



Benchmark®

Driving Sustainability in Aquaculture

Q2 and H1 FY23 Presentation

Trond Williksen, CEO

Septima Maguire, CFO

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GENETICS

ADVANCED NUTRITION

HEALTH

Agenda

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

Highlights Q2 FY23

Strong results driven by good operational performance in all business areas

Q2

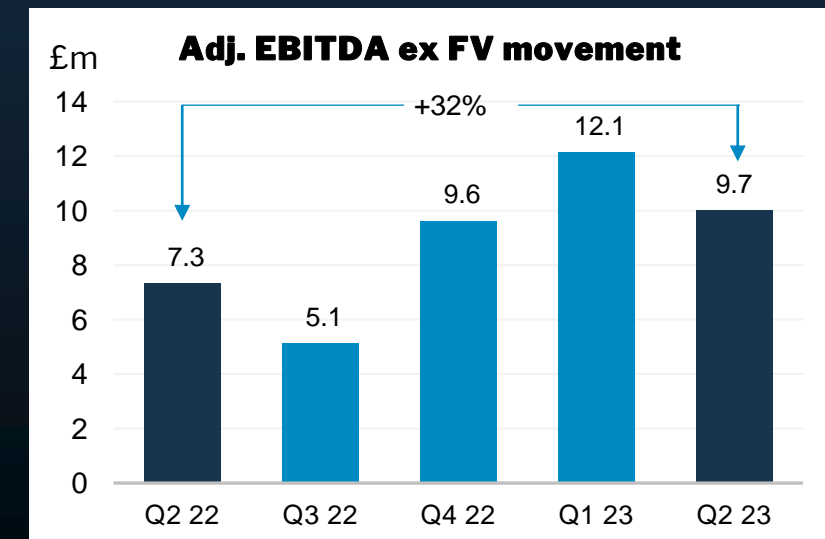
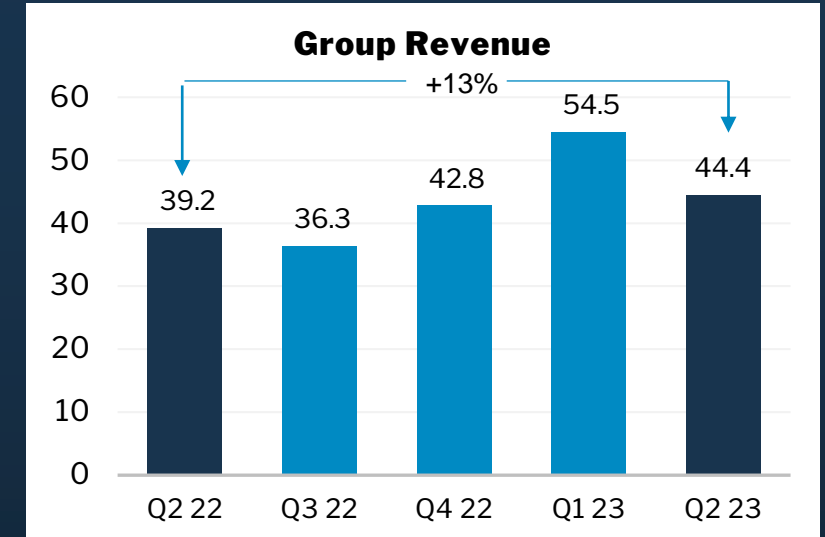
- Revenues +13% to £44.4m
- Adj. EBITDA margin: 25% in line with medium term target
- Adj. EBITDA excluding FV movements +32% to £9.7m
- Adj. Operating profit ex FV movements: +244% to £4.5m

H1

- Revenues +25% to £98.9m
- Adj. EBITDA excluding FV movements +47% to £21.8m
- Adj. Operating profit ex FV movements: +193% to £11.4m
- Net debt continues to reduce

Update on Oslo Børs uplisting

- Consultation with shareholders completed
- Plan to maintain dual listing for the foreseeable future; an uplisting to Oslo Børs will be reviewed as part of ongoing strategy to enhance Group positioning and share performance





Operational Update

Genetics

Good performance in core salmon business and strategic progress in growth areas

Q2

- Revenues +14% driven by higher salmon egg sales
 - Egg sales pattern reflects expected seasonality
- Completed configuration at Salten facility to reach 150m eggs capacity from FY24, ahead of plan/schedule
 - End of investment journey to total egg capacity 400m
- New customer wins in Chile, progress towards breakeven
- Obtained disease free status from Chilean regulator, an important biosecurity certification, enabling exports
- Strengthened scientific team to progress our positioning in new technologies
 - Enhanced genotyping capacity

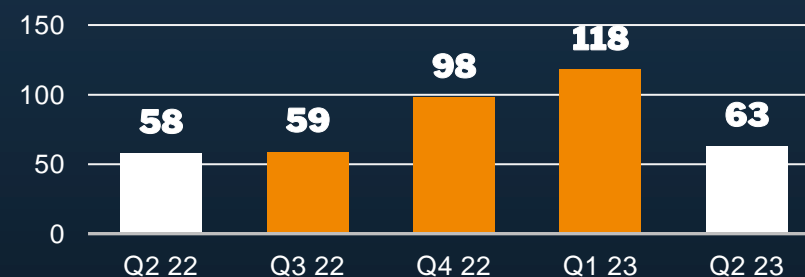
(1) Adj. EBITDA is EBITDA (earnings before interest, tax, depreciation and amortisation and impairment), before exceptional items including acquisition related expenditure

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

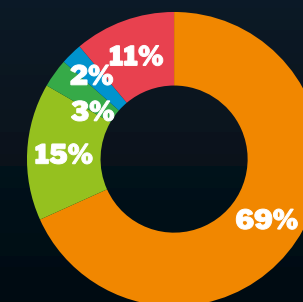


(£m)	Q2 23	Q2 22	H1 23	H1 22
Revenue	13.0	11.4	34.5	26.6
Gross Margin ex FV mov	46%	43%	39%	46%
Adj. EBITDA ¹	3.4	2.4	6.0	5.7
Adj. EBITDA ¹ ex FV mov	2.0	1.3	5.7	4.7
Adj. Operating Profit ²	2.3	1.2	3.3	3.4
Adj. Op. Profit ex FV mov	0.9	0.1	3.1	2.4

Salmon eggs sold (m)



Q2 revenue contribution



	Q2 23/ Q2 22	H123/ H122
Salmon eggs	+29%	+45%
Harvest income	-16%	+9%
Shrimp	-9%	-15%
Genetics services	-1%	+6%
Other products	0%	-4%

Growth and profitability driven by core salmon business

Ongoing investment in growth areas

Key Takeaways	Core Salmon		Chile		Tilapia		Shrimp		Total	
	Continued growth through leading position and ongoing innovation		Gaining commercial traction; capability to export expands market potential		Strategic review underway aiming to keep presence in genetics services		Enhancing genetic lines with trials underway		Growing and enhancing profitability while investing in new areas	
(£m)	Core salmon		Chile		Tilapia		Shrimp		Total	
	Q2 23	Q2 22	Q2 23	Q2 22	Q2 23	Q2 22	Q2 23	Q2 22	Q2 23	Q2 22
Revenue	11.4	10.7	1.1	0.2	0.1	0.1	0.4	0.4	13.0	11.4
Gross profit	7.9	6.4	0.2	(0.1)	(0.1)	(0.2)	(0.6)	(0.1)	7.3	6.0
Adj. EBITDA	4.6	3.3	(0.0)	(0.2)	(0.2)	(0.3)	(0.9)	(0.3)	3.4	2.4
Adj. EBITDA %	40%	31%	-4%	-93%	-187%	-394%	-245%	-72%	26%	21%
Adj. EBITDA ex FV	3.2	2.2	(0.0)	(0.2)	(0.2)	(0.3)	(0.9)	(0.3)	2.0	1.3
Adj. Op. Profit ex FV	2.2	1.2	(0.1)	(0.3)	(0.2)	(0.4)	(1.0)	(0.4)	0.9	0.1

Advanced Nutrition



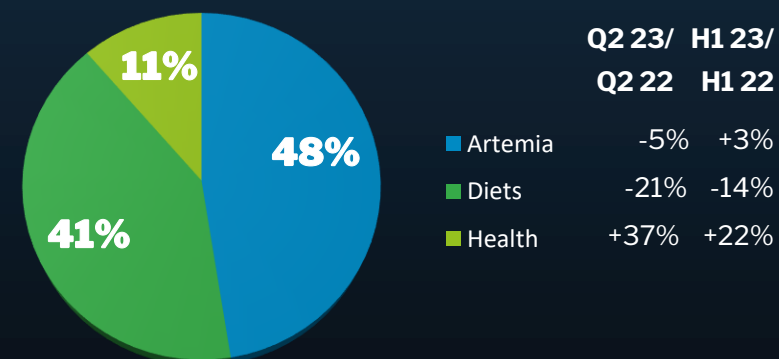
Good performance despite soft shrimp markets show success of commercial focus and agile operation

Q2

- Shrimp markets impacted by consumer demand, farm gate prices, and rising costs leading to reduced pond stocking
 - India and Vietnam most affected. Ecuador more resilient
 - Disease challenges and unfavourable climate part of the picture in some regions
 - Recovery expected as inventory levels normalise along the supply chain and demand increases
- Marine fish markets performing well
- Strong, efficient organisation - unique positioning with specialised, mission critical products for early life stage farming
 - Well positioned to mitigate impact from soft shrimp markets and take commercial opportunities to gain market share

(£m)	Q2 23	Q2 22	H1 23	H1 22
Revenue	22.6	23.0	45.3	42.0
Gross Margin	57%	53%	53%	52%
Adj. EBITDA	6.2	7.2	11.5	11.5
Adj. EBITDA margin	27%	31%	25%	27%
Adj. Operating Profit	5.5	6.6	10.3	10.4

Q2 Revenue Contribution



Health



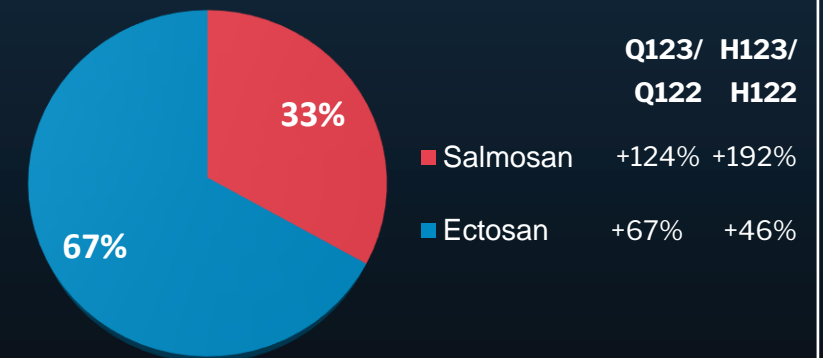
A strong result from our combined sea lice portfolio and integrated salmon commercial team

Q2

- Growing customer adoption of Ectosan® Vet and CleanTreat®
 - Revenue +32% to £5.4m of which £2.2m relates to vessel and fuel pass through income.
 - Q2/Q3 is low season for sea lice treatments
 - Targeting less capital intensive business model along several routes
 - Progress on development of streamlined integrated CleanTreat® infrastructure with partners MMC and Salt Ship Design
- Success of new marketing label for Salmosan® Vet
 - Very strong sales: £3.3m (Q2 22: £0.8m) supported by new marketing label

(£m)	Q2 23	Q2 22	H1 23	H1 22
Revenue	8.7	4.9	19.1	10.7
Gross Margin	54%	36%	57%	42%
Adj. EBITDA	2.6	(0.5)	6.6	0.1
Adj. EBITDA margin	30%	-9%	35%	1%
Adj. Operating Profit	(0.8)	(4.6)	(0.4)	(7.4)

H1 Revenue contribution





Financial Update

Strong progress towards medium term objectives

	FY 2021	FY 2022	H1 2023	Medium term objectives	Progress and pathway
Revenue growth p.a.	18%	27%	25%	15%-18%	Delivering above medium term objectives <ul style="list-style-type: none"> Solid fundamentals and growth initiatives underpin future growth
Adj. EBITDA margin	16%	20%	22%	25%-30% period end	Consistent margin improvement from revenue growth and cost control
Cash conversion ⁽¹⁾	30%	35%	43%	70%-80%	Improving operating cashflow and measures in place to reach medium term goal <ul style="list-style-type: none"> Working capital management
Free Cashflow ⁽²⁾ % sales	(17%)	(8%)	1%	10%-15% period end	Progress driven by disciplined investment and control on capex

Income statement highlights

£m	Q2 23	Q2 22	% AER	% CER	H1 23	H1 22	% AER
Revenue	44.4	39.2	13%	9%	98.9	79.2	25%
Gross profit	24.8	20.0	24%	20%	49.0	39.5	24%
R&D	(1.4)	(1.6)	10%	11%	(3.0)	(3.2)	7%
Other operating costs	(12.3)	(10.0)	(23)%	(18)%	(24.0)	(19.9)	(21)%
Adjusted EBITDA ¹	11.1	8.4	32%	28%	22.0	16.4	39%
Adj. EBITDA ex FV movement	9.7	7.3	32%	28%	21.8	14.8	47%
Adjusted Operating Profit ²	5.9	2.4	145%	134%	11.6	5.4	138%
Adj. Operating Profit ² ex FV mov.	4.5	1.3	244%	220%	11.4	3.9	193%
Exceptional costs	(1.7)	0.9	(289)%	(288)%	(2.7)	0.9	(396)%
Net finance costs	(2.4)	(0.8)	(200)%		(2.3)	(2.9)	(200)%
Loss before tax	(2.0)	(1.5)	(38)%	(56)%	(1.9)	(5.1)	63%
Loss for the period	(2.7)	(3.7)	26%	19%	(3.4)	(8.8)	61%

- Top line growth in Genetics and Health with solid Nutrition sales aided by favourable forex
- Continued cost control
 - Higher operating costs linked to increased activity inflation
- Adj. Operating Profit measure
 - Reflects underlying business performance including leases
- Exceptional costs
 - Primarily associated with Oslo listing
- Increase in net finance cost
 - Partially reflect credit in Q1FY23 from movements in hedge

Cashflow, net debt and liquidity

Improved cash generation and financial position in line with medium term targets

£m	
Net debt¹ at 1 October 2022	(73.7)
Cash generated from operations	13.6
Capital expenditure	(3.5)
Acquisition of minority interest in Iceland	(8.0)
Investment in associates	(0.3)
Foreign exchange on cash and debt	3.3
Interest and tax (inc. lease interest)	(7.9)
New leases	(1.0)
Non-cash amortisation of fees	(0.2)
Equity issue	11.4
Net debt¹ at 31 March 2023	(66.3)

- Improved cash generation
- Focus on working capital management
- Continued investment discipline
- Cash and available liquidity at 22 May 2023 £41.9m and £53.9m respectively

Debt structure

- NOK 750m unsecured Green bond, listed on Oslo Børs in Q2 FY23
 - Coupon of 3 mo. NIBOR +6.50 p.a.
 - maturing in September 2025
- £20m RCF - undrawn
 - 2.75%-3.25% margin over relevant IBOR depending on leverage and currency
- NOK 165m term loan related to Salten
 - Refinanced in the period into new NOK 179.5m facility. Maturing in 2028

Outlook 2023

Solid start of the year – targeting good growth for the year in line with market expectations. Continued focus on achieving profitability and cash generation, and medium term targets



Genetics

- Good visibility of salmon egg sales from Norway and Iceland - delivering solid growth in FY2023
- Progress in Chile and on SPR shrimp - key focus areas in coming periods



Advanced Nutrition

- Expect market conditions to remain unchanged in the short term
- Positive medium term prospects – strong fundamentals for our well positioned and resilient nutrition business remain



Health

- Expect Q3 sales from Ectosan® Vet and CleanTreat® to reflect low sea lice treatment season with increase from Q4 onwards
- Expect continued progress in customer owned integrated solutions – targeting less capital intensive, leaner business model

Market leading, aquaculture biotechnology company

– a unique bet on the aquaculture industry

Market leading positions

GENETICS



ADVANCED NUTRITION



HEALTH



Specialised – mission critical solutions



Farming efficiency



Animal growth



Animal health & welfare

Global presence and customer base



Customers in 70+ countries

Continuation of consistent growth into the future

Driven by three business areas with leading positions and strong sector fundamentals

Genetics

- Core business growing ahead of market; well positioned through innovation and new production paradigms
- Chile – growing into existing capacity
- Shrimp – tailoring genetics for key markets

Advanced Nutrition

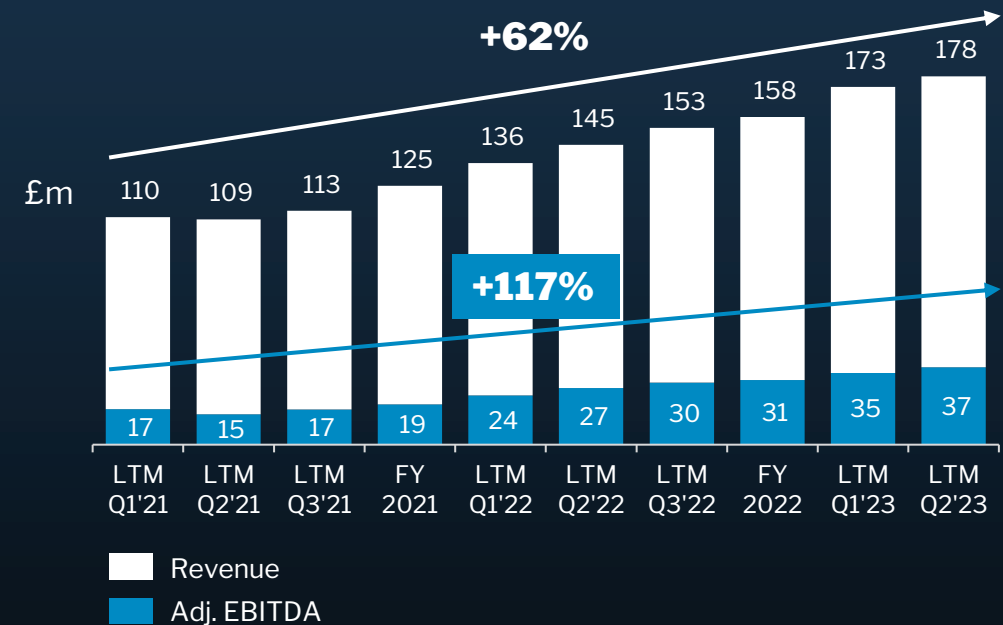
- Increasing penetration and share of wallet building on success of commercial strategy
- Continued innovation

Health

- Optimising Ectosan® Vet and CleanTreat® infrastructure to maximise adoption

+ Opportunity for add-on acquisitions on existing platform

Track record of growth and delivery



The background of the slide is a photograph of a sunset or sunrise over a body of water. The sky is a mix of soft pinks, oranges, and blues. The water is dark with gentle ripples. In the middle ground, a person is swimming, with only their head and shoulders visible above the water.

Thank you Q&A

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