrowing facilities includes a USD 15m RCF provided by DNB Bank ASA (50%) and HSBC UK Bank PLC (50%). At 30 June 2021 the whole facility (USD 15m) was undrawn.

## 10. Share capital and additional paid-in share capital

|  | Number             | Share Capital<br>£000 | Additional<br>paid-in<br>share<br>capital<br>£000 |
|--|--------------------|-----------------------|---|
| <b>Allotted, called up and fully paid</b>                            |                    |                       |   |
| <b>Ordinary shares of 0.1 penny each</b>                             |                    |                       |   |
| Balance at 30 September 2020   | 667,685,612        | 668                   | 399,601   |
| Shares issued as contingent consideration for a previous acquisition | 536,272            | -                     | 333   |
| Exercise of share options  | 1,979,916          | 2                     | 688   |
| <b>Balance at 30 June 2021</b>                                       | <b>670,201,800</b> | <b>670</b>            | <b>400,622</b>                                    |

During the period contingent consideration totalling USD 450,000 (£333,000) became payable following the acquisition of aquaculture breeding programmes centred on shrimp from Centro de Investigación de la Acuicultura de Colombia Ceniagua on 11 August 2016. At the Group's discretion, the contingent consideration was paid in ordinary shares in the Group and the Group therefore issued 536,272 ordinary shares on 13 January 2021 to settle this liability.

During the period ended 30 June 2021, the Group issued a total of 1,979,916 shares of 0.1p each to certain employees of the Group relating to share options, of which 391,601 were exercised at a price of 0.1 pence, 1,497,933 were exercised at a price of 42.5 pence and 90,382 were exercised at a price of 58.5 pence.

## 11. Alternative profit measures and other metrics

Management has presented the performance measures 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, exceptional items and acquisition related expenditure 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/Loss is operating loss before exceptional items including acquisition related items and amortisation and impairment of intangible assets excluding development costs as reconciled below.

Adjusted Profit/Loss Before Tax is earnings before tax, amortisation and impairment of intangibles assets excluding development costs, exceptional items and acquisition related expenditure 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.



11. Alternative profit measures and other metrics (continued)

Reconciliation of Adjusted Operating Profit to Operating Loss/Profit

Continuing operations

| All figures in £000's  | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|--|------------------------|-------------------------------------|----------------------------|---|----------------------|
| <b>Revenue</b>   | <b>28,336</b>          | 24,149                              | <b>87,801</b>              | 80,326                                  | 105,565              |
| Cost of sales  | <b>(13,024)</b>        | (13,131)                            | <b>(41,646)</b>            | (38,288)                                | (50,603)             |
| <b>Gross profit</b>  | <b>15,312</b>          | 11,018                              | <b>46,155</b>              | 42,038                                  | 54,962               |
| Research and development costs   | <b>(1,590)</b>         | (1,248)                             | <b>(5,172)</b>             | (5,975)                                 | (7,282)              |
| Other operating costs  | <b>(9,329)</b>         | (7,455)                             | <b>(28,026)</b>            | (26,427)                                | (33,337)             |
| Depreciation and impairment  | <b>(1,555)</b>         | (1,567)                             | <b>(5,050)</b>             | (4,656)                                 | (6,640)              |
| Amortisation of capitalised development costs                                | -                      | -                                   | -                          | -                                       | -                    |
| Share of (loss)/profit of equity accounted investees net of tax              | <b>35</b>              | (186)                               | <b>(606)</b>               | 205                                     | 150                  |
| <b>Adjusted operating profit</b>   | <b>2,873</b>           | 562                                 | <b>7,301</b>               | 5,185                                   | 7,853                |
| Exceptional - restructuring, disposal and acquisition related items          | <b>(187)</b>           | (581)                               | <b>(1,055)</b>             | (759)                                   | (2,114)              |
| Amortisation and impairment of intangible assets excluding development costs | <b>(3,931)</b>         | (4,173)                             | <b>(12,109)</b>            | (12,506)                                | (16,613)             |
| <b>Operating loss</b>  | <b>(1,245)</b>         | (4,192)                             | <b>(5,863)</b>             | (8,080)                                 | (10,874)             |

\* see note 5.

Reconciliation of Loss Before Taxation to Adjusted Profit/Loss Before Tax

Continuing operations

| All figures in £000's  | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|--|------------------------|-------------------------------------|----------------------------|---|----------------------|
| <b>Loss before taxation</b>  | <b>(2,681)</b>         | (6,180)                             | <b>(5,934)</b>             | (19,625)                                | (22,571)             |
| Exceptional - restructuring, disposal and acquisition related items          | <b>187</b>             | 581                                 | <b>1,055</b>               | 759                                     | 2,114                |
| Amortisation and impairment of intangible assets excluding development costs | <b>3,931</b>           | 4,173                               | <b>12,109</b>              | 12,506                                  | 16,613               |
| <b>Adjusted profit/(loss) before tax</b>                                     | <b>1,437</b>           | (1,426)                             | <b>7,230</b>               | (6,360)                                 | (3,844)              |

\* See note 5.

Other Metrics

| All figures in £000's                  | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|--|------------------------|-------------------------------------|----------------------------|---|----------------------|
| <b>Total R&amp;D Investment</b>        |                        |                                     |                            |   |                      |
| Research and development costs         |                        |                                     |                            |   |                      |
| - Continuing operations                | <b>1,590</b>           | 1,248                               | <b>5,172</b>               | 5,975                                   | 7,282                |
| - Discontinued operations              | -                      | 385                                 | -                          | 2,462                                   | 2,725                |
|  | <b>1,590</b>           | 1,633                               | <b>5,172</b>               | 8,437                                   | 10,007               |
| Internal capitalised development costs | <b>1,281</b>           | 954                                 | <b>3,462</b>               | 2,959                                   | 4,583                |
| <b>Total R&amp;D investment</b>        | <b>2,871</b>           | 2,587                               | <b>8,634</b>               | 11,396                                  | 14,590               |

\* see note 5.

11. Alternative profit measures and other metrics (continued)

| All figures in £000's   | Q3 2021<br>(unaudited) | Q3 2020<br>Restated*<br>(unaudited) | YTD Q3 2021<br>(unaudited) | YTD Q3 2020<br>Restated*<br>(unaudited) | FY 2020<br>(audited) |
|---|------------------------|-------------------------------------|----------------------------|---|----------------------|
| <b>Adjusted EBITDA excluding fair value movement in biological assets</b> |                        |                                     |                            |   |                      |
| Adjusted EBITDA   | 4,428                  | 2,129                               | 12,351                     | 9,841                                   | 14,493               |
| Exclude fair value movement   | (368)                  | 892                                 | (2,327)                    | (1,698)                                 | (3,253)              |
| <b>Adjusted EBITDA excluding fair value movement</b>                      | <b>4,060</b>           | <b>3,021</b>                        | <b>10,024</b>              | <b>8,143</b>                            | <b>11,240</b>        |

\* see note 5.

Liquidity

Following the refinancing in June 2019 a key financial covenant is a minimum liquidity of £10m, defined as cash plus undrawn facilities.

| All figures in £000's     | 30 June 2021<br>(unaudited) |
|---------------------------|-----------------------------|
| Cash and cash equivalents | 43,187                      |
| Undrawn bank facility     | 10,864                      |
|                           | <b>54,051</b>               |

12. Net debt

Net debt is cash and cash equivalents less loans and borrowings excluding balances held for sale.

| All figures in £000's  | 30 June 2021<br>(unaudited) | 30 June 2020<br>(unaudited) | 30 September 2020<br>(audited) |
|--|-----------------------------|-----------------------------|--------------------------------|
| Cash and cash equivalents  | 43,187                      | 54,492                      | 71,605                         |
| Loans and borrowings (excluding lease liabilities) – current     | (1,595)                     | (3,279)                     | (2,856)                        |
| Loans and borrowings (excluding lease liabilities) – non-current | (94,278)                    | (96,473)                    | (95,863)                       |
| Net debt excluding lease liabilities                             | (52,686)                    | (45,260)                    | (27,114)                       |
| Lease liabilities – current                                      | (8,886)                     | (1,530)                     | (2,483)                        |
| Lease liabilities – non-current                                  | (14,551)                    | (7,862)                     | (7,956)                        |
| Net debt   | (76,123)                    | (54,652)                    | (37,553)                       |