



Benchmark®

Driving sustainability in aquaculture

Benchmark Holdings plc
Annual Report and Accounts 2024



The Challenge

Aquaculture plays a crucial role in global food security, supplying more than 50% of the world's seafood. To feed a human population expected to reach almost ten billion by 2050, aquaculture needs to grow sustainably.

→ See pages 6-7 for more insight into how we are meeting global challenges

Our Mission

Benchmark's mission is to drive sustainability in aquaculture by delivering mission-critical products and solutions that improve farming efficiency, growth and animal health and welfare for aquaculture producers.



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Financial highlights (continuing operations)²

Total revenue
(continuing and discontinued)

£147.7m

Total Adjusted EBITDA¹
(continuing and discontinued)

£28.6m

Revenue (£m)

£90.4m

2024	90.4
2023	104.0
2022	100.3
2021	78.3
2020	64.1

Adjusted EBITDA¹ (£m)
(AEBITDA Margin %)

£11.9m

2024	11.9	13%
2023	17.0	16%
2022	12.8	13%
2021	5.7	7%
2020	(1.3)	-2%

Total R&D investment (£m)
(expensed and capitalised)

£2.6m

2024	2.6
2023	3.0
2022	3.1
2021	5.0
2020	6.4

Operating loss (£m)

£35.5m

2024	35.5
2023	17.5
2022	19.2
2021	14.5
2020	21.9

Tangible capex (£m)

£1.6m

2024	1.6
2023	2.5
2022	5.2
2021	9.2
2020	2.6

Gross margin (%)

49%

2024	49
2023	54
2022	51
2021	51
2020	44

Loss after tax (including
discontinued operations) (£m)

£39.1m

2024	39.1
2023	21.6
2022	30.5
2021	11.6
2020	31.9

Net debt (£m)

£(49.0)m

2024	(49.0)
2023	(65.5)
2022	(73.7)
2021	(80.9)
2020	(37.6)

1 Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, impairment, and exceptional and acquisition-related items. See income statement.

2 The comparative figures have been adjusted where applicable to reflect changes to the ongoing continuing business during the year following this divestment.

Operational highlights

Group

- Initiated a Strategic Review to identify alternatives that would lead to value realisation for shareholders
- Post period concluded the Strategic Review resulting in the disposal of the Genetics business, the proceeds of which will enable the Group to reduce leverage, return capital to shareholders and maintain a strong balance sheet for the continuing business
- Decision made to retain Advanced Nutrition and Health to grow and develop these business areas in order to realise their potential

Advanced Nutrition

- Success of commercial focus translating into a resilient performance in challenging conditions in the global shrimp market

- Continued innovation with launch of SnappArt 360 which combines the SnappArt device with an intuitive web-based platform and the launch of a new shrimp diet applying new production technology to increase feed stability and performance
- Established a new subsidiary in India to grow our commercial presence in this key market for shrimp

Health

- Transitioned Ectosan[®] Vet and CleanTreat[®] away from capital intensive model by demobilising the two platform supply vessels and CleanTreat[®] units. Continued to explore potential models based on customer-owned infrastructure
- Rightsized the Health organisation to deliver the Company's well-established sea lice solution Salmosan[®] Vet while retaining the capability to deploy Ectosan[®] Vet and CleanTreat[®]

Genetics (discontinued)

- Launched new salmon genetic lines demonstrating ongoing innovation
- Excellent progress in our salmon genetics business in Chile, doubling revenues
- Reorganisation of the shrimp genetics activities reducing costs and leveraging our commercial presence in the shrimp markets through Advanced Nutrition
- Significant progress in key R&D projects including gene editing, sterility and gill disease

Sustainability

- Progress towards Net Zero goals with first year of operation of solar panels in Thailand facility delivering 23% of the site's electricity requirements

Our business is powered by committed people driven by the desire to make a difference

Guided by our values – innovative, passionate, collaborative and commercial – we contribute to a sustainable aquaculture future.



Innovative



Collaborative



Passionate



Commercial

→ See pages 52-57 for more on our values in action



Conclusion of a Strategic Review



Peter George
Chairman

2024 highlights

- Launch of a Strategic Review which was completed post period end
- Sale of Genetics business announced post period end unlocks significant value for shareholders and positions the Company to realise the potential in the continuing business

Dear shareholders

FY24 was a year of great consequence for the future of Benchmark. In January 2024, as a result of discussions with our major shareholders, the Company announced the Board's decision to undertake a formal review of its strategic options (the "Strategic Review") including a potential sale of the Company as a whole or of one or more individual business areas. The goal of the Strategic Review was to identify alternatives that would lead to value realisation for shareholders at a level that the Board considered attractive relative to its view of the Group's intrinsic value.

The reason behind the decision to carry out the Strategic Review was the belief that the prevailing share price materially undervalues the combined value of Benchmark's businesses and the long term prospects of the Group, partly due to the illiquid nature of the Company's shares. Importantly, the Board considered the significant progress made since the restructuring conducted in 2020. Post restructuring and led by a new management team, Benchmark grew revenues from £105.6m in FY20 to £169.7m in FY23 and Adjusted EBITDA from £14.5m to £34.2m in the same period.

The Company was well positioned, with significant headroom to grow within its existing markets, and multiple potential avenues for expansion. In addition, increased engagement with sector specialist investors achieved through an Oslo listing in December 2022 was not successful in delivering materially increased liquidity and/or an improvement in share price.

In order to achieve the best outcome from the Strategic Review, the Company engaged a leading team of advisers who brought together substantial transaction and sector expertise and who worked closely with the Board and the Management team. A very thorough process was followed and while lengthy in time, it enabled the Board to determine what it considers to be the optimal course of action for the future of the Company – in the short and medium term – for the benefit of its shareholders.

Post period end, on 25 November 2024, the Company announced the conclusion of the Strategic Review which resulted in the proposed sale of the Genetics business for up to £260.0m (the "Disposal"), which the Board considers an attractive outcome for the Company and for shareholders. Benchmark received a number of approaches from interested parties, which were invited to enter into a thorough due diligence process. Following a review of the proposals, and having conducted a targeted but extensive process, the Board resolved that the disposal of Genetics represented the best option to unlock significant value for shareholders at a level that fully reflects its intrinsic value and prospects. The Disposal is subject to shareholder and regulatory approvals and is expected to complete in Q1 CY25.

The Disposal will allow the Group to reduce leverage, return capital to shareholders and strengthen its balance sheet to focus entirely on its Advanced Nutrition and Health business areas.

It positions Benchmark as a lean organisation focused on realising the significant value inherent in our continuing business which are market leading, profitable and which have significant future potential. Following completion of the Disposal, the Board intends to simplify and streamline the corporate organisation, rightsizing it appropriately. A further update on the strategy and outlook for the continuing business will be provided in due course.

Whilst the divestment of our Genetics business enables the Company to realise value, we also believe that under the new ownership the business will be able to continue to develop, providing good opportunities for our employees and continued support to our customers, two important stakeholder groups together with our shareholders.

The Strategic Review required substantial direct involvement, attention and time from every Board member, in addition to the annual work programme in the ordinary course of business, and I take this opportunity to thank them for their commitment and contribution.

While the Strategic Review was front and centre in the Board's agenda, we maintained our focus on the business as usual, responding in particular to some challenging market conditions. Conditions in the shrimp market coupled with the transition of our Ectosan[®] Vet and CleanTreat[®] business model, resulted in lower total revenues from continuing and discontinued operations of £147.7m (FY23: £169.7m) and lower Adjusted EBITDA excluding fair value movements from biological assets of £28.9m (FY23: £34.3m). Genetics has been classified as discontinued operations in our financial statements following the decision to divest this activity.

“2024 was an important year for Benchmark. Through a Strategic Review we have unlocked substantial value for our shareholders while continuing to position the Company for future value creation.”

Peter George

Excluding these, revenues from continuing activities was £90.4m (FY23: £104.0m) and Adjusted EBITDA from continuing operations was £11.9m (FY23: £17.0m).

We consider the Group delivered a solid performance given the challenges faced and the actions taken. In Advanced Nutrition, in difficult markets, we maintained our market position maximising commercial opportunities from our broad product portfolio and opening new channels. In Genetics where we faced two incidents of ISA, the robustness of our biosecurity protocols and rapid action taken by our in-house team of experts limited the impact and secured continuity of supply for our customers. In Health where we implemented a significant restructuring as part of the change in business model, we maintained a stable focused team delivering our well-established sea lice solution Salmosan® Vet. We are well placed to benefit from an improvement in market conditions and are confident of the strength and potential of our business going forward.

Board changes

In November 2023 Laura Lavers retired from the Board and Jonathan Esfandi the founder and managing partner at JNE Partners LLP, a significant shareholder of the Company, joined. Jonathan is acting as shareholder representative of JNE Partners LLP and therefore the Board has concluded that he is not an independent director. In January 2024 Susan Searle, the Company's most tenured Board member, retired from the Board and I would like to take this opportunity to thank Susan for her outstanding contribution and support.

Sustainability

Our mission to drive sustainability in aquaculture continues to be embedded in everything we do. During the year we made material progress towards our Net Zero goals with the solar panel installation in Thailand now operational and delivering a significant proportion of our energy needs. In line with our commitment to transparent disclosure we made good progress towards compliance with our upcoming CSRD obligations.

Our people

Benchmark is driven by a global team of talented people working together within a culture that promotes collaboration, innovation and commercial focus. I am proud to have seen continued employee engagement and dedication throughout the Strategic Review which placed increased demands on many people across the Group. On behalf of the Board, I would like to extend our gratitude for their commitment and contribution.

Peter George
Chairman

40 years of innovation – pioneering aquaculture solutions worldwide

This year our Advanced Nutrition business, INVE Aquaculture, proudly celebrated its 40th anniversary.

Founded in 1983 as Artemia Systems, a spin-off from Ghent University, INVE pioneered aquaculture by creating the first scalable live feed solutions. Over the past four decades, it has maintained its position as a leader through innovation in larval rearing, hatchery management, and sustainable practices.

Key technological advancements, such as Artemia SEP-Art, have optimised the quality and biosecurity of live feed, while probiotic innovations have contributed to healthier stock.

INVE's approach centres on customer success, providing technical support, knowledge sharing, advanced nutrition, and environmental solutions.

To celebrate this occasion, our teams worldwide hosted events with customers, beginning in Thailand and culminating at Larvi 2024, the Fish and Shellfish Larviculture Symposium in Belgium with 350 attendees.



Business areas

In FY24, we focused on three areas – **Advanced Nutrition, Health and Genetics** which are critical for farming efficiency, growth, and fish welfare.

Post period end we announced the disposal of the Genetics business area.



Advanced Nutrition

We are a global leader in early-stage nutrition for shrimp and marine fish, leveraging the well-known brand INVE Aquaculture. With over 40 years of innovation, we offer a full range of nutritional and preventative health solutions that help customers boost growth, immunity, health and survivability, improving overall efficiency.

51%
of Total revenue

84%
of revenue continuing activities



Health

We are pioneers in medicinal solutions for sea lice in salmon. Along with expert technical services, our solutions help customers control sea lice, a significant sustainability challenge and costly issue in salmon production.

10%
of Total revenue

16%
of revenue continuing activities

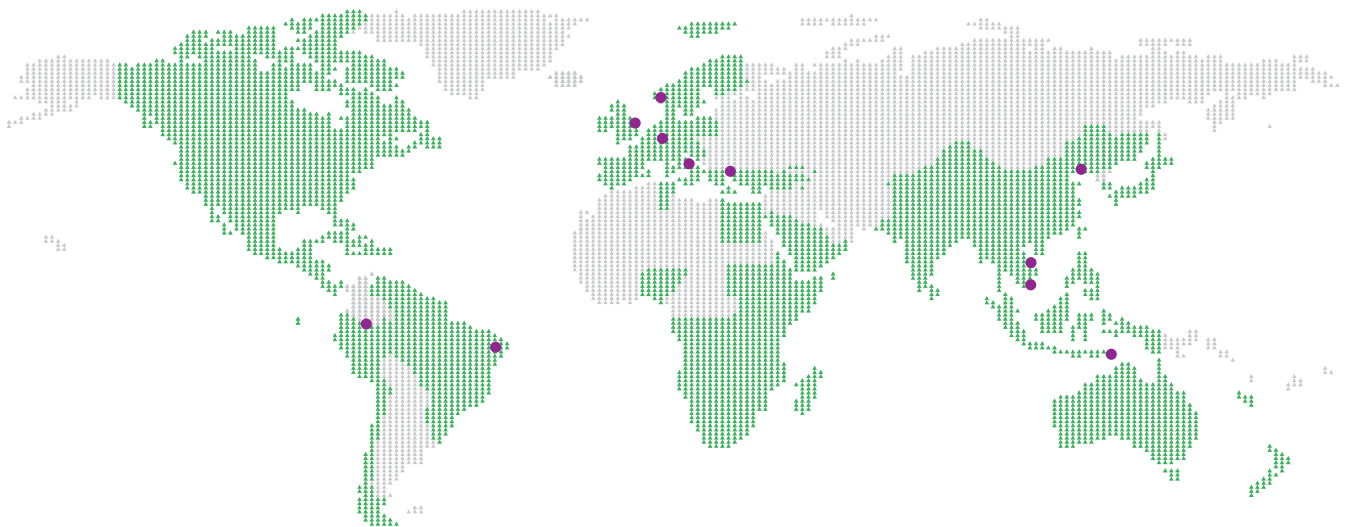


Genetics (discontinued)

We combine longstanding breeding programmes with advanced genomic tools to deliver products and solutions that improve growth, resource efficiency, disease resistance and survivability for salmon, shrimp and other aquaculture species.

39%
of Total revenue

Continuing activities – our customer reach



● Our facilities and commercial presence ● Our customers

Specialised mission-critical solutions



Sustainable production



Farming efficiency



Animal health and welfare

Our global reach continuing activities

750
customers
in 70 countries

24
countries
commercial, operations and R&D

800
people
employed worldwide

Focus on sustainability

Through our products

Our products and solutions enhance resource efficiency, growth, yield and animal health and welfare.

As a responsible operator

- Net Zero commitment
- Sustainably certified feed ingredients
- Environmental certification for our facilities
- Promoting fair working practices across our supply chain
- Assessing and mitigating climate risk

➔ See pages 32–51 for our Sustainability Report

Aquaculture: sustainable source of animal protein

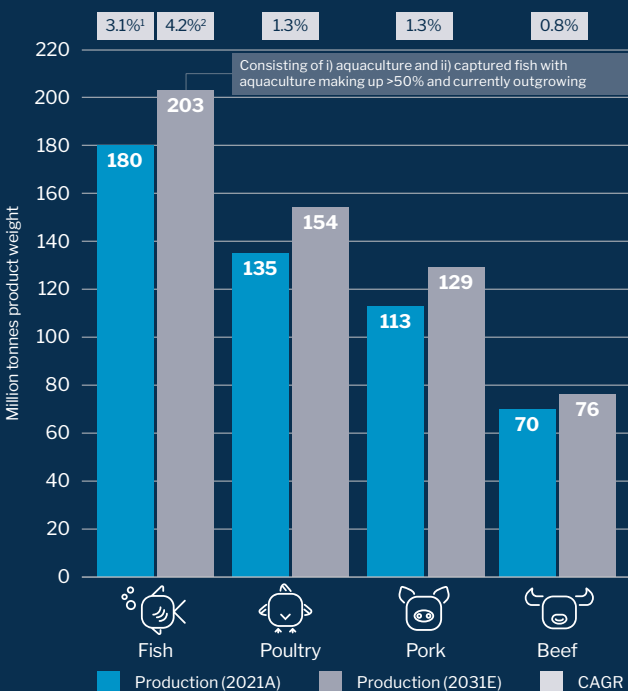
Our growing end market: seafood

Fish and shellfish are the most consumed animal proteins globally, and continue to grow in importance. We eat more seafood than ever, more than double our consumption per capita compared with 50 years ago.

Seafood is the primary source of protein for 40% of the global population.

Per capita consumption has increased from 14kg to 21kg in the last 30 years and is forecast to grow.

Global protein consumption



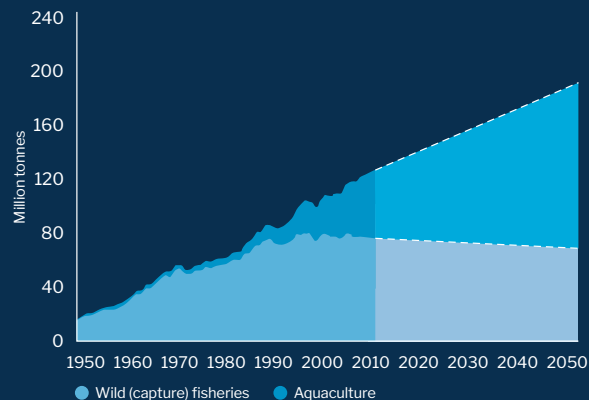
Source: Rabobank Food & Agriculture Research Department.

1 Salmon 2023A-2023E CA.
2 Shrimp 2023A-2030E GAGR.

Aquaculture supplies more than 50% of all seafood produced for human consumption

With limits placed on wild catch fisheries to prevent overfishing, aquaculture now accounts for an increasing share of the seafood we consume. Despite this growth, aquaculture is a relatively young industry with significant development opportunities.

Aquaculture is expanding to meet world fish demand



Source: Historical data 1950–2010: FAO, 2014, 'FishStatJ', Rome: FAO. Calculated at WRJ, assumes reduction in wild fish catch between 2010 and 2050, and linear growth of aquaculture at an additional 2 million tonnes per year between 2010 and 2050.

Seafood scores favourably compared to other animal proteins on health and sustainability parameters including fat content, feed conversion and water usage.

Metric	High	Low
Feed conversion ratio	7.0	3.0, 2.2, 1.8, 1.1
Water usage (k litres/kg)	15.4	6.0, 2.7, 1.6, 1.4
Land usage (m ² /kg)	68.3	11.5, 9.9, 6.0, 4.3



Strengthening aquaculture through our research centre and partnership with Singapore Food Agency

Our Advanced Nutrition business area, INVE partnered with the Singapore Food Agency (“SFA”) to develop cutting-edge hatchery technologies tailored for tropical marine species and environments. Together, we have launched a Hatchery Technology Centre at SFA’s Marine Aquaculture Centre (“MAC”). This collaboration combines SFA’s expertise in hatchery design and production for tropical marine species with our in-depth knowledge of specialised fish nutrition for early development stages, including patented technologies for live feeds, while also sharing practical field expertise to meet on-site needs. Our goal is to support and drive the growth of the aquaculture industry in Singapore and Southeast Asia.

The partnership also integrates insights from Mediterranean and tropical fish larvae culture, drawing on resources from the INVE Aquaculture Research Centre (“IARC”) in Italy.

We have generated valuable data to share with farmers, experts and partners, signalling the potential for breakthrough innovations in tropical aquaculture such as Asian seabass and other species. These efforts aim to boost survival rates and enhance productivity for farmers across the region.

In FY24 we conducted workshops, coordinated by Dr Kim Young Chul, R&D Trial Manager, to share knowledge and expertise with research institutions, universities and producers in the wider region, further supporting industry advancement.

“ Through collaboration, dedication and innovation, we are not just dreaming of a better future for aquaculture. We are actively building it.”

Dr Olivier Decamp,
R&D Director, Advanced Nutrition










Species at a glance

Our mission-critical products and solutions address the needs of the largest, most industrialised aquaculture species globally.

For the aquaculture industry to reach its full potential, it needs to develop sustainably and address issues that are of increasing importance to all stakeholders, from consumers and local communities to governments and shareholders.

Meeting global challenges in the areas of:

 Greenhouse gas emissions	 Fish feed supply	 Working conditions
 Effluents		
 Antibiotic use	 Biodiversity loss	 Fish welfare

Shrimp



Value of global production¹
£38.0bn

Producing countries:

- Ecuador 24%
- India 18%
- Vietnam 18%
- China 17%
- Indonesia 8%
- Thailand 6%
- Other 9%

Production (2023):

5.2 million tonnes
Market growth:
1.8% (2024e)
3.4% (2025e)

Maturity level:

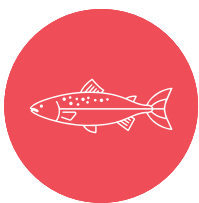
High | **Medium** | Low

Shrimp is a large and dynamic industry with growing industrialisation and adoption of new technologies.

The shrimp aquaculture sector is more than twice as large in value as salmon. In contrast with salmon, shrimp farming is not consolidated. It takes place in many countries across Asia and Latin America on farms ranging from small family-owned ponds to large, industrialised producers. The industry is adopting new practices and technologies, which, together with increased regulation, is improving biosecurity and productivity.

¹ Rabobank and Kontali: NASF 2024.

Salmon



Value of global production¹

£16.2bn

Producing countries:

Norway 52.8%
Chile 27.5%
UK 5.5%
Canada 3.9%
Faroes & Iceland 4.6%
Other 5.7%

Production (2023):

2.8 million tonnes
Market growth:
1.8% (2024e)
4.4% (2025e)

Maturity level:

High

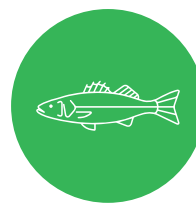
Medium

Low

Salmon farming is a consolidated and well-invested sector, leading the way on technology adoption and industrialisation in aquaculture.

Salmon farming has seen substantial growth due to the rising popularity of salmon in diets worldwide, driven by its health benefits and versatility. The industry is highly regulated to address environmental and animal welfare concerns, which limits supply growth. This has promoted the adoption of new technologies to improve yield and animal welfare, as well as new production paradigms, including biosecure land-based farming.

Sea bass and sea bream



Value of global production¹

£2.6bn

Producing countries:

Türkiye 40%
Greece 25%
Spain 7%
Italy 3%
Croatia 3%
Other 22%

Production (2023):

0.57 million tonnes
Market growth:
3.9% (2024e)
4.7% (2025e)

Maturity level:

High

Medium

Low

The Mediterranean sea bass and sea bream industry is semi-consolidated and has an ongoing focus on efficiency and biosecurity.

The Mediterranean aquaculture industry has experienced a period of consolidation which increased industrialisation and fostered the adoption of new technology.

There is an ongoing drive for efficiency and sustainability amongst industry participants translating into a growing demand for better genetics, data management and other welfare tools.

Our contribution and impact

We drive sustainability in aquaculture through our products, solutions and business operations.

Our products help fish and shrimp farmers produce seafood more sustainably, meeting the increasing demand for sustainable, reliable and nutritious sources of protein.

As a responsible operator and trusted partner, we're committed to the health and well-being of our people, animals, communities and the planet. We adopt best practices, ambitious targets and transparent reporting for the benefit of all our stakeholders. Find out more about our sustainability programme on page 35.

SDGs

How we contributed to the achievement of the Sustainability Development Goals (“SDGs”)

Our contribution in FY24



Our products and solutions, coupled with our technical support, increase the efficiency and productivity of fish and shrimp farms. This contributes to a reliable, resilient and sustainable global food production system.

750

aquaculture producers supported across every continent

1 of 3

Our products are used in 1 of 3 salmon and shrimp farmed globally



We have solid policies and programmes to ensure our employee’s health, safety and well-being, including mental health first aiders, well-being campaigns and a health and safety management system covering 100% of our operations. We are extending our reach into our supply chain through our Supplier Code of Conduct.

Mental Health Care in the Workplace Award

(INVE Thailand)

28

trained mental health first aiders



We are committed to attracting a diverse workforce and ensuring equal opportunities across the business. As well as it being ethically the right thing to do, we know diversity also promotes innovation and better decision-making.

Gender ratio (female/male)

Executive Management

57%/43%

We are mindful of the importance of gender diversity at all levels of the Group.

Total Employees

39%/61%



We promote inclusive and sustainable economic growth, employment, and good working conditions in our operations and supply chain. Our people policies and approach to global compensation and benefits ensure equality across our locations worldwide.

100%

roll-out of our Supplier Code of Conduct (“modern slavery”)

Equality in benefit and remuneration policy across all regions



In the face of the growing climate crisis, rapidly and consistently reducing GHG emissions is essential. We are committed to this goal with ambitious reduction targets. Our Net Zero objectives are underpinned by clearly defined actions across our operations and we are implementing them as planned.

Solar panels now installed in Thailand facility have reduced Scope 2 GHG emissions by

23%



Our work supports efforts to conserve and sustainably use our oceans and marine resources. We contribute to reducing overfishing by supporting the development of the aquaculture industry and working to replace marine ingredients in our feeds.

Avoided discharge of

35,000 kg

We avoid the discharge of medicines into the ocean with our CleanTreat® system.

of medicine into the ocean by using CleanTreat® in our sea lice solution



By sourcing certified land ingredients for our feeds, we help protect life on land. Terrestrial ecosystems are vital for sustaining human life, and the growing loss of forests and land degradation pose severe threats to the planet and people.

100%

certified soy use in our feeds and at our breeding facilities

Market leader with unique biotech platform

Benchmark is a leading aquaculture biotechnology company uniquely positioned to address the growing need for sustainable seafood production.



Market leading position in major farmed species

Market leader in mission-critical areas:

- Early-stage specialist nutrition
- Sea lice treatments

we feed

1 in 3
farmed shrimp

with our specialist nutritional solutions

Unique mature biotech platform

40 years of pioneering products that drive farming efficiency, growth and animal health and welfare:

- High entry barriers
- Proprietary technologies
- World class team of scientists
- Track record of innovation



Opportunities for growth

- Continued innovation
- Development of new sales channels and markets
- Growing end markets driven by population and consumption megatrends
- Increasing customer and stakeholder need for sustainable solutions



New salmon genetic lines launched in 2024

with resilient performance across cycles in the end markets



Purpose-driven with strong ESG credentials

- Purpose-driven: sustainability at core of our mission
- On track to deliver on Net Zero commitments
- Excellent employee engagement and inclusivity
- AA MSCI ESG Rating; issuance of green bond

23%

Scope 2 emissions reduction in Thailand

Track record of delivery

- Consistent strategic delivery following restructuring
- Revenue growth, cost control and disciplined investment
- Increased integration, streamlining and operational efficiency
- Continued product innovation

A transformational year for Benchmark



Trond Williksen
Chief Executive Officer

Introduction

FY24 was another transformational year for the Group in which we managed to deliver a resilient performance amidst difficult market conditions as well as an attractive outcome for the Company and its shareholders via our Strategic Review.

Entering the year we realised that despite several years of consistently demonstrating operational and financial progress following the restructuring in 2020, there were certain structural issues – including the limited liquidity in the Company's shares – which hampered our ability to translate the Company's progress into shareholder returns through share price alone. As a result, Management and the Board determined that a Strategic Review was needed to explore possible routes to value realisation, and this review was subsequently initiated in the second quarter of the financial year.

Post period end, on 25 November, the Company announced the conclusion of the Strategic Review with the agreement to sell our Genetics business, realising significant value for shareholders at a level which the Board considers is reflective of the intrinsic value in the business. In addition, the sale of Genetics creates an opportunity to simplify the Group, positioning it to realise the potential in the Advanced Nutrition and Health business areas and reduce costs. The disposal is subject to shareholder and regulatory approvals and is expected to complete in Q1 CY25.

The proceeds from the disposal of the Genetics business enable the Company to reduce leverage, return capital to shareholders and strengthen the balance sheet to support growth opportunities in the continuing business.

The Group is now positioned for a new chapter as a lean, profitable organisation with a solid balance sheet, focused on realising the significant value and potential in our continuing business

where we have market leading positions, a track record of innovation and significant headroom for growth.

Operationally, FY24 was a challenging year where we experienced various headwinds including continued difficult conditions in the global shrimp markets for Advanced Nutrition, and two biological incidents at our main salmon genetics facility in Norway which tested our biosecurity protocols. In addition, in Health, the decision to restructure the business to transition to a less capital intensive model for Ectosan® Vet and CleanTreat® had an impact on revenues. Against this background the Company delivered a solid result, responding strongly to mitigate the impact of the challenges faced, while making progress in the development of our growth vectors.

I believe we emerge stronger from FY24, and as a leader in mission-critical areas of aquaculture production, with strong fundamentals underpinning the sector and a competent, talented organisation we are well placed to take advantage of the opportunities ahead.

FY24 Performance Overview

Total Group revenues including Total Group revenues including discontinued operations were £147.7m (FY23: £169.7m) driven by revenues of £75.9m in Advanced Nutrition (FY23: £78.5m), £57.4m in Genetics (FY23: £65.8m) and £14.5m in Health (FY23: £25.5m). Genetics has been classified as discontinued operations for accounting purposes following the decision made before year end to divest the business. Group revenues from continuing operations were £90.4m (FY23 restated: £104.0m).

Total Adjusted EBITDA (continuing and discontinued) excluding fair value movements from biological assets was £28.9m (FY23: £34.3m) and the Total Adjusted EBITDA margin excluding fair value movements from biological assets remained consistent at 20% (FY23: 20%).

Total loss for the year was £39.1m (FY23: £21.6m).

Adjusted EBITDA from continuing operations excluding fair value movements from biological assets was £11.9m (FY23 restated: £17.0m) Operating loss from continuing operations was £35.5m (FY23: £17.5m).

Our liquidity position at the end of the year (cash and available facility) ended at £34.3m (FY23: £48.8m).

Strategically, our focus in the year was on carrying out the Strategic Review and on continuing to progress our key strategies in the business. These include maintaining and building on our leading market positions in our core businesses and developing our growth vectors.

More specifically in Advanced Nutrition we worked on expanding our routes to market and broadening our product offering with a number of product launches. In Genetics we continued our efforts to become the supplier of choice for salmon genetics in all key markets and made significant progress in Chile. In Health our goal was to establish a profitable business model to build on our position in medicinal sea lice treatments. I am pleased to say that we are delivering on all fronts against these objectives.

Innovation is a key pillar of our strategy and a significant value driver for the business. Our investment over recent years, together with our ability to attract the top talent in the sector and a collaborative approach with research institutions is bearing fruit. We made significant progress in the year on our most promising R&D projects in Genetics including gene editing, sterility and complex gill disease. In Advanced Nutrition, we launched new products including SnappArt 360 which combines the SnappArt device with an intuitive web-based platform, and a novel shrimp diet applying new production technology to increase feed stability and performance.

// I am proud of our organisation which delivered a resilient performance in difficult markets, and a Strategic Review which realises value for our shareholders.”

Trond Williksen

Our mission to drive sustainability in aquaculture continues to be embedded and made material and tangible progress towards our Net Zero goals with our solar panel installation in Thailand being operational for the first time this year delivering 23% of our electricity needs this year. Group-wide workshops took place to develop site-specific energy transition plans to underpin the next phase of our journey towards our Net Zero targets and increasing our confidence in delivering on our ambitious goals.

Business area review

Advanced Nutrition

Advanced Nutrition delivered a resilient performance against a backdrop of continued adverse conditions in the shrimp markets which affected demand for our products, particularly those at the premium end. Our focus was on maintaining our leading market position, maximising sales by taking advantage of commercial opportunities and developing new sales channels. As a result, revenues of £75.9m, were only 3% below the prior year but were actually 5% ahead in constant currency taking account of the forex headwinds experienced in the prior year. A change in product mix led to lower average prices and gross profit margin was 48% as a result (FY23: 56%).

By product area, revenues from our Artemia portfolio were down 3% with lower average price offsetting a 6% increase in volume. Revenue from Diets were in line with the prior year with an increase in Mediterranean fish diets offsetting lower revenues in shrimp. The Health segment, which mainly comprises premium probiotics, was particularly impacted by market conditions and was 17% down compared to the prior year. By region, Europe which is not exposed to shrimp was up 3%, the Americas and Asia Pacific were slightly down, and China experienced a significant drop.

In addition to a strong commercial focus, we maintained financial discipline and continued our effort to increase operational efficiencies by streamlining the organisation and reducing costs where possible. Outside of our control, our logistics were affected by the Middle East conflict resulting in a temporary

disruption to trading routes with freight vessels avoiding the regional insecurity of the Suez Canal by travelling via the Cape of Good Hope, which increased costs. Together with the lower gross profit margin this led to an Adjusted EBITDA of £14.4m (FY23: £18.4m) and an Adjusted EBITDA margin of 19% (FY23: 23%).

In the area of innovation, in addition to a number of product launches, our R&D site in Singapore is increasing its traction, playing a pivotal role in the development of the Asian marine fish market through the transfer of knowledge from our longstanding experience in the Mediterranean. Our focused innovation efforts in FY24 are expected to lead to several new product launches across the portfolio with promising value creation potential.

An important element of our commercial strategy is the development of new sales channels. After considerable effort, in FY24 we established a new subsidiary in India which will enable us to build on our network of distributors in this key market for shrimp.

Our team continues to be recognised as a source of excellence across multiple areas. A highlight which showcases the importance that we place on our people was being awarded the Outstanding Operational Network Award for Employee Mental Health Care in the Workplace from the Thai department of Mental Health, one of only 13 companies in the country to receive the award.

One of the pillars of our sustainability programme in Advanced Nutrition is the responsible sourcing of raw materials which sits high on the agenda for industry participants and society at large. Through the efforts of our procurement and R&D teams, all our marine protein sources, oil and marine ingredients have a sustainability certification or assurance while at the same time we made progress in the development of novel green ingredients reaching advanced stage of testing for bacterial protein meal with positive results.

Genetics

Genetics delivered a good performance in FY24 despite revenues being lower than in FY23 when we benefitted from supply constraints in the salmon egg market. Total revenues of £57.4m were 13% below the prior year (8% down in constant currency) driven by lower revenues from salmon eggs and non core areas partially offset by higher revenues from Genetics Services.

Revenues from our core salmon egg business were £38.5m (FY23: £45.6m). This should be compared against a very strong FY23 as mentioned above, and also reflects a shift from direct egg sales to indirect sales through our joint venture in Norway. While the shift from direct sales had an effect on revenues it benefits the bottom line through the joint venture profits. The total volume of egg sales including direct sales and indirect sales made through the joint venture in Norway was 340m (FY23: 359m eggs) of which the direct sales volume was 286m (FY23: 335). Revenues from non-product-based revenue streams reflect a modest 5% increase in harvest revenues, an increase in revenues from Genetics Services to £1.7m (FY23: £1.2m) and a reduction in other non-core products to £5.6m (FY23: £7.4m). Adjusted EBITDA excluding the impact from fair value movements of biological assets was £15.1m, 4% ahead of the prior year. The Adjusted EBITDA margin excluding fair value movements of biological assets was 26% (FY23: 22%).

Notably we made good progress in our growth vectors. Revenues from Chile more than doubled to £3.6m taking the Adjusted EBITDA excluding fair value movement from a loss of £3.0m in FY23 to a profit of £1.0m. Together with higher revenues the improvement in Adjusted EBITDA reflects higher capitalisation of production costs associated with our biological assets as we gain commercial traction and there is increased visibility of future sales.

In shrimp our ongoing work to develop local lines continued and we benefitted from the transition to a less capital-intensive model introduced at the beginning of the year. While this is not yet evident in material sales which increased marginally, Adjusted EBITDA loss significantly reduced from a loss of £3.6m in FY23 to £1.8m in the period.

Chief Executive Officer's Review continued

Genetics continued

Our market leadership and progress in Chile are underpinned by the quality of our products, biosecure facilities, superior customer service and continuous innovation and as such we are well positioned to be the supplier of choice for salmon genetics in all key markets.

During the year we launched a new product portfolio of specialised, premium genetics products based on innovation in our existing technologies, including genomics and cryopreservation, to optimise our genetic design, and focus our selection intensity on the traits that give the most benefit to customers.

The biosecurity of our facility and robustness of our operations was tested in the year with two isolated incidents of ISA (infectious salmon anaemia) at our Salten facility. The presence of ISA is a material risk in our sector with significant potential consequences. I am proud to say that the strict biosecurity we have in place and the competence and dedication of our team meant that the impact on our operations was very limited.

As mentioned above, post period end the Company announced the disposal of our Genetics activities as a result of the Strategic Review conducted in the year. I am proud of the Genetics business we built which demonstrated strong development in recent years and value creation while setting the foundations for significant growth. I wish every member of our Genetics team future success in continuing to develop the organisation to fulfil its potential. I believe that Novo Holdings will be an excellent new owner for the Genetics business and is well positioned to take the business forward.

Health

In Health, the focus in the year was on creating a sustainable, profitable business capable of delivering our core sea lice solution Salmosan® Vet while maintaining our capability to deliver Ectosan® Vet and CleanTreat® – a proven highly effective, environmentally friendly sea lice solution with high animal welfare credentials. The transition to a more sustainable, less capital-intensive business involved rightsizing the cost base by taking out from service the two PSVs (“platform supply vessels”) carrying the CleanTreat® systems and streamlining the rest of the organisation accordingly.

Sea lice continues to be the most significant sustainability issue in the salmon industry and we firmly believe in the future of Ectosan® Vet and CleanTreat® to contribute to address it. Together with industry participants we are exploring configurations for the CleanTreat® infrastructure that are more operationally and financially viable, both for both the Company and its customers. Given the transition undertaken during the year the majority of the revenues were generated from Salmosan® Vet. Revenues were £14.5m (FY23: £25.5m) and Adjusted EBITDA was £2.1m (FY23: £4.8m).

Our People

Benchmark's people and culture are its most valuable asset. FY24 called for special commitment, dedication and close collaboration across the Group. On behalf of the Management Team, I specifically want to thank each of our employees for their great effort and contribution throughout this year.

Current trading and outlook (continuing activities)

The start of the year has been soft in Advanced Nutrition with conditions in the shrimp market remaining unchanged. However, we expect improvement through the year and a recovery in the gross margin, which in 2024 was affected by the product mix due in part to the nature of the 2023/24 Artemia harvest. We are confident that the actions taken over the past three years to strengthen our commercial effort, broaden our product portfolio and increase operational efficiency, mitigate the impact of market cyclicality and position us to deliver growth and improved profitability in the short and medium term.

Health has had a good start of the year. Our established sea lice treatment Salmosan® Vet is well positioned in customers' toolkit to tackle sea lice which continues to be a critical issue for the industry. With a reduced cost base our Health business is expected to deliver stable profitability going forward. At the same time, we will continue to work with customers to develop a viable model for Ectosan® Vet and CleanTreat® based on customer owned infrastructure.

For the Group as a whole the focus will be on simplifying and streamlining the Group structure which is expected to result in significant cost savings. This effort will commence upon completion of the disposal of Genetics, taking into consideration the Company's commitments under the Transition Services Agreement which has an expected duration of up to six months. We therefore anticipate the streamlining exercise to be complete by the end of FY25 with the benefits from the cost savings to come through in full in FY26.

Trond Williksen
Chief Executive Officer

Financial Review

Resilient performance in the year

Septima Maguire
Chief Financial Officer



We have been able to show resilience in FY24 to deliver robust results against market headwinds as we conducted and concluded a Strategic Review in the year.

Introduction

Following the statement made on 22 January 2024 announcing the Board's decision to conduct a formal review to explore the Group's strategic options, FY24 was very much a year of 'business as usual' to ensure continuity and stability while allowing the formal review process to take place.

The outturn for FY24 was satisfactory against a backdrop of difficult conditions, particularly in the soft shrimp market experienced by Advanced Nutrition for which recovery is proving much slower than anticipated.

Continuing Gross Profit

£43.9m

2023 restated: £56.1m

Net Debt⁴

(£49.0)m

2023: (£65.5)m

In addition, underutilisation of our innovative Ectosan® Vet and CleanTreat® solution in Health and two isolated ISA incidents reported in our Genetics business area during the year created challenges in the period. With our continued focus on cost and cash preservation and actions taken by management to mitigate the impact of adverse factors, we demonstrated strong resilience in the period underpinned by a robust business platform and organisation.

We are anticipating recovery in the shrimp markets in FY25 which our Advanced Nutrition business area is expected to benefit strongly from, and the medium and long-term outlook for the Group remains positive.

Post period end, on 25 November 2024, the Company announced the conclusion of the Strategic Review which involved the sale of the Genetics business area and the decision to retain the Advanced Nutrition and Health business areas within the Group and to streamline the corporate structure accordingly. Given the advanced stage of the discussions related to the sale of Genetics as at 30 September, management assessed a sale to be highly probable and the assets and liabilities of Genetics were classified as held for sale and its results as discontinued operations. In this financial review we include narrative on the results and operations for Genetics during the year to enable our shareholders to evaluate the performance and development of the Group as a whole.

Financial highlights

- Total revenues (including discontinued Genetics operations) were 13% below the prior year resulting from:
 - a 3% decrease in Advanced Nutrition revenues (+5% in constant currency ("CER"⁶) demonstrating success of commercial focus in difficult market conditions

- Genetics revenues 13% below a strong FY23 which benefitted from supply constraints in the market (-8% in constant currency), and due to a shift from direct egg sales to indirect sales through the Company's JV and lower ancillary revenues
- 43% decrease in revenues in Health (-41% in constant currency) with revenues in the period almost exclusively derived from Salmosan® Vet
- Excluding Genetics, revenue from continuing activities was 13% below prior year at £90.4m (FY23: £104.0m).
- Total Adjusted EBITDA excluding fair value movements in biological assets was £28.9m (FY23: £34.3m)
- Continuing Adjusted EBITDA² was £11.9m (FY23: £17.0m) reflecting the impact of the revenue noted above, lower margin in Advanced Nutrition and tight control over costs
- Loss before tax from continuing operations was £45.9m (FY23: £24.7m)
- Total loss before tax was £38.6m (FY23: £18.2m)

Liquidity and net debt

- Liquidity⁶ (cash and available facility) decreased to £34.3m (FY23: £48.8m) and cash at year end of £23.1m (FY23 £36.5m)
- Year-end net debt was £49.0m (FY23: £65.5m) after the transfer of £22.3m of Genetics debt into liabilities held for resale in the year.

Financial Review continued

Continuing Revenue

£90.4m

2023 restated: £104.0m

Continuing AEBITDA²

£11.9m

2023 restated: £17.0m



Delivering the sale of Genetics as the outcome from the Strategic Review will leave Benchmark with a solid balance sheet to meet the future needs of the businesses which will remain, Nutrition and Health.”

Septima Maguire

→ See pages 107-177 for Financial Statements

As reported (£m unless otherwise stated)	2024	2023 restated*	% AER	% CER ⁵
Total Revenue (continuing and discontinued operations)	147.7	169.7	-13%	-7%
Revenue from continuing operations	90.4	104.0	-13%	-6%
Operating loss from continuing operations	(35.5)	(17.5)	-102%	-99%
Loss before tax from continuing operations	(45.9)	(24.7)	-86%	-84%
Loss for the period including discontinued operations	(39.1)	(21.6)	-81%	-77%
Basic loss per share from continuing operations (p)	(5.99)	(3.21)	-87%	
Basic loss per share (p)	(5.34)	(3.16)	-69%	

* 2023 numbers have been restated to reflect changes to the ongoing continuing business following the decision to sell the Genetics business area during the year (Note 12).

Adjusted measures (£m unless otherwise stated)	2024	2023 restated*	% AER	% CER ⁵
Gross profit from continuing operations	43.9	56.1	-22%	-18%
Gross profit margin from continuing operations %	49%	54%		
Adjusted EBITDA ² from continuing operations	11.9	17.0	-30%	-24%
Adjusted EBITDA ² margin from continuing operations %	13%	16%		
Total Adjusted EBITDA ² (continuing and discontinued operations)	28.6	34.2	-16%	-10%
Total Adjusted EBITDA ² margin (continuing and discontinued operations) %	19%	20%		
Adjusted Operating Profit ³ from continuing operations	(16.6)	1.2	-1,507%	-1,451%
Net debt ⁴	(49.0)	(65.5)		

* 2023 numbers have been restated to reflect changes to the ongoing continuing business following the decision to sell the Genetics business area during the year (Note 12).

1 EBITDA is earnings/(loss) before interest, tax, depreciation and amortisation and impairment. See income statement.

2 Adjusted EBITDA is EBITDA¹ before exceptional and acquisition-related items. See income statement.

3 Adjusted Operating Profit is operating loss before exceptional and acquisition-related items and amortisation of intangible assets excluding development costs. See Note 36.

4 Net debt is cash and cash equivalents less loans, borrowings and lease obligations. In FY24, this is after £22.3m of loans and borrowings have been transferred to held for sale for the Genetics business. Net debt includes £3.6m (FY23: £19.9m) relating to lease obligations, and a further £7.3m included within the £22.3m in held for sale for Genetics. See Notes 23 and 37.

5 % CER is the change year on year translating current figures using last year's foreign exchange rates.

6 Alternative performance measures and other metrics are included in Note 36 of the financial statements.

Overview of reported financial results

A note on the presentation of results

On 22 January 2024, the Board announced the decision to undertake a formal review of the Group's strategic options including a potential sale of the Group as a whole or of one or more business areas. As at 30 September, the Board assessed that discussions around a potential sale of the Genetics business area were on terms which they were prepared to recommend was reaching an advanced stage and that a sale was therefore highly probable, meeting conditions in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations for treatment as 'Held for Sale' and 'Discontinued Operations'. Therefore, Genetics has been treated as discontinued operations (Note 12) and the assets and liabilities have been transferred into Assets and Liabilities Held for Sale (Note 23).

In FY24, the Group's focus was on maintaining operational 'business as usual' while the formal Strategic Review was conducted.

In this context we focused on delivering commercial results while responding to the challenges presented by difficult market conditions and operational matters arising, both planned and unplanned.

Advanced Nutrition produced robust results in light of continued tough conditions in the shrimp markets and a delay in the expected recovery of demand, demonstrating the resilience of the business model. Strong commercial focus resulted in an increase in revenues in constant currency despite reduced prices in Artemia caused by a change in product mix sold. Genetics reported increased Adjusted EBITDA despite lower sales against the prior year which benefitted by supply constraints experienced by competitors. Health has taken its CleanTreat® supply vessels out of commission while opportunities for more cost effective, customer owned delivery mechanisms are explored. All of these factors led to a reduction in total revenues (including discontinued Genetics revenues) of £147.7m in the year (2023: £169.7m).

We continued to manage costs across the Group very closely. Operating costs from the continuing operations decreased by £7.2m equivalent to 20% to £29.6m (FY23 restated: £36.8m) from a combination of the benefits of restructuring actions in Health, Advanced Nutrition and Corporate and the absence of bonuses awarded for the year as incentive targets have not been met. Expensed R&D from continuing operations remained at the same modest level as last year at £2.4m.

Adjusted EBITDA from continued operations decreased to 11.9m (2023 restated: £17.0m) driven by lower margin in Advanced Nutrition due to lower Artemia prices, a change in product mix and higher logistic costs caused by trade route disruptions, and the lower demand and subsequent pause in supply of Ectosan® Vet and CleanTreat® in Health.

Business area performance

Adjusted measures (£m)	Revenue				AEBITDA ²				AEBITDA	AEBITDA
	2024	2023	% AER	% CER ⁵	2024	2023	% AER	% CER ⁵	margin % 2024	margin % 2023
Genetics	57.4	65.8	-13%	-8%	14.8	14.4	3%	9%	26%	22%
Advanced Nutrition	75.9	78.5	-3%	5%	14.4	18.4	-22%	-16%	19%	23%
Health	14.5	25.5	-43%	-41%	2.1	4.8	-57%	-55%	14%	19%
Corporate	4.0	5.7	-30%	-30%	(2.6)	(3.3)	21%	21%		
Inter-segment sales	(4.1)	(5.8)	29%	29%	-	-	-	-		
Total Group including discontinued operations	147.7	169.7	-13%	-7%	28.6	34.2	-16%	-10%	19%	20%
Less: discontinued operations (Note 12)	(57.4)	(65.8)			(16.7)	(17.3)				
Total Group continuing	90.4	104.0	-13%	-6%	11.9	17.0	-30%	-24%	13%	16%
Genetics excluding FV uplift	57.4	65.8	-13%	-8%	15.1	14.5	4%	10%	26%	22%
Total group excluding FV uplift	147.7	169.7	-13%	-7%	28.9	34.3	-16%	-10%	20%	20%

Financial Review continued

Following the Strategic Review, the Genetics business area was classified as held for sale at the year end, and its results classified as 'discontinued operations'. This has added to the tilapia business which was discontinued and sold in the prior year. A reconciliation of the amounts included in discontinued operations is shown in the table below.

Reconciliation of Genetics discontinued operations £m	Revenue				AEBITDA			
	2024	2023	% AER	%CER ⁵	2024	2023	% AER	%CER ⁵
Total Genetics operations including discontinued	57.4	65.8	-13%	-8%	14.8	14.4	3%	9%
Adjust for FY23 discontinued operations (tilapia)	-	(0.3)			-	1.3		
Continuing Genetics operations as reported in FY23	57.4	65.5	-12%	-8%	14.8	15.7	-5%	0%
Inter-segmental recharges					1.9	2.8		
Total reclassified as discontinued in FY24 (Note 12)	57.4	65.5			16.7	18.5		
Add back FY23 discontinued operations (tilapia)	-	0.3			-	(1.3)		
Total discontinued operations as at FY24 (note 12)	57.4	65.8			16.7	17.3		

Adjusted measures (see Note 36)

We continue to use adjusted results as our primary measures of financial performance. We believe that these adjusted measures enable a better evaluation of our underlying performance. This is how the Board monitors the progress of the Group.

We use growth at constant exchange rate metrics when considering our performance, in which currency balances are retranslated at the same exchange rates in use for the prior year to illustrate growth on a currency like-for-like basis.

In line with many of our peers in the sector, we highlight expensed R&D on the face of the income statement separate from operating expenses. Furthermore, we report earnings before interest, tax, depreciation and amortisation ("EBITDA") and EBITDA before exceptional and acquisition and disposal related items ("Adjusted EBITDA"). The activities of the Group's equity accounted investees are closely aligned with the Group's principal activities, as these arrangements were set up to exploit opportunities from the Intellectual Property ("IP") held within the Group. As a result, to ensure that adjusted performance measures are more meaningful, the Group's share of the results of these entities is included within Adjusted EBITDA.

We also report this adjusted measure after depreciation and amortisation of capitalised development costs ("Adjusted Operating Profit") as the Board considers this reflects the result after taking account of the utilisation of the invested production capacity and right-of-use assets.

In addition, in line with the salmon industry, we also report gross profit and AEBITDA excluding fair value uplift under IAS 41. Available liquidity, being cash and undrawn facilities, is an important metric for management of the business as it gives a measure of the available liquid funds and is also a key financial covenant in the Group's main debt facilities.

Advanced Nutrition

FY24 was a difficult year for Advanced Nutrition with the shrimp market remaining soft throughout the year coupled with some forex headwinds. Recovery in the market had been expected earlier in the year, but despite some green shoots appearing, these have not yet turned into full market growth. Regulators and market participants have been taking steps to support the sector with measures including a reduction in import duty in India and new product development in Ecuador among those designed to promote growth. We expect these measures to benefit our business in the medium term.

Against this backdrop, the business generated revenue of £75.9m in the year, 3% lower than the prior year (2023: £78.5m), but 5% higher than prior year at constant currency. This resilient performance is testament to the strong commercial focus of the team and the actions taken, including expansion of our product offering and strengthening our presence in key markets, to optimise our performance and competitive position. By product area sales of Diets were in line with the prior year, while Artemia sales were -3%, and Health -17%.

The gross profit margin in Advanced Nutrition of 48% was down on last year (2023: 56%) reflecting a change in product mix, low Artemia sales prices and increased freight costs owing to global geopolitical conflicts. R&D costs were slightly up on prior year at £2.3m (2023: £2.1m) as a result of the attention given to expanding the product portfolio. However, this was offset by a reduction in operating costs, which at £20.0m were 14% lower than the prior year (2023: £23.4m) as the restructuring activities in the current and prior year have shown benefits adding to the saving from no bonus being earned in FY24. Adjusted EBITDA as a result of the above factors was down 22% (16% down at constant exchange rate) on last year at £14.4m (2023: £18.4m).

Strategically we continue to take steps to optimise our operations, to expand our product portfolio to address specific market opportunities and have plans to strengthen our presence in certain key markets both directly and through collaborations. We continue to expect market recovery in the short term, and remain confident that we will continue to be resilient and well positioned to exploit and benefit from that recovery.

Health

FY24 was a tough year for the Health business area, with lower demand for the Ectosan® Vet and CleanTreat® purification throughout the year. While the Ectosan® Vet treatment remains attractive to customers as a proven, highly efficacious and environmentally friendly way of treating sea lice with high fish health and welfare credentials, the total cost to the customer under the PSV model is higher than alternatives, and the operating model employed, which relied on leased platform supply vessels ("PSVs") to carry the CleanTreat® systems, has a high fixed cost, which is not economical for Benchmark in times of low demand.

The focus of this business area has therefore been to change the operating model in Norway, laying the ground work for moving the CleanTreat® systems from leased PSVs and operated by Benchmark to a less costly customer infrastructure. As part of this move, the two PSVs were demobilised during the year, as planned, which reduced our exposure to the capital intensive setup from prior years. The first vessel was decommissioned during Q2, and the second during Q3. At end of the year the business had no CleanTreat® systems in operation. The CleanTreat® systems are currently stored onshore pending future customer commitment to remobilise them under a new operating model. The rest of the organisation was subsequently restructured and streamlined accordingly, maintaining the core expertise both to deliver Salmosan® Vet treatments globally, and to relaunch Ectosan® Vet and CleanTreat® under the new operational model in the future. The cost savings associated with the restructuring helped to offset the reduction in revenues in the year.

Health reported revenue of £14.5m (2023: £25.5m) reflecting the lower demand for, and subsequent pausing of, the Ectosan® Vet and CleanTreat® sea lice solution. Ectosan® Vet and CleanTreat® delivered revenue of £6.7m in the year (2023: £17.2m) including £1.8m relating to revenue for vessel-related costs (2023: £4.8m). The reduction in this revenue stream was partially offset by another good year for our second sea lice treatment, Salmosan® Vet, which continued to be in high demand in the year delivering revenue of £7.8m (2023: £8.3m).

Gross profit was £7.3m (2023: £12.3m), the reduction driven primarily from reduced sales of Ectosan® Vet and CleanTreat®. Gross margin increased to 50% (2023: 48%), due to reduction in costs associated with the demobilisation of the CleanTreat® units in the second half of the year.

Cash and cost control continues to be a very key focus for this business area and operating costs decreased to £5.1m (2023: £7.3m) following the restructuring in the second half of the year as mentioned above and with no bonus being earned in the year. Research and development also fell accordingly to £0.1m (2023: £0.3m). Adjusted EBITDA for the business area was £2.1m (2023: £4.8m); AEBITDA margin was 14% for 2023 (2023: 19%).

Genetics

As part of the Strategic Review conducted during the year, it was decided that the Genetics business area would be sold. As a result, the operations of the business have been included as discontinued operations with a resulting restatement of the prior year figures in the income statement (see Note 12) and the balance sheet items have been transferred to assets and liabilities held for resale (see Note 23).

Total revenues of £57.4m (2023: £65.8m) were down by 13%, 8% in constant currency. The main driver of lower revenues was a decrease in egg revenues of 16% from £45.6m in 2023 to £38.5m in the year.

Egg volumes of 286 million were 49 million lower than prior year for two reasons: firstly 2023 sales were favourably impacted by supply difficulties experienced by our main competitor; and secondly, we have had a shift in the current year from direct egg sales to indirect sales through the Group's JV in Norway, the benefit of which is reflected in EBITDA. Adding indirect sales made by Salmar Genetics to the direct sales made by Benchmark Genetics, the total volume of eggs sold incorporating Benchmark's genetics in 2024 was 340 million (2023: 359 million).

Despite forex headwinds impacting NOK in particular, Genetics delivered a good result at AEBITDA level compared to prior year which had benefitted from supply constraints in the salmon egg market. Adjusted EBITDA of £14.8m was £0.4m ahead of prior year and £1.3m ahead in constant currency; after excluding fair value, AEBITDA of £15.1m was £0.6m ahead of prior year (£1.5m ahead of prior year in constant currency).

In non-product-based revenue streams, revenues from harvested fish were aided by early harvest of fish held under our broodstock licence, resulting in income in the year of £11.6m (2023: £11.1m). We no longer generate royalties from use of our genetic IP because the expected unwind of contracts is now complete, whereas last year we reported royalty income of £0.5m. Genetic Services delivered higher revenues of £1.7m in the year (2023: £1.2m), with revenues from this income stream expected to increase in future years as we build on the strength and depth of our recently expanded genetics team and our IP in the business. Revenues from other products totalled £5.6m (2023: £7.1m).

Gross profit from continuing operations reduced by 12% in 2024 to £26.4m (2023: £29.9m) largely as a result of lower revenues, with a one percentage increase in gross margin to 46% (2023: 45%). Production costs in the business are relatively fixed, so we were pleased that we were able to control costs in this area. The fair value of biological assets fell in the year by £0.2m (2023: fall of £0.1m).

Financial Review continued

The shrimp genetics business has benefited from the restructuring programme undertaken in the year. Headcount and operating costs were both reduced significantly from the exercise (and with no bonus being earned in the year) such that, despite revenues increasing only slightly to £1.3m (2023: £1.2m), AEBITDA losses reduced significantly from £3.6m to £1.8m. This provides a good platform for future growth.

Despite the overall decline in egg sales in the Group, the salmon egg business in Chile continued on its growth trajectory, and the business achieved egg sales of 19 million in the year (2023: 7 million). With these increased sales and the related increase in biological assets, the business achieved a positive Adjusted EBITDA of £1.0m in 2024 (2023: AEBITDA loss £3.0m).

Salmar Genetics, our joint venture with Salmar AS, showed great progress in the year, with our share of profits of £1.3m (2023: £0.1m) arising from a much-improved operational performance from this entity. The business sold 54 million eggs during the year versus 25 million in the previous year, the vast majority to Salmar AS. Some of this increase in egg sales came at the expense of direct sales by Benchmark, but we achieve a similar profit per egg regardless of whether the sales are made direct to Salmar or via the joint venture.

All these factors contributed to increased Adjusted EBITDA of £14.8m (2023: £14.4m) and AEBITDA margin of 26% (2023 restated: 22%). AEBITDA excluding fair value was £15.1m (2023: 14.5m) with an AEBITDA margin of 26% (2023: 22%).

The Genetics business area incurred exceptional costs of £1.8m during the year (2023: £nil) relating to write-off of biological assets and cleaning costs relating to the ISA incidents at Salten, reorganisation of the shrimp business and residual closure costs of the tilapia business.

Research and development

R&D by business area (£m)	Expensed				Total expensed and capitalised			
	2024	As % of sales	2023	As % of sales	2024	As % of sales	2023	As % of sales
Genetics	3.3	6%	3.8	6%	3.3	6%	3.8	6%
Advanced Nutrition	2.3	3%	2.1	3%	2.3	3%	2.2	3%
Health	0.1	1%	0.3	1%	0.3	2%	0.8	4%
Total research and development	5.7	4%	6.1	4%	5.9	4%	6.8	4%
Less: discontinued operations – Genetics	(3.3)		(3.8)		(3.3)		(3.8)	
Total research and development – continuing	2.4	3%	2.4	2%	2.6	3%	3.0	3%

Total expensed R&D activities (including discontinued operations – Note 12) decreased in the year by £0.4m with Genetics continuing good cost optimisation in this area while focusing on improvements in the breeding nucleus to develop new disease and parasitic resistant traits as well as growth traits which we can breed into our products. Health spending remained low due to their significantly reduced R&D programmes. Advanced Nutrition's focus is on expanding our product portfolio and driving growth through product improvements. Capitalised development costs within the Health business area remain at a low level at £0.2m (2023: £0.5m).

Other operating costs

Operating expenses by business area (£m)	2024	As % of sales	2023	As % of sales
Genetics	9.6	17%	11.7	18%
Advanced Nutrition	20.0	26%	23.4	30%
Health	5.1	35%	7.3	29%
Corporate (net)	2.6		3.3	
Total operating expenses	37.3	25%	45.6	27%
Less: discontinued operations Genetics	(7.7)		(8.9)	
Total operating expenses – continuing	29.6	33%	36.8	35%

Other operating costs, including those for discontinued businesses, fell £8.3m to £37.3m in the year with reductions in all business areas. These figures include £0.5m in FY23 for the tilapia operations which were discontinued and divested in the prior year. Cash and cost control continues to be a focus for all areas of the business, and each business area has been subject to some restructuring activity in response. While a significant portion of the saving year on year relates to the absence of bonus payments due to targets not been met (£3.5m), cost savings have also been made following the restructuring activity. With both of these factors, even on the reduced revenues in the year, operating costs for all businesses (including discontinued operations) as a percentage of sales fell to 25% (2023: 27%) and fell to 33% (2023: 35%) for continuing operations.

Exceptional items (continuing operations)

Exceptional items (£m)	2024	2023
Acquisition related items	0.2	0.7
Exceptional restructuring costs	5.7	0.9
Disposal related items	(0.3)	(0.2)
Costs associated with the Oslo listing	-	2.6
Exceptional items included in discontinued operations	1.8	3.9
Total exceptional items	7.4	7.8
less discontinued operations – Genetics (Note 12)	(1.8)	(3.9)
Exceptional items within continuing activities	5.6	3.9

Exceptional costs mainly relate to exceptional restructuring activity in the year, including costs associated with the Strategic Review and potential sale of Genetics (£4.5m), and redundancy costs and dilapidation provisions from restructuring in Health, Advanced Nutrition and Corporate (£1.2m). Included within these are the costs of reducing resource as Ectosan® Vet/CleanTreat® operations are paused while alternative delivery solutions are explored without the high fixed costs associated with Benchmark leasing its own vessels.

These costs, together with costs from an aborted acquisition from the prior year (£0.2m) were partially offset by income from an asset disposal from a discontinued Health vaccine operation and exit from a longstanding lease (£0.3m).

£1.8m of exceptional costs included in discontinued operations relating to Genetics include certain costs following the closure of the tilapia operations in FY23 (£0.4m), restructuring costs in relation to the shrimp genetics operations (£0.5m) and costs incurred in relation to uninsured culling of broodstock and clean-up costs after two separate isolated ISA incidents (£0.8m).

Depreciation, amortisation and impairments

Depreciation and impairment of tangible assets including discontinued operations and right-of-use assets was £16.3m (2023: £18.7m), including an impairment charge of £2.5m (2023: £nil) on assets written down in Health as a result of the restructuring and the sale of a property no longer required by the business and impairment of CleanTreat assets as part of the decommissioning of the PSVs. The reduction in the year relates to lower depreciation and impairment charges on right-of-use assets under IFRS 16 (including discontinued operations) which was £7.0m (2023: £10.3m) as the PSV leases in Health ended during the year.

Amortisation and impairment of intangible assets including discontinued operations totalled £32.5m (2023: £18.5m). This includes an impairment charge of £13.3m (2023: £0.5m) within Health relating to capitalised development costs on Ectosan® Vet and CleanTreat® written off as the likelihood of recovery of the value of these through sales in the short term reduced when the PSVs were taken out of service, as well as impairment charge of £2.0m (2023: £nil) within Advanced Nutrition for capitalised development costs for products no longer planned to be used in the short term. Excluding the impairment charges, amortisation fell slightly in the year as the assets arising on previous acquisitions become fully amortised. We expect the amortisation charge to reduce further after FY25 as more of the Advanced Nutrition (“INVE”) acquired assets also become fully written down.

Included within the above, the depreciation charge within the discontinued Genetics operations was £5.4m (2023: £4.7m) including £1.8m relating to depreciation of right-of-use assets (2023: £1.0m). The amortisation charge within discontinued operations was £1.6m (2023: £1.9m).

Net finance costs

Net finance expenses (£m)	2024	2023
Interest income	(0.0)	(0.3)
Foreign exchange losses	1.2	0.8
Interest on bond and bank debt	7.5	7.2
Amortisation of deferred financing fees	1.0	0.6
Movements in hedging instruments	0.2	(2.2)
Finance lease interest	0.5	1.0
Net finance costs within discontinued operations	0.6	0.2
Total net finance expenses	11.0	7.4
Less: discontinued operations – Genetics (Note 12)	(0.6)	(0.2)
Total net finance expenses	10.4	7.2

The Group incurred net finance costs of £10.4m during the year (2023 restated: £7.2m). Included within this was interest charged on the Group’s interest-bearing debt facilities (including leases) of £8.0m (2023 restated: £8.2m), with the increase from higher utilisation of the RCF facility during the year being offset by lower lease interest as the PSV leases ended in the year. In addition, a further £1.0m was charged on amortisation of deferred finance costs (2023: £0.6m), with the increase related to additional fees from refinancing the RCF in the prior year.

Net foreign exchange losses of £1.2m (2023 restated: losses of £0.8m) arose due to the movement in exchange rates on intercompany loans and external debt, and movements on the hedging instruments associated with hedging ineffectiveness in accounting for the Group’s NOK bond debt resulted in losses of £0.2m (2023: gain of £2.2m).

Financing costs relating to the discontinued Genetics operations were £0.6m (2023 restated: £0.2m) with interest of loans and leases of £2.0m (2023 restated: £1.7m) offset by forex gains of £1.1m (2023 restated: £1.1m) and interest income of £0.3m (2023 restated: £0.3m).

Statutory loss before tax

The loss before tax from continuing operations for the year at £45.9m is higher than the prior year (2023 restated: loss of £24.7m). This is mainly due to the tough year's trading producing a lower gross margin, higher exceptionals as a result of the Strategic Review, the impairment of the capitalised development costs within Health and the higher net finance costs all as noted above.

Taxation

There was a tax credit on the loss for the year of £1.6m (2023 restated: £1.2m credit), with deferred tax credits mainly from amortisation of intangibles arising on consolidation from historic acquisitions offsetting a low tax charge on profits in Nutrition which has endured a tough year.

Loss from continued operations after tax

As a result of the above, the reported loss after tax for continuing operations was £44.3m (2023 restated: £23.4m).

Other comprehensive income

In addition to the loss for the year, there was a significant movement of £21.3m in other comprehensive income resulting from movements in the foreign exchange and hedging reserves. The forex loss of £20.5m was driven by USD and NOK impacting the retranslation of foreign currency denominated subsidiary balance sheets into GBP offset by amounts designated as net investment hedges, together with long term internal loans not expected to be repaid in the foreseeable future which are treated like equity with the movements going directly to reserves. These were offset by £0.8m credit into the hedge reserve from hedge accounting on cash flow hedges.

Discontinued operations

Profit (net of tax) from discontinued operations, which comprise the Genetics business area was £5.2m (2023 restated: £1.9m).

Reported loss for the year

The total loss for the year was £39.1m (2023 restated: loss of £21.6m).

Loss per share

Basic loss and diluted loss per share were both 5.34p (2023: loss per share 3.16p). The movement year on year arises predominantly from the result for the year, with only a modest increase in the number of shares in issue arising from the exercise of share options during the year.

Dividends

No dividends have been paid or proposed in either 2024 or 2023 and the Board is not recommending a final dividend in respect of the year ended 30 September 2024.

Biological assets

A feature of the Group's net assets is its investment in biological assets, which under IAS 41 are stated at fair value. Following the decision to sell the Genetics business, all of the group's biological assets at 30 September 2024 are included in assets held for sale as shown in note 23.

At 30 September 2024, the carrying value of biological assets was £43.1m (2023: £46.0m). This decrease is due principally to the reduction in all categories of biological asset available for sale in FY24 compared to FY23.

Intangibles

Additions to intangibles were £0.4m (2023: £0.8m) with small investment in software and patents in Genetics and capitalised development costs incurred on Salmosan® Vet in Health.

Following the decommissioning of the CleanTreat® vessels in Health, the short term recovery of the value of Ectosan® and CleanTreat® capitalised development costs was considered to be remote, and so these were fully impaired with a resulting charge of £13.3m. In addition, an impairment charge of £2.0m has been incurred in Advanced Nutrition for capitalised development costs for products no longer likely to be used in the short term. This is in addition to the normal amortisation charge on intangibles which totalled £17.2m (2023: £18.0m) for continuing and discontinued operations.

Intangible assets with net book value of £43.0m within Genetics were transferred into assets held for sale following the decision to sell the business.

Capital expenditure

We have continued to monitor and control cash during the year resulting in modest fixed asset additions during the year of £4.3m (2023: £6.0m) focused on business critical areas. Expenditure was incurred as follows:

- Health: £0.9m (2023: £0.7m)
- Genetics: £1.9m (2023: £3.4m)
- Nutrition: £1.5m (2023: £1.9m)

The additions within Health relate to an increase in the provisions to demobilise the CleanTreat® units. Capex within Genetics mainly related to essential refurbishment work on equipment and tanks at our facilities in Iceland. In Advanced Nutrition, we continued to invest where necessary in the two manufacturing facilities to support growth and operational efficiency.

Cash flow, liquidity and net debt

Movement in net debt (£m)	2024	2023
Net debt at 30 September 2023/2022	(65.5)	(73.7)
Cash generated from operations excluding working capital and taxes paid	22.6	29.6
Investment in working capital	(13.8)	(1.1)
Interest and tax	(15.5)	(17.1)
Capital expenditure	(3.9)	(6.8)
Investment in associates	(0.2)	(0.6)
Share issue	0.1	10.9
Additions to/modifications of leases (IFRS 16)	-	(3.7)
Other disposal activities	0.9	0.2
Foreign exchange on cash and debt	4.9	4.3
Proceeds from previous year disposals of subsidiaries	-	1.3
Acquisition of subsidiaries net of cash/debt acquired	-	(0.2)
Acquisition of non-controlling interest	-	(8.0)
Other non-cash movements	(0.9)	(0.6)
Transfer to assets held for sale	22.3	-
Net debt at 30 September 2024/2023	(49.0)	(65.5)

Cash flow

Despite continued focus on cash preservation and cash conversion, the difficult trading conditions noted above led to a reduction in cash generated from operations to £22.6m (2023: £29.6m). There was a large investment in working capital of £13.8m compared to an outflow of £1.1m last year, with the bulk in Advanced Nutrition (£6.4m) and Genetics (£4.8m) and a lower investment in Health (£2.2m). Interest and taxes were lower than last year at £15.5m (2023: £17.1m) due to lower tax paid on lower profits in Nutrition. Capital expenditure, both intangible and tangible, showed another decrease in the year to £3.9m (2023: £6.8m) as we continue to moderate our capex.

Loans and borrowings within Genetics of £22.3m have been transferred into assets held for sale.

Working capital

Working capital has increased in all business areas in the period driven by a number of factors. In Advanced Nutrition, there was an increase in receivables with customers taking longer to pay in tough market conditions, and an increase in inventories due to the timing of large sales around the year end compared to the prior year, with a large US sale taking place shortly after the year end and a reduction in payables due to the timing of payments and no bonus accrual at the year end. A £2.2m reduction in provisions arose in Health as payments were made

to decommission the PSVs in the year. The increase in working capital invested in Genetics of £4.8m is mainly due to a reduction in payables due to different timing of the harvest resulting in earlier payment of the associated creditors and no bonus accrual at the year end.

A significant amount of cash remains tied up with the working capital of the Group and focus will continue to be on releasing that investment in the future.

Borrowing facilities

The Group has a senior unsecured green bond issue of NOK 750 million, with an expected maturity date of 27 September 2025. The bond has a coupon of three months NIBOR + 6.5% p.a. with quarterly interest payments. The Group also has a £20.0m revolving credit facility ("RCF") with a June 2025 maturity.

The interest rate on the facility is between 2.5% and 3.25% above compound interest rate depending on leverage. In March 2024, this facility was extended on the same terms by £7.5m, to a total facility of £27.5m, with the £7.5m extension maturing on 27 March 2025. At 30 September 2024, there was £16.25m drawn on this facility (2023: £7.75m).

Following the decision to sell Genetics in the year, the assets and liabilities of the business were transferred to assets held for sale. This includes the amounts owed under its borrowing facilities of £22.3m.

This balance arises from the facilities originally put in place within Benchmark Genetics Salten AS to fund the building of the Salten salmon eggs facility, which are ring-fenced without recourse to the remainder of the Group.

Although these facilities are not yet due, an agreement was made in the deal reached after the year end for the sale of Genetics, that these would all be settled from sales proceeds upon completion of the sale. At 30 September 2024, these were as follows:

- term loan with Nordea Bank, which has a maturity date of five years ending 15 January 2028 and an interest rate of 2.5% above three-month NIBOR.
- 12-month working capital facility of up to NOK 20.0m provided by Nordea Bank Norge Abp.
- term loan provided by Innovasjon Norge. The loan is a 12-and-a-half year term loan maturing in March 2031.
- an additional 15-year term loan provided by Innovasjon Norge and maturing in July 2038.
- a loan provided by the minority shareholder Salten Stamfisk AS. The loan attracts interest at 2.5% above three-month NIBOR and is repayable on maturity of the Nordea loan above.

Financial Review continued

Cash and total debt

Net debt	2024	2023
Cash	23.1	36.5
NOK 750m bond	(53.1)	(57.6)
Other borrowings	(15.3)	(24.5)
Lease liabilities	(3.6)	(19.9)
Net debt	(49.0)	(65.5)
Borrowings within liabilities held for sale	(22.3)	-
Total net debt	(71.7)	(65.5)

The amount undrawn on the RCF, combined with the year-end cash balance of £23.1m (2023: £36.5m), means the Group had total liquidity of £34.3m (2023: £48.8m).

Covenants

Banking covenants for the NOK bond and RCF exist in relation to liquidity and an 'equity ratio'. Liquidity, defined as 'freely available and unrestricted cash and cash equivalents, including any undrawn amounts under the RCF', must always exceed the minimum liquidity value, set at £10.0m. Available liquidity at 30 September 2024 is £34.3m (2023: £48.8m). The equity ratio, defined as 'the ratio of Book Equity to Total Assets' must always exceed 40%. The equity ratio at 30 September 2024 was 58% (2023: 60%). In addition, an equity to asset ratio covenant exists for the Benchmark Genetics Salten AS debt with a target threshold of 40%; this equity to asset ratio was 53% at 30 September 2024 (2023: 60%).

Going concern

As at 30 September 2024 the Group had net assets of £224.3m (30 September 2023: £282.6m), including cash of £23.1m (30 September 2023: £36.5m) as set out in the consolidated balance sheet. The Group made a total loss for the period of £39.1m (year ended 30 September 2023: loss £21.6m). As at 30 September 2024 the Company had net assets of £237.0m (2023: £363.2m), including cash of £1.4m (2023: £0.3m) as set out on the Company Balance Sheet. The Company made a loss for the year of £128.0m (2023: profit £4.2m).

The group meets its day-to-day working capital requirements using a green bond and RCF (see note 25) together with cash. During the year on 26 March 2024, an additional facility of £7.5m was added to the existing RCF with an expiry date of 31 March 2025. The original £20m RCF term remains unaltered, ending on 27 June 2025.

Furthermore, the Group's unsecured NOK 750m bond is due to expire within the next year in September 2025. The bond and RCF are subject to covenants that are tested quarterly.

As described in note 40, on 25 November, an agreement was signed to sell the whole Genetics business for consideration of up to £260m, with £230m received up front and up to £30m earnout receivable in three years. Completion of the sale is subject to shareholder approval and anti-trust clearances which are expected to be received within three months. If and when the sale completes, the proceeds will be used to repay debt and the directors will then consider the ongoing needs of the remaining business to ensure that adequate operational liquidity is available for the continuing business for the forecast period.

In the absence of completion of the deal, the forecast would require continuing finance facilities to be available to the Group. On the basis that the sale of Genetics does not complete, the Directors have reviewed forecasts and cash flow projections for a period of 12 months (the going concern assessment period) including downside sensitivity assumptions in relation to trading performance across the Group to assess the impact on the Group's trading and cash flow forecasts and on the forecast compliance with the covenants included within the Group's financing arrangements.

In the downside analysis performed, the Directors considered severe but plausible scenarios on the Group's trading and cash flow forecasts. Key downside sensitivities modelled included assumptions on lower sales growth from a possible slower recovery in the shrimp market in Advanced Nutrition and have not included any sales from relaunching Ectosan®/CleanTreat® sales within Health.

The restructuring of the Health business area which currently focuses on the Salmosan business has derisked the cash utilisation improving the likelihood of cash generation within that business area for the foreseeable future, and Ectosan®/CleanTreat® sales will only be relaunched with customer investment to mitigate the Group's cashflow exposure. Additional downside sensitivities have been identified and modelled within the discontinued Genetics business for slower commercialisation of SPR shrimp, slower salmon egg sales growth in Chile and removal of an additional financing opportunity.

Further mitigating measures within the control of management have been identified should they be required in response to any or all of these sensitivities, including reductions in areas of discretionary spend, tight control over new hires, deferral of capital projects and temporary hold on R&D for non-imminent products.

As a fallback position in the event that the sale of Genetics does not complete, a revised forecast (including the severe but plausible downside sensitivities) has been put together showing that the group would require a refinancing of its existing facilities, with the RCF expiring on 31 March and 27 June 2025 and the green bond expiring in September 2025, together with additional funding of up to £30m from combination of an equity raise and additional debt facilities. Under those forecasts, the Group will remain compliant with covenants through the going concern assessment period. The Directors are confident that the existing facilities due to expire within the next year can be renewed or replaced before expiry with the trading platform showing resilience to market conditions and other challenges presented during FY24 and relationships with finance providers and key shareholders strong.



Based on their assessment, the Directors believe it remains appropriate to prepare the financial statements on a going concern basis. However, while the Directors remain confident that either the deal to sell the Genetics business will proceed as planned, or that the current facilities will be renewed or replaced in the next 12 months before expiry on 31 March 2025 alongside additional funding being secured through a combination of an additional debt facilities and the completion of an equity raise, the requirement for either the sale of the Genetics business to complete or the ongoing financing to be secured represents a material uncertainty that may cast significant doubt on the Group's and Company's ability to continue as a going concern and therefore to continue realising their assets and discharging their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Section 172 Companies Act 2006 Statement

Engaging with our stakeholders

The Board continued to focus on its duties under section 172 of the Companies Act 2006 towards its shareholders as well as having regard to the interests of the Group's key stakeholders.

The Board made its key decisions in the 2024 financial year having regard to the provisions of section 172. This requires the Board to act in the way most likely to promote the success of the Group for its shareholders' benefit and to have regard to matters set out in the table below.



Number	Relevant factors for the Board to consider	How the Board had regard to these factors
1	The likely consequences of any decision in the long term;	When evaluating new projects and initiatives the Board assesses the long-term strategic, commercial, sustainability and financial impacts. The main project considered by the Board was the Strategic Review, but the Board also continued its focus on energy efficiency and energy transition projects, the development of new products and the entry into new markets.
2	The interests of the Company's employees;	We appointed a new Employee Representative in FY24 who has worked with a network of Employee Champions to ensure the Board 'hear' the voice of the employee, and information from the Board cascades through the organisation. The Employee Champions meet throughout the year to discuss and input on employee matters per location, such as the reward agenda, culture and well-being, and more general topics such as meeting policies, work regime and how to promote One Benchmark.
3	The need to foster the Company's business relationships with suppliers, customers and others;	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  See pages 30–31 for table </div> <div style="text-align: center;">  See pages 5, 9, 33, 51, 57 for case studies </div> </div>
4	The impact of the Company's operations on the community and the environment;	The Board's Sustainability Committee is responsible for overseeing the work carried out by the Company's Sustainability Working Group. This includes developing policies aligned with the Company's aim to minimise the impact on the environment and the communities in the regions where it operates. A network of Environmental Representatives at each site enables implementation of the policies and acts as a conduit to raise and address any concerns arising. The Company's Group Health, Safety and Environment Director chairs a quarterly meeting with all Environmental Representatives. Specific areas of focus include emissions, waste management and freshwater use.
5	The desirability of the Company, maintaining a reputation for high standards of business conduct; and	The Company has compliance and conduct policies, which it regularly updates, on topics including the prevention of modern slavery, bribery, money laundering and IT security, and encourages its employees to report any concerns confidentially through its whistleblowing channel. Employees also receive annual training on the Company rules and procedures for these matters. Regarding IT training, the Company continued its phishing prone campaign to ensure that employees are well-prepared and remain vigilant against phishing. The Group's Supplier Code of Conduct supports its commitment to corporate responsibility, ethical behaviour, environmental footprint and human rights within the Supply Chain.
6	The need to act fairly as between members of the Company.	The Company maintained a communication programme with all shareholders including quarterly presentations for institutional and retail shareholders. The Company made all presentations and webcasts held available through its website. In addition, the Company invited questions through its webcasts from institutional and retail shareholders. The Company complied with applicable market and disclosure rules concerning equality of information.

The Board is also conscious that the Group cannot grow and succeed without the support of our stakeholders, from customers and suppliers to shareholders and employees, and positive engagement with the communities in which we operate.

The table below sets out our key stakeholder groups and how we engaged with them during the year.

Benchmark’s engagement with our key stakeholders:

Stakeholder	Engagement	Key outcomes
<p>Customers</p> 	<p>Who led the Group’s engagement?</p> <ul style="list-style-type: none"> • Board, CEO, business area heads. <p>Why do we engage?</p> <ul style="list-style-type: none"> • Our customers help us develop and refine our products. • Building trust-based long-term relationships enables us to deliver innovative high-quality products and services that help both Benchmark and our customers succeed. <p>What were the key actions and topics?</p> <ul style="list-style-type: none"> • Regular meetings and requests for feedback from key customers in each business area. • The Board receives regular updates from the CEO and the Executive Management Team. • The CEO met with customers in Chile, Norway, Iceland, Vietnam, Thailand and Greece to continue fostering customer relationships. 	<ul style="list-style-type: none"> • Deepening of our understanding of Benchmark’s perception and position in key markets. • Transition business model for Ectosan® Vet and CleanTreat® away from PSV model based on customer feedback to a lower cost platform option and more long term to include wellboat integration option. • Considerable work on potential future barge solutions with a number of key customers plus supporting wellboat vessel designers on potential new vessel integration plans. • Increased focus on Salmosan® Vet and Purisan® working in close collaboration with customers to continue to get excellent results with medicinal treatments through data collection and analysis, generation and provision of new technical information and sharing best practice. • Within Genetics, we meticulously track the majority of our shipments, maintaining robust communication with our customers to enhance our products continually. • Within Nutrition, we provide tailored training, technical support, and on-site visits to optimise customer production and address challenges. • Expand global reach by transferring proven technology and knowledge from established to emerging markets worldwide. • Strengthen relationships through regular seminars, webinars, and field engagement, driving innovation based on customer feedback.
<p>Suppliers</p> 	<p>Who led the Group’s engagement?</p> <ul style="list-style-type: none"> • CEO, CFO, procurement directors and business area heads. <p>Why do we engage?</p> <ul style="list-style-type: none"> • Without suppliers that can deliver quality ingredients and components to the right place at the right time in our supply chain, Benchmark cannot serve its customers. • We want to ensure that all of our suppliers adhere to ethical business standards and treat their workers and communities with respect and fairness. • Engagement with suppliers is an important element in achieving our goal of improving sustainability in our operations across our supply chain including by ensuring that all soy used in our feeds has a sustainability certificate and by making progress towards meeting our Net Zero Scope 1, 2 and 3 target by 2050. <p>What were the key actions and topics?</p> <ul style="list-style-type: none"> • Regular meetings with suppliers. • Improved compliance checks that enable us to ensure that we work with ethical suppliers. • Engagement with existing and potential new suppliers to explore ways to improve the sustainability of the Company’s raw materials and packaging. 	<ul style="list-style-type: none"> • Through our engagement with our suppliers and development of the Supplier Code of Conduct, we have more visibility and transparency within our supply chain. • Following communications with our suppliers and setting these expectations we have built stronger relationships and secured new relationships as a result of working closely with ethical standards. • In terms of material supplies, we have seen plant-based ingredients significantly decrease in FY24, whereas for marine origin ingredients there has been a continued significant increase, mainly driven by reduced availability and low yield, except for fish meal. We have expanded our supplier base to minimise supply risk and enhance our inbound supply. This expansion also enables us to compare prices and purchase at the most competitive rates. • The use of packaging materials such as metal cans and plastics have decreased, whereas paper and cardboard have increased.

Stakeholder	Engagement	Key outcomes
Employees 	<p>Who led the Group's engagement?</p> <ul style="list-style-type: none"> • CEO, Group Head of People, and business area heads. <p>Why do we engage?</p> <ul style="list-style-type: none"> • Our team members across the globe are crucial to Benchmark's success. • Our colleagues have brilliant ideas and we want to hear them. <p>What were the key actions and topics?</p> <ul style="list-style-type: none"> • Global employee business area action plans. • Diversity, Inclusion and Belonging Working Group and survey. • Encourage attendance at Group and business area level at: <ul style="list-style-type: none"> – Global Town Halls. – People Town Halls. – Health and well-being webinars. 	<ul style="list-style-type: none"> • Town Halls provide a platform to engage directly with the panel on the topics of the meeting; or any questions the colleagues have, the panel will do their best to answer honestly and accurately. • The health and well-being webinars give colleagues a regular chance to gain practical knowledge and insights to support their overall well-being. • From our Diversity, Inclusion and Belonging survey we determined the current understanding of this area across the business and people's day-to-day experiences at work. Key actions were identified, we updated our policy, and ran global unconscious bias training.
Communities 	<p>Who led the Group's engagement?</p> <ul style="list-style-type: none"> • The Company's Sustainability Working Group which is overseen by the Board's Sustainability Committee. <p>Why do we engage?</p> <ul style="list-style-type: none"> • We want to contribute positively to the communities in which we operate. • We can learn from our diverse communities and play our part as a responsible business. <p>What were the key actions and topics?</p> <ul style="list-style-type: none"> • We continued to promote and operate our Benchmark for Better programme covering volunteering and charitable donations. • Our volunteering policy entitles employees to devote two paid days to volunteering. • We have an open programme of submissions for charitable donations to local causes championed by employees. 	<ul style="list-style-type: none"> • We had active participation in volunteering activities by teams and individuals in areas including reforestation, environmental protection, blood donation and support for local schools. • Our charitable donations exceeded £25,000. These were primarily allocated to institutions where we have an established relationships spanning a number of years. This enables us to follow progress and increase our impact over time. Donations were made to schools in Thailand, Colombia and Mexico as well as to a mentoring programme in the UK to promote employability skills for immigrants and refugees.
Shareholders 	<p>Who led the Group's engagement?</p> <ul style="list-style-type: none"> • Chairman, CEO, CFO. <p>Why do we engage?</p> <ul style="list-style-type: none"> • Our shareholders are the owners of our business and we manage it on their behalf. • Our shareholders provide financial support and stewardship. <p>What were the key actions and topics?</p> <ul style="list-style-type: none"> • Annual General Meeting. • Regular investor calls and meetings with the CEO and CFO. • Engagement on sustainability strategy through our Head of IR and Sustainability. • Webcast presentations with Q&A for institutional and retail shareholders. • Soliciting feedback through the Company's advisers. 	<ul style="list-style-type: none"> • Feedback received from shareholders was incorporated in the Company's annual strategy development, and in the decision-making process regarding the Strategic Review.

For any decision related to stakeholders, please refer to the key activities of the Board.

Sustainability strategy

Ivonne Cantu
Head of the Sustainability Working Group



Sustainability is at the core of aquaculture's ability to deliver on its potential to feed healthy protein to a growing global population.

As a proactive industry leader, we acknowledge both the need to feed a growing global population and the need to preserve and protect the planet's resources. Achieving this is what motivates us. Driven by committed people with a desire to make a difference, our sustainability strategy is designed to align the aquaculture industry towards a sustainable future.

Sustainability is embedded across our business and increasingly into our value chain, enabling us to make a bigger positive impact. Our sustainability strategy has two core pillars. The first is a commitment to deliver sustainable

products and solutions to aquaculture producers focusing on areas that inherently promote sustainable production through better growth, farming efficiency and animal health and welfare. The second pillar in our strategy is a commitment as a responsible operator, to take action to minimise our impact on the environment by reducing our carbon emissions, managing waste and making responsible use of water resources. We review our strategy annually and set an annual programme of work led by our Sustainability Working Group. Our sustainability programme is aligned to achieve our long-term goals including our Net Zero commitments. Our programme is informed by a dialogue with our key stakeholders and the materiality assessment presented on page 34. We implement our programme through a network of health and safety, and environmental representatives present at each site and taking into consideration local priorities and circumstances. In this way we ensure that our effort results in a real positive impact in our local communities.

In 2024, our sustainability programme focused on making continued progress towards our environmental goals, and on meeting the evolving sustainability disclosure requirements including the newly introduced CSRD regulation.

Progress towards our environmental goals

The installation of the solar rooftop at our Advanced Nutrition factory in Thailand completed in November 2023 provided 23% of the site's electricity requirements and is contributing substantially to our Net Zero goals. In waste management, the programme at our Genetics facility in Salten to transform waste into electricity through anaerobic digestion, produced sufficient electricity for 26 homes locally while preventing release of CO₂ emissions. Our work has once more been recognised externally; our facility in Thailand received the ECO Factory award which recognises companies with a strong sustainability focus.

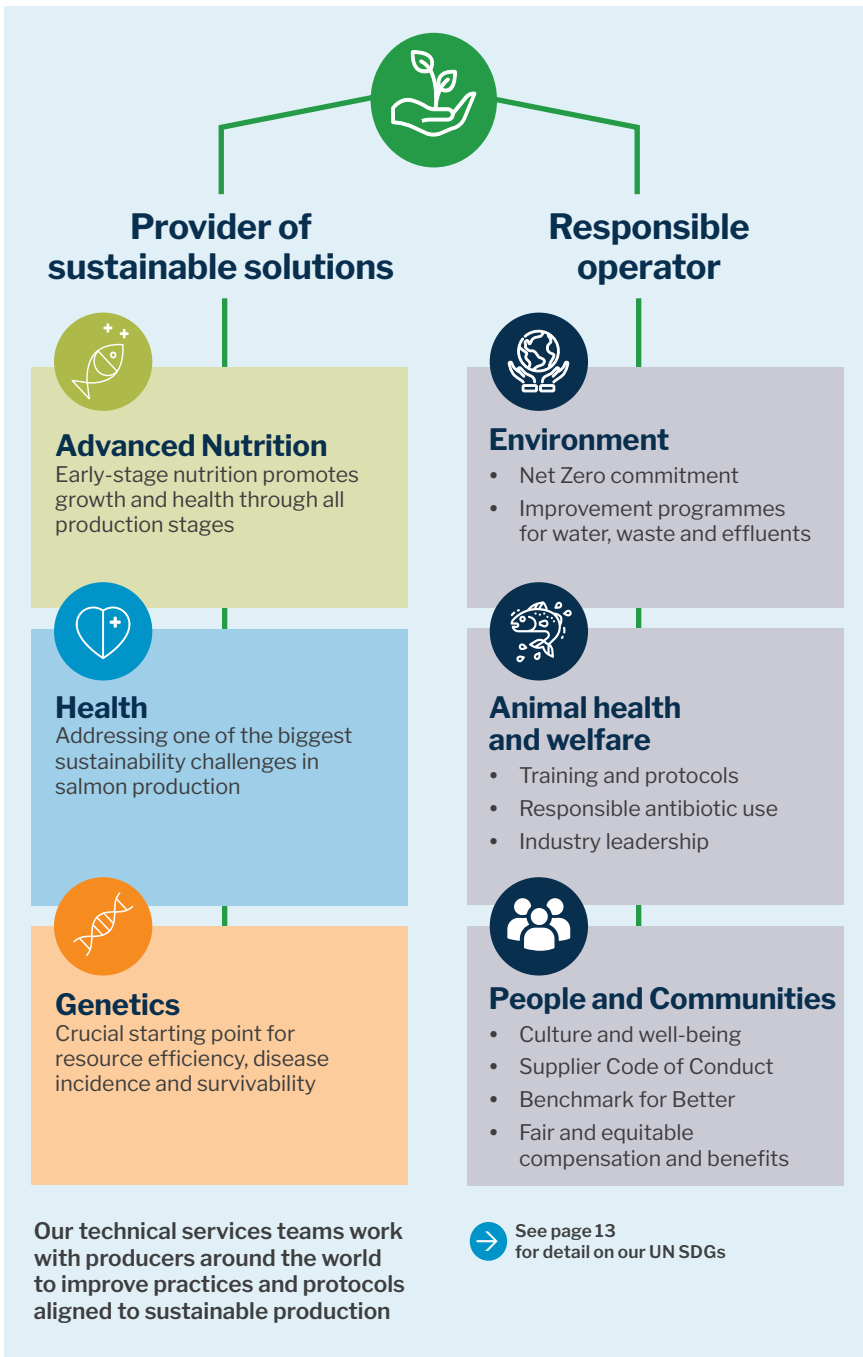
Enhancing disclosure and transparency

During the year, we put considerable resources towards enhancing our sustainability disclosures. We made good progress towards the implementation of a double materiality assessment adding a quantitative element and increasing the reach of our stakeholder engagement. We also progressed our Scope 3 assessment and increased the GHG and energy measures we present, as well as doing preparatory work for CSRD and enhancing our voluntary CDP submission. This work involved a large number of colleagues across the Group which underlines the importance of a collaborative coordinated effort.



“ At Benchmark, we believe that focused and coordinated action underpinned by transparent reporting is critical to achieving long-term sustainability. This philosophy drives our strategy and our actions as we strive to create a sustainable future.”

Ivonne Cantu



Applying genetics to improve gill health in Atlantic salmon

“Up to 70% of Atlantic salmon mortalities reported in the UK between 2019-2022 have been attributed to gill health conditions with an upward trend reported where poor gill health is the most important driver.”

Institute of Aquaculture, University of Stirling

Benchmark has partnered with experts from the Institute of Aquaculture to develop a new challenge model for complex gill disease (“CGD”) aiming to demonstrate significant heritability for resistance, allowing selection for improved gill health and robustness.

The results from the model and data from testing families under commercial net pen conditions in Scotland are being applied in Benchmark’s Icelandic breeding programme using genomic selection to produce eggs with high genetic potential for gill health. This work will lead to a new product in 2025 with improved growth, robustness, and gill health.

To complement this work, a three-year £1.2M research project was funded by the Biotechnology and Biological Sciences Research Council in collaboration with the Institute of Aquaculture and University of Aberdeen’s Scottish Fish Immunology Research Centre. By providing genetic groups with varying genetic merit for resistance to complex gill disease, this project will allow us to advance our understanding of gill health, including the role of the microbiome and the mechanisms underlying genetic resistance.

Materiality assessment

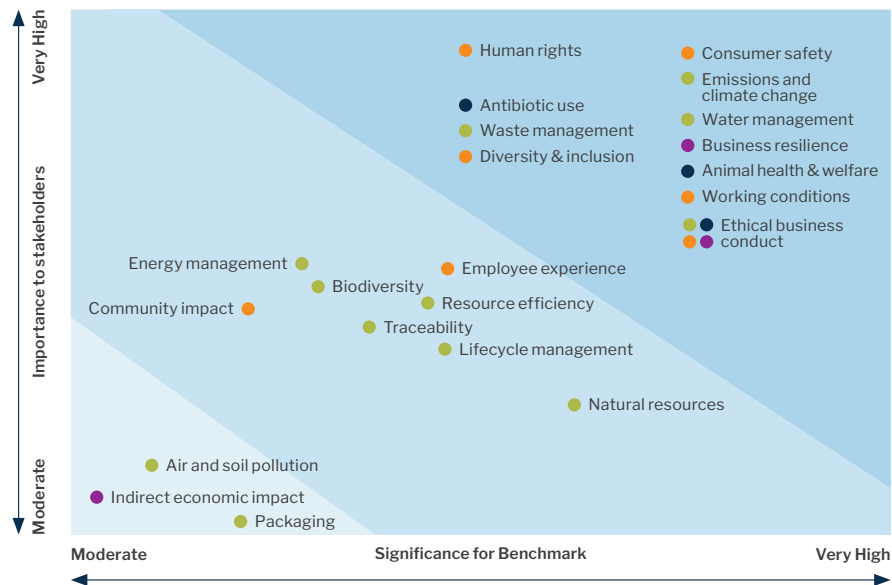
Each year, we review our materiality assessment to identify and prioritise sustainability issues that affect our business and stakeholders, using guidance from the Global Reporting Initiative (“GRI”) materiality assessment and the Sustainability Accounting Standards Board (“SASB”) materiality map.

Through FY24, we have taken steps to improve our process towards a Double Materiality model as defined by the Corporate Sustainability Reporting Directive (“CSRD”), using EFRAGs Materiality Implementation Guidance (“IG1”) to inform these changes. We conducted widespread literature reviews including ESG regulations, rating agencies, and voluntary disclosure frameworks to build our sustainability topic list. We then reviewed and prioritised these topics through our Sustainability Working Group and the PLC Sustainability Committee, considering our business model and goals. We validated our understanding of key value chain agents engaging with a number of stakeholders. In addition to our usual stakeholder engagement process in FY24, we conducted an online questionnaire to gather first-hand feedback and insights into impacts, risks and opportunities relating to key sustainability matters. As part of this engagement, we developed an ESG learning pack to explain terms and assist with learning in our wider community.

The results of the enhanced process carried out in FY24 indicated small shifts but largely validated our current focus areas as the most significant for our activities, represented by our three pillars: Animal health & welfare, Environment and People and communities. Governance aspects are dealt with through our Group governance framework and policies. Based on detailed analysis, we added ‘Human Rights’ and ‘Natural Resources’ to our map. We consolidated ‘Training & Purpose driven culture’ into ‘Employee experience’ and found data privacy & cybersecurity was an important Governance topic for focus moving forward.

We have begun the process of assessing inside-out (impacts to environment and people) and outside-in (financial) dependencies, impacts, risks and opportunities relating to our key sustainability topics. The outcomes will inform our strategy, focus areas and sustainability disclosures moving forward. We plan to continue to progress this work through FY25.

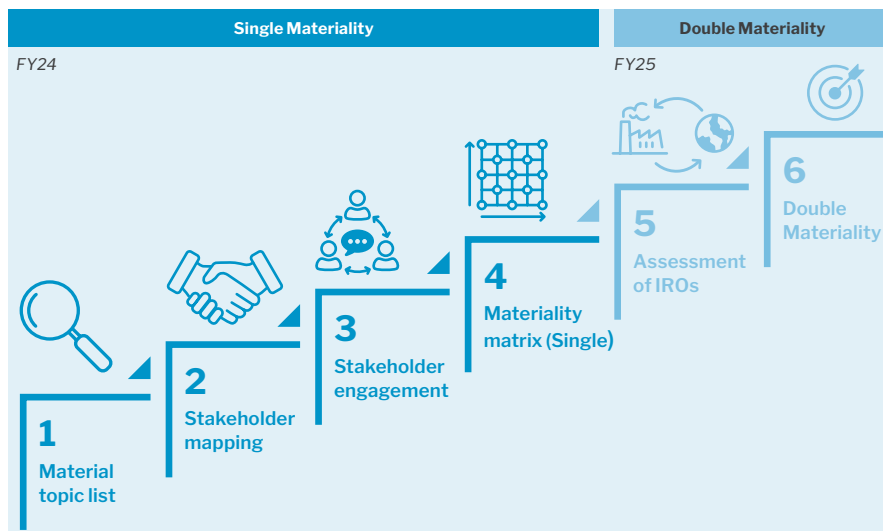
Materiality assessment (current)



Key

- Animal health & welfare
- Environment
- People & communities
- Governance

Timeline of work towards Double Materiality Assessment



Our ESG Governance Framework



Our sustainability programme

Our pillars



Environment

Overall commitment

As a responsible operator, Benchmark is committed to a programme of continuous improvement across all our operations to achieve our Net Zero Goals and reduce our overall environmental impact.

Focus areas

- Climate change
- Energy management
- Water resources
- Waste
- Biodiversity

Goals

- Achieve Net Zero Scope 1 and 2 by 2030 and Scope 3 by 2050
- Operate using only energy from renewable sources by 2030
- Reduce energy intensity by 5% every year
- Zero waste to landfill by 2030

Relevant SDGs



Animal health and welfare

Overall commitment

We are committed to protecting and promoting animal health and welfare both in our own operations and in the development of new products and solutions. We are guided by the Five Freedoms Principle - developed by the Farm Animal Welfare Council.

Focus areas

- Training
- Operate facilities that promote animal health and welfare
- Implement health plans that adhere to best standards
- Incorporate animal health and welfare considerations in product development

Goals

- 100% training for relevant staff
- 100% compliance with health plans

Relevant SDGs



People and communities

Overall commitment

We are committed to promoting the well-being of our people, the people in the communities where we operate and the people that work in our supply chain.

Focus areas

- Making Benchmark 'A Great Place to Work'
- Supplier Code of Conduct
- 'Benchmark for Better' community programmes
- Health, safety and well-being

Goals

- Above industry average engagement scores
- Training and development
- Fair and equitable compensation and benefits
- Diversity, inclusion and belonging
- Supplier engagement – 100% adherence to policy

Relevant SDGs



Environment

Highlights

- Solar panels operational in Thailand for the first time in FY24 provided 23% of the site’s electricity requirements
- Waste from Genetics sent to anaerobic digestion produced 535,254 kWh of electricity and prevented the release of 145 tCO₂e.
- Advanced Nutrition site in Thailand won the ECO Factory Award

As a responsible operator, Benchmark is committed to a programme of continuous improvement to minimise our environmental footprint.

This means focusing our efforts on energy consumption, greenhouse gas emissions, waste reduction and resource management in all aspects of our operations. We do this through our Group environmental policy and report on our progress through voluntary disclosures and in compliance with mandatory reporting requirements.

Climate-Related Financial Disclosures

Benchmark acknowledges the importance of providing transparent disclosure, which enables its stakeholders to address the material sustainability factors affecting its business, including climate risk. Our disclosures are made under the mandatory UK Companies (“Strategic Report”) Climate-Related Financial Disclosure Regulations (“CFD”). We are not required nor intend to comply fully with TCFD; however, we have used that framework as guidance for our disclosures.

These requirements enable companies and investors to measure and assess the risks and opportunities associated with climate change transparently and to promote effective risk management.

Governance	Strategy	Risk management	Metrics and targets
Ensuring we have oversight and management of climate-related risks and opportunities	Understanding the impacts of climate change and planning accordingly for a range of climate scenarios	Setting in place a methodology for identifying climate risks and mitigate them accordingly	Disclosure of metrics and targets used to assess and manage relevant climate-related risks and opportunities

Streamlined Energy and Carbon Reporting

We report in compliance with the Streamlined Energy and Carbon Reporting (“SECR”) framework. The reporting period is from 1 October 2023 to 30 September 2024. We report total Scope 1 and 2 emissions along with those Scope 3 emissions for which data is available. We report for all sites in the Benchmark Holdings Group (including continued and discontinued operations).

Our environmental footprint and SECR disclosures are managed through the governance framework.

Governance framework

Governance overview	Responsibility
We have an environmental programme in place led by the Group Health, Safety and Environmental (“HSE”) Manager and managed locally through Environmental Representatives at each site. Performance and progress are reported through the Sustainability Working Group to the PLC Board Sustainability Committee.	<p>The Group HSE Manager is responsible for collating environmental data monthly. Data is collected from each site using a standard spreadsheet template and is centrally collated.</p> <p>Wherever possible, data is directly measured, with estimates made where a team is in shared premises and direct measurements are not available. These estimates represent less than 1% of our total emissions.</p>

Board’s oversight of climate-related risks and opportunities

We have a well-established governance framework including a PLC Board Sustainability Committee, a Sustainability Working Group (“SWG”) with representation from each business area, and an embedded team of environmental representatives at each of our locations. This framework enables the Group to consider climate issues through a Group-wide process to identify climate-related risks and opportunities, as well as metrics and targets as set out in this report. This governance framework effectively guided our sustainability strategy, established priorities, directed resources, and promoted transparency.

Our PLC Board and the PLC Sustainability Committee oversee and take overall responsibility for risk management, including risks related to climate change, and for integrating these into the Group strategy. The Committees approve and guide all ESG goals and targets across the business. The Committee includes our CEO and Executive Board member Trond Williksen. The Board is regularly updated on the Sustainability Working programme, ambitions and targets through verbal and written reports from the Director of Investor Relations, who also chairs the Sustainability Working Group, and the Group HSE Manager. The Board reviews the Company’s climate-related risk assessment at least annually, including progress against our roadmap to Net Zero (Scope 1 and 2 emissions) and associated actions.

Management’s role in assessing and managing climate-related risks and opportunities

Our governance structure runs from Board level across the entire organisation. Our Executive Management Team (“EMT”) includes leadership representatives from all business areas and key functions, and is responsible for assessing the materiality of climate-related risks and opportunities and developing a strategy to manage these. This is incorporated in the Group’s annual Strategic Review process overseen by the Board.

Under the leadership of our Group HSE manager, we identify, assess, and review climate-related risks and opportunities. This is done in collaboration with our site managers and environmental representatives through workshops and one-to-one discussions. The output from this process is reported to the EMT and the SWG, forming the basis of our climate change risk assessment. The Group HSE Manager takes the lead in developing the Group roadmap to achieve its Net Zero targets, monitoring progress, and communicating to the EMT and PLC Sustainability Committee through regular verbal and written reports.



Environmental Management System certification

Our Benchmark Genetics sites in Norway and Iceland and our Advanced Nutrition production facility in Thailand are certified to ISO 14001 Environmental Management Systems standard.

We have our top four sites which contribute most to our environmental impacts and employ over 50% of our people covered by this internationally recognised environmental management system standard, increasing the robustness of our environmental system.



Environment continued

Strategy: understanding the impacts of climate change and planning accordingly

In FY22, we conducted a top-level climate-related risk assessment identifying material risk areas for disclosure. A scenario-based assessment of these material risks and their financial impact was subsequently developed. We continually monitor our performance metrics and global emerging trends.

The assessment has been incorporated into our annual Strategic Review. This in turn has led us to consider the adequacy of our business continuity and actions required to mitigate climate risks.

We consider the following timeframes when assessing climate-related risks and opportunities:

Short term	Present – 2030
Medium term	2030 – 2050
Long term	2050 – 2100

The selected timeframes are aligned with key global temperature increase landmarks, and the scenarios applied to our disclosures.

Our analysis indicated that no significant individual risks are expected to materialise in the short term. Over the medium- and long-term timeframes, we have identified several potential risks and opportunities related to the physical effects of climate change, and transitional risks relating to transitioning towards a low-carbon economy, including increasing regulation and energy supply.

Assessment of potentially material risks

Risk:			
Extreme weather		Risk: (physical, acute)	
Description	Impact(s)	Mitigation	Timeframe
Increase in frequency or severity of weather and extreme events including winter storms, coastal erosion, hurricanes and flooding; potential disruption to our operations.	Thailand: storm-related flooding. Iceland: asset damage from winter storms. Florida: asset damage from hurricanes.	Site level contingency plans to address disruptions due to extreme weather events, such as securing additional resources or transport alternatives. Maintenance and asset integrity programmes to ensure our buildings and equipment are robust. Additional weather defences including storm walls and draining channels for proactive protection of our facilities.	2030 – 2100
Potential financial impact	Explanation	Risk after mitigation	Current risk level
<£1,000,000	The potential costs relate to property repairs, weather defences and raw material/energy storage installations.	Risk mitigated. No further action expected within 0-5 years.	Expected to remain at current levels in the short term.
Risk:			
Freshwater availability		Risk: (physical, chronic)	
Description	Impact(s)	Mitigation	Timeframe
As air temperatures increase, water evaporation also increases, intensifying hydrological cycle variability and increasing risk to water supply and quality, which would impact our production capability.	Norway: seasonal freshwater availability from local groundwater source disrupted.	Group water risk assessment using the WRI Aqueduct Tool, which identified no key operational sites are in water stressed areas. Maintenance and asset integrity programmes to ensure water supply infrastructure is robust.	2030 – 2050
Potential financial impact	Explanation	Risk after mitigation	Current risk level
£3,000,000	The cost relates to the construction of a dam on the local freshwater source (lake) and supporting infrastructure to deliver a consistent freshwater supply of improved quality.	Risk mitigated. No further action expected within 0-5 years.	Risk is not expected to materialise before implementation of mitigation.

Risk:**Great Salt Lake water levels and salinity**

Risk: (physical, chronic)

Description	Impact(s)	Mitigation	Timeframe
Current reduced water levels are thought to be predominantly due to a 70% rise in population (since 1982) and industrial and agriculture users together consuming >63% of water in the Great Salt Lake Basin. Potential contributions due to climate change must be acknowledged.	In a RCP4.5 scenario, resilience of the Great Salt Lake to climate change reduces by 30% jeopardising reliable Artemia supplies.	Working closely with the GSL Co-operative group to monitor the situation, and support mitigation and novel research projects. The state of Utah has increased water quality and management regulations for communities and industry local to the GSL.	2050
Potential financial impact	Explanation	Risk after mitigation	Current risk level
Unknown.	Unable to quantify due to timeframe of potential impacts and uncertainty of climate-related impacts.	Risk mitigated. No further action expected within 0–5 years.	Climate-related risk not expected to materialise until 2050.

Risk:**Fish feed availability**

Risk: (physical, chronic)

Description	Impact(s)	Mitigation	Timeframe
Supply of marine and non-marine ingredients for our fish feed is a concern, as population growth and climate change influence availability. Ocean acidification due to atmospheric CO ₂ uptake and subsequent declining pH is projected to have an adverse impact on abundance of aquatic species.	Scarcity of marine ingredients would impact our existing feed regime in Genetics production facilities. Currently the only material impact to us relates to giant squid, which is a very small proportion of our ingredients.	Best practices for feeding, including use of auto feed instrumentation, to ensure a low feed conversion ratio and minimal wastage. Responsible sourcing of marine and non-marine (soy) feed ingredients through robust supply chain management. Working closely with our key stakeholders to identify viable alternatives for marine based feeds.	2050
Potential financial impact	Explanation	Risk after mitigation	Current risk level
Increased marine ingredient (feed) cost.	Unable to provide a cost estimate currently.	Risk mitigated. No further action expected within 0-5 years.	There are no expected short-term impacts to feed supply.

Risk:**Seawater temperature rise**

Risk: (physical, chronic)

Description	Impact	Mitigation	Timeframe
As global temperatures increase, our oceans warm and biological risks including increased disease, algae blooms, and lower oxygen concentration can be expected.	Risk to our sea farm customers intensifies, with potential detrimental effects to production including lower harvest weight and increased mortality. Some (smaller) customers may be unable to adapt their business models to the changes.	Working closely with customers to support and explore new opportunities, including shifting geographies and land-based production.	2050
Potential financial impact	Explanation	Risk after mitigation	Current risk level
Unknown.	Unable to quantify due to timeframe of potential impacts.	Risk mitigated. No further action expected within 0-5 years.	There are no expected short-term impacts.

Environment

 continued

Assessment of potentially material risks continued

Risk:			
Transitional		Risk (new or increasing climate change regulation)	
Description	Impact(s)	Mitigation	Timeframe
Emerging or tighter restrictions to GHG emissions, pollution control and energy supply at international, national, regional and local level, may present financial and operational risks. There may be reputational risk if we are not seen to be acting in a climate-compliant manner.	<p>Increased regulation and/or taxation of carbon could risk our products and services becoming less competitive in the market, as higher operational costs materialise. Technological investment may be required to comply with new requirements.</p> <p>Geographical limitations may arise for our customers as new restrictions emerge.</p> <p>Mandated movement towards renewable energy sources may materialise, with interim financial implications to operational cost and/or the technological investment required to achieve.</p>	<p>ESG strategy aligned with achieving the UN SDGs, including monitoring and reporting of material impacts in line with regulatory and voluntary disclosures.</p> <p>A science-based target approach and group roadmap to Net Zero; a climate change risk assessment aligned with TCFD framework.</p> <p>Third party certifications including GlobalGap and ISO management systems to address and continually improve our environmental impact.</p>	2030 – 2050
Potential financial impact	Explanation	Risk after mitigation	Current risk level
£20,000 – £320,000 (carbon credits)	Carbon tax considers RCP 2.6 and RCP 6.0; elimination of Scope 1 & 2 emissions (except gas), achieving our target GHG reduction of 42%.	Risk mitigated. No further action expected within 0-5 years.	Low risk.
£400,000 (emissions reduction projects)			
£500,000 (solar installations)	Investment into facility upgrade to increase energy efficiency and reduce our carbon footprint; and location-based renewable (solar) energy sources.		
Risk:			
Opportunity		Risk (increased demand for products and services)	
Description	Impact(s)	Opportunity response	Timeframe
<p>Changing consumer preferences towards more environmentally friendly production practices and protein sources may affect the competitive environment.</p> <p>The physical effects of climate change may present increased or new risks to global food production.</p>	Market opportunity, increased demand for our products and services as we help our customers grow sustainable businesses and respond to physical changes such as rising seawater temperatures and increased disease.	Strong commercial marketing campaigns for our products and services, and promotion of the benefits of blue food diets (affordable nutrition, sustainable production).	2030 – 2050
Potential financial impact	Explanation	Risk after mitigation	Current risk level
Increased revenues, business growth.	Increased demand for and sales of our products and services.	Risk mitigated. No further action expected within 0-5 years.	Opportunity.

Climate strategy resilience

We have analysed and evaluated the possible climate change impacts on our business under three high-level scenarios shown in the table below. We used the following models as guidance:

IEA Global Energy and Climate Model (“GEC”)

Representative Concentration Pathways (“RCP”) from the IPCC Assessment Report 5

Network for Greening the Finance System (“NGFS”)

Scenario	Alignment	Estimated temperature increase (year)	Description
Scenario 1 Low carbon	GEC Net Zero RCP 2.6 NGFS Net Zero 2050	1.5°C (2030 – 2050)	Very low greenhouse gas concentration levels through stringent climate policies and innovation, reaching Net Zero CO ₂ emissions around 2050.
Scenario 2 Late action	GEC announced pledges RCP 4.5	2.1°C (2050 – 2100)	Intermediate scenario; CO ₂ emissions declining from 2045.
Scenario 3 Continued reliance on fossil fuels	GEC stated policies RCP 6.0 NGFS NDCs	3°C (2100)	Limited intervention resulting in high likelihood of physical risks materialising.

Based on our scenario-based assessment as set out in the table above, we believe our strategy and business model to be resilient to climate-related risks and have identified no material short-term risks.

Risk management

Process for identifying and assessing climate-related risks

In 2022, for the first time, we conducted a top-level, qualitative climate-related risk assessment and identified key material risk areas for disclosure. Our climate-related risks and opportunities were identified through a series of Company-wide workshops. Stakeholders from across the business, including site managers and environmental representatives, came together specifically to discuss climate change. The output was validated against published national risk assessments and in line with climate-related financial disclosure recommendations. Six climate-related risks and one opportunity categories were identified, as well as current controls and potential mitigations.

Physical risks:

- extreme weather
- freshwater availability
- Great Salt Lake water levels and salinity
- fish feed availability and seawater temperature rise

Transitional risk: emerging regulation

Opportunity risk:
Increase demand for products and services.

We have developed this foundation further into a quantitative, scenario-based assessment of the material risks, relevant to specific operational geographies and stakeholders, and their estimated financial impact. We first assessed our geographies under the six categories identified in 2022. Those presenting a potential material risk were assessed further against recognised climate change scenarios under our three-scenario and three-timeframe model described above.

The following data sources and climate predictions were used to assess and validate the risks:

Data sources:

- World Bank Climate Knowledge Portal
- Network for Greening the Financial System (“NGFS”)
- Climate Analytics
- Climate Action Tracker
- WRI Aqueduct
- WWF Water Risk Filter


Where possible, we have identified the specific vulnerable geographical regions, for the six risks and one opportunity, and included mitigation commentary. From this, we determined the potential financial impact and validated the materiality of these risks and opportunities with our Executive Management Team and Group Head of Finance.





Environment continued

Metrics and targets

Metrics used to assess climate-related risks and opportunities

Our key environmental impacts have been identified as: electricity consumption, gas consumption, vehicle travel, waste water outputs, and potable water consumption. We have developed our environmental policy with a suite of targets and metrics to measure and improve our performance and reduce impact and risk. We continue to develop the metrics and targets as certification of management systems to ISO 14001 evolves across the business.

Target	Metric	GRI ref	UN SDG
Climate change			
Achieve Net Zero Scope 1 and 2 carbon emissions by 2030.	Direct (Scope 1) emissions.	305-1-a	
	Energy indirect (Scope 2) emissions.	305-2-a	
Achieve Net Zero Scope 3 emissions by 2050.	Other indirect (Scope 3) emissions.	305-3-a	
	Total energy consumption.	302-1-e	
Energy			
Operate using energy only from renewable sources by 2030.	Total energy consumption.	302-1-e	
Reduce our energy consumption/£m revenue by 5% year on year.	Energy consumption per £m revenue.	302-3-a	
	Percentage of total consumption from renewable sources.	302-1-b	
Water resources			
We aim to use freshwater efficiently and take all practicable steps to prevent uncontrolled loss.	Water consumption by source.	303-3-a	
	Water withdrawal by source by operations in water stressed areas.	303-3-b	
	Number of times that discharges exceed limits.	303-4-d	
	Volume of water recycled and reused.	303-1	
Sustainable materials			
Increase % of raw materials that come from certified sources.	Weight of packaging materials used.	301-1	
Reduce the quantity of product packaging per £m revenue.	Type of packaging materials used – % recyclable, % sustainable.	301-2	
Increase the percentage of recyclable or sustainable packaging.	% of raw materials from certified sources.	301-1	

Target	Metric	GRI ref	UN SDG
Waste			
We aim to have zero disposal of waste to landfill by 2030.	Quantity of waste by waste stream.	306-2	
Increase percentage of waste that is recycled or reused.	Quantity of waste to landfill.	306-2	
Company-operated vehicles			
All Company-operated vehicles to be zero emissions by 2035.	Percentage of Company vehicles that produce zero emissions.		 
Business travel			
Reduce travel-related greenhouse gas emissions by 5% year on year.	Business travel carbon footprint.	305-3-d	
	Business travel carbon footprint per employee.	305-3-d	
Biodiversity			
When undertaking projects and maintenance schemes likely to result in disturbance or other impact to land and/or water, endeavour to avoid damaging wild species and their habitats.	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by our operations.	304-4	
Collect and use significant biodiversity information to inform planning and operational activities.	Nature of significant direct and indirect impacts on biodiversity.	304-2-a	

Environment continued

Disclosure of Scope 1, Scope 2 and Scope 3 greenhouse gas (“GHG”) emissions

We continue to report on our energy consumption and carbon emissions. Our suite of metrics has been developed with the aim of providing more granularity and understanding of our impacts.

Scope 1 and 2 emissions

The calculations are aligned with the Greenhouse Gas Protocol and the Global Reporting Initiative Disclosure Standards. The approach covers Scope 1 and Scope 2 emissions, and Scope 3 emissions for which data is available.

Electricity emissions have been calculated using location-based emissions factors.

For calculations of carbon equivalents, the following data sources have been used:

• Electricity-related emissions	International Energy Agency Emission Factors 2024
• Scope 1 and 3 emissions	UK Government GHG Conversion Factors 2024
• Scope 3 hotel emissions	Hotel footprint calculator (www.hotelfootprints.org)
• CleanTreat® emissions	Supplier specific data
• GWP 100 values	IPCC Fifth and Sixth Assessment Reports (“AR5 and AR6”)

Intensity measurement – we have chosen the metrics: gross Scope 1 and 2 emissions in tonnes of CO₂e per £m revenue, and gross Scope 1 and 2 energy use in MWh per £million revenue. These are commonly used intensity metrics and enable benchmarking with similar organisations. Our FY24 revenue of £147.7m (including continued and discontinued operations) was used for intensity measurements.

	Emissions (tCO ₂ e)					
	FY24			FY23		
	UK	Global (ex UK)	Total	UK	Global (ex UK)	Total
Scope 1	1	2,512	2,513	2	2,497	2,499
Scope 2	2	3,891	3,893	6	4,961	4,967
Total Scope 1 & 2	3	6,403	6,406	8	7,458	7,466
Intensity ratio per £m revenue			43.37			44.00
	Energy (MWh)					
Total renewable electricity	1	21,200	21,201	3	23,239	23,242
Total non-renewable electricity	6	12,164	12,170	25	12,611	12,636
Total gas	39	5,901	5,940	12	5,787	5,799
Vehicle transport	4	4,135	4,139	4	2,487	2,491
Other fuels	0	793	793	0	487	487
Total energy consumption			44,243			44,655
Intensity ratio per £m revenue			300			263

Greenhouse gas emissions for FY24 are 6,406 tCO₂e a decrease of 1,060 tCO₂e (14.2%) from FY23.

The intensity ratio of 43.37 tCO₂e/£m revenue is a reduction over the previous financial year. The absolute decrease in emissions is attributable to reductions in: Scope 1 emissions due to reduced travel and the transition to lower emissions vehicles and, Scope 2 emissions due to the solar rooftop in Thailand and energy reduction projects at other sites.

Relevant greenhouse gases

Our emissions inventories include the accounting of Carbon Dioxide (“CO₂”), Methane (“CH₄”) and Nitrous Oxide (“N₂O”) from the 2020 baseline. The accounting includes Scope 1 and 2 emissions and Scope 3 emissions relating to business travel only.

Greenhouse gas	Emissions (t)				
	FY24	FY23	FY22	FY21	FY20
Carbon Dioxide (CO ₂)	6,464	7,388	7,553	6,339	6,432
Methane (CH ₄)	0.52	0.56	0.50	0.45	0.44
Nitrous Oxide (N ₂ O)	0.16	0.19	0.17	0.15	0.14

Scope 3 emissions

We are reporting Scope 3 greenhouse gas emissions for emissions in Category 3 (fuel and energy-related activities), category 4 (upstream transportation and distribution), Category 5 (waste generated in operations), Category 6 (business travel), Category 7 (employee commuting) and Category 9 (downstream transportation and distribution). This is done using the Greenhouse Gas Protocol, Technical Guidance for Calculating Scope 3 Emissions. The material categories are shown in the following table along with the related emissions where we have established data sources.

Four categories are excluded for the following reasons: Category 8 (upstream leased assets) and Category 13 (downstream leased assets) emissions, as we do not lease any assets; Category 14 (franchises), as we do not have any franchises; and Category 15 (investments), as it is applicable to financial institutions only.

We will continue to build the inventory and an accurate picture of our Scope 3 emissions.

Emissions Category	Scope 3 emissions (tCO ₂ e)					Methodology	Comments
	FY24	FY23	FY22	FY21			
1 Purchased goods and materials	-	-	-	-			Data capture process to be established
2 Capital goods	-	-	-	-			Data capture process to be established
3 Fuel and energy-related activities	689	845	822	705	Average data method using UK government conversion factors		Well-To-Tank (fuels), Transmission and distribution (electricity)
4 Upstream transportation and distribution	3,418*	6,244	6,486	1,838	Supplier data		CleanTreat® emissions only
5 Waste generated in operations	139	203	346	198	Average data method using UK government conversion factors		
6 Business travel	672	762	965	104	Distance based method using UK government conversion factors		Air and rail travel, taxi journeys and hotel stays
7 Employee commuting	1,013	1,075	12	12	Average data method using UK government conversion factors		Calculated from survey of 52% of employees
9 Downstream transportation and distribution	1,087	677	-	-	Distance based method using UK government conversion factors		Data from Advanced Nutrition intercompany freight only
10 Processing of sold products	-	-	-	-			Data capture process to be established
11 Use of sold products	-	-	-	-			Data capture process to be established
12 End of life treatment of sold products	-	-	-	-			Data capture process to be established

* During the year, we decommissioned both CleanTreat® vessels. The emissions value should not be used for comparison purposes.

The increase in Category 9 emissions is attributable to an increase in the number of shipments along with a small increase in the amount of air freight: 11.2% shipments versus 10.5% in FY23.

Environment

 continued

Energy use by source

Using data from the International Energy Agency Country and World Profile Key Energy Statistics, the electricity that we consume is derived from the following sources:

	Source				Renewable sources			
	Nuclear	Coal	Oil	Gas	Biofuel/ Waste	Geothermal	Hydro	Wind/Solar
% consumption FY22	1	5	20	12	7	44	10	1
% consumption FY23	1	4	21	13	8	42	10	1
% consumption FY24	1	4	18	13	7	43	9	5

During the year, 64% of the electricity we consumed came from renewable sources. This increase is attributable to the installation of a solar rooftop at our production facility in Phichit, Thailand which was completed in November 2023. Since installation, the panels have provided 23% of the site's electricity requirements and prevented the release of 509 tCO₂e, additionally reducing the Group's Scope 2 emissions by 9%.

Water use

	Water use by source (m ³)				
	FY24	FY23	FY22	FY21	FY20
Mains water	79,256	78,020	85,066	67,378	66,834
Intensity ratio per £m revenue	537	460	537	539	633
Freshwater – surface	25,846,013	22,493,027	20,500,018	19,872,697	16,502,408
Intensity ratio per £m revenue	174,990	132,546	129,501	201,505	156,273
Freshwater – groundwater	13,922,549	20,629,445	20,034,320	21,500,034	23,928,522
Intensity ratio per £m revenue	94,262	121,564	126,559	171,863	226,596
Total freshwater	39,847,818	43,200,492	40,619,404	41,440,109	40,497,764
Intensity ratio per £m revenue	269,789	254,570	256,598	373,906	383,502
Seawater	43,339,556	52,018,259	52,526,103	63,165,056	47,358,665
Grey water	2,769	948	938	1,465	2,502

The increase in surface water consumption has been offset by a decrease in groundwater consumption, both occurring at our Benchmark Genetics Chile facility.

Freshwater inventory

Of the freshwater used, 34.9% is taken from groundwater, 64.9% from surface sources and 0.2% from mains water. The majority of our freshwater use is in providing water for our tanks and ponds with 98.5% used for this purpose. The remaining 1.5% is used for our site facilities such as cleaning, welfare and steam with some also included in our products.

	Freshwater use (m ³)		
	FY24	FY23	FY22
Steam production	21,842	21,097	23,596
Welfare (drinking, hygiene)	16,476	16,666	13,854
Product	9,088	8,315	8,546
Safety (sprinkler)	90	90	97
Cleaning	432,844	432,844	412,841
Tanks	39,392,127	42,721,480	40,157,528

Water stress

Using the World Resource Institute's Aqueduct tool, we have identified that our sites in Italy, Belgium, Türkiye and Mexico are in areas assessed as 'Extremely High' whilst our sites in Brazil, Greece and the United States (Fellsmere) are considered 'High'. These sites use 6,880m³ of freshwater in total, which is 0.02% of the total Group freshwater use.

The risk assessment includes scenario assessments of future water stress. Using the worst case, a 2040 pessimistic (RCP 8.5/ SSP3) scenario, the assessment predicts an increasing risk in Mexico, Italy and Türkiye, while there will be an improvement in Brazil and United States. None of these sites are reliant on freshwater supply for their operations, nor do they use water in quantities that will deplete local resources as detailed here:

		Freshwater consumption (m ³)			
Location	Site	Type	FY24	FY23	FY22
Italy	INVE Aquaculture Research Centre	Seawater facility	3,535	860	3,025
Belgium	INVE Technologies	Commercial office	1,296	1,296	1,296
Türkiye	INVE Eurasia	Commercial office	84	86	85
Mexico	INVE Aquaculture Mexico	Commercial office	15	60	60
Brazil	INVE Do Brazil	Commercial office	69	48	38
Greece	INVE Hellas	Commercial office	32	29	33
United States	Benchmark Genetics USA	Seawater facility	1,849	813	1,369

Waste

We aim to divert as much waste from landfill as practicably possible by segregating waste streams where we can. Wherever possible, waste is recycled, used in biodigestion processes or incinerated at authorised waste incinerator sites to produce energy.

Waste (tonnes)					
	FY24	FY23	FY22	FY21	FY20
Recycle	113	141	131	169	107
Landfill	149	186	178	145	232
Energy from waste	747	711	684	747	421
Refuse Derived Fuel	27	31	30	-	-
Total	1,036	1,069	1,023	1,061	760
% waste to landfill	14.4%	17.4%	17.4%	13.7%	30.5%

In 2022, we began diverting some of the waste from our Thailand production facility away from landfill to a Refuse Derived Fuel facility. Whilst it can still be considered an energy from waste process, we are disclosing this waste as a separate waste stream.

The continued donations of out of specification product to the local community by our INVE Thailand facility has diverted 58 tonnes of waste from landfill.

Travel

Modes of transportation

These emissions are related to the data currently collected for Scope 1, 2 and measured Scope 3 emissions and include the related Well-To-Tank fuel emissions.

Emissions (tCO ₂ e)			
Mode	FY24	FY23	FY22
Air	1,346	810	1,364
Sea	3,778	6,244	7,087
Rail	1	2	1
Road	1,097	1,125	1,559

It is our policy to distribute our products by sea rather than air or road. Air transportation is only used to meet exceptionally urgent customer requirements. It accounts for 11.2% of our shipments and each shipment requires senior management approval.

Environment continued

Vehicle emissions

The UK car fuel data is taken from mileage declarations, fuel records and business mileage expense records. For operations outside the UK, car fuel data is taken from mileage declarations. We are implementing a vehicle policy to transition our existing fleet to lower emission vehicles where these are available and within their replacement cycle.

	Vehicle emissions (tCO ₂ e)				
	FY24	FY23	FY22	FY21	FY20
UK car fuel	6	10	11	6	17
Total Group vehicle emissions	1,067	1,151	1,007	988	893

The ongoing introduction of lower-emission vehicles continues to impact emissions reduction for this category of vehicle. Emissions from our delivery vehicles remain broadly the same, contributing 70% of the vehicle-related emissions.

Following the addition of more electric and hybrid vehicles, our Company's car fleet comprises 25% electric vehicles and 18% hybrid vehicles.

Environmental compliance

Compliance with all relevant environmental legislation in countries where the Group operates is the baseline from which we drive our improvements.

There have been no breaches of environmental legislation during the reporting period.

	Environmental fines (£)						
	FY24	FY23	FY22	FY21	FY20	FY19	FY18
Total cost of environmental fines	0	0	0	0	0	0	0

Targets used to manage climate-related risks and opportunities and performance against targets

Our roadmap to Net Zero

Our drive to achieve Net Zero emissions is based on science-based targets of absolute contraction following the 1.5°C scenario, with our policies centred around the UN SDGs and the Paris Agreement. We adopt the following definition of Net Zero: 'A net zero organisation will set and pursue an ambitious 1.5°C aligned science-based target for its full value-chain emissions. Any remaining hard-to-decarbonise emissions can be compensated using certified greenhouse gas removal.' Our Net Zero commitments are to 1) achieve Net Zero Scope 1 and Scope 2 emissions by 2030 and 2) Net Zero Scope 3 emissions by 2050.

Using a science-based target approach, our Net Zero target is to achieve an absolute reduction of our gross Scope 1 and 2 emissions by 42% from the FY20 baseline year to 2030. Once our inventory is fully established, we will develop targets for Scope 3.

Decarbonisation strategy

We have begun to develop local decarbonisation plans for our top contributing sites to build a Group Transition Plan to Net Zero for Scope 1 and 2 emissions, in line with our target.

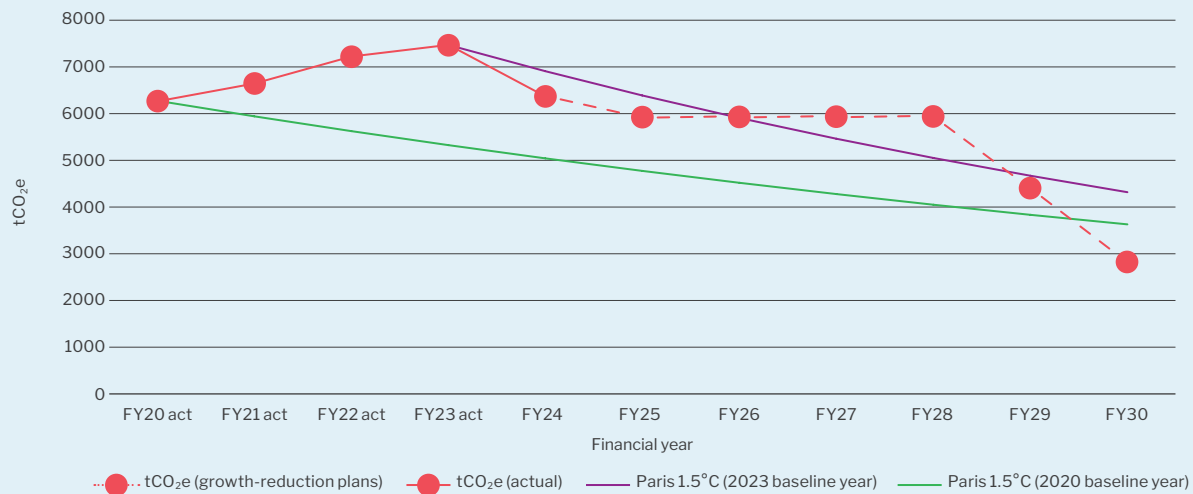
This year, we have worked with eight sites, collectively contributing 91% of the Group emissions, to identify the decarbonisation levers that will enable the achievement of our Net Zero Scope 1 and 2 emissions target. Opportunities for further reductions of 946 tCO₂e have been identified and, plans to take advantage of them will be developed during FY25.

As part of this process, we reviewed and reset our baseline based on our FY23 emissions which is reflected in our roadmap.



Benchmark Genetics. Incubation Facility, Vogar, Iceland.

Scope 1 & 2 greenhouse gas emissions reduction roadmap



FY24 progress

We made good progress on a number of initiatives towards our Net Zero targets and overall environmental goals and we expect the impact to fully come through in FY25. Projects in the year included:

- Compressor and condenser replacement at our plant in Thailand with potential emissions reduction of 300 tCO₂e.
- Installation of the solar rooftop at our factory in Phichit was completed in November 2023. Since it became operational, it has provided 1137 MWh of electricity, 23% of the site's requirements.
- Electric vehicle charging points have been installed in Norway and Thailand.
- Waste from BG Salten sent to anaerobic digestion produced 535,254 kWh of electricity and prevented the release of 145 tCO₂e.
- A scrubber has been installed to remove odour and particulates from spray drier emissions at our factory in Thailand.

We have several projects in the pipeline which will further contribute to our goals, including:

- Installation of solar panels at our facility in Colombia with anticipated savings of 60 tCO₂e.
- We are also investigating the feasibility of transferring from LPG to electricity for spray drier operation at our Thailand facility.
- A new aeration system at the BG USA site will result in the removal of 29 3hp pumps.
- Installation of a new heat exchanger in Italy in October 2024 is anticipated to reduce electricity consumption by 10%.

Animal health and welfare

Highlights

- **100%** of relevant employees receive animal welfare training; new training modules developed in the year
- **Progress in development of stunner for shrimp harvest** in collaboration with Shrimp Welfare Project and University of Stirling in the UK
- **Quantitative health and welfare indicators** developed and being implemented at our shrimp facilities
- **Benchmark's Tesco certified trainers** delivered Animal Welfare training for shrimp producers in Honduras
- **Compliance with antibiotic policy** promoting reduction in antibiotic use at our facilities and amongst our customers
- **0% ablation** of female shrimp at our facilities

Benchmark is committed to managing our operations in a way that promotes animal health and welfare.

We have a dedicated Animal Welfare Committee that identifies opportunities to enhance our animal welfare standards, leads our animal welfare training programme, and maintains collaborative relationships with research institutions, customers and other external stakeholders.

Our goal is to achieve optimal conditions for all animals under our care and promote the same standards in our supply chain.

Why it matters?

In addition to its intrinsic importance, animal health and welfare are critical drivers of productivity and sustainability in aquaculture. Healthier fish and shrimp lead to more efficient and sustainable aquaculture systems, enabling producers to meet consumer expectations, international trade standards and regulatory frameworks.

Areas of focus

To promote animal health and welfare, we focus on three key areas: training, health plans and operating protocols. In addition, we engage with industry players to promote animal health and welfare across the supply chain through collaborative research initiatives, training and technical support.

Health plans and operating protocols

- An effective aquaculture production health plan is crucial for maintaining the health and productivity of fish and shrimp, minimising the risk of disease outbreaks and helping to protect the surrounding aquatic ecosystem from potential contamination and disease spread. Our health plans are tailored to each of our facilities, outlining strategies and measures to maintain the health and welfare of fish and shrimp under our care. We aim to reflect the highest standards whilst meeting regulatory requirements.
- Our health plans include biosecurity measures, health monitoring and criteria for diagnosing disease, disease prevention strategies, consideration of environmental impacts, water quality management, quarantine procedures, nutrition and feeding practices, record keeping and emergency response, among many others.
- A centralised fish health register enables us to track and monitor our performance against agreed KPIs.
- In alignment with our antibiotic policy, we promote reducing antibiotic use in our operations and amongst our customers.
- We operate under a philosophy of continuous improvement, identifying opportunities to enhance our processes in ways that promote animal welfare.
- Our protocols are subject to local regulatory oversight, including from the USDA APHIS Animal Welfare.



A breakthrough in shrimp genetics solving a major disease challenge

Slow growth rates and significant economic losses in white leg shrimp are often caused by *Enterocytozoon hepatopenaei* ("EHP"), a parasite responsible for a major global disease challenge.

In 2024, Benchmark became the first company worldwide to offer shrimp genetics products (breeders) with enhanced resistance to EHP. The new products promote shrimp robustness and survival in regions affected by the parasite.

How did we do it ?

Benchmark Genetics' team of scientists demonstrated significant heritability of resistance to EHP by analysing 1,400 individual shrimp exposed to the parasite and an associated bacterial strain. Genomic selection was then applied to generate offspring carrying enhanced resistance, and the impact of this selection was clearly shown in the subsequent generation.

Scientific publication:
www.sciencedirect.com/science/article/abs/pii/S0044848624012511

Training

We believe that good animal health and welfare outcomes depend on the dedicated commitment of skilled teams around the world. Daily, our employees handle fish and shrimp, observe and monitor welfare indicators and where necessary take proactive action to promote their health and welfare. Tailored training is critical. We aim to deliver annual training for all relevant employees, including technical and practical elements tailored to each species and sites.

- In FY24, we delivered training and developed new training modules to enhance our resources.
- Beyond our own operations, our technical services teams delivered advice and training to our customers, extending the reach of our ambition for improved animal welfare in the industry.
- We continued our role as an approved training partner for UK retailer Tesco, contributing to raising awareness about animal health and welfare across the supply chain.

Industry leadership and collaboration

At Benchmark, collaboration and coordinated action are critical to innovation and sustainable improvement. We have a broad network of industry participants and research institutions through which we gather ideas, identify challenges and promote our desire for continuous improvement in animal welfare. Our approach has led to an increasing adoption of a non-ablation practice in shrimp, as well as improvements in husbandry and handling practices.



People and communities



Corina Holmes
Group Head of People

In FY24, we continued to

- Reinforce our values into our culture
- Support our local communities through our volunteer days and Benchmark for Better (“B4B”)
- Drive diversity, inclusion and belonging messaging worldwide through workshops and internal communication
- Organise global campaigns surrounding well-being

Our values



Innovative



Passionate



Collaborative



Commercial

We are fortunate to have a diverse team of talented and inspiring people working across 26 countries.

All focused on achieving our shared vision to reach our ambitious goals.

We are proud of the environment we have created, in which our people’s health, safety, and well-being is paramount.

Corporate Culture: Our values—passionate, commercial, innovative, and collaborative—define who we are, how we interact, and how we make decisions.

Employee engagement: During the year, our People Team has taken a hands-on approach to employee engagement, continuing to implement employee survey action plans to boost engagement, well-being, and working environment.

Employee health and safety: Our recorded accident rate was 0.56 a reduction of 51% from FY23 see table page 54.

Ethical business conduct: No incidents were reported through our whistleblowing channel in FY24.

Commitment to Local Communities: We want to positively impact the communities in which we operate by seeking and maintaining good relationships and giving back. We encourage our people to get involved and use their two volunteer days.



“ Our people are the foundation of our success. Everything we do is centred on cultivating an environment that empowers them to thrive.”

Corina Holmes

People development

We are committed to a workplace that values talent, development, and continuous learning. Our emphasis on these areas is central to our mission of being an employer of choice and a great place to work where employees are empowered to grow and thrive. By investing in the personal and professional growth of our people, we are not only supporting the development of individual careers but also building the foundation for the future of our organisation.

- We promote a culture where employees take ownership of their professional development. Employees are encouraged to set personal goals, pursue career development, and expand their skillsets.
- Benchmark is recognised as a leader in our industry, which enables us to attract top talent worldwide. Our reputation for excellence and our emphasis on innovation and sustainability make us an attractive employer for professionals seeking impactful careers. We balance internal talent development with strategic external recruitment, ensuring we have a diverse mix of skills and competencies to meet the evolving demands of our business. By focusing on internal promotions, we offer pathways for career progression, rewarding high-performing employees with opportunities to take on greater responsibilities and leadership roles.
- Our commitment to people development extends beyond our existing workforce. We maintain close relationships with local schools and universities to ensure we play a role in shaping the next generation of industry professionals. Through on-site learning experiences, apprenticeships and internships, we provide young professionals with the opportunity to gain hands-on experience in aquaculture and related fields. These partnerships not only benefit students by giving them practical exposure but also help us cultivate a talent pipeline for the future.

At Benchmark, we believe that by investing in the development of our people, we are investing in the organisation's future. Through our focus on talent development, strategic partnerships and a commitment to learning, we continue to build a workforce that is engaged, skilled, and ready to lead the industry forward.



Benchmark People Management Framework

In 2024, we launched a comprehensive People Management Framework to enhance leadership capabilities across the organisation. Rooted in clear principles and aligned with our core values, this framework serves as a guide for all leaders at Benchmark.

The framework was rolled out through workshops and training sessions and supported by self-learning resources. Leaders at all levels were encouraged to familiarise themselves with the framework and integrate its principles into their daily work. By doing so, we aim to cultivate a consistent leadership style that drives business performance and supports employee well-being, engagement, and professional growth.

We also identified key development areas and offered webinars and coaching sessions on topics like communication, conflict resolution, and decision-making. These sessions provided practical insights, helping managers apply the framework in real-world scenarios.

The Benchmark People Management Framework is a cornerstone to our leadership strategy and will continue evolving to meet the needs of our teams and business growth, ensuring long-term success in a supportive, high-performing work environment.



Living our Values
Award Winners 2023



People and communities continued



Health and safety

We take the health and safety of our employees very seriously and have a health and safety management system that covers 100% of our operations. Every employee expects to return home from work unharmed, and we believe that this responsibility belongs to all of us as responsible operators.

- **Nothing is more important than health and safety.**
- **Nothing we do is worth being hurt for.**
- **Nothing is so important that we cannot take the time to do it safely.**
- **We will never witness an unsafe act or condition without taking action.**

We operate mandatory health and safety training for all new employees, and the well-being of our people will always be a top priority within the Group; we are committed to upholding this. Throughout the year, we have taken deep dives to understand any accident root causes while focusing on training, near-miss reporting, and completing safety walks.

We have a strong network of safety representatives embedded throughout the business who convene monthly to review performance and share and develop best practices. We regularly review accident and near-miss reporting, risk assessments, and health and safety performance to continuously improve our health and safety practices. This inclusive approach has resulted in a 51% reduction in our Recordable Accident Rate.

This year, our factory in Thailand received a national award for excellent occupational health and safety practices. The award was achieved through the focus of all employees, supported by the HSE team and the 42 onsite safety representatives, on creating a healthy and safe working environment.

	Health and Safety						
	FY24	FY23	FY22	FY21	FY20	FY19	FY18
Fatalities	0	0	0	0	0	0	0
Recordable accident rate	0.56	1.14	0.91	1.28	0.97	1.16	2.57

Diversity, inclusion and belonging

Benchmark is committed to ensuring a diverse, inclusive and equitable workplace. We believe that a diverse workforce strengthens our competitive advantage, enhances our access to talent, and maintains our attractiveness as an employer.

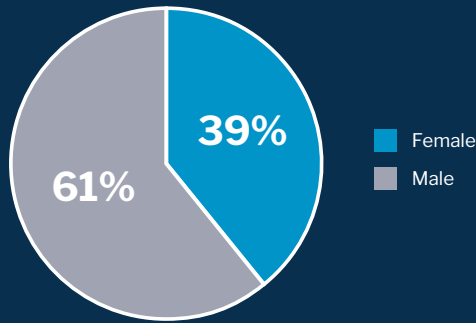
In FY24 we established a Diversity, Inclusion and Belonging Working Group consisting of representatives from across the business to promote understanding, create dialogue, and address any barriers to diversity, inclusion, and belonging. We conducted a global diversity survey to gather employee feedback and identify areas for improvement. We received a positive response, with many expressing appreciation for Benchmark's efforts to create a diverse and inclusive workplace. The overall NPS score for Benchmark as a diverse and inclusive workplace was 60, indicating a high level of satisfaction.

Based on our feedback, the working group updated the DI&B policy and organised a series of locally-led unconscious bias training sessions. In some regions, diversity, inclusion and belonging training has been integrated into the onboarding program for all new employees.

- **People:** At the end of 2024, we had 800 FTEs in 26 countries, representing a 2% decrease from FY23.
- **Gender Diversity:** Women accounted for 39% of our permanent employees, and the gender ratio L4+ management positions was 23.5% female and 76.5% male.
- **Internal Promotions:** We promoted 55 internal employees, 49% of whom were female.
- **Recruitment:** 30% of new hires were female.
- **Employee Survey:** 196 employees responded to the diversity survey, providing valuable insights for our future plans.

Our people 2024

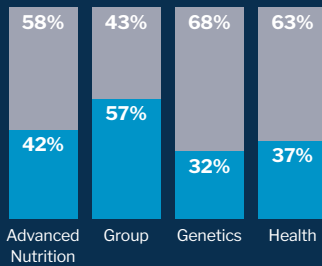
Across BMK



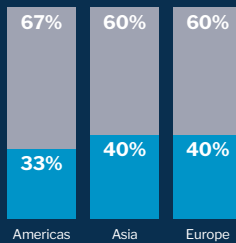
23.5%

of women at Benchmark are manager level and above

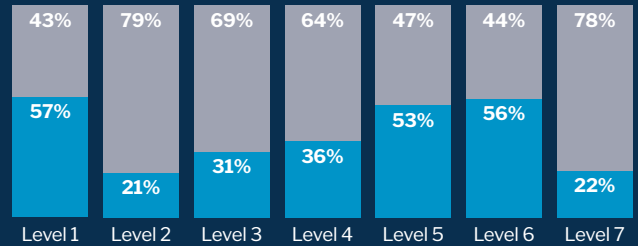
...by business area



...by region

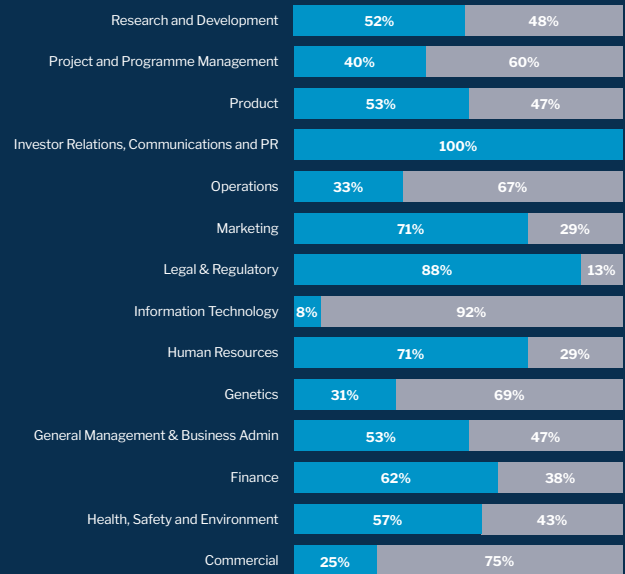


...by level



L1 Executive
 L3 Senior manager/principal
 L5 Specialist
 L7 Operator
L2 Director
 L4 Manager/senior specialist
 L6 Administrator

...by job area



Communication and engagement

As a global multicultural organisation, we are committed to delivering a comprehensive communication and engagement calendar that leverages multiple channels to ensure active participation and connection for all. Operating across multiple time zones and languages, everyone within our organisation has the opportunity to engage with local and centrally-led campaigns. Messaging from managers is especially essential for employees working on farm sites or in production facilities where computer access may be limited.

Through our internal intranet platform, @workplace, we bring together our One Benchmark community, encouraging posts that celebrate business and personal achievements. It is also our hub for sharing internal campaigns, news, and events.

Our communication platforms allow our people to seek and receive timely feedback on matters relevant to their careers and work lives. These platforms reflect a culture of openness and transparency, where feedback is actively welcomed, and employees are given a space to voice their opinions with the assurance that actions will be taken where necessary.

Reward and recognition

Following the introduction of the One Benchmark Job Architecture Framework in FY23, we focused on embedding this across the Group in FY24 and developing managers' understanding and competence. We launched a dedicated resource hub, offering easy access to a range of materials designed to educate employees on job families and career levels. Additionally, we held online workshops where employees could ask questions and gain deeper insights into what the framework means for them and their career journey. The feedback has been positive, with people happy to have additional transparency and guidance. We also continued to monitor the market positioning of our salaries and benefits across the Group, which will inform future activity in these areas.

People and communities continued



Benchmark for Better

Our Benchmark for Better (“B4B”) initiative is our way of giving back to our communities. We support projects and charitable organisations in the countries in which we operate, and we encourage our employees to use their two paid volunteering days, whether individually or through activities with colleagues. We actively encourage participation through awareness campaigns and by celebrating our employees’ involvement in the programme.

B4B projects and donations

Benchmark’s B4B Committee is responsible for evaluating proposals for B4B projects and donations following guidelines developed by our Sustainability Working Group. Our focus is on establishing long-term relationships with organisations in our local communities. We believe this enables us to have a more significant impact over time. Examples of this approach are our longstanding relationships with Wang Moke Senior School, located near our Phichit facility in Thailand, and with Institución Educativa Arroyo de Piedra school in Colombia near our shrimp genetics operations. We have an ongoing dialogue with both schools, tailoring our support to their most pressing needs. In 2024, we continued our support for a tutoring programme in Colombia, helping students succeed in their university entrance exams.

Other examples of our multi-year approach: are our annual participation in a reforestation programme in Belgium and Thailand led by our local team which also involves direct volunteering; and continued funding in 2024 for Info Latinos, a UK organisation that provides a support network and career advancement workshops for underserved communities; and El Rio Foundation, which runs an educational programme in a low-income rural zone in Colombia. In addition, we supported a project led by our team in Mexico to build a shaded area in a local rural school, a much-needed addition to protect the young children from the heat exacerbated by climate change.

Volunteering

Beyond our long-term projects and donations, our people take immense pride in participating in various volunteering activities. In FY24, 40 employees donated 27,000 cc of blood to the Phichit Thai Red Cross. Our team in Asia collected donations of clothing, books and toys for children supported by the Baan Nokkamin Foundation. Our team in Norway conducted their annual litter picking in the fjord, and our UK team joined with the Marine Conservation Society to do a beach clean, helping to protect our oceans.



Employee well-being

One Benchmark, A Healthier You – our global well-being programme

Our approach to well-being at Benchmark is broad and it covers all aspects: social, financial, physical, mental, intellectual, and practical. Our global well-being programme addresses these areas, helping our people become the best versions of themselves. Partnering with international provider ICAS, we delivered a series of webinars in English, Thai and Spanish, covering topics such as Thoughtful Parenting, Servant Leadership, and Future Readiness. We promote this under the banner of #onesmallchange, which encourages individuals to make small, sustainable changes that lead to lasting benefits.

Engagement with our well-being initiatives continues to grow.

Global Well-being Week: In June, employees were encouraged to engage in daily activities, from walking in nature to ditching junk food to boost joy and wellness. Participation surged by 20% year on year, with over 8,000 intranet views of employees sharing their personal wellness stories.

Global Health, Safety, and Well-being Day: This annual event focuses on making small, impactful changes to reduce risks and promote a safer, healthier work environment. Participation was strong, both in person and online. In Brazil, employees wore t-shirts with empowering messages such as “Protecting yourself and others is an act of courage and responsibility” and “Success begins with safe steps—prioritise your health and safety every day.”

We are also proud of our **Mental Health Training Programme**, which has equipped 28 Benchmark employees as certified Mental Health First Aiders. In FY24, INVE Thailand was honoured with the ‘2024 Mental Health Care in the Workplace Award’, one of only 13 companies recognised nationwide. The Department of Mental Health praised our innovations for our people in Thailand, including mental health training and access to our global International Employee Assistance Program (“IEAP”).

Supporting students

Our commitment to nurturing the next generation of aquaculture professionals is evident through a wide range of educational programmes and partnerships. These initiatives provide students at various levels with hands-on experience and valuable insights into the aquaculture industry.

In **Italy**, our IARC research center collaborates with universities to provide students with hands-on aquaculture experience. Recently, students from the University of Florence and the University of Pisa visited our facility to observe larval breeding and automation processes, and to learn about local production practices, algae strain renewal, and rotifer cultivation. These experiences deepened their understanding of advanced aquaculture technology and industry practices, preparing them to be future leaders.

In **Salten**, our partnerships with local schools and universities have created unique learning opportunities for students. Inndyr Upper Secondary School students participated in internships, gaining practical experience in aquaculture, while middle school students shadowed professionals, exploring potential career paths. We also extended work practice and language training to Ukrainian refugees, supporting their integration into the community.

Additionally, students from the Aquaculture Operations and Management programme took up internships with us, and a career day was held to inform and inspire grammar school students about the diverse opportunities in aquaculture.



In **Lønningdal**, we continued to engage future professionals through hands-on education. Students from Fusa Upper Secondary School's Nature Management and Aquaculture programmes participated in 3–4-week placements, gaining practical experience. We also offered a week-long work experience for lower secondary students, giving them early exposure to the industry. Our partnership with Bolaks provided apprenticeships to 18 to 20-year-olds, offering real-world experience during the critical start-feeding phase.

In **Iceland**, each year we host a career day for 14 to 16 year-old students, showcasing the wide range of roles within aquaculture and emphasising our commitment to sustainability.

We also support higher education. At the University of Iceland's Department of Biology, we sponsor a post doctoral and a PhD position with projects to foster academic and professional growth. Our colleagues serve as mentors, helping these students advance in their studies.

In **Chile**, we offer two-month professional internships, and in **Colombia**, we collaborate with universities to facilitate internships at Punta Canoa.

By investing in education and community engagement, we are helping shape the future of aquaculture while strengthening the connections between Benchmark and the communities we serve.



Risk management

Risk management framework

The Group's risk management framework and its implementation is led by the Chief Financial Officer. The Board is ultimately responsible for oversight of the Group's risk management systems, with the Audit Committee acting as a reviewing committee.

During the year, the Audit Committee received reports from the Chief Financial Officer regarding risk management, and from the Group's auditors regarding financial and management controls.

No major issues were identified.

Identification

Bottom-up risk review

Risks are identified in a bottom-up process involving local management, resulting in a risk register for each business.

PLC risk register

Risks capable of having an effect at Group level are identified and prioritised.

Assessment and evaluation

Risk weighting

Risks are assessed to give a gross risk weighting, taking into account likelihood of occurrence and severity of impact, and a net risk weighting, which also takes into account existing mitigating factors and controls.

Risk exposure

The risk exposure (net risk weighting) is evaluated and it is determined whether the relevant risk is within the Group's risk appetite.

Risk appetite

The Group's risk appetite, which varies depending on the type of risk, is determined. The risk tolerance limit allows for a level of deviation from risk appetite where warranted to achieve objectives, while the risk capacity is the level of risk that the Group is able to handle. Both of these are also evaluated.

Mitigation

Actions

Where risk exposure is outside risk appetite, actions are agreed and implemented with priority given to risks capable of having an effect at Group level and risks outside risk tolerance.

Monitoring

Ongoing monitoring and review

There is a continual process of updating risk registers, incorporating newly acquired businesses into the process, reviewing risk appetite, and monitoring the implementation of mitigation strategies.

The framework follows a bottom-up approach through which local management lead the identification, assessment and evaluation, mitigation, and ongoing monitoring of risk. This process is followed in the context of guidelines regarding risk appetite in specified areas which are assessed and approved by the Board. The cycle of identification, assessment and evaluation, mitigation and ongoing monitoring is operated with a view to completing a full risk management cycle in each part of the business at least once every 24 months. The framework is designed to make risk management an integrated part of the Group's day-to-day operations. Risks capable of having an effect at Group level are prioritised and reported on to the Board.

During FY24, the Group undertook a bottom-up review of its risk registers and is continuing to update and evaluate the risks previously identified, as well as monitoring the progress of related mitigating actions.

The Chief Financial Officer monitored the Group risk throughout FY24, reporting to the Executive Management Team. The business area heads and Financial Directors met with the Chief Financial Officer to discuss and monitor risks relating to each business area.

The Company operates its established risk management framework, which is illustrated in the diagram below:



Risk appetite

The Group has decided not to make any amendments to its risk appetite, which is set out below:



Benchmark operates in a highly regulated sector covering food safety, animal welfare and environmental responsibility. The Company has a very low tolerance to risks that could breach legal, regulatory or ethical standards or anything which could negatively impact on our people's health, safety and well-being, the communities where we are present, our reputation or that of our customers.

The nature of our business means that we are exposed to biological and climatic risks that are beyond our influence but where possible, we take steps to mitigate the impact of these risks on the business.

As an aquaculture biotechnology company, we develop solutions that tackle unsolved problems often by applying new technology. The technology risk we assume takes into consideration our stakeholders' interests and is commensurate with the potential returns from our product pipeline and Intellectual Property's assets.

The Group recognises the importance of its supply chain to serve its customers and to meet its ESG goals, and it seeks to minimise risks within its supply chain which would compromise quality and service for its customer.

The Group has a measured approach to projects and acquisitions and will take an appropriate level of risk commensurate with the potential returns and availability of capital."

Principal risks and uncertainties

The Group's principal risks are categorised as either strategic, operational, financial or emerging risks and are developed through the Audit Committee and Board's review of the Group's risk register, performance of our businesses and analysis of emerging global trends.

We have set out below each of FY24's Strategic Priorities, and the risk tables include a cross-reference to each individual risk's relevance to such Strategic Priorities.

1.	Establish a sustainable Ectosan® Vet and CleanTreat® operating model.
2.	Atlantic salmon – preferred supplier in all key markets.
3.	Maintain leadership in Artemia – strengthen diets and health products.
4.	Progress growth vectors towards profitability – salmon genetics Chile and shrimp genetics businesses

Strategic risks

Risks	Risk commentary	Risk mitigation and controls	Business areas affected	Strategic objectives
Competition and loss of competitive advantage	<ul style="list-style-type: none"> Falling behind competitors with the development and commercialisation of new, innovative products. Threat to market share and revenues. 	<ul style="list-style-type: none"> Innovative development focus and strong pipeline of products. Intellectual Property ("IP") protection including patents. Strong customer relationships with key account structure. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Reliance on continued success of existing products	<ul style="list-style-type: none"> The Group is currently exposed to risk by limited diversity of revenue streams. Risks associated with legal costs of protecting Group IP. Group products require the holding of certain licences, accreditations or regulatory approvals that could be withdrawn. Failure to gain additional claims on the labels for certain Group products which could result in reduced revenue from such products. Failure to achieve the projected customer growth/uptake for newly launched products. 	<ul style="list-style-type: none"> Increasing number of products/ services from development pipeline is diversifying revenues. Strong Group legal team with dedicated IP expertise. Vigorous defence of own IP. High levels of employee competency and stringent processes related to regulatory affairs. Highly proficient and experienced commercial team equipped with extensive knowledge and with robust customer relationships. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
New product and service commercialisation	<ul style="list-style-type: none"> Risk that pipeline products may be delayed or fail technically before launch. Risk inherent in timing and market penetration of new products and services. 	<ul style="list-style-type: none"> Close dialogue with regulators. The Innovation Board (which includes the Head of Group Innovation) monitors the R&D projects across the Group. Experienced Group regulatory affairs team, commercial team and marketing team. Close dialogue with customers regarding their product and service satisfaction to enable efficient and appropriate reaction to their feedback and needs. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4

Operational risks

Risks	Risk commentary	Risk mitigation and controls	Business areas affected	Strategic objectives
Environmental risk and crisis management	<ul style="list-style-type: none"> The nature of certain Group operating activities exposes us to significant risks to the environment, such as incidents associated with releases of chemicals or hazardous substances when conducting our operations, which could result in liability, fines, risk to our product permissions and reputational damage. There is a risk that natural disasters could lead to damage to infrastructure, loss of resources, products or containment of hazardous substances. Our business activities could be disrupted if we do not respond, or are perceived not to respond, in an appropriate manner to any major crisis or if we are not able to restore or replace critical operational capacity. 	<ul style="list-style-type: none"> We have implemented standards and requirements which govern key risk management activities such as inspection, maintenance, testing, business continuity and crisis response. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Biological and climatic risks	<ul style="list-style-type: none"> The Group is exposed to the risk of disease within the Group's own operations and disease in the market resulting in possible border closures. Sales of the Group's sea lice medicines and other relevant solutions are affected by the degree of sea lice challenge in the environment, which is driven by sea temperatures and other biological factors. 	<ul style="list-style-type: none"> The Group operates the highest levels of biosecurity. The Group holds genetic stock at multiple sites; increasingly sources from its own land-based salmon breeding facilities. The Group operates containment zones which mitigates the risk of border closures affecting its ability to import or export. The Group has placed increased focus on insuring its biological stock. The Group's product diversity across business areas offers some mitigation. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Volatility of end markets (salmon, sea bass and shrimp markets) and market and regulatory trends	<ul style="list-style-type: none"> Market fluctuations in shrimp production volumes and pricing, often influenced by disease, drive customer and food services demand for shrimp. Market and regulatory trends for tackling sea lice have an influence on customer demand for the Group's sea lice products. 	<ul style="list-style-type: none"> The geographic diversity of the business area's customer base offers some mitigation. The Group's product diversity across business areas offers some mitigation. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4

Risks	Risk commentary	Risk mitigation and controls	Business areas affected	Strategic objectives
Threats to the supply chain	<ul style="list-style-type: none"> Benchmark is reliant on a small number of key raw materials and manufacturers and suppliers for important products. The Group has R&D and production sites which are important to its current revenues and future success and which are leased. Commissioning of new facilities could be delayed leading to late product deliveries. Benchmark relies on third parties for importation authorisations required in certain jurisdictions for certain products. 	<ul style="list-style-type: none"> Dual supplies of raw materials, where possible. Supplies secured with contractual arrangements, and import authorisations in the process of being applied for where deemed material for the Group. Seek long-term tenure of sites. Supplier Code of Conduct. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Health and well-being of employees	<ul style="list-style-type: none"> Poor health or well-being impacts employees' lives and reduces productivity. Some aquaculture activities have inherent operational risks. 	<ul style="list-style-type: none"> Well-developed health and safety management regime in place across the Group. Senior level commitment to ESG programme Group-wide. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Recruitment and retention of high-calibre people	<ul style="list-style-type: none"> To maintain market leadership it is essential that the Group has and keeps people with key skills. 	<ul style="list-style-type: none"> Centralised People Team delivering people strategy. Succession planning process. Remuneration policy designed to encourage retention. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Loss of key IT system	<ul style="list-style-type: none"> The Group IT systems facilitate daily work, collaboration and hold Group IP and trade secrets. Multiple risks of systems failure or cyber attack. Loss of access or key information would be disruptive to the Group. 	<ul style="list-style-type: none"> Internal experienced IT team. Increasing integration of software platforms to improve security and reliability. The Group continued to increase the frequency of phishing simulation exercises to ensure staff awareness of cybersecurity. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Geopolitical risk	<ul style="list-style-type: none"> The diverse locations of our operations around the world expose us to a wide range of political developments and consequent changes to the economic and operating environment. Geopolitical risk is inherent to many regions in which we operate, and heightened political or social tensions or changes in key relationships or terrorist attacks could adversely affect the Group. 	<ul style="list-style-type: none"> We seek to manage this risk through development and maintenance of relationships with governments and stakeholders. We closely monitor events and implement risk mitigation plans where appropriate. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Application of appropriate standards of governance	<ul style="list-style-type: none"> As an international business, the Group is required to comply with laws and regulations in several jurisdictions. There is risk of non-compliance leading to potential fines, penalties, loss of revenues and damage to reputation. 	<ul style="list-style-type: none"> Experienced Group legal, finance, people, regulatory affairs, investor relations, health and safety, and IT teams work closely with the business areas. Our training programme, whistleblowing policy, and informal routes by which concerns can be raised, are designed to identify and address potential non-compliance. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4

Financial and legal risks

Risks	Risk commentary	Risk mitigation and controls	Business areas affected	Strategic objectives
Maintain liquidity and manage leverage	<ul style="list-style-type: none"> Failure to identify and maintain sufficient liquidity headroom. Risk to funding of key growth strategies. 	<ul style="list-style-type: none"> Close control of cash flows with regular update of short- and long-term projections. Group Treasury Manager oversees cash flow management. Group treasury policy continues to support how the Group manages cash. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Growth in trading results in higher investment in working capital	<ul style="list-style-type: none"> Top-line growth through new products and markets can drive changing patterns of working capital. Growth in some markets presents increased risk of slow paying or bad debts. 	<ul style="list-style-type: none"> Business area management of pricing and credit terms. Close monitoring of investment in working capital by the EMT and PLC Board. Key performance indicators include working capital measures. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Currency exchange	<ul style="list-style-type: none"> The Group as a whole is also exposed to fluctuations in currency exchange rates. These impact sales volumes where products are priced by reference to USD but sold in local currencies; and impacts reported results when local results, assets and liabilities are converted to GBP for reporting purposes. 	<ul style="list-style-type: none"> The Group reduces its exposure to its principal foreign currency risks through the use of hedging instruments. Group treasury policy explains how the Group should manage FX risk. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4
Criminal activity, fraud, bribery and compliance risk	<ul style="list-style-type: none"> Some countries where the Group operates may be exposed to high levels of risk relating to criminal activity, fraud, bribery and corruption. There are a number of regulatory requirements applicable to the Group and its listing on the London and Oslo Stock exchanges. 	<ul style="list-style-type: none"> The Group provides compliance training programmes to all its employees through an online training platform and virtual training to higher risk teams. The Group continues to monitor its suppliers through the Supplier Code of Conduct. The CFO and Group Legal Counsel are involved in mitigating fraudulent activities in the Group. The Group has access to competent and experienced external counsel. Fraud response policy introduced. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4

Emerging risks

Risks	Risk commentary	Risk mitigation and controls	Business areas affected	Strategic objectives
Climate change	<ul style="list-style-type: none"> Climate change and the evolving regulatory environment may expose the Group to regulatory breaches, significant disruption, reputational risk or a reduction in supply for biological raw materials, and demand for products or services. 	<ul style="list-style-type: none"> The Group's Sustainability Committee reports to the Board regularly and its mandate is to ensure the Group's strategy and operations are carried out within the framework of caring for the environment, people, and animals. Its work aligns with major frameworks including the London Stock Exchange Guidance for Environmental, Social and Governance reporting and the UN Sustainable Development Goals. Plan adopted for reduction in the Group's carbon emissions and progressing according to timetable set. The Group continues to explore alternative solutions to decrease its reliance on raw materials that could be vulnerable to the impacts of climate changes. 	Advanced Nutrition, Health and Genetics	1, 2, 3, 4,
Environmental, Social and Governance responsibilities	<ul style="list-style-type: none"> Increasingly our stakeholders are requiring reassurance that we are overseeing and responding to ethical and environmental issues across the Group's business. 	<ul style="list-style-type: none"> ESG strategy that was approved in FY23 continues to support the Group. Plan adopted for reduction in the Group's carbon emissions. Code of Conduct and ABC policies in place. Plan adopted for reduction in the Group's carbon emissions. 	Advanced Nutrition, Health and Genetics	2, 4

The Strategic Report was approved by the Board on 12 December 2024 and signed on its behalf by:

Trond Williksen
Chief Executive Officer

Diverse leadership

Our Board and Leadership Team are diverse and have a wealth of industry knowledge, skills and experience.



Peter George
Non-Executive Chairman



Appointed
May 2018

Independent

Yes, except for the period between 19 August 2019 – 31 July 2020 while Peter served as Executive Chairman

Skills and experience

Peter has a strong track record in growing successful international life sciences businesses. He is most renowned for his achievements as CEO of Clinigen Group plc, the FTSE AIM global pharmaceutical and services company he founded in 2010. He grew the company into close to a £1.0bn market cap after acquiring several businesses and expanding its international footprint.

Peter also served as chairman of Ergomed plc, an AIM-listed provider of clinical research, drug development and safety services internationally.

Before Clinigen, he held several senior roles in the pharmaceutical and healthcare sectors including chief executive officer and leading the MBO of Penn Pharmaceutical Services. He co-created Unilabs Clinical Trials International in 1997, sold to Icon plc in 2000.

Other appointments

Peter is chairman of Oxford Quantum Circuits and a Health Sciences adviser at Oxford Science Enterprises and Gresham House. In addition, Peter has an investment fund, Enigma Holdings Group, and serves on a number of the boards of companies owned by the group. He also owns XPG Ltd, a building and development company, and is chair of the Crown Commercial Services, which is part of the Cabinet Office.



Trond Williksen
Chief Executive Officer



Appointed
June 2020

Independent

No

Skills and experience

Trond is highly experienced in the international aquaculture and seafood industries, having held senior executive positions in the sector for over 25 years. Most recently he was CEO of SalMar ASA, the Norwegian fish farm company that is one of the world's largest producers of farmed salmon. Prior to Salmar, he was CEO of AKVA group ASA, the leading global aquaculture technology and service provider for six years. He previously held several executive roles in Aker ASA's Seafoods, Ocean Harvest and BioMarine companies, as well as being the Managing Director of the Norwegian Fish Farmers Association.

Other appointments

Trond is the chairman at Ivan Ulsund Rederi AS (including Trønderbas AS, Brusøykjær AS, Ivan Ulsund Eiendom AS), an ocean fisheries company and a board member of the ocean farming company Utror AS.

He is a board member at SinkabergHansen AS, a leading Norwegian salmon farming company. Trond also owns an investment company, KRING AS and was an adviser to FSN Capital, a leading Nordic private equity firm.

At the time of Trond's appointment, the Board reviewed Trond's other roles and was comfortable that these would still allow sufficient time to discharge his responsibilities effectively. The Board agreed that each role was not deemed to be significant and will continue to monitor such appointments.



Septima Maguire
Chief Financial Officer



Appointed
December 2019

Independent

No

Skills and experience

Septima has more than 25 years' experience working in international businesses globally. Septima joined Benchmark from Dechra Pharmaceuticals PLC, the global provider of specialist veterinary pharmaceuticals and products, where she spent four years as group financial controller, acting group finance director and corporate development director, overseeing all aspects of acquisition activities, strategic projects, business development and investment initiatives playing a significant role in supporting Dechra during a period of high growth.

Prior to Dechra, Septima held a number of senior finance roles at Ardagh Group S.A. (previously Impress Metal Packaging) over six years. She has also held finance roles at UPC, CNH Capital and PricewaterhouseCoopers. Septima is a Chartered Certified Accountant and holds a Masters in European Union Law from the University of Leicester.

Other appointments

None.

Committee Membership

- R** Remunerations Committee
- A** Audit Committee
- D** Disclosure Committee
- S** Sustainability Committee
- Denotes Chair



Yngve Myhre
Non-Executive Director



Kristian Eikre
Non-Executive Director



Jonathan Esfandi
Non-Executive Director



Appointed
November 2017

Independent
Yes

Skills and experience

Yngve has more than 20 years of experience in the aquaculture sector as a senior executive, adviser and investor. Yngve was chief executive of leading Norwegian salmon producer Salmar, and of international white fish supplier Aker Seafood during successful growth periods. In both these roles, Yngve was involved in the evaluation of operational risk management strategies. Yngve also acts as a strategic adviser to investors in the aquaculture section. Yngve has a solid track record in Benchmark's focus area of aquaculture, in the Norwegian and international markets.

Other appointments

Yngve is a member of the Aqua Site AS board and is Nova Sea's non executive director. He is also chairman of Broodstock Capital and Kime Akva.

Appointed
March 2019

Independent
No – Shareholder representative

Skills and experience

Kristian has 18 years of experience as an investment professional with a particular focus on the aquaculture, pharmaceuticals, energy and renewables sectors. Kristian is currently an investment professional and co-head of Ferd Capital, a division of Ferd AS, a Norwegian investment company holding 25.94% of the Company's issued share capital. Kristian acts as a shareholder representative of FERD AS, a significant shareholder of the Company, and therefore, the Board has concluded that he is not an independent director. Prior to that, he was a partner at Herkules Capital, a leading private equity firm in Norway. Before this, he was a research analyst at First Securities, an investment banking firm.

Other appointments

Kristian has held various board positions and is currently a board director of a number of companies including Fjord Line AS, Aibel AS and BHG Group.

Appointed
November 2023

Independent
No – Shareholder representative

Skills and experience

Jonathan is the founder and managing partner of London-based investment firm, JNE Partners LLP, a significant shareholder in the Company. Jonathan acts as a shareholder representative of JNE Partners LLP, and the Board has concluded that he is not an independent director of the Company.

Jonathan brings over two decades of experience in the investment business across private and public equity and credit to Benchmark. Jonathan received his BA Hons degree from Manchester University in European Studies and Modern Languages.

Prior to JNE Partners, Jonathan was a partner of MSD Capital, Michael Dell's family office, and president of MSD Partners Europe. Before founding MSD's London office, Jonathan was a vice president at Lone Star funds and started his career at Deutsche Bank in their Investment Banking division.

Other appointments

None.

Board of Directors continued



Torgeir Svae
Non-Executive Director



Marie Danielsson
Non-Executive Director



Jennifer Haddouk
Company Secretary and
Group Legal Counsel



Appointed
April 2023

Independent
No – Shareholder representative

Skills and experience

Torgeir is an investment director at Kverva AS responsible for the seafood portfolio. Torgeir has more than 20 years of investment banking, asset management and management experience. His role acts as shareholder representative of Kverva, a significant shareholder of the Company holding 22.33% of the Company's issued share capital, and therefore the Board has concluded that he is not an independent director.

Other appointments

Torgeir is also a director of Østermoen Industrier AS, Østermoen Invest AS, Insula AS, Viden AS and chair of the board of Scale Aquaculture AS.

Appointed
June 2023

Independent
Yes

Skills and experience

Since 2015, Marie has been the CFO of BEWi ASA, a leading provider of packaging, component and insulation solutions, listed on the Oslo Stock Exchange. Prior to this, Marie worked for Haldex, a global supplier of brake components to commercial vehicles as vice president financial control and taxes, and as an auditor at KPMG. Marie holds an MSc in Economics from Stockholm University, Sweden. Marie brings financial and industrial experience from international and public environments in complex and growing organisations.

Other appointments

Marie has no beneficial interest in the equity securities of Benchmark Holdings plc.

Appointed
May 2019

Independent
No

Skills and experience

Jennifer is a French qualified solicitor with over 11 years' experience. Jennifer previously worked in French law firm SCP de Poulpique & Co and more recently as an in-house legal counsel for KellyDeli, a European sushi retail company, where she gained experience in the salmon industry, focusing on commercial agreements, corporate and competition law.

Since joining Benchmark, Jennifer has been advising and supporting Group companies to execute their strategies. Jennifer holds an MA and 'Diplome de Notaire' from the University of Nice.

Other appointments

None.

Our Leadership Team



Corina Holmes
Group Head of People



Corina is a global HR leader with over 25 years' experience living and working extensively across EMEA, Asia and the Americas. She has worked for both large and complex companies in technology, pharmaceuticals and financial services, as well as smaller entrepreneurial start-up businesses.

Throughout her career Corina has led global HR teams in creating values-based company cultures, creating and leading employee engagement and development programmes, and implementing reward and talent management strategies that support the achievement of business goals and objectives. She has also acted as a coach and mentor to senior leadership teams.

Corina joined Benchmark in January 2021 from Hyve Group Plc where she was chief people officer.



Geir Olav Melingen
Head of Salmon, Health & Genetics



Geir Olav joined Benchmark in January 2019 following his CEO role at Bergen Aquarium. Prior to this role, Geir Olav gained a broad experience in aquaculture having been the CEO of Fishguard and national sales director & global KAM of MSD Animal Health.

Geir Olav is a qualified fish health biologist who holds a doctorate in scientific fish health from the University of Bergen. He lives in Bergen with his wife and three children, but spent most of his childhood in Austevoll, the largest fishing community in Norway, where a passion to become a veterinarian took hold. He is also a keen fisherman and enjoys running or walking whilst on travels.



Patrick Waty
Head of Advanced Nutrition



Patrick is an experienced aquaculture leader and expert who had his first exposure to the sector in 2005 upon purchasing and growing Seagull NV, the Belgium-based fish processing company.

Patrick joined Benchmark in November 2021 from SyAqua Group, an industry leader in early-stage nutrition and genetics for shrimp and tilapia, where he was chief executive officer pushing forward Asian market development. Before this Patrick spent six years in several key global leadership roles within BernAqua, Epicore Bionetworks, steering the company through a period of mergers, acquisitions and integration, which significantly and strategically developed Neovia/ADM business as a global aquaculture director.



Ivonne Cantu
Head of Investor Relations
& Corporate Development



Ivonne joined Benchmark in 2017 after 20 years as a corporate finance adviser at Cenkos Securities and Merrill Lynch. Throughout her career, she has advised UK and international companies across sectors on a wide range of corporate finance transactions, including IPOs, fundraisings, and M&A, as well as investor communications, corporate governance, and regulatory matters.

Ivonne Chairs the Sustainability Working Group and is a member of the Sustainability Committee.

Ivonne holds a BSc in Engineering and an MBA from the Wharton School of Business. She is a non-executive director of Primary Health Properties plc and Creo Medical plc.



Ross Houston
Director of Genetics & Innovation



Ross is Benchmark's overall lead for R&D and Innovation activities and chairs the Benchmark Innovation Board, which fosters the exploitation of synergies across the Genetics, Health and Advanced Nutrition business units. He is also responsible for Benchmark's salmon and shrimp breeding programmes and Genetics R&D, including the application of new technologies to enhance the Company's competitive position.

Ross is an internationally leading scientist in aquaculture genetics and biotechnology. He was the personal chair of Aquaculture Genetics at the University of Edinburgh until he joined Benchmark in 2022. He has authored or co-authored more than 120 scientific publications, and several of his discoveries have been applied in the aquaculture industry to improve animal health and performance.

Trond Williksen
Chief Executive Officer

Septima Maguire
Chief Financial Officer

Jennifer Haddouk
Group Legal Counsel and Company Secretary

Biographies for the above individuals can be found on pages 66-68

Chairman's Governance Statement



Throughout the year, while ensuring that the Company continued to deliver its strategic priorities, the Board's main focus was on executing the Strategic Review and maximising shareholders' value"

Peter George
Chairman

Year in review

On 22 January 2024, the Board decided to conduct a formal review of the Company's strategic options (the "Strategic Review"), including but not limited to a sale of the Company as a whole or, alternatively, the potential sale of one or more individual business areas. Throughout the year, while ensuring that the Company continued to deliver its strategic priorities, the Board's main focus was on executing the Strategic Review and maximising shareholders' value.

As announced on 25 November 2024, Benchmark entered into a binding agreement to sell its Genetics business areas to Novo Holdings for an enterprise value of up to £260.0m (the "Disposal"), subject to shareholder approval and receipt of regulatory clearances. The Disposal will enable the Company to focus on its Advanced Nutrition and Health business areas (the "Continuing Business") and create an opportunity to reduce complexity and streamline the current Group structure to significantly reduce costs.

As a result, the Board decided to end the Group's Strategic Review. The Board is pleased with the outcome of this process, which will unlock significant value for shareholders and best position the Company to realise the potential of the Continuing Business.

As announced in our last Annual Report, the Board decided to comply with the 2018 Quoted Companies Alliance's Code ("QCA Code") moving forward while continuing to apply the highest standard of corporate governance. The Board was of the view that the QCA Code would better suit the Company's growth and maturity. The QCA Code is widely recognised as suitable for mid-sized quoted companies like Benchmark, providing us with more flexibility compared to the UK Corporate Governance Code 2018, while still promoting good governance, engagement, reporting, and effective Board processes. The Board is dedicated to upholding effective corporate governance and integrity to support the long-term benefit of all our stakeholders and to execute our strategy.

Board changes and composition

The Board focused on Board succession and composition to ensure the Board has the appropriate balance of skills, independence, experience and diversity.

The 2024 financial year saw the following changes to the Board:

- In November 2023, Laura Lavers retired from the Board and Jonathan Esfandi was appointed as a Non-Executive Director and shareholder representative of JNE, who have an interest in Benchmark of 22.74%. Jonathan was appointed with over two decades of experience in the investment business across private and public equity and credit and has brought valuable shareholder insight and perspective into Board discussions.
- December 2023 saw the retirement of the most tenured Non-Executive Director, Susan Searle.

Board evaluation

In light of the ongoing Strategic Review, the Board decided not to conduct a Board evaluation. This decision was made due to the possibility of significant changes to the shape of the Group as a result of the Strategic Review. Such changes may necessitate a restructuring of the Board, and evaluation during the past year may not have provided valuable insight for the future.

Culture, ESG and stakeholder engagement

The evolution of the Group's culture continues to be of strategic importance, and we believe that the right culture and values, supported by effective leadership and a consistent tone from the top, are crucial to the success of the Group.

With three years of consistently high participation and feedback in our employee engagement survey, we decided not to conduct a full global survey in FY24 and instead focused our efforts on a Diversity, Inclusion and Belonging survey, in addition to continuing to implement our action improvement plans. We also sustained our commitment to global engagement campaigns, encouraging full participation from all, and our people particularly enjoyed our Global Health and Safety Day and our well-being Week. We revamped our approach to onboarding, proactively engaging with new employees prior to their start date, ensuring they feel fully integrated into Benchmark from the outset. We also launched an offboarding programme, aimed at ensuring our people continue to be Benchmark ambassadors after they leave us.

I am pleased to note that the Group continued its progress in the implementation of the Company's sustainability strategy including its plan for the reduction of the Group's carbon emissions. Further information on the Company's sustainability strategy and progress can be found on page 32.

The Board is committed to engaging with our stakeholders and creating a positive impact for them. Building strong relationships with our stakeholders, both in the UK and internationally, is crucial for the success and sustainability of our business. Throughout the year, the Board receives regular updates on stakeholder engagement, including feedback from colleague surveys, town halls, and shareholder meetings. The Board conducted extensive consultations with our shareholders regarding the Strategic Review. As a result of their support, we launched a formal sale process of the Company and announced on the 25 November 2024 the disposal of the Genetics business area, subject to shareholder and regulatory approval.

Peter George
12 December 2024

Governance framework

The Group's governance framework supports the Board in the delivery of the Group's strategy and long-term sustainable success in various ways as detailed below.

The Board

The Board is responsible for establishing the Company's purpose, values and strategy, promoting its culture, overseeing its conduct and affairs, and promoting the success of the Company for the benefit of its members and stakeholders. It discharges some of its responsibilities directly and others with the support of its Committees. Terms of reference for the Board and its Committees are available on the Group's website. Execution of the strategy and day-to-day management of the Company's business is delegated to the Executive Management Team, with the Board retaining responsibility for overseeing, guiding and holding management to account.

The Committees

Audit Committee	Remuneration Committee	Sustainability Committee	Disclosure Committee
The Audit Committee assists the Board in fulfilling its corporate governance obligations in relation to the Group's financial reporting, internal control and risk management systems.	The Remuneration Committee reviews and recommends the policy on remuneration of the Chairman, Executives and senior management team. In addition, it monitors the implementation of the Remuneration Policy and approves awards under the Group's Long-Term Incentive Plan.	The role of the Board's Sustainability Committee is to oversee the Company's sustainability strategy and its implementation, ensuring alignment with the Company's commitment to act as a responsible operator driving sustainability. This includes setting and reporting on targets and KPIs, and developing sustainability strategy. The Committee is also responsible for ensuring that the Board takes into account relevant ESG factors in its decision-making.	The Disclosure Committee ensures the legal and regulatory disclosure obligations and requirements arising from the listing of the Company's securities and bonds on the London Stock Exchange and Euronext Growth Oslo are met. This includes the timely and accurate disclosure to the market of all relevant information. The Disclosure Committee meets at such times as is necessary or appropriate.

Executive Management Team ("EMT")

The Board delegates the execution of the Group's strategy and the day-to-day management of the business to the EMT, who are responsible for developing and delivering cross-group opportunities, revenue and cost synergies, advancing integration, and overseeing the Group's financial and operational performance as a whole.

Corporate Governance Statement

The Company is listed on AIM and Euronext Growth Oslo, and is subject to the AIM Rules and rules applicable to companies listed on Euronext Growth. The Board has voluntarily chosen to comply with the 2018 QCA Code.

An overview of the Company's compliance with the 2018 QCA Code, and an explanation of the 2018 QCA Code provisions it has not implemented and why, is set out in the Directors' Report on pages 93 to 96.

The Company's Corporate Governance Statement sets out how it complies with the 2018 QCA Code and the following sections highlight how the Board has applied the principles of corporate governance in a manner that is appropriate for the size and circumstances of the Company.

As a result, the Board of Directors has decided that it will no longer have a Nomination Committee in the context of the Company's decision to adopt the 2018 QCA Code. This choice reflects the Board's belief that the existing structure and processes for Director appointments can effectively fulfil the requirements of the 2018 QCA Code without the need for a separate Committee. By leveraging the collective expertise and perspectives of the full Board, the Company aims to maintain a robust and transparent nomination process that aligns with the principles outlined in the 2018 QCA Code, ensuring that all decisions are made in the best interests of the Company and its stakeholders.

Board leadership and Company purpose

The Board's primary role is to ensure the Company's long-term success by setting the Group's strategic direction, ensuring that this remains aligned with the Group's purpose and culture, and promoting and protecting the Group's interests for the benefit of all our stakeholders. The Board is composed of highly experienced individuals who bring a range of skills, perspective and knowledge of the industry in which the Group operates.

The Board has delegated customary responsibilities to its four principal Committees to enable the Board, as a whole, to dedicate time to the Group's key priorities and manage its time effectively. At each Board meeting (when required), the agenda includes sufficient time for each Committee Chair to report to the Board on such Committee's activities and to provide recommendations.

How governance supports our strategy

The Board recognises that it is responsible for promoting the long-term sustainable success of the Group and for delivering long-term value for stakeholders. The Board does this by providing effective leadership and by ensuring that the Group's business is conducted with high standards of ethical behaviour in a manner which contributes positively to wider society, having regard to the interests of its different stakeholders. To enable the business to meet its strategic priorities, the Board oversees the development of the Group's strategy and provides strong leadership and support to the Group.

The Board continues to benefit from a strong mix of complementary skills and experiences, as well as dynamics that allow for open debate, challenge of existing assumptions and asking difficult questions.

For further information, please refer to our Strategic Report on pages 2–65 and for an outline of how the Board's activities in FY24 contributed to the Group's strategic priorities, please see pages 74.

Culture

The Company's vision is to be the leading aquaculture biotechnology company and drive sustainability in aquaculture. In order to achieve this, we invest in our people and business partners. Development of the Group's culture is a strategic focus area and the Board believes that the right culture and values, supported by effective leadership and a consistent tone from the top, are crucial to the success of the Group. The integration of the Group's values and culture has been led by the CEO, Group Head of People and the EMT. The Board continues to engage closely with the Company Performance Management Framework and the Chairman followed it for the performance review of the Executive Directors. Creating the environment, frameworks and tools for high performance, where the individual objectives of our people are directly linked to the strategic priorities of the Company, constitutes a cornerstone of our culture.

How the Board monitors culture

In FY24, the Board monitored culture by:

- **Engaging with and listening to our people:** Our Group Head of People keeps the Board updated on strategic and operational people matters through the monthly report and attending and presenting at meetings. A key theme in FY24 has been to engage with employees to understand how they feel about the Strategic Review, launched in January 2024, and to feedback to the Board on the impact this is having on our people.
- **Leading by example:** The Group's Directors and senior management act with integrity and lead by example, promoting the Group's culture to the workforce by living the Group's values.
- **Reviewing cultural indicators:** The Board regularly receives updates on health and safety metrics and employee turnover numbers, with a breakdown of the reasons employees have left the Group.
- **Monitoring ethics, whistleblowing, fraud and anti-bribery:** Mechanisms are in place to facilitate employees reporting incidents of wrongdoing on a named or confidential basis through a direct line to a Non-Executive Director in line with the Code's requirements. The Board, with the support of Group Legal Counsel, regularly monitors and reviews the Company's policies, incidents and trends arising from any such incidents and provides the Board with updates. The Non-Executive Director maintains confidentiality of the employee as per our policy guidelines, and the employee is protected in accordance with our whistleblowing policy. Our policy is reinforced by mandatory annual training, which every employee is required to complete. This training ensures that they have a comprehensive understanding of their rights and the policy itself.

Compliance

A strong focus continues to be placed on educating and raising awareness among our employees about business ethics and compliance through methods such as training, workshops and policies accessible in local languages. While the Company communicates directly with all employees through town hall meetings, the Group has conducted a series of smaller group workshops to further develop awareness of the compliance policies within the Group. The employees have access to a range of training materials and videos on an internally built learning platform, which requires mandatory training to be undertaken on an annual basis. Each employee is requested to confirm they understand the policy, and this allows the Group to monitor understanding globally on training requirements. The results are monitored within the compliance team, and there is a dedicated compliance email address where employees can raise concerns. In FY24, additional workshops were created to promote and provide training for employees on the policies and compliance necessary for their day-to-day responsibilities.

IT strategy and digital security

Over the last financial year, the Board has continued receiving IT updates and provided guidance via the CFO. For this period, the focus for the IT team has been split between further improvements to Benchmark's IT security posture and preparations for potential divestment of Group businesses. In the light of the Strategic Review, a full review of existing IT contracts has taken place including those systems owned by other departments and businesses; where possible, we have adjusted renewals to improve contract flexibility and reduce cost overhangs. Additionally, replica technical stacks have been built and test migrations run to document process and assess timelines for the Strategic Review.

On the security side, work has mostly focused on the improvement of existing systems and programmes. New PCs are now rolled out with Okta's Fastpass to integrate multifactor authentication ("MFA") at the desktop level for convenience and backup for lost phones. Email security policies are now reviewed and updated with MimeCast's customer success team on a quarterly basis. There has also been a comprehensive overhaul of our security awareness training and staff now receive phishing test emails on a monthly basis, in three languages; the impact of this has been to reduce the phish prone percentage from 20% to

just 4% – significantly better than industry averages. Following input from the KPMG audit, the IT team has also introduced an (internally developed) app to track scheduled security checks, system updates and personnel changes to ensure timely actions and improve function oversight. Finally, after one failed attempt to compromise our European datacentre, Okta's MFA was further extended to on-premise systems to reduce vulnerability from single credential hacks and Vectra, a network detection and response platform, was integrated locally to improve threat response and safeguard against potential malware.

Board and Committee attendance

The Board has a comprehensive annual agenda to monitor and review strategy across the Group and its business areas. Board agendas are carefully planned to ensure that sufficient time and consideration are given to the Group's strategic priorities and key monitoring activities, as well as reviews of strategic issues. In advance of each meeting, the agenda, papers and relevant materials are provided to Directors via a secure cloud platform. The cloud-based secure platform also allows the Board to access a library of relevant information relating to their role; information based on the Company and Board procedures.

During the year, the Board held seven scheduled Board meetings and 13 additional Board meetings. The Chairman ensured that regular meetings were also held with the Non-Executive Directors without the presence of the Executive Directors. All Directors were expected to attend all Board and relevant Committee meetings unless prevented from doing so by illness or conflict of interest. The Leadership Team were invited, when appropriate, to attend Board meetings to make presentations on their strategic priorities. All Directors recognise the requirement to commit sufficient time to fulfil their duties as included in each Letter of Appointment.

The majority of Board and Committee meetings took place using secure virtual meeting technology. In February and September 2024, the Board held physical meetings in the UK and Norway where the Directors and leadership teams were able to meet in person. For FY24 Board meetings and Committee structure please refer the timeline on pages 74 and 75.

	Board	Audit Committee	Remuneration Committee	Sustainability Committee
Scheduled meetings held during the year*	7*	3	2	1
Peter George	7/7 (C)	N/A	2/2 (C)	N/A
Yngve Myhre	7/7	2/3	0/0	N/A
Trond Williksen	7/7	N/A	N/A	1/1
Septima Maguire	7/7	N/A	N/A	N/A
Kristian Eikre	7/7	2/2	N/A	N/A
Torgeir Svae	7/7	N/A	N/A	N/A
Marie Danielsson	7/7	3/3(C)	2/2	N/A
Jonathan Esfandi (appointed to the Board in November 2023)	6/6	N/A	N/A	N/A
Susan Searle (retired from the board in December 2023)	2/2	1/1	2/2 (C)	N/A
Laura Lavers (retired from the board November 2023)	1/1	N/A	N/A	N/A

(C) Chair of the Committee.

* Additional Board meetings were held during the year.






Key activities of the Board in FY24

What the Board and Committees achieved in FY24

The Board met throughout FY24 with an agreed agenda in advance of each meeting. Each Board meeting has standing agenda items such as financial updates on performance.

The Company Secretary provides Board papers in advance of each meeting and ensures that Board feedback on such documentation is fed back to management for improvement. The Company Secretary provides minutes of each meeting. The Board continues to work closely with its AIM Nominated Adviser, Numis, and consults from time to time with Norwegian counsel to ensure compliance with AIM and Euronext Growth Oslo best practices.

Board and Committee activity FY24 timeline

Meeting	Key	Number of meetings in FY24	Meeting	Key	Number of meetings in FY24
Audit		3	AGM		1
Remuneration		2	PLC Board Meeting		7
Sustainability		1			

2023			2024		
Oct	Nov	Dec	Jan	Feb	Mar
	  	 		 	

Topic	Specific actions undertaken
Leadership and effectiveness	<ul style="list-style-type: none"> Approved the appointment of Jonathan Esfandi as member of the Board. Approved the resignation of Susan Searle and Laura Lavers as members of the Board.
Legal, compliance and governance	<ul style="list-style-type: none"> Approved the FY23 Annual Report and Accounts and interim results. Received regular legal, IP and compliance updates from the Group Legal Counsel and Company Secretary. Continued to review the conflict of interest and other significant principal activities of the Directors of the Group, monitoring changes and developments.
Business development and strategy	<ul style="list-style-type: none"> Received ongoing updates throughout the year from the CEO and business area heads on the implementation of the Group's strategy. Received regular updates from the CFO on the implementation of the Information Technology strategy. Extended its RCF in the second quarter from GBP 20.0m to 27.5m RCF. Approved the launch of the Strategic Review in January 2024 following shareholders' consultation. Monitored the Group's sustainability targets and overall ESG strategy.
Employees	<ul style="list-style-type: none"> Received regular updates on health and safety and discussed the continued improvements being made across the Group. Received verbal updates from the Remuneration Committee Chair on the key areas discussed and actions agreed.
Communicating with shareholders/other stakeholders	<ul style="list-style-type: none"> Attended ad hoc meetings with top shareholders, particularly as part of a consultation process in relation to the Strategic Review. Monitored investor engagement and received reports following meetings with shareholders throughout the year. Reviewed regular investor relations reports.



Apr B	May A S	Jun B	Jul B	Aug A	Sep B
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Topic	Specific actions undertaken
Monitoring business performance	<ul style="list-style-type: none"> Received regular updates on the Group's financial performance and cash flow position. Reviewed the capital expenditure pipeline for the next five years and tracked expenditure and progress with significant capital investments. Received regular verbal updates from the Audit Committee Chair on key areas and actions discussed.
Overseeing culture	<ul style="list-style-type: none"> CEO and CFO held monthly town halls with employees throughout the year. Received Board reports from the Head of People.
Risk management	<ul style="list-style-type: none"> Received regular updates on health and safety. Reviewed the Group's risk register which included an assessment of the Group's emerging and principal risks. Received updates from the CFO on the Group's IT strategy (incl. cybersecurity) and its implementation.

Division of responsibilities

Roles within the Board

Role	Name	Responsibilities
Chairman	Peter George	<ul style="list-style-type: none"> • Lead the effective operation and governance of the Board. • Set agendas which support efficient and balanced decision-making. • Ensure effective Board relationships and a culture that supports constructive discussion, challenge and debate. • Understand the views of key stakeholders and seek assurance that they have been considered. • Oversee the annual Board evaluation and identify any actions required. • Lead initiatives to assess the culture across the Group and ensures the Board sets the correct tone.
CEO	Trond Williksen	<ul style="list-style-type: none"> • Lead the development and delivery of strategy and budget, to enable the Group to meet the requirements of its shareholders. • Oversee operation of the day-to-day business of the Group. • Lead and oversee the Executive Management Team of the Group. • Establish an environment which allows the recruitment, engagement, retention and development of the people needed to deliver the Group's strategy.
CFO	Septima Maguire	<ul style="list-style-type: none"> • Support the CEO in developing and implementing strategy. • Provide financial leadership to the Group and align the Group's business and financial strategy. • Responsible for financial planning and analysis, treasury and tax functions. • Responsible for presenting and reporting accurate and timely historical financial information. • Manage the capital structure of the Group. • Investor relation activities, including communications with investors, alongside the CEO.
Non-Executive Directors	Yngve Myhre Kristian Eikre Torgeir Svae Marie Danielsson Jonathan Esfandi	<ul style="list-style-type: none"> • Provide constructive challenge to the Executives, help to develop proposals on strategy and monitor its execution. • Ensure that no individual or group dominates the Board's decision-making. • Promote the highest standards of integrity and corporate governance throughout the Company and particularly at Board level. • Review the integrity of financial reporting and that financial controls and systems of risk management are robust.
Group Legal Counsel & Company Secretary	Jennifer Haddouk	<ul style="list-style-type: none"> • Ensure compliance with Board procedures and support the Chairman. • Secretary to the Board and its Committees. • Ensure the Board has high quality information, adequate time and the appropriate resources. • Advise and keep the Board updated on corporate governance developments. • Consider Board effectiveness in conjunction with the Chairman. • Provide advice, services and support to all Directors, as and when required.

Independence

Independence of the Board

Board composition as at 30 September 2024



● Chairman	1
● Non-Executive Directors	5
● Executive Directors	2

Board independence/roles as at 30 September 2024



● Independent Chairman	1
● Independent Non-Executive Directors	2
● Non-Independent Non-Executive Directors	3
● Executive Directors	2

Board tenure as at 30 September 2024



● 1-3 years	3
● 3-6 years	4
● 6-9 years	1

The Board assessed the independence of each Non-Executive Director upon appointment and determined that they met the criteria for independence. However, exceptions were made for Kristian Eikre, who represents the Company's largest shareholder, FERD, on the Board; Torgeir Svae, who serves as a shareholder representative of Kverva AS, a significant shareholder of the Company; and Jonathan Esfandi, who JNE Partners appointed, another significant shareholder of the Company. The Board reviews independence annually and has concluded that, except for Kristian, Torgeir and Jonathan, the Non-Executive Directors, all remain independent. Following Peter George's return to his Non-Executive Chairman role on 1 August 2020, the Board also considers Peter independent.

Other external appointments

The Board considers a Director's other external commitments when considering them for appointment to satisfy itself that the individual can dedicate sufficient time to the Board and assess any potential conflicts of interest. Our Directors must notify the Chairman of any proposed changes to their external commitments, and prior approval must be sought before any additional external appointments are undertaken.

Executive Directors may accept a non-executive role at another company with the Board's approval. Currently, Trond Williksen (CEO) has other roles outside of the Company. The Board reviewed these positions at the time of Trond's appointment and was comfortable that they would still allow sufficient time for Trond to discharge his responsibilities as CEO effectively. The Board agreed that each role was not significant and will continue to monitor such appointments.

When assessing additional directorships, the Board considers the number of public directorships held by the individual and their expected time commitment for those roles (see biographies on pages 66 to 68). The Board takes into account guidance published by institutional investors and proxy advisers as to the maximum number of public appointments which can be managed efficiently.

Conflict of interest

Directors are obliged to seek authorisation from the Board before taking up any position that conflicts, or that may conflict, with the interests of the Company. The Board is empowered to authorise situations of potential conflict where it sees fit, so that a Director is not in breach of his/her duties. The interested Director is excluded from voting on the resolution to authorise the conflict. The Directors may resolve that any such transaction or arrangement be subject to such terms as they may determine.

All existing external appointments and other such situational conflicts of Directors have been considered and authorised by the Board.

Composition and evaluation

Composition

Directors' appointment

Non-Executive Directors are engaged under the terms of a Letter of Appointment. For further details of Executive Directors' service contracts and termination arrangements, please refer to the Remuneration Report on pages 84 to 92.

Non-Executive Directors are appointed for a specified term, subject to re-election by shareholders, and terms beyond six years are subject to rigorous review. Accordingly, Non-Executive Directors are subject to a one-year term and any renewal of their respective terms are subject to Board review. However, Peter George and Yngve Myhre were appointed for an initial term of three years with a maximum of two additional terms of three years. All Directors are subject to annual re-election at the Company's AGM. Details of the Directors' length of service are set out on page 79.

Induction, business awareness and development

The Chairman is responsible for ensuring that new Directors receive a comprehensive induction, which includes:

- An overview of the Group, its operations and governance framework.
- Briefings on Directors' responsibilities and compliance.
- Site visits to key locations.
- Detailed reviews of strategic projects and initiatives being pursued.
- One-to-one meetings with senior management.

On appointment, Directors receive a formal induction and meet the senior management team as part of the induction process.

Each year, Non-Executive Directors receive presentations from across the businesses to update their knowledge and develop their understanding of the Group. This year, the Board received updates from:

- The Chief Executive Officer, regarding the Group's strategic priorities and implementation.
- The Chief Financial Officer, with respect to the business areas and Group budgets (which also involved a Q&A session with the business area heads). Additionally, the CFO provided updates on the Group's IT strategy and implementation.
- The Group Head of People regarding the Group's people strategy.
- The Group Head of Legal and Compliance regarding the ongoing legal and IP strategy and compliance updates.

Business area heads attended Board meetings as appropriate for discussions relevant to their areas of business or for major initiatives they were leading on.

Key strengths

The table below shows the range of our Board's key strengths based on their education/qualifications, professional background, current activity and expertise in each sector. In addition, further detailed biographies of each of the Group's Directors are shown on pages 66-68:

Directors	Aquaculture	Biotechnology	Sustainability	Financial	Governance, Risk Management and Control	People	Strategy	International	Capital Markets
Peter George		✓	✓	✓	✓	✓	✓	✓	✓
Yngve Myhre	✓			✓	✓	✓	✓	✓	✓
Kristian Eikre				✓	✓	✓	✓	✓	✓
Torgeir Svae	✓	✓		✓	✓	✓			✓
Jonathan Esfandi	✓	✓		✓	✓	✓			✓
Marie Danielsson				✓	✓			✓	✓
Trond Williksen	✓		✓	✓		✓	✓	✓	✓
Septima Maguire		✓		✓	✓		✓	✓	✓

Miscellaneous

Annual Board evaluation

In previous years the Board has conducted an annual evaluation and discussed its results annually, making appropriate changes based on the findings. However, in light of the Strategic Review, the decision has been made not to conduct an evaluation this year to enable the Board to focus on the review process.

Succession planning for the Executive Directors and Leadership Team

With the ongoing Strategic Review, the Board postponed the formal review of talent and succession planning. However, the Group has emergency succession plans in place for its Executive Directors and Executive Management Team, as well as developing medium and long-term plans where internal talent pools have been identified for development and progression opportunities.

Board composition

In December 2023, Susan Searle's mandate ended after 10 years (nine years plus an exceptional one-year extension), and Laura Lavers retired from the Board in November 2023 after one year's tenure.

The Company makes Board appointments on individual merit while recognising the benefits of Board diversity. Our diversity policy aims to ensure that we consider diversity in its broadest sense. A diverse Board has members with a wide range of skills, social and ethnic backgrounds, regional and industry experiences, and genders.

The Board:

- Considers all aspects of diversity when reviewing the Board's composition;
- Encourages the development of high-calibre employees, to create a pipeline of potential Executive Directors;
- Considers a wide pool of candidates for appointment as NEDs, whenever feasible; and
- Considers candidates against objective criteria and with regard to the benefits of Board diversity.

Gender diversity

Benchmark is mindful of the importance of gender diversity at all levels of the Group. It welcomes the targets introduced by the Hampton-Alexander Review, which include a 33% target for female representation on boards and in senior management. Benchmark is committed to achieving this target and attracting the very best diverse talent to our Board and senior management.

As of 30 September 2024, the percentage of female Directors on our Board was 25%, and the percentage of females in the Leadership Team stood at 57%. We are pleased with the steps we are taking concerning gender diversity within the Group's talent pipeline and will continue to prioritise diversity as an important factor in Board composition as and when natural succession changes arise.

Non-Executive Director tenure

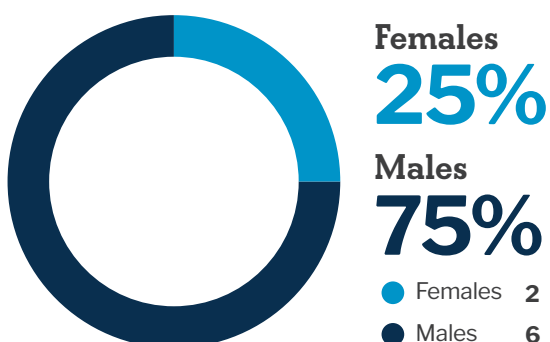
The periods of service of our Non-Executive Directors are set out below as at 30 September 2024.

Name	Position	Date of appointment	Team
Peter George ¹	Chairman	8 May 2018	6 years, 4 months
Yngve Myhre	Non-Executive Director	6 November 2017	6 years, 10 months
Kristian Eikre	Non-Executive Director (not independent)	14 March 2019	5 years, 6 months
Torgeir Svae	Non-Executive Director (not independent)	17 April 2023	1 year, 5 months
Marie Danielsson	Non-Executive Director	30 June 2023	1 year, 3 months
Jonathan Esfandi	Non Executive Director (not independent)	29 November 2023	10 months

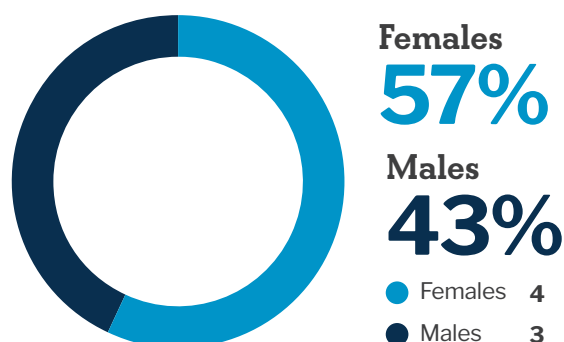
¹ Peter George was a Non-Executive Director except between 19 August 2019 and 1 August 2020 where he stood in as Executive Chairman until the appointment of and handover to Trond Williksen as Chief Executive Officer.

Reviewed the size, structure and composition of the Board

Board gender diversity as at 30 September 2024



Executive Management Team gender diversity as at 30 September 2024



Audit Committee Report



Marie Danielsson
Chair of the Audit Committee

Membership, meetings and attendance

The composition of the Audit Committee during the year was:

Member	Number of meetings attended	Committee tenure
Marie Danielsson (Chair) appointed 28 September 2023*	3/3	1 year
Yngve Myhre	2/3	2 years
Susan Searle (resigned 12 December 2023)	1/3	6 years
Kristian Eikre (appointed 12 December 2023)	2/3	9 months

All Committee members are Non-Executive Directors.

In addition to the Committee members, there are several regular attendees at each meeting. The Chief Financial Officer (“CFO”) and lead external Group Audit Partner typically attend all scheduled Audit Committee meetings. The Audit Committee members regularly take time before or after a meeting, without any Executive Directors or senior management present, to raise any questions and discuss issues with the external auditor. Furthermore, the Chair of the Audit Committee frequently meets the CFO and the external auditor separately to review current issues and developments usually before each meeting of the Audit Committee and such meetings often take place by telephone.

The Audit Committee met three times during the year, and attendance at those meetings is shown in the table above.

Key objective

The Audit Committee acts on behalf of the Board and the shareholders to ensure the integrity of the Group’s financial reporting, evaluate its systems of risk management and internal control and oversee the relationship and performance of the external auditors.

Responsibilities

The main roles and responsibilities of the Committee are:

- To review accounting policies and the integrity and content of the financial and narrative statements;
- To monitor disclosure controls around any formal announcements relating to the Company’s financial performance and procedures and the Group’s internal controls;
- To monitor the integrity of the financial and narrative statements of the Group;
- To consider the adequacy and scope of external audits;
- To review and monitor the objectivity, independence and effectiveness of the external auditor, including the development and implementation of policy on the engagement of the external auditor to supply non-audit services; the scope and expenditure on non-audit work; and approval of the auditor remuneration and reporting to the Board as to how they have discharged these responsibilities. When appropriate, to conduct the tender process for a new auditor and make recommendations to the Board;
- To monitor and review the effectiveness of the Company’s internal controls and, in the absence of an internal audit function, considering annually whether there is a need for one and make a recommendation associated with this to the Board;
- To review and recommend the statements to be included in the Annual Report on internal control and risk management; and
- To review and report on the significant issues and judgements considered in relation to the financial and narrative statements and how they are addressed.

The Committee’s terms of reference are reviewed annually and a summary is available on the Governance section of our website at www.benchmarkplc.com.

Judgements and significant risks considered by the Audit Committee with respect to the Interim and Annual Reports

Going concern

The Committee was presented by management with an assessment of the Group's future cash forecasts and profit projections, available facilities, facility headroom, banking covenants and the results of a sensitivity analysis. Detailed discussions were held with management concerning the matters outlined in the basis of preparation in Note 1 to the financial statements. In particular, the options available for ensuring the continued availability of sufficient financial resource in the going concern period with the expiry of the Group's USD £27.5m revolving credit facility and NOK 750m bond in March and June 2025 and September 2025 respectively have been discussed with management. Repayment is dependent upon the completion of the sale of Genetics which was announced following finalisation of the Strategic Review on 25 November 2024, and completion of the sale is expected to take place in the first quarter of 2025 after shareholder approval and appropriate regulatory clearances have been received. While no issues are foreseen with these clearances this is not under the control of management, and no active steps have been made to refinance these facilities at present, so this represents a material uncertainty as disclosed in Note 1. Recent restructuring actions and good relationships with existing funding providers give the Directors confidence about the ability to successfully renew or replace the facility should the sale fail to complete. The Committee discussed the assessment with management and was satisfied that the going concern basis of preparation continues to be appropriate for the Group and adequate disclosure has been provided in Note 1.

Valuation of goodwill and intangible assets

The Committee considered the carrying value within the accounts of the Group's businesses, including goodwill and intangible assets. Management performed an annual impairment review on goodwill and other intangible assets held within the Group.

During the year the business made the decision to pause operations on the business area's new sea lice treatment (Ectosan Vet/CleanTreat) until a more commercially sensible deployment model could be adopted. A prudent assumption was used in the Health business forecast to exclude any future Ectosan Vet/CleanTreat operations from the business plan and continue to trade primarily using the business area's existing and well-established sea lice treatment (Salmosan Vet).

As a result, capitalised development costs relating to Ectosan Vet/CleanTreat of £13.3m were impaired to nil. In addition, an impairment charge of £2.0m was made to capitalised development costs within Advanced Nutrition for products no longer expected to be commercialised in the short term.

Historically, value in use calculations have been used to determine the recoverable amounts in the impairment testing for all CGUs, but restructuring of the group following the highly probable sale of Genetics led to a change in methodology to use fair value less costs to sell calculations. Specific details of these are provided in note 17.

The Committee reviewed management's recommendations, which were also reviewed by the external auditor, including an evaluation of the appropriateness the methodology used, the calculated weighted average cost of capital and of the identification of cash-generating units and other assumptions applied in determining asset-carrying values. The Committee was satisfied with the assumptions and judgements applied by management and agreed with the assessment that no impairments other than those identified above were necessary in FY24, and that the disclosure in note 17 was appropriate.

Management override of internal controls

The Committee considered the inherent risk of management override of internal controls as defined by auditing standards. In doing so, the Committee continues to review the overall robustness of the control environment, including consideration of the Group's whistleblowing arrangements and the review by the external auditor.

Revenue recognition

The Committee considered the inherent risk of fraud in revenue recognition as defined by auditing standards and was satisfied that there were no issues arising.

Valuation of biological assets

The Group holds significant biological assets on the balance sheet at fair value less costs to sell, with the valuation dependent on some subjective assumptions, including some which relate to future egg sale prices and volumes and seasonal variations. The Committee considered the accounting policy employed by the Group for biological assets, the assumptions used in the valuation calculations and the disclosures provided in the financial statements. The Committee was satisfied with the accounting policy in force and with the estimates and judgements applied by management in employing this policy which remains consistent with previous years.

Audit Committee Report continued

Discontinued operations and assets held for sale

An assessment was made by management at the year end of the status of the Strategic Review, and the likelihood of any sales taking place as at that date. They concluded that the sale of Genetics was considered highly probable, but no sale of Advanced Nutrition or Health was likely. As a result, the Genetics results for the year were reclassified as discontinued operations with a restatement made to the figures reported in FY23, and the assets and liabilities of the Genetics business have been transferred into assets and liabilities held for resale. Details of these are contained within notes 12 and 23 to the financial statements respectively. The Committee agreed with this treatment.

Discontinued operations in the prior year related to the disposal of the Group's tilapia business in September 2023, the treatment of which was considered and agreed by the Committee last year.

Valuation of inventory within Health

During the year a decision was made to pause operations on the business area's new sea lice treatment (Ectosan Vet/CleanTreat) until a more commercially sensible deployment model could be adopted. Included within the inventory balance at 30 September 2024 is £5.2m of inventory relating to Ectosan Vet/CleanTreat, the recoverability of which is a judgement as management continue to engage with prospective customers on establishing a deployment model. The resolution of the uncertain recoverability of this inventory could result in a material write off. This disclosure has been included in note 2 to the financial statements (critical accounting estimates and judgements), and was discussed with the Committee and the treatment agreed.

Presentation of results

At the request of the Board, the Committee reviewed the presentation of the Group's unaudited results for the six months to 31 March 2024 and the audited results for the year to 30 September 2024. In conducting this review, focus was given to the disclosure included in the basis of preparation in Note 1 to the financial statements in relation to the Group's financial projections and the suitability of the going concern assumption, particularly in light of the current market conditions for certain of the Group's products, the impending repayment due dates for the revolving credit facility and the NOK bond which both occur within the next 12 months and the assumptions around the completion of the deal reached post year end to sell the Genetics business.

Particular attention continues to be paid to the presentation of the results in the income statement, which uses alternative profit measures as performance indicators. The Board considers current treatment which retains reference to "Adjusted EBITDA" and "EBITDA" to remain appropriate. EBITDA is "earnings before interest, tax, depreciation and amortisation", and Adjusted EBITDA is "EBITDA before exceptional items and acquisition related expenditure". "Adjusted Operating Profit/Loss", which adjusts Adjusted EBITDA to include depreciation and amortisation of capitalised development costs to reflect their part in the underlying performance of the Group is also used, as well as Adjusted EBITDA excluding fair value movement in biological assets, which adjusts Adjusted EBITDA by removing the change in value of biological assets related to fair value assumptions. The Board regards these measures as an appropriate way to present the underlying performance and development of the business, reflecting the continuing investment being made by the Group, particularly in relation to

past and future acquisition activity, and this is how the Board monitors progress of the existing Group businesses.

Risk management

Effective risk management and control is key to the delivery of the Group's business strategy and objectives. Risk management and control processes are designed to identify, assess, mitigate and monitor significant risks, and can only provide reasonable and not absolute assurance that the Group will be successful in delivering its objectives. The Board is responsible for the oversight of how the Group's strategic, operational, financial, human, legal, environmental and regulatory risks are managed and for assessing the effectiveness of the risk management and internal control framework but delegates the oversight for financial risk to the Audit Committee.

The Principal Risks and Uncertainties section on pages 58 to 65 describes the Group's risk management procedures and the work completed in the year.

Internal audit

No further progress has been made in relation to implementing an internal audit function while the Strategic Review has been conducted during the year. The Committee is satisfied with the assurance around risk obtained from existing controls and procedures, including sample testing some of the controls and reconciliations in each business area identified during quarterly reviews of the controls being performed by each business area.

Safeguards and effectiveness of the external auditor

The Committee recognises the importance of safeguarding auditor objectivity. The following safeguards are in place to ensure that auditor independence is not compromised.

- The Audit Committee conducts an annual review of the external auditor as to its independence from the Group in all material respects and that it is adequately resourced and technically capable of delivering an objective audit to shareholders. Based on this review, the Audit Committee recommends to the Board the continuation, or removal and replacement, of the external auditor;
- A tax adviser separate from the external auditor is engaged to provide tax-related services;
- The external auditor may provide audit-related services such as regulatory and statutory reporting as well as formalities relating to shareholder and other circulars;
- Non-audit services carried out by the external auditor are generally limited to work that is closely related to the annual audit, where the work is of such a nature that a detailed understanding of the business is beneficial or where work to be carried out is mandated to be performed by the external auditor;
- The Audit Committee reviews all fees paid for audit services regularly to assess the reasonableness of fees, value of delivery and any independence issues that may have arisen or may potentially arise in the future;
- The Audit Committee monitors these costs in absolute terms and in the context of the audit fee for the year to ensure that the potential to affect auditor independence and objectivity does not arise. The Committee does not adopt a formulaic approach to this assessment. The split between audit and non-audit fees for 2024 and information on the nature of the non-audit fees incurred is detailed in Note 6 accompanying the consolidated financial statements.

- The external auditor reports to the Directors and the Audit Committee regarding their independence in accordance with Auditing Standards. KPMG's policy, in line with guidance, is that audit partners are required to be rotated every fifth year. John Pass, the previous audit partner, has rotated off the audit team for the current year, ended September 2025 and has been replaced by Kate L'Estrange; and
- Different teams are used on all other assignments undertaken by the auditor.

The Audit Committee monitors the effectiveness of the external audit. To comply with this requirement, the Committee reviews and comments on the external audit plans before approval. It then considers progress during the year by assessing the major findings of their work, the perceptiveness of observations, the implementation of recommendations and management feedback. At the request of the Board, the Committee also monitors the integrity of all financial and narrative statements in the Annual Report and half-year results statements and the significant financial reporting judgements contained in them. Further details of the Committee's procedures to review the effectiveness of the Group's internal control systems during the year can be found in the section on effective risk management and internal control.

The Committee recognises that all financial statements include estimates and judgements by management. The key audit areas are agreed upon with management and the external auditors as part of the year-end audit planning process. This includes an assessment by management both at business unit and at Group level of the significant areas requiring management judgement. These areas are reviewed with the auditors to ensure that appropriate levels of audit work are performed and the results of this work are reviewed by the Committee.

Effective risk management and internal control

One of the Board's key responsibilities is to ensure that management maintains a system of internal control that provides assurance of effective and efficient operations, internal financial controls, and compliance with law and regulation. The Group's systems are designed to identify principal and emerging financial and other risks to the Group's business and reputation, and ensure that appropriate controls are in place. Consideration is given to the relative costs and benefits of implementing specific controls.

Assurance

On behalf of the Board, the Audit Committee examines the effectiveness of:

- The systems of internal control, primarily through reviews of the financial controls for financial reporting of the annual, preliminary and half-yearly financial statements and a review of the nature, scope and reports of external audit;
- The management of risk by reviewing evidence of risk assessment and management and;
- Any action taken to manage critical risks or to remedy any control failings or weaknesses identified, ensuring these are managed through to closure.

Where appropriate, the Audit Committee ensures that necessary actions have been or are being taken to remedy or mitigate significant failings or weaknesses identified during the year, either from internal review or from recommendations raised by the external auditor. The Group's internal controls

over the financial and narrative reporting and consolidation processes are designed under the supervision of the CFO to provide reasonable assurance regarding the reliability of financial and narrative reporting and the preparation and fair presentation of the Group's published financial statements for external reporting purposes in accordance with IFRSs.

Because of its inherent limitations, internal control over financial and narrative reporting cannot provide absolute assurance. It may not prevent or detect all misstatements, whether caused by error or fraud. The Group's internal controls over financial and narrative reporting and the preparation of consolidated financial information include policies and procedures that provide reasonable assurance that transactions have been recorded and presented accurately.

Management regularly conducts reviews of the internal controls in place in respect of the processes of preparing consolidated financial information and financial and narrative reporting. During the year, there were no changes to the internal controls over these processes that have or are reasonably likely to materially affect the level of assurance provided over the reliability of the financial statements.

Risk management and internal control system features

Risk management control system

As well as the risks that management identify through the ongoing processes of reporting and performance analysis, the Audit Committee has additional risk identification processes, which include:

- Risk and control process for identifying, evaluating and managing major business risks. A risk register is maintained, defining each business risk identified and quantifying its likely impact to ensure adequate priority is given to each in turn;
- External audit reports, which comment on controls to manage identified risks and identify new ones; and
- A confidential whistleblowing helpline and an email address available for employees to contact a designated Non-Executive Director in confidence.

Internal control system

The internal controls which provide assurance to the Committee of effective and efficient operations, internal financial controls and compliance with law and regulation include:

- A formal authorisation process for investments;
- An organisational structure where authorities and responsibilities for financial management and maintenance of financial controls are clearly defined;
- Anti-bribery and corruption policies and procedures and a dedicated email hotline designed to address the specific areas of risk of corruption faced by the Group; and
- A comprehensive financial review cycle where annual budgets and subsequent reforecasts are formally approved by the Board and monthly variances are reviewed against detailed financial and operating plans.

Remuneration Committee Report

For the year ended 30 September 2024



Peter George
Chair of the Remuneration Committee

Composition as at 30 September 2024

The members of the Remuneration Committee during the year were:

Member	Number of meetings attended	Committee tenure
Susan Searle (retired from the Board on 12 December 2023)	2/2	10 years
Peter George (Chair since the 12 December 2023)	2/2	6 years
Yngve Myhre (appointed on 12 December 2023)	0/0	1 year
Marie Danielsson (appointed on 28 September 2023)	2/2	1 year

Statement from Peter George, Chair of the Remuneration Committee

Our performance in 2024 and pay outcomes in FY24

Despite a year of challenging market conditions for the Group which impacted growth and profitability, the Leadership Team has made excellent progress in ensuring that our fundamentals remain strong and we are well placed to take advantage of opportunities.

We made good operational progress across all three business areas where efficiencies and financial discipline were areas of particular focus. Advanced Nutrition maintained its market leading position and launched a new subsidiary in India, while Genetics delivered well in our growth vectors with particular success in Chile. Health undertook a substantial programme of reorganisation; reducing costs and simplifying its structure as the business focuses on maintaining its position in medicinal sea lice treatment through Salmosan®Vet, whilst retaining the capability to deploy CleanTreat® and Ectosan®Vet.

Employee engagement remains high in Benchmark, serving well to sustain commitment throughout the Strategic Review process. Global and locally-driven initiatives have focused on maintaining this engagement throughout the year. We continued our programme of people-focused town halls and, together with sustainability webinars, continued our focus on employee well-being. Through our People Agenda we delivered a variety of diversity, health and well-being campaigns for people to engage with as well as launching a new approach to people management and management development. The team also expanded its focus on the ESG agenda and further information on our ESG strategy can be found on page 32-57.

For the financial year 2024, the Group's overall financial performance outcome was below the target set for annual bonus purposes and therefore, in line with the remuneration policy, the Remuneration Committee did not approve bonus payments for the Chief Executive Officer and Chief Financial Officer. Further details are shown on page 89.

Despite the strong performance of the Executive Directors and their teams, the share price has not improved over the year. At the same time, the Remuneration Committee took the view that making share awards in financial year 2024 was crucial both for aligning the interests of the Leadership Team with those of the shareholders and to manage talent risk at senior levels. The Non-Executive Directors consulted with Benchmark's largest shareholders of the Group on a new Long-Term Incentive Plan (the "New LTIP") with a view to creating a simple incentive plan that aligns the potential rewards with shareholder returns and acts as an attractive scheme to retain the senior management team and incentivise shareholder value creation.

On 12 December 2023, the Executive Directors were granted an award of Restricted Shares and an award of Performance Shares in the form of nominal cost options under the New LTIP. The vesting period is deliberately a two-year period with vesting of awards subject to continued service and, in the case of Performance Shares, the extent to which the performance conditions are achieved. For the Performance Shares, the awards are subject to achieving challenging absolute Total Share Return ("TSR") targets which require substantial growth with vesting of 20% of max, starting for growth of 188% , rising on a straight-line basis to full vesting for growth of 269%. The combined value of the awards on grant amounted to 250% of salary for the Chief Executive Officer and 250% of salary for the Chief Financial Officer. The award levels were set after considering the value of the current pipeline of awards, the criticality of retaining the Executive Directors, the significant stretch attached to the performance range and the intention that no LTIP awards would be made in the financial year 2025. The Committee's rationale for the vesting period of less than the usual three years took into account the need to retain the Executive Directors for the next two years to lead the Strategic Review of the Group (see pages 2–65), the desire to accelerate and enhance the incentive effect of the plan and to align the interests of the Leadership Team with those of the investors.

Restricted shares in the form of nominal cost options were also awarded to senior employees below the EMT under the New LTIP, with a three-year vesting period.

Looking forward to FY25

A budget of 3.79% was approved for salary increases across the Group for 2025. Our approach to the annual salary review process takes into account the inflationary environment, cost of living, affordability and the cost of labour pressures facing all our people in the markets in which we operate.

The CEO has been awarded a salary increase of 3.3% which will increase his salary to £454,700 with effect from 1 January 2025. The CFO has been awarded an increase of 3.3% which will increase her salary to £309,900 with effect from 1 January 2025. These increases are in line with the average increase for employees in the UK.

We shall, as usual, be submitting the Directors' Remuneration Report, on a voluntary basis, for shareholder approval via an advisory vote at the AGM. We welcome the views of our shareholders on remuneration which the Remuneration Committee believes is key to the success of Benchmark Holdings.

Peter George

Chair of the Remuneration Committee

12 December 2024

Remuneration Committee Report continued

Annual Report on Remuneration

An overview of the Remuneration Committee's membership and work

The composition of the Remuneration Committee during the year was:

- Peter George (Chair);
- Yngve Myhre (appointed on 12 December 2023);
- Marie Danielsson (appointed on 28 September 2023);
- Susan Searle (former Chair and retired on 12 December 2023).

The Committee membership comprises two independent Non-Executive Directors and the Chairman who was independent on his appointment to the Board. The Company Secretary acts as secretary and the Group Head of People attends Committee meetings. At appropriate times, the Committee has invited the views of the Chief Executive Officer and the Chief Financial Officer. No individual is present when his or her own remuneration or fees are discussed. The Committee continues to seek professional, independent advice as and when it is required from FIT Remuneration Consultants LLP.

The Committee is provided with an overview of remuneration policies for employees throughout the business to assist in its consideration of remuneration packages of the Executives and senior management to ensure consistency and alignment.

Key objectives: The key objectives of the Remuneration Committee are to develop the Company's policy on Executive remuneration and to determine the remuneration of the Executive Directors, Chairman of the Board and the Group's most senior managers.

Responsibilities: The main responsibilities of the Committee are to:

- Monitor and develop the Group's remuneration policy;
- Determine the remuneration of the Executive Directors;
- Approve the service agreements of the Executive Directors;
- Determine the remuneration of senior management;
- Determine the Chairman's fee;
- Review the Group's annual bonus proposals (including performance measures and targets) and to approve bonus payments for the Executive Directors and Executive Management Team;
- Approve the design of and oversee all awards under the Group's share incentive plans and to approve performance measures and targets;
- Consider the Group's engagement with employees and monitor remuneration policies for all employees in Benchmark;
- Consider risks to the Group in light of its remuneration policies; and
- Consider the gender pay gap across the Group, evaluate what this means and review action plans to close the gaps.

The Remuneration Committee's terms of reference are available on the governance section of our website at www.benchmarkplc.com/investors/corporate-governance/

Decisions and actions undertaken during the year

During the year, and the period prior to publication of the Annual Report, the Committee:

- Approved base salary increases for the Executive Directors of 2% for our CEO and 8% for our CFO with effect from 1 January 2024;
- Approved the partial vesting of performance share options granted in January and May 2021 at a level of 24.9% following the end of the performance period;
- Approved the award of ordinary shares to Executive Directors and senior management under the Group's New LTIP; and
- Acted as a sounding board on topics such as employee engagement, culture, diversity and values ahead of further detailed Board debate.

Although there is no statutory obligation for Benchmark to report on the gender pay gap, we have done so on a voluntary basis for 2024.

Voting history

The Directors' Remuneration Report for the year ended 30 September 2023 was subject to an advisory vote at the Annual General Meeting held on 8 February 2024. The Remuneration Committee for several years has chosen to publish an informative Remuneration Report and to give shareholders the opportunity to vote on the Report at the Annual General Meeting even though it is not a requirement. The Report was last year approved by 87.31%.

The Board is satisfied that the Directors' Remuneration Policy ("Policy") is effective and supports long-term value creation and Benchmark's purpose, strategy and culture. The 2018 QCA Code applies to Benchmark Holdings with effect from the financial year starting 1 October 2024. The Board does not intend to submit the Policy to shareholders for approval as is encouraged by the 2018 QCA Code. This is largely because it is not a requirement for AIM-listed companies to do so and our three largest shareholders are represented on the Board as Non-Executive Directors. We also set out our Policy in the Annual Report on Remuneration. The Board will keep this matter under review.

Single total figure of remuneration for the financial year ended 30 September 2024

The remuneration in respect of qualifying services of the Directors who served during the financial year ended 30 September 2024 is as set out below:

Executive Directors Financial year 2024

	Salary (£) (a)	Bonus (£) (b)	Taxable benefits (£) (c)	Long-term incentive (£) (d)	Pension (£) (e)	Total fixed Remuneration (£) 2024	Total Variable Remuneration (£) 2024	Total Remuneration (£) 2024
Trond Williksen	456,900	0	1,975	712,077	43,797	502,672	712,077	1,214,749
Septima Maguire	294,438	0	1,722	483,075	29,437	325,597	483,075	808,672

- (a) The base salary reported above reflects the 2024 increase of 2% and 8% (subject to rounding) with effect from 1 January 2024. Trond Williksen's base salary amount includes holiday pay in accordance with Norwegian Holidays Act (Lov om ferie (ferieloven)). Approved base salary amount for Trond Williksen was £440,130 in FY24.
- (b) No bonuses will be paid in January 2025.
- (c) Benefits provided for all Executive Directors are medical insurance coverage for the Directors and their families, and death in service benefits.
- (d) The Executive Directors did not make any gains on the exercise of any share options during 2024 or 2023. The Non-Executive Directors consulted with Benchmark's major shareholders on a new Long-Term Incentive Plan ("New LTIP") with a view to creating a simple incentive plan that aligns the potential rewards with shareholder returns and acts as an attractive scheme to retain the senior management team and incentivise shareholder value creation. Under the terms of the New LTIP, Trond Williksen and Septima Maguire were granted both a Restricted Shares award and a Performance Shares award over ordinary shares of 0.1p each. On 12 December 2023, Trond Williksen was granted 1,825,420 Restricted Shares and 1,216,940 Performance Shares. Similarly, Septima Maguire was granted 1,244,230 Restricted Shares and 829,490 Performance Shares. The awards will ordinarily vest and become exercisable at an exercise price of 0.1p per share on 12 December 2025 subject to continued service and, for the Performance Shares, to the extent performance conditions are achieved. For Trond Williksen the figures above comprise £660,195 in respect of Restricted Shares granted in 2024 and £51,882 in respect of Performance Shares which vested in 2024. For Septima Maguire the figures above comprise £450,000 in respect of Restricted Shares granted in FY24 and £33,075 in respect of Performance Shares which vested in FY24. The values for Restricted Shares are based on the 3-day average share price prior to the date of grant (£0.3617) and the values for Performance Shares are based on the closing share price on the date of vesting (£0.349).
- (e) The Executive Directors receive 10% employer pension contribution. This is paid into their respective pension funds with any excess to the annual or lifetime limits paid as an allowance.

Financial year 2023

	Salary (£) (a)	Bonus (£) (b)	Taxable benefits (£) (c)	Long-term incentive (£) (d)	Pension (£) (e)	Total fixed Remuneration (£) 2023	Total Variable Remuneration (£) 2023	Total Remuneration (£) 2023
Trond Williksen	440,056	342,180	1,901	210,429	42,638	484,595	552,609	1,037,204
Septima Maguire	273,812	224,005	1,454	134,142	26,703	301,969	358,147	660,116

- (a) The base salary reported above reflects the 2023 increase of 5% and 6% (subject to rounding) with effect from 1 January 2023. Trond Williksen's base salary amount includes holiday pay in accordance with Norwegian Holidays Act (Lov om ferie (ferieloven)). Approved base salary amount for Trond Williksen was £431,500 in FY23.
- (b) Cash bonuses will be paid in January 2024 and are based on the salary at 30 September 2023.
- (c) Benefits provided for all Executive Directors are medical insurance coverage for the Directors and their families, and death in service benefits.
- (d) The Executive Directors did not make any gains on the exercise of any share options during 2023 or 2022. On 19 April 2023, Trond Williksen was granted 568,727 share options which will vest on 19 December 2024 with an exercise price of 0.1p. These options do not have performance related conditions attached to them. The value on the date of grant was £210,429. Similarly, on 19 April 2023, Septima Maguire was granted 362,547 share options which will vest on 19 December 2024 with an exercise price of 0.1p. These options do not have performance related conditions attached to them. The value on the date of grant was £134,142.
- (e) The Executive Directors receive 10% employer pension contribution. This is paid into their respective pension funds with any excess to the annual or lifetime limits paid as an allowance.

Remuneration Committee Report continued

Annual Report on Remuneration continued The Chairman and the Non-Executive Directors

	Fees (£)	
	2024	2023
Kristian Eikre	45,320 ^{^,^^}	44,400
Susan Searle	15,737 ^{**}	53,018*
Yngve Myhre	49,862	45,518*
Laura Lavers	6,356 ^{**^,^^}	37,500 [^]
Torgeir Svae	45,320 ^{^,^^}	20,000 [^]
Peter George	132,090	121,380*
Marie Danielsson	55,500	12,333
Jonathan Esfandi	31,781 ^{*,^}	-
Kevin Quinn	1,846 ^{^^}	52,678 [^]
Atle Eide	585 ^{^^}	21,692 ^{**}

* It was intended that the Chairman's fee and the base fee for the Non-Executive Directors would be increased by 5% (rounded up) with effect from 1 January 2023. However, the increases agreed for January 2023 in the case of the Chairman by the Remuneration Committee and in the case of the other Non-Executive Directors by the Chairman and the Executive Directors were not implemented in 2023 and the fees were adjusted accordingly in FY24, with back pay paid in November 2023. Other than the services fees noted in the above table, the Chairman and the other Non-Executive Directors received no other benefits.

** Pro-rated according to length of active service.

[^] Kristian Eikre, Laura Lavers (former shareholder representative of JNE), Torgeir Svae and Jonathan Esfandi are shareholder representatives and are not paid by Benchmark. These amounts represent an apportionment of the remuneration from the respective shareholders they represent for the service provided to Benchmark.

^{^^} The figures for 2024 have been increased by the relevant country CPI in September 2024 (3% in Norway; 1.7% in the UK).

^{^^^} Backdated payments for an increase to director's fees missed in FY23. Payments made in November 2023.

Executive Directors' annual bonuses for the financial year ended 30 September 2024

The annual bonus scheme allows for up to 100% of salary to be awarded based on the successful delivery of financial performance as measured by Adjusted EBITDA and free cash flow (70% of bonus) and five strategic priorities (30% of bonus) based on the delivery of key projects and organisational change. Performance against both financial targets was below target, so the threshold for payment of bonuses to the Chief Executive Officer and Chief Financial Officer was not met, and no bonus payments were made.

Defined contribution pension scheme

All Executive Directors participate in defined contribution pension schemes which are in alignment with those available to employees in the UK and Norway respectively. Trond Williksen participates in a Norwegian pension scheme.

In accordance with the policy set out on page 87, the Company contributes 10% of salary for each Executive Director.

Long-term incentive awards ("LTIP") granted during year ended 30 September 2024

In December 2023, Restricted Shares and Performance Shares were awarded to Septima Maguire and Trond Williksen in line with the New LTIP following extensive consultation with our major shareholders. These awards have a two-year vesting period (starting from 12 December 2023) with vesting subject to continued service, and for the Performance Shares, to the extent performance conditions are achieved.

Director	No. of shares over which awards granted
Trond Williksen (CEO)	Restricted Shares: 1,825,420
	Performance Shares: 1,216,940
Septima Maguire (CFO)	Restricted Shares: 1,244,230
	Performance Shares: 829,490

The Performance Shares awards conditions set threshold to stretch targets in respect of the Company's total shareholder return ("TSR") over the two-year period following the grant of the awards. No portion of the Performance Shares awards shall vest unless the Company's TSR over the performance period reaches the threshold target.

Absolute TSR Growth	Vesting of performance shares
Below 188% ¹	0%
At 188%	20%
Between 188% and 269% ²	20% – 100% on a straight-line basis
At 269% or above	100%

1 Equivalent to an end share price of 70p from a three-month average base position of 37.17p.

2 Equivalent to an end share price of 100p from a three-month average base position 37.17p.

Long-term incentive awards (“LTIP”) vesting in relation to performance 30 September 2024

Awards granted in December 2021 were subject to performance criteria which ended 30 September 2024. Half of the awards were subject to an EPS condition, the threshold of which was not met and therefore lapsed. The remaining half of the awards were subject to a relative TSR condition measured against the constituents of the FTSE AIM 100 Index. This condition was achieved at 52.4% of the maximum, meaning that 26.2% of the total awards will vest, subject to continued service, in December 2024.

The value of LTI awards shown in the table on page 87, does not include the value of these December 2021 awards expected to vest to the Executive Directors, using the three month average share price to the end of 30 September 2024.

The table on page 87 includes the award granted in January 2021 which was subject to performance criteria and partially vested on 5 January 2024.

Executive Directors’ external appointments

The Executive Directors who held non-executive directorships or external appointments with organisations other than the Company in the financial year ended 30 September 2024 are set out on pages 66 to 68.

Statement of implementation of our remuneration policy in 2024/5

Executive Directors’ salaries

The CEO and CFO have been awarded salary increases of 3.3%, resulting in salaries of £454,700 and £309,900 with effect from 1 January 2025. This is in line with the UK workforce increase.

	Salary (£) 2025	Salary (£) 2024	Increase in salary 2024 to 2025 (%)
Trond Williksen	454,700	440,130	3.3
Septima Maguire	309,900	300,000	3.3

Bonus

Due to the focus on the Strategic Review, the 2024/25 annual bonus plan has not yet been finalised. Any plan that is put in place will be implemented in line with the remuneration policy framework and will comprise a mixture of financial and non-financial objectives. The financial measures for the financial year 2025 will be directly linked to achievement of the budget and the non-financial measures relate to the strategic priorities.

Long-term incentive awards (“LTIP”)

Due to the exceptional nature of the awards granted in financial year 2024, no additional grant will be made for financial year 2025.

The fees of the Chairman and the Non-Executive Directors for the financial year ended 30 September 2024

The Chairman’s fee remained unchanged in 2024 at £127,500 per year and will not be reviewed for 2025.

The Non-Executive Directors’ fees

In 2024, the fees of the Non-Executive Directors were unchanged, resulting in a fee structure of £42,000 for those who do not serve on a Committee, and £48,000 for those who are Committee members. In addition, Susan Searle and subsequently Peter George received an allowance of £7,500, pro-rated to reflect the additional time commitment and responsibilities as chair of the Remuneration Committee. There will be no change to the fees or allowances for 2025.

Remuneration Committee Report continued

Additional information on Directors' interests

Directors' interests under the Company's employee share plans (unaudited)

Details of the Executive Directors' interests in share awards under the employee share plans during the financial year ended 30 September 2024 are set out below:

	Share option scheme	Options held at 30 September 2023	Options exercised in year	Options forfeited in year	Options granted in year	Options held at 30 September 2024	Exercise price	Grant date	Date from which exercisable
Septima Maguire	CSOP I	70,588	-	-	-	70,588	42.5p	21 February 2020	20 February 2023
Septima Maguire	CSOP II	329,412	-	-	-	329,412	42.5p	21 February 2020	20 February 2023
Septima Maguire	CSOP II	600,000	-	-	-	600,000	31.5p	2 June 2020	1 June 2023
Septima Maguire	CSOP II	380,597	-	285,828	-	94,769	0.1p	5 January 2021	4 January 2024
Septima Maguire	CSOP II	412,693	-	-	-	412,693	0.1p	7 December 2021	6 December 2024
Septima Maguire	CSOP II	362,546	-	-	-	362,546	0.1p	19 April 2023	19 December 2024
Septima Maguire	New LTIP	-	-	-	2,073,720	2,073,720	0.1p	12 December 2023	12 December 2025
Trond Williksen	CSOP II	1,500,000	-	-	-	1,500,000	31.5p	2 June 2020	1 June 2023
Trond Williksen	CSOP II	597,015	-	448,358	-	148,657	0.1p	5 January 2021	4 January 2024
Trond Williksen	CSOP II	647,360	-	-	-	647,360	0.1p	7 December 2021	6 December 2024
Trond Williksen	CSOP II	568,727	-	-	-	568,727	0.1p	19 April 2023	19 December 2024
Trond Williksen	New LTIP	-	-	-	3,042,360	3,042,360	0.1p	12 December 2023	12 December 2025

Directors' interests in ordinary shares (unaudited)

At 30 September 2024, the interests of the Directors (and those who served as a Director during the year) and their connected persons in ordinary shares was as follows:

	Interests in ordinary shares at 30 September 2024	% of Company's issued share capital at 30 September 2024	Interests in ordinary shares at 30 September 2023
Trond Williksen	270,000	0.04	270,000
Septima Maguire	342,028	0.05	342,028
Peter George	3,145,719	0.43	3,145,719
Yngve Myhre	1,326,401	0.18	1,326,401
Susan Searle	-	-	224,625
Laura Lavers	-	-	530,000
Kristian Eikre	-	-	-
Torgeir Svae	-	-	-
Marie Danielsson	-	-	-
Jonathan Esfandi	-	-	-

A summary of the Directors' remuneration policy

The Group's remuneration policy seeks to balance three key objectives:

- To pay competitively in the relevant talent markets to sustain motivation and commitment, in light of Benchmark's style and culture.
- To remunerate in a way that makes economic sense for the Company, ensuring there is a fair balance of return to the Executive Team, management, employees and shareholders for their contributions to the Company's success.
- To encourage the cooperative behaviours which promote business priorities and lead to high performance.

Pursuant to the remuneration policy approved in November 2020, the Executive Directors' remuneration comprises fixed elements in the form of a base salary, benefits and pension contributions and variable elements in the form of an annual cash bonus scheme and Long-Term Incentive Plan ("LTIP").

Fixed elements of remuneration

The fixed elements of the Executive Directors' remuneration are designed to attract and retain Directors of the appropriate calibre, with the requisite knowledge, skills and experience, and to sustain motivation and commitment.

The Executive Directors may participate in defined contribution pension schemes with the Company contributing 10% of the Executive's salary. They may instead receive a cash allowance of up to 10% of salary or a combination. The Executive Directors also receive private medical insurance for themselves and their families and death in service benefits.

Variable elements of remuneration

Executive Directors are eligible for an annual performance bonus. The maximum award is 100% of salary. The bonus is designed to reward and incentivise success leading to sustainable long-term growth and to recognise the Directors' commitment and contribution to the business.

The remuneration policy approved by the Remuneration Committee enables the use of discretion to override formulaic outcomes in line with the requirements of the UK Corporate Governance Code.

The Executive Directors are also eligible to participate in the Long-Term Incentive Plan with a normal maximum award of 100% of salary. The performance period in respect of the share awards is usually three years, and in the case of the Executive Directors any vested shares will usually be subject to a holding period of two years. The awards in 2024 under the New LTIP are exceptional and take account of the specific requirements of the Group, shareholders' expectations and the Strategic Review.

Statement of consideration of employment conditions elsewhere in the Group

Historically, the salaries across the Group have been increased annually by reference to the consumer price index ("CPI") in each country in which the Company operates. Budgets include an additional reserve to account for adjustments made for additional responsibilities taken on by employees, promotions and market adjustments.

All employees participate in an annual bonus plan with bonus potential determined in accordance with the remuneration policy.

The Company believes it is important to invest in, develop and reward the contribution of our senior managers and our approach to long-term share-based pay fosters a culture of cooperation and shared participation in the Group's achievements. In December 2023 and February 2024, the Company issued 14,174,458 share options to 69 employees across the Group. Where we are unable to grant options, a cash mirror scheme is operated to ensure consistent treatment of the teams globally.

Remuneration Committee Report continued

Executive Directors' service contracts and remuneration on termination

The Company's policy is that the contracts of the Executive Directors are normally terminable by either party on six months' notice at any time, and by the Company at any time and without compensation in case of serious misconduct, breach of duty or in similar circumstances. In the event of termination by the Company without cause, the Executive Director is entitled to receive payment of salary for any unexpired notice period and any accrued holiday entitlement. This is the case for the Chief Financial Officer. In accordance with Norwegian law, however, Trond Williksen is entitled to receive an additional three months' salary in the event that his contract were to be terminated by the Company. An additional payment of three months' salary will also be payable should the Board decide to enforce the non-compete and non-solicit clauses of his employment contract, again in accordance with Norwegian law and irrespective of whether his contract is terminated with or without cause. In the event of termination for cause, the Director is not entitled to compensation in respect of salary.

The Executive Directors' bonuses are fully discretionary. In the event of termination during a bonus period, the Committee will consider payment of a bonus on a pro-rata basis for the relevant portion of the year worked, having regard to the circumstances.

Under the Company's remuneration policy, Executives have an employment shareholding requirement of 100% of salary.

The terms of appointment of the Chairman and the Non-Executive Directors

The Chairman and the Non-Executive Directors hold office under letters of appointment. Non-Executive Directors are subject to a one-year term, and any renewal of their respective terms are subject to Board review. However, Peter George and Yngve Myhre were appointed for an initial term of three years with a maximum of two additional terms of three years. All Directors are subject to annual re-election at the Company's AGM. Terms in aggregate beyond six years are subject to rigorous review. Non-Executive Directors may serve for an additional period only at the invitation of the Board following scrutiny of their continued independence. Under the Non-Executive Directors' terms of appointment, they are all required to stand for re-election every year.

At the Company's last AGM, held on 8 February 2024, Peter George, Yngve Myhre, Kristian Eikre, Marie Danielsson, Torgeir Svae, Jonathan Esfandi, Septima Maguire and Trond Williksen were re-elected or elected as Directors.

Either the Company or the Non-Executive Director may terminate the appointment on one month's notice (except Yngve Myhre and Peter George on three months' notice), and the appointments are subject to the Company's Articles of Association and to the Director being re-elected by shareholders upon retirement by rotation. On termination as a result of the Non-Executive Director not being re-elected by shareholders or under the Articles of Association for reasons connected with outside interests or independence, the appointment terminates immediately, and the Non-Executive Director is not entitled to compensation. On termination in other circumstances, including on one month's notice (or three months' notice for Yngve Myhre and Peter George), a Non-Executive Director is entitled to accrued but unpaid fees to the date of termination but no other compensation.

The dates of appointment of and length of service for each Non-Executive Director and the Chairman are shown in the table below.

	Date of appointment	Length of service at date of Annual Report publication
Peter George	8 May 2018	6 years 6 months
Yngve Myhre	6 November 2017	7 years
Kristian Eikre	14 March 2019	5 years 8 months
Torgeir Svae	17 April 2023	1 year 7 months
Marie Danielsson	30 June 2023	1 year 5 months
Jonathan Esfandi	29 November 2023	1 year

Share dilution

The total number of ordinary shares issued and issuable in respect of options granted in any ten-year period under the Company's discretionary share option schemes (excluding pre-IPO options under the Enterprise Management Incentive ("EMI") scheme) is restricted to 10% of the Company's issued ordinary shares in any ten-year rolling period.

In the financial year ended 30 September 2024, the Company allocated 13,936,678 ordinary shares on 6 and 12 December 2023 (1.88% of issued share capital as at such date of grant) and 237,780 ordinary shares on 20 February 2024 (0.03% of issued share capital as at such date of grant) to employees including senior management and Executive Directors as mentioned on page 90–91. The total share dilution to the end of the financial year is 5.12% of issued share capital.

Peter George

Chair of the Remuneration Committee

12 December 2024

Directors' Report

The Directors present their Annual Report and audited financial statements of the Company and of the Group for the year ended 30 September 2024.

Benchmark Holdings plc is a public limited company, incorporated and domiciled in England and Wales. Its shares are admitted to trading on AIM, London Stock Exchange's international market for smaller growing companies and Euronext Growth Oslo.

The disclosure requirements of the Companies Act 2006, and where the Directors have deemed it appropriate, the UK Disclosure Guidance and Transparency Rules, have been met by the contents of this Directors' Report, along with the Strategic Report, Corporate Governance Report, Audit Report and Remuneration Report, which should be read in conjunction with this report.

QCA Code

The Company assesses its corporate governance arrangements and practice against the 2018 QCA Code. In accordance with the AIM Rules, we produce a statement setting out how the Company complies with the principles of the 2018 QCA Code, which is available on our website at Benchmarkplc.com. The statements and table below set out how Benchmark complies with the 2018 QCA Code, and where it deviates from the 2018 QCA Code.

Overview of compliance with principles of 2018 QCA Code

The Board considers that it has complied with the Code during the financial year covered by this Annual Report, except that:

- the requirement as part of the Principle 7 of the 2018 QCA Code is that a board evaluation is required from time to time, and therefore the Board decided this year not to conduct a board evaluation. This decision was made due to the possibility of significant changes to the shape of the Group as a result of the Strategic Review. Such changes may necessitate a restructuring of the Board and an evaluation during the past year may not have provided valuable insight for the future.

Directors

The Directors who held office during FY24 were as follows:

- Trond Williksen
- Septima Maguire
- Peter George
- Susan Searle (retired from the Board on 12 December 2023)
- Yngve Myhre
- Kristian Eikre
- Laura Lavers (retired from the Board on 29 November 2023)
- Torgeir Svae
- Marie Danielsson
- Jonathan Esfandi (since 29 November 2023)

The Directors benefitted from qualifying third party indemnity provisions during the financial year and continue to do so at the date of this report.

Re-election of Directors

At the AGM held in February 2024, the appointments and re-elections (as applicable) of all the Directors of the Company in situ at the time were approved.

A date for the upcoming AGM will be provided in due course, where all of the Directors will be standing for re-election.

Substantial shareholders

The Company's issued share capital, together with details of movements during the year, are shown in Note 28 accompanying the financial statements. The Company has one class of ordinary share which carries no right to fixed income. Each ordinary share carries the right to one vote at general meetings of the Company.

As at 11 December 2024, the Company has been notified of the following substantial shareholdings under Rule 5 of the Disclosure Guidance and Transparency Rules:

Significant shareholders	% of issued share capital
Ferd AS	25.94%
JNE Partners LLP	22.88%
Kverva Finans AS	22.33%
Harwood Capital	3.95%

Directors' Report continued

Power to allot shares

Each year at the AGM, the Directors seek authority to allot shares for the following year. At the last AGM held on 6 February 2024, shareholders authorised the Directors to allot relevant securities up to an aggregate nominal value of £492,901.58 representing approximately two thirds of the issued share capital, and £246,450.79 of this authority was reserved only for a fully pre-emptive rights issue, in accordance with Investment Association guidance. The authorities which were granted expire at the conclusion of the next AGM.

At the forthcoming AGM similar authorities will be sought

Authority for the Company to purchase its own shares

At the Company's 2024 AGM, shareholders renewed the Company's authorities to make market purchases of up to 73,935,239 ordinary shares, representing approximately 10% of the Company's issued share capital as at 5 January 2024. These authorities were not used in the year. At the 2025 Annual General Meeting, shareholders will be asked to renew these authorities for another year, and the resolution will once again propose a maximum aggregate number of ordinary shares which the Company can purchase equal to 10% of the Company's issued ordinary share capital.

The Company held no treasury shares during the year, or at the date of this report.

Significant agreements – change of control

The Group's principal banking and loan note facilities include provisions that, in the event of a change of control of the Company, the Group could be obliged to repay the facilities together with penalties. Certain client and supplier contracts and joint venture arrangements also contain change of control provisions. Additionally, the Company's Long-Term Incentive Plan and Employee Share Option Plan contain change of control provisions which potentially allow for the acceleration of the exercisability of awards in the event that a change of control occurs with respect to the Company.

Stakeholder engagement

During the 2024 financial year, the Board continued to foster the Company's business relationships with suppliers, customers and other partners through other means, including through hosting and attending meetings and workshops, conducting surveys and attending seminars and trade shows. The Group has a diverse community of stakeholders which includes shareholders, employees, customers and supplier partners, as well as the communities in which the Group operates, and continues to listen to these stakeholders; insights help shape the Group's strategy and decisions. The Board also receives regular updates throughout the year on engagement with the Group's stakeholders, including feedback from employee surveys and engagement forums, discussing customer and supplier surveys, and details of stakeholder meetings.

Throughout the year, the Board considered the long-term consequences of the decisions it made, focusing on the interests of relevant stakeholders as appropriate. The key strategic items considered by the Board in 2024 included:

- Approving the launch of the Strategic Review following a thorough consultation with its shareholders.
- Continue the implementation of its plans to reduce the Group's carbon emissions: Take steps to improve our sustainability as a business and reduce our impact on the environment for the benefit of our shareholders, employees, customers, and community.

Workforce engagement

During FY24, the Employee Representative continued to report to the EMT to facilitate the Group's engagement with its workforce and strengthen the employee voice in the boardroom. Various Employee Champions have been identified throughout the sites at which the Group operates, who report to the Employee Representative on key issues affecting the workforce. The Employee Representative's duties include:

- Gathering feedback from employees through various channels;
- Attending at their discretion EMT meetings and offering advice and opinions based on their knowledge of workforce opinions and concerns;
- Reporting to the People Team on key workstreams; and
- Cascading non-confidential messages.

Additionally, the Group has continued its series of Global and People town halls with the aim of:

- Establishing how informed people are about its strategy and developments at Benchmark;
- Assessing people buy-in to the Group's philosophy and values;
- Understanding the extent to which employees feel informed and motivated by communications from different sources;
- Capturing ideas around new initiatives;
- Giving employees an opportunity to speak up and be heard; and
- Promoting employee engagement and collaboration.

Shareholder engagement

The Board recognises that it is vital for the Group's success that shareholders understand the Group's strategy and how it will be delivered. All Directors welcome regular and open engagement with shareholders.

A focus of the Company during the financial year was strengthening its engagement and communication with shareholders.

During the financial year, the Company had a regular programme of meetings with institutional shareholders led by Peter George (Chairman), Trond Williksen (Chief Executive Officer) and Septima Maguire (Chief Financial Officer), and also held ad hoc briefing sessions with certain shareholders as requested. The Board is provided with summary reports by its investor relations advisers which detail share price and share register movements and approves all significant announcements delivered to shareholders.

Audit, risk and internal control

The Board is responsible to stakeholders for ensuring that the Company has in place effective procedures for the management of risk, and that the principal risks faced by the Group are identified, assessed, appropriately mitigated and monitored.

Responsibility for oversight of the Group's financial reporting procedures, internal controls and audit process is delegated to the Audit Committee, which also oversees the Group's risk management framework. The Audit Committee provides regular updates to the Board on such matters.

For further details on audit, risk management and internal control and the work of the Audit Committee, see pages 80 to 83.

Annual General Meeting

The AGM will be held within six months of the close of the financial year. The upcoming meeting will be set out in the Notice of AGM which will be made available to shareholders in due course.

Shareholder voting

In accordance with section 338 and section 303 respectively of the Companies Act 2006:

- Shareholders of the Company can require the Company to circulate a resolution to be voted on at the Company's AGM where such a request is made by either:
 - Shareholders representing at least 5% of the total voting rights of all shareholders who have a right to vote on the resolution at that AGM; or
 - 100 shareholders who have a right to vote on the resolution at that meeting and hold shares that have been paid up an average of at least GBP 100 per shareholder.
- A shareholder or group of shareholders representing at least 5% of voting rights can request the Directors of the Company to call a special general meeting.

Length of notice of general meetings

The Company has taken authority under the Companies Act 2006 to call general meetings of the Company, other than AGMs, on 14 days' notice. The 14 days' notice period will only be used where the flexibility is merited by the business of the meeting and is thought to be in the best interests of shareholders as a whole. The Company offers the facility for shareholders to vote by electronic means. This facility is open to all shareholders and would be available if the Company were to call a meeting on 14 clear days' notice.

Employees with disabilities

The Group values diversity and aims to make best use of everyone's skills and abilities. We are therefore committed to equal opportunities at every stage of our employees' careers. Our policy on employees with disabilities is to fully and fairly consider people with disabilities for all vacancies.

We interview and recruit people with disabilities and endeavour to retain employees if they become disabled while they work for us. Where possible, we will retrain employees who become disabled and adjust their working environment, so they can maximise their potential.

Employee share ownership

The Group has a policy of encouraging share ownership and 54.5% of the Group's employees hold shares or options in the Company.

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the current or prior year.

Auditor

In accordance with section 489 of the Companies Act 2006, a resolution for the reappointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Branches outside the UK

The Company does not have any branches outside of the UK.

Directors' Report continued

Reporting requirements:

The following sets out the location of additional information forming part of the Director's Report:

Reporting requirements		Pages
Financial instruments	Details of the Group's financial risk management objectives and policies including the Group's policy for hedging, and the exposure of the Company and its subsidiaries to price risk, credit risk, liquidity risk and cash flow risk.	124–129
Important events	Particulars of important events affecting the Company and its subsidiaries.	2, 4–5, 16–28
Post balance sheets events	Description of post balance sheet events.	177
Future developments	Likely future developments in the business of the Company or its subsidiaries.	4–5, 16–18
R&D	Details of the R&D activities of the Company and its subsidiaries.	2, 16–17, 24
Risk management	Details of the risk management framework, activities in the year and principal risk and uncertainties.	58–65
Directors' remuneration and interests	Details of Director's remuneration, interests in shares of the Company, share options and pension arrangements.	84–91
Principal activities and business review	Business review, details of 2024 results, key performance indicators, outlook for future years.	2, 4–29
Financial risk management	Objectives and policies for management of financial risk.	80–83
Share capital	Details of the issued share capital and movements during the year.	168
Stakeholder engagement	Details on how the Company engaged with its stakeholders (including employees and shareholders).	29–31
Greenhouse gas emissions	Details on greenhouse gas emissions and environmental protection.	44–45
Statement on Corporate Governance	Details of the Corporate Governance Report, the Audit Committee Report, and Director's Remuneration Report.	70–79

This report was approved by the Board on 12 December 2024 and signed on its behalf:

Jennifer Haddouk
Company Secretary

12 December 2024

Directors' Responsibilities

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under the AIM Rules of the London Stock Exchange they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law and they have elected to prepare the Parent Company financial statements on the same basis. The Group financial statements are also required to be prepared in accordance with IFRS adopted pursuant to Regulation (EC) No. 1606/2002 as it applied in the European Union ("Adopted IFRS").

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the Group's profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards and IFRS adopted pursuant to Regulation (EC) No. 1606/2002 as it applied in the European Union ("Adopted IFRS");
- for the Parent Company financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors have decided to prepare voluntarily a Directors' Remuneration Report in accordance with Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 made under the Companies Act 2006, as if those requirements applied to the Company.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report and a Directors' Report that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement from the Board of Directors

We hereby confirm that, to the best of our knowledge, the financial statements for the period from 1 October 2023 to 30 September 2024 have been prepared in accordance with applicable accounting standards and give a true and fair view of the Group and of the Group's assets, liabilities, financial position and overall results. We also confirm that the Directors' Report gives a true and fair view of the development and performance of the business and the position of the Company and the Group, as well as a description of the principal risks and uncertainties facing the Company and the Group.

This statement was approved by the Board of Directors and signed on its behalf by:

Trond Williksen
Chief Executive Officer

12 December 2024

Independent Auditor's Report

to the members of Benchmark Holdings plc

1. Our opinion is unmodified

We have audited the financial statements of Benchmark Holdings Plc ("the Company") for the year ended 30 September 2024 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Company Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Additional opinion in relation to IFRSs as adopted by the EU

As explained in note 1 to the Group financial statements, the Group, in addition to complying with its legal obligation to apply UK-adopted international accounting standards, Benchmark Holdings Plc has also applied International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applied in the European Union ("IFRSs as adopted by the EU").

In our opinion the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below:

We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. We have fulfilled our ethical responsibilities and are independent of the Group in accordance with UK ethical requirements including the FRC Ethical standard as applied to listed other entities of public interest.

Overview	
Materiality:	£1,100,000 (2023: £1,740,000)
Group financial statements as a whole	0.74% of Total Group Revenue (2023: 1% of Total Group Revenue)
Coverage	86% (2023: 92%) of Total Group revenue

Key audit matters		vs 2023
Recurring risks	Recoverability of Goodwill (Nutrition)	▲
	Recoverability of Parent Company's Investments in Subsidiaries (Nutrition)	▲
	Valuation of Biological Assets	◀▶
	New: Recoverability of inventory relating to Ectosan/CleanTreat (Health)	▲
	New: Going Concern	▲

2. Material uncertainty related to going concern

The risk	Our response
<p>Going Concern</p> <p>Refer to page 81 (Audit Committee Report) and page 115 (accounting policy).</p> <p>We draw attention to note 1 to the financial statements which indicates that the Group and Parent Company's ability to continue as a going concern is dependent on the successful completion of the disposal of the Genetics business or the ongoing financing of the Group being secured.</p> <p>These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern.</p> <p>Our opinion is not modified in respect of this matter.</p>	<p>Disclosure quality</p> <p>The financial statements explain how the Board has formed a judgement that it is appropriate to adopt the going concern basis of preparation for the Group and Parent Company.</p> <p>That judgement is based on an evaluation of the inherent risks to the Group's and Company's business model and how those risks might affect the Group's and Company's financial resources or ability to continue operations over a period of at least 12 months from the date of approval of the financial statements.</p> <p>There is little judgement involved in the Directors' conclusion that risks and circumstances described in note 1 to the financial statements represent a material uncertainty over the ability of the Group and Company to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements.</p> <p>However, clear and full disclosure of the facts and the Directors' rationale for the use of the going concern basis of preparation, including that there is a related material uncertainty, is a key financial statement disclosure and so was the focus on our audit in this area. Auditing standards require that to be reported as a key audit matter.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> • Covenant calculation: We reperformed the year end covenant calculation for the facility in line with the RCF facility. • Benchmarking Assumptions: With the assistance of our own transactions services specialists we challenged the key assumptions in the prospective financial information for the 12 month period from the date of approval of the financial statements prepared by reference to our knowledge of the business and general market conditions. • Funding Assessment: We obtained and inspected the financing agreements to ascertain the committed level of financing, its duration and related covenant requirements. • Evaluating ability to re-finance: We considered the appropriateness and achievability of the Group's ability to re-finance at the end of the facility periods. • Consideration of Intent: We considered and challenge the intent/ability of the Directors to influence the going concern position given the strategic review based on our understanding of the status of the strategic review and the Group's funding position. • Historical Comparisons: We compared the prior periods' prospective financial information against the prior and current period's actual results and compare the current period's prospective financial information with the post-year end actual results to assess historical reliability of the forecasting. • Sensitivity Analysis: We performed analysis of changes in key assumptions. • Assessing Transparency: We considered whether the going concern disclosure in the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks and the availability of funding.

Independent Auditor's Report continued

to the members of Benchmark Holdings plc

3. Other key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Going concern is a significant key audit matter and is described in section 2 of our report. In arriving at our audit opinion above, the other key audit matters, in decreasing order of audit significance, were as follows and updated from 2023:

The risk	Our response
<p>Recoverability of Goodwill (Nutrition) Goodwill: £72,773,000; (2023: £79,909,000)</p> <p><i>Refer to page 81 (Audit Committee Report), page 119 (accounting policy) and page 148 (financial disclosures).</i></p> <p>Forecast based assessment: The recoverable amount of goodwill and intangibles depend on assumptions of future financial performance which inherently contains an element of estimation uncertainty.</p> <p>Significant areas of judgement include sales growth rates and the discount rate applied to future cash flows.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the fair value less costs of disposal calculation of the Nutrition CGU has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possible many times that amount.</p> <p>Given the ongoing strategic review, additional consideration is also required in relation to the fair value less costs of disposal valuations that have used this year to consider the recoverable amount.</p>	<p>We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> • Data comparison: We compared the cash flows included in the Group's impairment model against the board approved budgets and related going concern and tax forecasts to confirm the consistency of assumptions. • Methodology implementation: We tested the Group's impairment model to assess whether it performs the intended calculation alongside the appropriate basis being utilised. • Benchmarking Assumptions: We challenged Group's assumptions by comparing them to externally derived data in relation to key inputs such as projected growth and discount rates. • Valuation Expertise: With the assistance of our own valuation specialists, we assessed the discount rate assumptions by comparing the value used with our sector knowledge. • Sensitivity Analysis: We performed analysis of changes in key assumptions to understand the sensitivity of the value in use calculation to changes in these key assumptions. • Historical Comparison: We compared the prior periods' prospective financial information against the prior period's actual results and compare the current period's prospective financial information with the post-year end actual results to assess historical reliability of the forecasting. • Comparing forecasts: We considered third party information available to indicate the fair value of the underlying CGUs and compare this to the carrying value of the CGU. We utilised our own specialists to assist us to challenge and assess relevant fair value inputs against the entities carrying value. • Assessing Transparency: We assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflects the risks inherent in the valuation of goodwill and acquired intangibles alongside ensuring disclosures in relation to fair value inputs are appropriately disclosed. • Assessing Management Bias: We evaluated whether judgements and decisions made by the Directors when measuring recoverable amount contain indicators of possible management bias, when viewed against other judgements made in this area and other areas of the financial statements.

The risk	Our response
<p>Recoverability of Parent Company's investment (Nutrition)</p> <p>Investment: £235,596,000 (2023: £281,938,000)</p> <p><i>Refer to page 123 (accounting policy) and page 154 (financial disclosures)</i></p> <p><i>*As reported on page 154, included within Investments in subsidiary companies £235,596,000 (2023: £281,938,000) is the parent company investment in the Nutrition CGU.</i></p>	<p>Forecast-based assessment</p> <p>The carrying amount of the Parent Company's investment in subsidiaries are significant and at risk of irrecoverability due to the inherent estimation uncertainty in the assumptions of future financial performance. As a result, the estimated recoverable amount of these balances is subjective. The Nutrition cash generating unit of the Group is at risk of impairment as due to the challenging market conditions experienced in the current year and the uncertainty over the extent and timing of recovery in the underlying market.</p> <p>Significant areas of judgement include sales growth rates and the discount rate applied to future cash flows.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the recoverable amount of the cost of investment in subsidiaries has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.</p> <p>We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> • Test of Detail: We compared the carrying amount of 100% of investments, which includes intercompany indebtedness, with the relevant subsidiaries' financial statements to identify whether their net assets, being an approximation of their minimum recoverable amount, are in excess of their carrying amount and assess whether those subsidiaries have historically been profit-making. • Comparing Valuations: For investments where the carrying amount exceeded the net asset value, we compared the carrying amount of the investment with the value in use or the fair value less cost of disposal used for the recoverable amount of the CGU. • The recoverable amount of the CGU has been tested as described in the recovery of Group goodwill in the Key Audit Matter on page 100. • Assessing Transparency: We assessed whether the Group's disclosures about the sensitivity of the outcome of the recoverability assessment to changes in key assumptions reflects the risks inherent in the calculation.

Independent Auditor's Report continued

to the members of Benchmark Holdings plc

The risk	Our response
<p>Valuation of Biological Assets</p> <p>Salmon Broodstock: £32,574,000 (included within assets held for sale); (2023: £33,411,000)</p> <p><i>Refer to page 81 (Audit Committee Report), page 122 (accounting policy) and page 124 (financial disclosures).</i></p>	<p>Forecast-based Assessment</p> <p>The Group holds significant biological assets, held mainly at Benchmark Genetics Iceland (previously Stofnifiskur) in Iceland and Benchmark Genetics Salten (previously Salmonbreed Salten) in Norway.</p> <p>Under relevant accounting standards these are required to be held at fair value less cost to sell. Salmon broodstock are classified as level 3 within the fair value hierarchy. The calculation of fair value includes a number of assumptions relating to the future (e.g. egg sales prices, sales volumes) which are significant areas of estimation uncertainty.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that fair value of the salmon broodstock within biological assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.</p>
<p>Recoverability of Inventory relating to Ectosan/Cleantreat (Health)</p> <p>Inventory: £5,219,000</p> <p><i>Refer to page 82 (Audit Committee Report), page 122 (accounting policy) and page 124 (financial disclosures).</i></p>	<p>Subjective estimate:</p> <p>Given the transition in operating model that is in progress relating to Ectosan/Cleantreat there is judgement involved in determining the extent to which the net realisable value of the inventory relating to Ectosan/Cleantreat is greater than the cost at which it is held on the balance sheet.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the recoverable amount of inventory has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 2) disclosure the judgement applied by the Group.</p>

We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Our procedures included:

- **Data Comparison:** We compared the Group's valuation model against the board approved budgets and forecast to assess the consistency of assumptions.
- **Methodology Implementation:** We tested the Group's impairment model to assess whether it performs the intended calculation alongside the appropriate basis being utilised.
- **Benchmarking Assumptions:** We compared the Group's assumptions to externally derived data in relation to key inputs such as selling price of eggs and historical sales volumes.
- **Assessing Transparency:** We considered the adequacy of the Group's disclosures, including the sensitivity disclosures, in respect of the valuation of biological assets.
- **Independent Reperformance:** We considered an alternative valuation model. We compared the output of the model with the Group's valuation to assess whether it would yield a materially different valuation.
- **Site Visit:** We physically inspected the facilities where the biological assets are held.
- **Historical Comparisons:** We compared forecasts against actual cash flows achieved in the year to assess historical reliability of the forecasting.

We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Our procedures included:

- **Methodology implementation:** We tested the Directors' approach to the recoverability of the relevant balances in the year to check whether these are appropriate.
- **Assessing management bias:** We evaluated whether judgements and decisions made by the Directors when measuring recoverable amount contain indicators of possible management bias, when viewed against other judgements made in this area and other areas of the financial statements.
- **Reperformance:** We considered alternative calculations to support the relevant carrying value and compared to outcome of these calculations to those made by the Directors.
- **Assessing transparency:** We evaluated the completeness, accuracy and relevant of disclosures required by IAS 2.

4. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £1,100,000 (2023: £1,740,000), determined with reference to a benchmark of Total Group Revenue (being for both continuing and discontinued operations) of which it represents 0.74% (2023: 1% of Group Revenue). We consider Total Group revenues to be the most appropriate benchmark as it provide a more stable metric year on year than loss before tax.

Materiality for the parent Company financial statements as a whole was set at £660,000 (2023: £1,030,000), which is the component materiality for the parent company determined by the Group engagement team. This is lower than the materiality we would have otherwise determined with reference to the benchmark of Parent Company Total Assets, of which is represents 0.14% (2023: 0.22%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 65% (2023: 75%) of materiality for the financial statements as a whole, which equates to £715,000 (2023: £1,300,000) for the Group and £429,000 (2023: £772,500) for the parent Company. We applied this lower percentage in our determination of performance materiality because we identified additional factors in the period which indicated an increased level of aggregation risk compared to the prior period.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £55,000 (2023: £87,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's 47 (2023: 63) reporting components, we subjected 12 (2023: 12) to full scope audits for group purposes and 2 (2023: 2) to specified risk-focused audit procedures. The latter were not individually financially significant enough to require a full scope audit for group purposes, but did present specific individual risks that needed to be addressed.

We subjected 1 (2023: 1) component to specified risk-focused audit procedures over purchases and 1 (2023: 1) component to specified risk-focused audit procedures over biological assets.

The components within the scope of our work accounted for the percentages illustrated

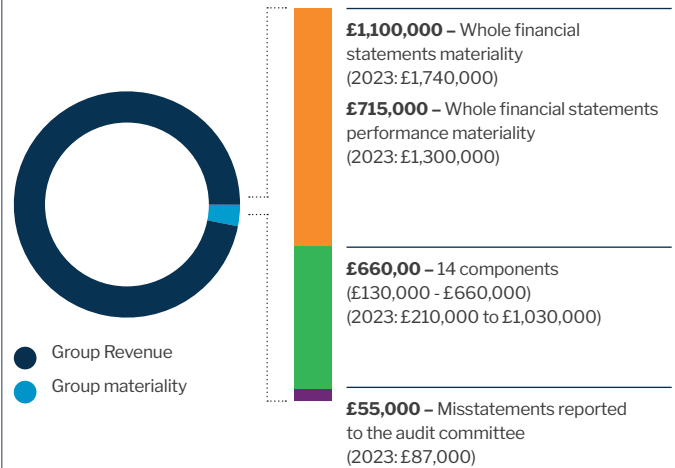
The remaining 14% (2023: 8%) of Total Group revenue, 12% (2023: 15%) of Group loss before tax and 10% (2023: 9%) of total Group assets is represented by 33 (2023: 47) of reporting components, none of which individually represented more than 4% (2023: 3%) of any of Total Group revenue, Group loss before tax or total Group assets. For these components, we performed analysis at an aggregated group level to re-examine our assessment that there were no significant risks of material misstatement within these.

Total Group revenue

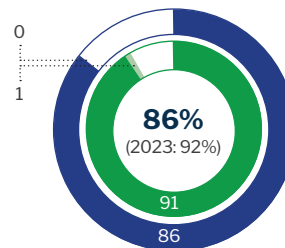
£147,726,000
(2023: £169,476,000)

Group materiality

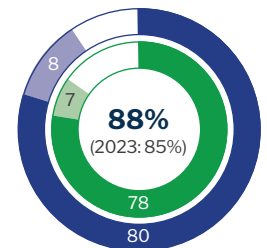
£1,100,000
(2023: £1,740,000)



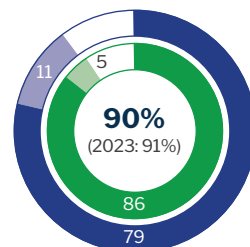
Group revenue from continuing operations (2023: Group revenue from continuing operations)



Group loss before tax from continuing operations (2023: Group loss before tax from continuing operations)



Group total assets (excluding assets held for sale) (2023: Group total assets)



- Full scope for group audit purposes 2024
- Specified risk-focused audit procedures 2024
- Full scope for group audit purposes 2023
- Specified risk-focused audit procedures 2023
- Residual components

Independent Auditor's Report continued

to the members of Benchmark Holdings plc

The Group team instructed component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back. The Group team approved the component materialities, which ranged from £130,000 to £660,000 (2023: £210,000 to £1,030,000), having regard to the mix of size and risk profile of the Group across the components. The work on 12 of the 14 components (2023: 12 of the 14 components) was performed by component auditors and the rest, including the audit of the parent Company, was performed by the Group team.

The Group team visited 2 (2023: 1) component locations in Norway and Iceland (2023: Iceland) to assess the audit risk and strategy. Video and telephone conference meetings were also held with these component auditors and all others that were not physically visited. At these visits and meetings, the findings reported to the Group team were discussed in more detail, and any further work required by the Group team was then performed by the component auditor.

The scope of the audit work performed was almost fully substantive as there was minimal reliance upon the Group's internal control over financial reporting.

5. Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company, or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic for at least a year from the date of approval of the financial statements ("the going concern period"). As stated in section 2 of our report, they have also concluded that there is a material uncertainty related to going concern.

An explanation of how we evaluated the Directors' assessment of going concern is set out section 2 of our report.

Our conclusions based on this work:

- We consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- We have nothing material to add or draw attention to in relation to the Directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting, and their identification therein of a material uncertainty over the Group and Company's ability to continue to use that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable.

6. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed event or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and inspection of policy documentation as to the Group's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Performing a review of the Board and Relevant committee meeting minutes during the year and post year end.
- Using analytical procedures to identify any unusual or unexpected transactions.
- Considering remuneration incentive schemes and performance targets for senior management.
- Engaged our own forensics specialists to assist us by providing additional perspective on the possible fraud risk factors and fraud risks which may exist given the current business environment.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group audit team to in-scope component audit teams of relevant fraud risks identified at the Group level and request in scope component audit teams to report to the Group audit team any instances of fraud that could give risk to a material misstatement at the Group level.

As required by auditing standards, and taking into account possible pressures to meet performance targets and debt covenants alongside the ongoing strategic review, we perform procedures to address:

- The risk of management override of controls;
- The risk of fraudulent revenue recognition, in particular the risk that revenue is overstated or understated by recording in the wrong period and the risk that Group and component management may be in a position to make inappropriate accounting entries, and
- The risk of bias in accounting estimates and judgement such as the recoverable amounts for Group goodwill and of the Parent company's investments in subsidiaries and the valuation of biological assets.

We also identified a fraud risk related to the fair value of biological assets, the recoverability of Goodwill (Nutrition) and the recoverability of parent company investments (Nutrition) in response to possible pressures and opportunity due to the ongoing strategic review. Further detail on the procedures performed over this balance is set out of in the key audit matter disclosures in section of this report.

We performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those revenue and cash journal entries posted to unexpected account combinations.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Identifying revenue transactions on either side of year end to test for all full scope components based on risk criteria and comparing the identified transactions to supporting documentation to assess whether revenue is recognised in the correct accounting period.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with Directors and management (as required by auditing standards) and from inspection of the Group's board minutes, and discussed with the Directors and management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to in-scope component audit teams of relevant laws and regulations identified at the Group level, and a request for full-scope component auditors to report to the Group team any instances of non-compliance with laws and regulations that could give risk to a material misstatement at Group.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate in respective industries and territories. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment, environmental protection and Medicines and Healthcare products Regulatory Agency (MHRA) regulation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evidence from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report continued

to the members of Benchmark Holdings plc

8. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 97, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the terms of our engagement by the Company. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Company, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Katharine L'Estrange

(Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square, Sovereign Street, Leeds LS1 4DA

12 December 2024

Consolidated Income Statement

for the year ended 30 September 2024

	Notes	2024 £000	2023 Restated* £000
Continuing operations			
Revenue	4	90,365	103,963
Cost of sales		(46,418)	(47,879)
Gross profit		43,947	56,084
Research and development costs		(2,443)	(2,350)
Other operating costs		(29,582)	(36,753)
Adjusted EBITDA²		11,922	16,981
Exceptional – restructuring/acquisition related items	10	(5,581)	(3,904)
EBITDA¹		6,341	13,077
Depreciation and impairment	14	(10,949)	(14,010)
Amortisation and impairment	16	(30,891)	(16,601)
Operating loss		(35,499)	(17,534)
Finance cost	9	(14,209)	(13,342)
Finance income	9	3,783	6,177
Loss before taxation		(45,925)	(24,699)
Tax on loss	11	1,646	1,223
Loss from continuing operations		(44,279)	(23,476)
Discontinued operations			
Profit from discontinued operations, net of tax	12	5,159	1,912
		(39,120)	(21,564)
Loss for the year attributable to:			
– Owners of the Parent		(39,464)	(23,146)
– Non-controlling interest	30	344	1,582
		(39,120)	(21,564)
Earnings per share			
Basic loss per share (pence)	13	(5.34)	(3.16)
Diluted loss per share (pence)	13	(5.34)	(3.16)
Earnings per share – continuing operations			
Basic loss per share (pence)	13	(5.99)	(3.21)
Diluted loss per share (pence)	13	(5.99)	(3.21)
		£000	£000
Adjusted EBITDA from continuing operations		11,922	16,981
Adjusted EBITDA from discontinued operations		16,698	17,257
Total Adjusted EBITDA		28,620	34,238

1 EBITDA – earnings before interest, tax, depreciation, amortisation and impairment.

2 Adjusted EBITDA – EBITDA before exceptional and acquisition-related items.

* 2023 numbers have been restated to reflect the results of the Genetics business being classified as discontinued operations in FY24 in line with IFRS 5 following the decision to sell the business area (see Note 12).

The accompanying notes form part of the financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 30 September 2024

	2024 £000	2023 Restated £000
Loss for the year	(39,120)	(21,564)
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss		
Foreign exchange translation differences	(20,528)	(23,475)
Cash flow hedges – changes in fair value	(3,505)	(2,123)
Cash flow hedges – reclassified to profit or loss	2,687	2,623
Other comprehensive income for the period, net of tax	(21,346)	(22,975)
Total comprehensive income for the period	(60,466)	(44,539)
Total comprehensive income for the period attributable to:		
– Owners of the Parent	(60,259)	(45,404)
– Non-controlling interest	(207)	865
	(60,466)	(44,539)
Total comprehensive income for the period attributable to:		
– Continuing operations	(54,122)	(37,965)
– Discontinued operations*	(6,137)	(7,439)
	(60,259)	(45,404)

* Total comprehensive income for the period relating to discontinued operations for FY24 includes the profit of £5,159,000 (Note 12) (2023: £1,912,000) and foreign exchange translation differences loss of £11,296,000 (2023: £9,351,000).

The accompanying notes form part of the financial statements.

Consolidated Balance Sheet

as at 30 September 2024

	Notes	2024 £000	2023 £000
Assets			
Property, plant and equipment	14	10,107	73,411
Right-of-use assets	15	4,052	19,804
Intangible assets	16	115,527	206,077
Equity-accounted investees	18	2,315	3,558
Other investments		-	14
Biological assets	21	-	18,406
Non-current assets		132,001	321,270
Inventories	20	23,674	25,269
Biological assets	21	-	27,586
Corporation tax asset		347	-
Trade and other receivables	22	42,539	59,795
Cash and cash equivalents	35	23,088	36,525
		89,648	149,175
Assets held for sale	23	163,252	850
Current assets		252,900	150,025
Total assets		384,901	471,295
Liabilities			
Trade and other payables	24	(30,102)	(47,329)
Loans and borrowings	25	(69,233)	(20,045)
Corporation tax liability		-	(6,422)
Provisions	26	(233)	(1,280)
		(99,568)	(75,076)
Liabilities directly associated with the assets held for sale	23	(46,697)	-
Current liabilities		(146,265)	(75,076)
Loans and borrowings	25	(2,837)	(81,954)
Other payables	24	(1,607)	(6,842)
Deferred tax	27	(9,923)	(24,106)
Provisions	26	-	(700)
Non-current liabilities		(14,367)	(113,602)
Total liabilities		(160,632)	(188,678)
Net assets		224,269	282,617
Issued capital and reserves attributable to owners of the Parent			
Share capital	28	740	739
Additional paid-in capital*	28	37,490	37,428
Capital redemption reserve	29	5	5
Retained earnings	29	146,080	183,489
Hedging reserve	29	(1,021)	(203)
Foreign exchange reserve	29	34,970	54,947
Equity attributable to owners of the parent		218,264	276,405
Non-controlling interest	30	6,005	6,212
Total equity and reserves		224,269	282,617

* See Note 29.

The financial statements on pages 107 to 177 were approved and authorised for issue by the Board of Directors on 12 December 2024 and were signed on its behalf by:

Septima Maguire
Chief Financial Officer

Company number: 04115910

The accompanying notes form part of the financial statements.

Company Balance Sheet

as at 30 September 2024

	Note	2024 £000	2023 £000
Assets			
Non-current assets			
Property, plant and equipment	14	27	39
Intangible assets	16	19	22
Investments	19	235,596	281,938
Trade and other receivables	22	79,785	190,705
Total non-current assets		315,427	472,704
Current assets			
Trade and other receivables	22	660	1,432
Cash and cash equivalents	35	1,427	321
		2,087	1,753
Assets held for sale	23	45,369	-
Total current assets		47,456	1,753
Total assets		362,883	474,457
Liabilities			
Current liabilities			
Trade and other payables	24	(57,400)	(41,301)
Loans and borrowings	25	(68,444)	(6,908)
Total current liabilities		(125,844)	(48,209)
Non-current liabilities			
Trade and other payables	24	-	(6,155)
Loans and borrowings	25	-	(56,862)
Total non-current liabilities		-	(63,017)
Total liabilities		(125,844)	(111,226)
Net assets		237,039	363,231
Issued capital and reserves attributable to owners of the Parent			
Share capital	28	740	739
Additional paid-in capital*	28	37,490	37,428
Capital redemption reserve	29	5	5
Hedging Reserve	29	116	389
Retained earnings	29	198,688	324,670
Total equity and reserves		237,039	363,231

* See Note 29.

The financial statements on pages 107 to 177 were approved and authorised for issue by the Board of Directors on 12 December 2024 and were signed on its behalf by:

Septima Maguire

Chief Financial Officer

Company number: 04115910

The accompanying notes form part of the financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 September 2024

	Share capital £000	Additional paid-in share capital* £000	Other reserves £000	Hedging reserve £000	Retained earnings £000	Total attributable to equity holders of Parent £000	Non-controlling interest £000	Total equity £000
As at 1 October 2022	704	420,824	77,710	(703)	(185,136)	313,399	9,886	323,285
Comprehensive income for the year								
(Loss)/profit for the year	-	-	-	-	(23,146)	(23,146)	1,582	(21,564)
Other comprehensive income	-	-	(22,758)	500	-	(22,258)	(717)	(22,975)
Total comprehensive income for the year	-	-	(22,758)	500	(23,146)	(45,404)	865	(44,539)
Contributions by and distributions to owners								
Share issue	35	12,985	-	-	-	13,020	-	13,020
Share issue costs recognised through equity	-	(2,146)	-	-	-	(2,146)	-	(2,146)
Cancellation of part of share premium account	-	(394,235)	-	-	394,235	-	-	-
Share-based payment	-	-	-	-	1,006	1,006	-	1,006
Total contributions by and distributions to owners	35	(383,396)	-	-	395,241	11,880	-	11,880
Changes in ownership								
Acquisition of NCI	-	-	-	-	(3,470)	(3,470)	(4,539)	(8,009)
Total changes in ownership interests	-	-	-	-	(3,470)	(3,470)	(4,539)	(8,009)
Total transactions with owners of the Company	35	(383,396)	-	-	391,771	8,410	(4,539)	3,871
As at 30 September 2023	739	37,428	54,952	(203)	183,489	276,405	6,212	282,617
Comprehensive income for the year								
(Loss)/profit for the year	-	-	-	-	(39,464)	(39,464)	344	(39,120)
Other comprehensive income	-	-	(19,977)	(818)	-	(20,795)	(551)	(21,346)
Total comprehensive income for the year	-	-	(19,977)	(818)	(39,464)	(60,259)	(207)	(60,466)
Contributions by and distributions to owners								
Share issue	1	62	-	-	-	63	-	63
Share-based payment	-	-	-	-	2,055	2,055	-	2,055
Total contributions by and distributions to owners	1	62	-	-	2,055	2,118	-	2,118
Total transactions with owners of the Company	1	62	-	-	2,055	2,118	-	2,118
As at 30 September 2024	740	37,490	34,975	(1,021)	146,080	218,264	6,005	224,269

* See Note 29.

The accompanying notes form part of the financial statements.

Company Statement of Changes in Equity

for the year ended 30 September 2024

	Share capital £000	Additional paid-in share capital* £000	Capital redemption reserve £000	Hedging reserve £000	Retained earnings* £000	Total attributable to equity holders £000
At 1 October 2022	704	420,824	5	(176)	(74,735)	346,622
Comprehensive income for the year						
Profit for the year	-	-	-	-	4,164	4,164
Other comprehensive income	-	-	-	565	-	565
Total comprehensive income for the year	-	-	-	565	4,164	4,729
Contributions by and distributions to owners						
Share issue	35	12,985	-	-	-	13,020
Share issue costs recognised through equity	-	(2,146)	-	-	-	(2,146)
Share-based payment	-	-	-	-	1,006	1,006
Cancellation of part of share premium account	-	(394,235)	-	-	394,235	-
Total contributions by and distributions to owners	35	(383,396)	-	-	395,241	11,880
At 30 September 2023	739	37,428	5	389	324,670	363,231
Comprehensive income for the year						
Loss for the year	-	-	-	-	(128,037)	(128,037)
Other comprehensive income	-	-	-	(273)	-	(273)
Total comprehensive income for the year	-	-	-	(273)	(128,037)	(128,310)
Contributions by and distributions to owners						
Share issue	1	62	-	-	-	63
Share-based payment	-	-	-	-	2,055	2,055
Total contributions by and distributions to owners	1	62	-	-	2,055	2,118
At 30 September 2024	740	37,490	5	116	198,688	237,039

* See Note 29.

The accompanying notes form part of the financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 September 2024

	Notes	2024 £000	2023 £000
Cash flows from operating activities			
Loss for the year		(39,120)	(21,564)
Adjustments for:			
Depreciation and impairment of property, plant and equipment	14	9,319	8,453
Depreciation and impairment of right-of-use assets	15	7,001	10,260
Amortisation and impairment of intangible fixed assets	16	32,529	18,495
Profit on sale of property, plant and equipment		(416)	(121)
Loss on sale of discontinued operation		-	3,774
Finance income		(430)	(2,802)
Finance costs		11,293	10,535
Profit on disposal of investments in joint ventures		(42)	-
Share of (profit)/loss of equity-accounted investees, net of tax		(1,288)	32
Foreign exchange loss/(gain)		1,179	(1,814)
Share-based payment expense	33	2,054	1,005
Tax expense	11/12	495	3,365
Decrease/(increase) in trade and other receivables		(1,136)	(6,570)
Decrease in inventories		89	2,877
Increase in biological and agricultural assets		(718)	(1,659)
(Decrease)/increase in trade and other payables		(9,974)	3,909
(Decrease)/increase in provisions		(2,012)	386
		8,823	28,561
Income taxes paid		(6,819)	(8,556)
Net cash flows generated from operating activities		2,004	20,005
Investing activities			
Acquisition of subsidiaries		-	(48)
Purchase of investments in associates		(209)	(558)
Receipts from disposal of subsidiaries, joint ventures and other investments		37	1,250
Purchases of property, plant and equipment		(3,509)	(5,953)
Proceeds from sales of intangible assets		32	-
Purchase of intangibles		(268)	(196)
Capitalised research and development costs		(149)	(632)
Proceeds from sale of fixed assets		804	227
Cash receipts from swap contracts		-	11
Interest received		430	627
Net cash flows used in investing activities		(2,832)	(5,272)
Financing activities			
Proceeds of share issues		-	13,000
Proceeds from exercise of share options		63	20
Share-issue costs recognised through equity		-	(2,146)
Acquisition of minority interests in subsidiaries		-	(8,009)
Proceeds from bank or other borrowings		8,196	21,847
Repayment of bank or other borrowings		(1,990)	(18,470)
Interest and finance charges paid		(9,119)	(9,131)
Repayments of lease liabilities		(8,121)	(9,438)
Net cash used in financing activities		(10,971)	(12,327)
Net (decrease)/increase in cash and cash equivalents		(11,799)	2,406
Cash and cash equivalents at beginning of year		36,525	36,399
Effect of movements in exchange rate		(1,638)	(2,280)
Cash and cash equivalents at end of year	35	23,088	36,525

The accompanying notes form part of the financial statements.

Company Statement of Cash Flows

for the year ended 30 September 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
(Loss) for the year		(128,037)	4,164
<i>Adjustments for:</i>			
Depreciation and impairment of property, plant and equipment	14	14	17
Depreciation of right-of-use assets	15	-	9
Amortisation of intangible fixed assets	16	3	3
Finance income		(9)	(11,636)
Finance expense		10,998	9,392
Foreign exchange gains		(8,248)	(7,962)
Share-based payment expense		1,481	437
Intercompany loan impairment		116,430	-
Increase in trade and other receivables		774	(478)
Increase/(Decrease) in trade and other payables		(604)	790
Net cash flows from operating activities		(5,649)	(5,264)
Investing activities			
Loans to subsidiary undertakings		(9,154)	(5,992)
Loans repaid from subsidiary undertakings		3,643	-
Receipts from disposal of investments		-	1,250
Purchases of property, plant and equipment		(2)	(6)
Interest received		9	157
Net cash used in investing activities		(5,504)	(4,591)
Financing activities			
Proceeds of share issues		-	13,000
Proceeds from exercise of share options		63	20
Share issue costs recognised through equity		-	(2,146)
Proceeds from bank borrowings (net of borrowing fees)		8,186	6,661
Loans from subsidiary undertakings		10,588	-
Payment of lease liabilities		-	(10)
Repayment of bank borrowings		-	(4,000)
Interest paid		(6,572)	(6,327)
Net cash from/(used in) financing activities		12,265	7,198
Net increase/(decrease) in cash and cash equivalents		1,112	(2,657)
Cash and cash equivalents at beginning of period		321	3,210
Effect of movements in exchange rate		(6)	(232)
Cash and cash equivalents at end of period	35	1,427	321

The accompanying notes form part of the financial statements.

Notes Forming Part of the Financial Statements

for the year ended 30 September 2024

1 Accounting policies

Corporate information

Benchmark Holdings plc (the “Company”) is a public limited company, which is listed on the Alternative Investment Market (“AIM”), a sub-market of the London Stock Exchange. The Company is incorporated and domiciled in England. The registered company number is 04115910 and the registered office is at Benchmark House, Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH. The Group is principally engaged in the provision of technical services, products and specialist knowledge that support the global development of sustainable food and aquaculture industries.

Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The Group’s business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman’s Statement, the Chief Executive Officer’s Review, the Finance Review and the Audit Committee Report.

These Group and Parent Company financial statements were prepared by the Directors in accordance with UK-adopted international accounting standards and, in addition for the Group, financial statements have been prepared in accordance with IFRS adopted pursuant to Regulation (EC) No.1606/2002 as it applied in the European Union (“Adopted IFRS”). The Group reports earnings before interest, depreciation and amortisation (“EBITDA”) and EBITDA before exceptional and acquisition related items (“Adjusted EBITDA”) to enable a better understanding of the investment being made in the Group’s future growth and provide a better measure of our underlying performance.

The preparation of financial statements in compliance with adopted IFRSs requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group’s accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in Note 2.

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: certain financial assets and financial liabilities (including contingent consideration receivable and derivatives) and biological assets measured at fair value. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

Going concern

As at 30 September 2024 the Group had net assets of £224.3m (30 September 2023: £282.6m), including cash of £23.1m (30 September 2023: £36.5m) as set out in the consolidated balance sheet. The Group made a total loss for the period of £39.1m (year ended 30 September 2023: loss £21.6m). As at 30 September 2024 the Company had net assets of £237.0m (2023: £363.2m), including cash of £1.4m (2023: £0.3m) as set out on the Company Balance Sheet. The Company made a loss for the year of £128.0m (2023: profit £4.2m).

The group meets its day-to-day working capital requirements using a green bond and RCF (see note 25) together with cash. During the year on 26 March 2024, an additional facility of £7.5m was added to the existing RCF with an expiry date of 31 March 2025. The original £20m RCF term remains unaltered, ending on 27 June 2025. Furthermore, the Group’s unsecured NOK 750m bond is due to expire within the next year in September 2025. The bond and RCF are subject to covenants that are tested quarterly.

As described in note 40, on 25 November, an agreement was signed to sell the whole Genetics business for consideration of up to £260m, with £230m received up front and up to £30m earnout receivable in three years. Completion of the sale is subject to shareholder approval and anti-trust clearances which are expected to be received within three months. If and when the sale completes, the proceeds will be used to repay debt and the directors will then consider the ongoing needs of the remaining business to ensure that adequate operational liquidity is available for the continuing business for the forecast period.

In the absence of completion of the deal, the forecast would require continuing finance facilities to be available to the Group. On the basis that the sale of Genetics does not complete, the Directors have reviewed forecasts and cash flow projections for a period of 12 months (the going concern assessment period) including downside sensitivity assumptions in relation to trading performance across the Group to assess the impact on the Group’s trading and cash flow forecasts and on the forecast compliance with the covenants included within the Group’s financing arrangements.

In the downside analysis performed, the Directors considered severe but plausible scenarios on the Group’s trading and cash flow forecasts. Key downside sensitivities modelled included assumptions on lower sales growth from a possible slower recovery in the shrimp market in Advanced Nutrition and have not included any sales from relaunching Ectosan®/CleanTreat® sales within Health.

The restructuring of the Health business area which currently focuses on the Salmosan business has derisked the cash utilisation improving the likelihood of cash generation within that business area for the foreseeable future, and Ectosan®/CleanTreat® sales will only be relaunched with customer investment to mitigate the Group’s cashflow exposure. Additional downside sensitivities have been identified and modelled within the discontinued Genetics business for slower commercialisation of SPR shrimp, slower salmon egg sales growth in Chile and removal of an additional financing opportunity. Further mitigating measures within the control of management have been identified should they be required in response to any or all of these sensitivities, including reductions in areas of discretionary spend, tight control over new hires, deferral of capital projects and temporary hold on R&D for non-imminent products.

As a fallback position in the event that the sale of Genetics does not complete, a revised forecast (including the severe but plausible downside sensitivities) has been put together showing that the group would require a refinancing of its existing facilities, with the RCF expiring on 31 March and 27 June 2025 and the green bond expiring in September 2025, together with additional funding of up

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

1 Accounting policies continued

to £30m from combination of an equity raise and additional debt facilities. Under those forecasts, the Group will remain compliant with covenants through the going concern assessment period. The Directors are confident that the existing facilities due to expire within the next year can be renewed or replaced before expiry with the trading platform showing resilience to market conditions and other challenges presented during FY24 and relationships with finance providers and key shareholders strong.

Based on their assessment, the Directors believe it remains appropriate to prepare the financial statements on a going concern basis. However, while the Directors remain confident that either the deal to sell the Genetics business will proceed as planned, or that the current facilities will be renewed or replaced in the next 12 months before expiry on 31 March 2025 alongside additional funding being secured through a combination of an additional debt facilities and the completion of an equity raise, the requirement for either the sale of the Genetics business to complete or the ongoing financing to be secured represents a material uncertainty that may cast significant doubt on the Group's and Company's ability to continue as a going concern and therefore to continue realising their assets and discharging their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Consolidated Financial Statements

The Consolidated Financial Statements comprise the financial statements of the Group and its subsidiaries at 30 September 2024. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtained control, and continue to be consolidated until the date when such control ceases.

Where the Company has power, either directly or indirectly, over another entity or business and the ability to use this power to affect the amount of returns, as well as exposure or rights to variable returns from its involvement with the investee, it is classified as a subsidiary. The Consolidated Financial Statements present the results of the Company and its subsidiaries (the "Group") as if they formed a single entity. Intercompany transactions, balances, unrealised gains and losses resulting from intragroup transactions and dividends are eliminated in full.

The Consolidated Financial Statements incorporate the results of business combinations using the acquisition method. In the Consolidated Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. Non-controlling interests, presented as part of equity, represent a proportion of a subsidiary's profit or loss and net assets that is not held by the Group. The total comprehensive income or loss of non-wholly-owned subsidiaries is attributed to owners of the Parent and to the non-controlling interests in proportion to their respective ownership interests.

A separate income statement for the Company is not presented, in accordance with section 408 of the Companies Act 2006. The loss for the year for the Company was £128,037,000 (2023: profit £4,164,000).

Standards issued but not effective

A number of new standards, amendments to standards and interpretations are not yet effective, and have not been applied in preparing these Consolidated Financial Statements. Those which may be relevant to the Group are set out below:

- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (issued on July 2020); Non-current Liabilities with Covenants (issued on Oct 2022)
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023)
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)

The Directors do not expect that the adoption of the above standards and interpretations will have a material impact on the financial statements of the Group in future periods.

New standards and interpretations applied for the first time

The following standards which are effective for periods beginning on or after 1 January 2023 have been adopted without any significant impact on the amounts reported in these financial statements:

- IFRS 17 Insurance Contracts
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IFRS 17
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to IAS 8: Definition of Accounting Estimate
- Amendments to IAS 12 Income Taxes: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction
- Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Disclosure of Accounting policies: Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements
- Amendments to IAS 12: International Tax Reform—Pillar Two Model Rules

Revenue

Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

The following specific criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration and excludes intragroup sales and value added and similar taxes. The primary performance obligation is the transfer of goods to the customer. Revenue from the sale of goods is recognised when control of the goods is transferred to the customer, at an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods.

As sales arrangements differ from time to time (for example by customer and by territory), each arrangement is reviewed to ensure that revenue is recognised when control of the goods has passed to the customer.

This review and the corresponding recognition of revenue encompass a number of factors which include, but are not limited to the following:

- Reviewing delivery arrangements and whether the buyer has accepted title, recognising revenue at the point at which full title has passed; and/or
- Where distribution arrangements are in place, recognising revenue when control has passed either to the third party customer or the distributor (for example by consideration of any rights of return) at the point at which title has passed.

Within Genetics, revenue from the sale of eggs is recognised when the control of the goods has transferred to the customer or distributor, either on despatch or on receipt of goods by customer in line with the commercial terms governing the transaction.

Within Advanced Nutrition, revenue of products is recognised when the control of the goods has transferred to the customer or distributor, either on despatch or when goods are loaded onto the freight vessel, in line with the commercial terms of the transaction and relevant local regulations.

Within Health, revenue from the sale of licensed veterinary treatments is recognised when the control of the goods has transferred to the customer or distributor, either on despatch or upon treatment of biomass by the customer in line with commercial terms of the transaction.

Rendering of services

Services including technical consultancy and water purification following medicinal bath treatments are provided by Genetics and Health. Genetics also licenses production of its genetic lines to certain salmon farmers and receives royalties based on the number of eggs produced by those farmers.

Within each contract, judgement is applied to determine the extent to which activities within the contract represent distinct performance obligations to be delivered. Judgement is applied to determine first whether control passes over time and if not, then the point in time at which control passes. Where control passes at a point in time then revenue is recognised at that point. For all the services currently provided by the Group, control passes at a point in time upon delivery of the service and revenue is recognised at that point. Royalty income from the licensed production of the Group's genetic lines is recognised during the period the farmer produces the eggs.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Transaction costs, other than share and debt issue costs, are expensed as incurred. In accordance with IFRS 3: Business Combinations, the Group has a 12-month period in which to finalise the fair values allocated to assets and liabilities determined provisionally on acquisition.

Contingent consideration is measured at fair value based on an estimate of the expected future payments. Deferred consideration is measured at the present value of the obligation.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in the Consolidated Income Statement.

Foreign currency

The Group's Consolidated Financial Statements are presented in UK Pounds Sterling, which is also the Parent Company's functional currency. The Group determines the functional currency of each of its subsidiaries and items included in the financial statements of each of those entities are measured using that functional currency.

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the Consolidated Income Statement.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

1 Accounting policies continued

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

Exchange differences recognised in the Income Statement in the Group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the overseas operation concerned are reclassified to other comprehensive income and accumulated in the foreign exchange reserve on consolidation.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the Consolidated Income Statement as part of the profit or loss on disposal.

Financial assets

The Group has measured all of its financial assets (trade receivables and cash and cash equivalents), except for contingent consideration receivable, at amortised cost.

Financial assets arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. To determine whether financial assets may be measured at amortised cost or fair value through other comprehensive income, management assesses whether the cash flows represent solely payments of principal and interest on the principal amount ("SPPI"). Assets meeting the SPPI criterion are recognised at amortised cost using the effective interest rate method, less provision for impairment, while assets that do not meet SPPI are measured at fair value through profit and loss.

Impairment provisions for receivables, in accordance with IFRS 9, are calculated using an expected credit loss model. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within operating costs in the Consolidated Income Statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Amounts owed by subsidiaries are classified and recorded at amortised cost and reduced by allowances for expected credit losses. Estimated future credit losses are first recorded on initial recognition of a receivable and are based on estimated probability of default. Individual balances are written off when management deems them not to be collectible. Amounts owed by subsidiaries are unsecured, have no fixed date of repayment and are repayable on demand with sufficient liquidity in the Group to flow funds if required. Therefore, expected credit losses relating to receivables and loans from subsidiary companies are considered to be immaterial.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from inception, and for the purpose of the statements of Statements of Cash Flows, bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the Consolidated Balance Sheet.

Any gain or loss arising on derecognition of a financial asset is recognised directly in the income statement. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets fair value through profit and loss

Contingent consideration receivable is recognised at fair value with movements recognised in the Consolidated Income Statement.

Financial liabilities

The Group classifies its financial liabilities as other financial liabilities which include the following items:

- Bank borrowings which are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Consolidated Balance Sheet.
- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Any gain or loss arising on derecognition of a financial liability is recognised directly in the income statement. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

Financial liabilities fair value through profit and loss

Contingent consideration is recognised at fair value with movements recognised in the Consolidated Income Statement. For financial contracts which are designated as a fair value hedge, the fair value of the derivative is recognised in the Consolidated Income Statement.

Financial liabilities fair value through hedging reserve

For financial contracts which are designated as a cash flow hedge, the effective portion of changes in the fair value of the derivative is recognised in the Statement of Other Comprehensive Income ("OCI") and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

Share capital

The Group's ordinary shares are classified as 'equity instruments'.

Derivative financial instruments

The Group uses derivative financial instruments to manage its exposure to foreign exchange rate risks and interest rate risks. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are remeasured to fair value at each reporting date.

Cash flow hedges

Changes in the fair value of derivative financial instruments designated as cash flow hedges are recognised in other comprehensive income to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised immediately in the income statement. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income remains there until the forecast transaction occurs.

Net investment hedge

For hedges of net investments in foreign operations where the hedge is effective, movements are recognised in other comprehensive income. Ineffectiveness is recognised in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold.

Retirement benefits: defined contribution schemes

Contributions to defined contribution pension schemes are charged to the income statement in the year to which they relate.

Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the Consolidated Income Statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Consolidated Income Statement over the remaining vesting period.

Where equity-settled share options are awarded to employees of subsidiaries, in the Company accounts a credit is made to equity which is equal to the expense that should be recognised in the relevant subsidiary's (and Group's) accounts and an equal increase in investments in subsidiaries is made. The credit to equity in the Parent will not be a realised profit and will not therefore be available for distribution.

Goodwill

Goodwill is initially measured at cost, being the excess of the cost of a business combination over the total acquisition date fair value of the identifiable assets, liabilities and contingent liabilities acquired. Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the Consolidated Income Statement. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the Consolidated Income Statement on the acquisition date.

Externally acquired intangible assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised over their useful economic lives as outlined below, on a straight-line basis from the time they are available for use.

Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques.

In-process research and development programmes acquired in such combinations are recognised as an asset, even if subsequent expenditure is written off because it does not meet the criteria specified in the policy for development costs below.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

1 Accounting policies continued

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are as follows:

Intangible asset	Useful economic life	Validation method
Websites	5 years	Assessment of estimated revenues and profits
Patents	2-5 years	Cost to acquire
Trademarks	2-5 years	Cost to acquire
Contracts	3-20 years	Assessment of estimated revenues and profits
Licences	3-20 years	Cost to acquire, or if not separately identifiable, assessment of estimated revenues and profits
Intellectual property	Up to 20 years	Cost to acquire, or if not separately identifiable, assessment of estimated revenues and profits
Customer lists	Up to 26 years	Assessment of estimated revenues and profits
Genetic material and breeding nuclei	10-40 years	Cost to acquire, or if not separately identifiable, assessment of estimated revenues and profits
Development costs	Up to 10 years	Cost to acquire

Impairment of non-financial assets (excluding inventories)

The carrying values of all non-current assets are reviewed for impairment, either on a standalone basis or as part of a larger cash-generating unit ("CGUs"), when there is an indication that the assets might be impaired. Additionally, goodwill, intangible assets with indefinite useful lives and intangible assets which are not yet available for use are tested for impairment annually. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In assessing fair value less costs to sell, a market price is used if available, but if not, the future cash flows are adjusted for the impact of any actions that would be taken on the business should it be owned by a normal market participant.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows: its CGUs. Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from the synergies of the combination giving rise to the goodwill.

Impairment charges are included in the Consolidated Income Statement, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

Internally generated intangible assets (development costs)

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product;
- sale of the product will generate future economic benefits; and
- expenditure on the project can be measured reliably.

Capitalised development costs are recognised at cost, less accumulated amortisation and impairment losses and are amortised over the period the Group expects to benefit from selling the products developed.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the Consolidated Income Statement as incurred.

Finance income and costs

Finance costs include interest payable, finance charges on lease liabilities recognised in profit or loss using the effective interest method, amortisation of capitalised borrowing fees, unwinding of the discount on provisions, ineffective portions of the fair value movement of derivative financial instruments and net foreign exchange losses that are recognised in the income statement. Finance income comprises interest receivable on funds invested, dividend income and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/assets are settled/recovered.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable Group company; or
- different Group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Freehold land is not depreciated. Assets in the course of construction which have not yet been brought into use are not depreciated until fully commissioned and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Freehold property	- 2%–10% per annum straight line
Long-term leasehold property improvements	- 2%–10% per annum straight line
Plant and machinery	- 15% per annum reducing balance/10%–33% per annum straight line
Motor vehicles	- 25% per annum reducing balance
E-commerce infrastructure	- 10% per annum straight line
Other fixed assets	- 15%–33% per annum straight line

IFRS 16: Leases

The Group leases various properties, plant, equipment and vehicles with a wide range of rental periods.

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the Group under residual value guarantees.
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

1 Accounting policies continued

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the lessee which does not have recent third party financing.
- Makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease liability is remeasured when there is a change in future lease payments arising from a change in the Group's assessment of whether it will exercise a purchase, extension or termination option or if there is a revised lease term for an existing lease. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability.
- Any lease payments made at or before the commencement date less any lease incentives received.
- Any initial direct costs.
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets, such as IT equipment, are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The recoverability of the cost of inventories is assessed every reporting period by considering the expected net realisable value of inventory compared to its carrying value. Management considers the nature and condition of the inventory and considers expected sales of work in progress, finished goods and goods for resale and future usage of raw materials. Where the net realisable value is lower than the carrying value, a provision is recorded.

Biological assets

Biological assets comprise the asset types:

- Salmon eggs
- Salmon broodstock
- Salmon milt
- Lumpfish fingerlings
- Shrimp

Biological assets are, in accordance with IAS 41: Agriculture, measured at fair value, unless the fair value cannot be measured reliably.

The categorisation, for each of the above asset types, of the level in the fair value hierarchy set out in IFRS 13 is detailed in Note 21.

For any biological assets where fair value cannot be measured reliably, the assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Non-current biological assets are those biological assets which will not be sold or produce saleable progeny within 12 months of the balance sheet date. Further details of the valuation of biological assets are given in Note 21.

Government grants

Government grants received on capital expenditure are included in the balance sheet as deferred income and released to the income statement over the life of the asset. Grants for revenue expenditure are netted against the cost incurred by the Group. Where retention of a government grant is dependent on the Group satisfying certain criteria, it is initially recognised as 'deferred income'. When the criteria for retention have been satisfied, the deferred income balance is released to the Consolidated Income Statement or netted against the asset purchased.

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. The Group has recognised provisions for liabilities of uncertain timing or amount, including those for leasehold dilapidations and future unavoidable costs of dismantling and removing items of equipment from leased items. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

Investments in subsidiary undertakings

Investments in subsidiaries are stated at cost less provision for impairment.

Investments in equity-accounted investees

A joint venture is an entity over which the Group has joint control, under a contractual agreement. An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results, assets and liabilities of joint ventures and associates are incorporated in the Consolidated Financial Statements using the equity method of accounting. Under the equity method, investments in joint ventures and associates are carried in the Consolidated Balance Sheet at cost as adjusted for post acquisition changes in the Group's share of the net assets of the joint venture or associate, less any impairment in the value of the investment. Losses of a joint venture or associate in excess of the Group's interest in that entity are not recognised. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

The activities of the Group's equity accounted investees are closely aligned with the Group's principal activities, usually being set up to exploit opportunities from the Intellectual Property ("IP") held within the Group. As a result, the Group's share of the results of these entities is included within Adjusted Operating Profit to provide more meaning to the operating results.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the joint venture or associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statements of cash flows.

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the Directors. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting ("AGM").

Assets and liabilities held for sale

Any non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative Consolidated Income Statement and the comparative Consolidated Statement of Comprehensive Income are represented as if the operation had been discontinued from the start of the comparative year.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

2 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates

(a) Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The key sources of estimation uncertainty in items the Group measures at fair value are in biological assets (Note 21), which have been transferred into Assets Held for Sale following the decision to sell the Genetics business area (Note 23). These are the estimation of sales volumes and sales prices for uncontracted future sales of salmon eggs. This applies to salmon eggs with a fair value of £9,020,000 and broodstock with a fair value of £32,574,000.

(b) Impairment of goodwill

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on either value-in-use or fair value less costs to sell calculations, whichever is higher. These calculations require the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. More information including carrying values is included in Note 17.

(c) Valuation of inventory

During the year a decision was made to pause operations on the business area's new sea lice treatment (Ectosan Vet/CleanTreat) until a more commercially sensible deployment model could be adopted. Included within the inventory balance at 30 September 2024 is £5.2m of inventory relating to Ectosan Vet/CleanTreat, the recoverability of which is a judgement as management continue to engage with prospective customers on establishing a deployment model. The resolution of the uncertain recoverability of this inventory could result in a material write off.

Judgements

(a) Recognition of deferred tax

Deferred tax is provided in full on temporary differences under the liability method using substantively enacted rates to the extent that they are expected to reverse. Provision is made in full where the temporary differences result in liabilities, but deferred tax assets are only recognised where the Directors believe it is probable that the assets will be recovered. Judgement is required to determine the likelihood of reversal of the temporary differences in establishing whether an asset should be recognised.

(b) Discontinued operations and assets and liabilities held for sale

Following the Strategic Review, the decision was taken towards the end of the year to dispose of the Group's Genetics business area, with a deal being reached after the year end on 25 November 2024. The deal is subject to shareholder approval and anti-trust clearances which are expected to be received within three months. The Directors applied significant judgement to conclude firstly, that the circumstances present at the year end demonstrated that a sale was highly probable such that the assets and liability of the business should be classified as held for sale and secondly, that this business represented a separate major line of business which should therefore to be treated as discontinued operations. Both conclusions are in line with IFRS 5 Non-current Assets Held For Sale and Discontinued Operations (see Notes 12 and 23).

Had the Directors concluded that the sale of the Genetics business area was not highly probable, the assets and liabilities held for sale would have been aggregated into the separate lines within the Consolidated Balance Sheet, and if Genetics did not represent a separate major line of business, its results would have been aggregated into the continuing operations of the Group. The financial effect of the discontinued operation is set out in Note 12 and details of assets and liabilities transferred into held for sale are included in Note 23.

3 Financial instruments – risk management

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Liquidity risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Bank overdrafts
- Floating-rate bank loans
- Floating rate NOK Bond ("FRN")
- Cross-currency swap ("CCS")
- Interest rate swaps ("IRS")
- Contingent consideration

The Group's interest rate risk is primarily in relation to floating rate borrowings, which generates interest cost volatility. The Group's policy is to mitigate, to an acceptable level, this possible cost volatility.

The Group took out a NIBOR floating-to-fixed IRS in 2019 to fix a proportion of the interest payments on the NOK 180m term loan in Benchmark Genetics Salten. The IRS fully matches the tenure of the loan and further information on the underlying loan can be found in Note 25.

Following the issue of the NOK 750m FRN (Green Bond) in 2022, a floating-to-fixed CCS was entered which fully matches the timing and tenure of the underlying FRN. The CCS converted NOK 450m (60%) to US dollars. The Group also took out a floating-to-fixed IRS for the remaining NOK 300m. Further information on the CCS and IRS can be found in Note 25.

The CCS and IRS will be carried at fair value on the balance sheet. The effective portion of changes in fair value of the CCS will either be taken directly to the income statement or to equity within the hedging reserve and recycled to profit or loss as the hedged FRN impacts the profit or loss. To the extent that any ineffectiveness results, the ineffective portion of the gain or loss will be recognised in profit or loss within finance expense. To measure actual ineffectiveness, the change in fair value of the hedged item is calculated using a hypothetical derivative method.

The main sources of ineffectiveness relating to interest rate risk hedges are differences in the critical terms, differences in repricing dates and credit risk.

Hedges of the Group's net investment in foreign operations principally comprise borrowings in the currency of the investment's net assets. This enables gains and losses arising on retranslation of these foreign currency borrowings to be charged to other comprehensive income, providing a partial offset in equity against the gains and losses arising on translation of the net assets of foreign operations.

During the year, the Group designated NOK 300m of the issued NOK 750m green bond as a net investment hedge of NOK net assets. Any ineffective portion of the change in fair value is recognised immediately in the income statement.

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

3 Financial instruments – risk management continued

As at September 2024*	Notional Value of contracts thousands	Average fixed rate	Change in fair value of hedging instrument during reporting period used for measuring ineffectiveness £000	Fair value recognised in balance sheet (Assets) £000	Fair value recognised in balance sheet (Liabilities) £000	Change in fair value of hedged item during reporting period used for measuring effectiveness £000	Ineffectiveness recognised in the period £000
Interest rate risk – NOK	NOK 300,000	10.15%	(273)	116	–	(313)	–
Net investment hedging risk – NOK Debt	NOK 300,000	–	(1,791)	–	–	(1,791)	–
Cross-currency risk	NOK 450,000	8.03%	(502)	–	(6,895)	(519)	(243)

As at September 2023	Notional Value of contracts thousands	Average fixed rate	Change in fair value of hedging instrument during reporting period used for measuring ineffectiveness £000	Fair value recognised in balance sheet (Assets) £000	Fair value recognised in balance sheet (Liabilities) £000	Change in fair value of hedged item during reporting period used for measuring effectiveness £000	Ineffectiveness recognised in the period £000
Interest rate risk – NOK	NOK 82,800	5.98%	97	472	–	97	–
Interest rate risk – NOK	NOK 300,000	10.15%	420	389	–	459	145
Net investment hedging risk – NOK debt	NOK 300,000	–	(2,009)	–	–	(2,009)	(261)
Cross-currency risk	NOK 450,000	8.03%	(970)	–	(6,544)	(1,315)	2,293

* Please note 2024 figures are continuing and exclude assets and liabilities held for sale.

The line item in the balance sheet that the above hedging instruments is included in is trade and other payables. The item in the profit and loss account that includes the recognised hedge ineffectiveness is finance cost. The ineffectiveness testing for the cross-currency risk above is presented net of two synthetic cross-currency interest rate swaps. Further information is shown in Note 24.

Group

A summary of the financial instruments held by category is provided below:

Financial assets

	2024 £000	2023 £000
Financial assets measured at amortised cost		
Cash and cash equivalents (Note 35)	23,088	36,525
Trade and other receivables (Note 22)	18,391	24,848
	41,479	61,373
Financial assets at fair value through profit and loss		
Other receivables – contingent consideration	–	–
Total financial assets	41,479	61,373

Financial liabilities

	2024* £000	2023 £000
Financial liabilities measured at amortised cost		
Trade and other payables (Note 24)	24,861	48,084
Loans and borrowings (Note 25)	72,070	101,999
	96,931	150,083
Financial liabilities at fair value through profit and loss		
Financial contracts – hedging instrument (Note 24)	6,779	5,683
Total financial liabilities	103,710	155,766

* Please note 2024 figures are continuing and exclude assets and liabilities held for sale.

Company

Financial assets

	2024 £000	2023 £000
Financial assets measured at amortised cost		
Cash and cash equivalents (Note 35)	1,427	321
Trade and other receivables (Note 22)	79,528	190,959
Total financial assets	80,955	191,280

Financial liabilities

	2024 £000	2023 £000
Financial liabilities at amortised cost		
Trade and other payables (Note 24)	50,621	41,301
Loans and borrowings (Note 25)	68,444	63,770
	119,065	105,071
Financial liabilities at fair value through profit and loss		
Finance contracts – hedging instrument (Note 24)	6,779	6,155
Total financial liabilities	125,844	111,226

There were no financial instruments classified as available for sale.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The Board receives monthly reports from the Group's Chief Financial Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group for debts past due. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

3 Financial instruments – risk management continued

To measure the expected credit losses, trade receivables have been grouped based on shared credit-risk characteristics, and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months before 30 September 2024 and the corresponding historical losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. At 30 September 2024, the risk is considered to have increased in response to the global economic pressures caused by the conflict in Eastern Europe.

The loss allowance provision as at 30 September 2024 and 30 September 2023 is determined as follows:

	Not due £000	Past due (up to one month) £000	Past due (one to three months) £000	Past due (three to 12 months) £000	Past due (over 12 months) £000	Total £000
30 September 2024						
Expected loss rate	0.00%	2.33%	2.33%	30.62%	100.00%	
Gross carrying amount – trade receivables	13,493	1,503	2,656	1,205	1,771	20,628
Loss allowance	-	(35)	(62)	(369)	(1,771)	(2,237)
Specific loss allowance	-	-	-	-	-	-
Total loss allowance	-	(35)	(62)	(369)	(1,771)	(2,237)
	Not due £000	Past due (up to one month) £000	Past due (one to three months) £000	Past due (three to 12 months) £000	Past due (over 12 months) £000	Total £000
30 September 2023						
Expected loss rate	0.41%	0.63%	2.78%	19.05%	100.00%	
Gross carrying amount – trade receivables	18,620	3,048	2,459	1,093	2,240	27,460
Loss allowance	(76)	(19)	(68)	(209)	(2,240)	(2,612)
Specific loss allowance	-	-	-	-	-	-
Total loss allowance	(76)	(19)	(68)	(209)	(2,240)	(2,612)

The movement in Group provision for impairment of trade receivables is shown in Note 22.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating 'A' are accepted.

Fair value and cash flow interest rate risk

The Group has borrowings that are impacted by the volatility in the interest rates Note 25. The Group manages its long-term borrowings policy centrally, and operates monthly cash flow forecasting to manage its net debt position to ensure exposure to changes in interest rates are minimised where possible. The variable interest rate on green bond (NOK 750m) is hedged with fixed interest rate derivatives so excluded from the below sensitivities.

Interest rate sensitivity

The Directors consider that 100 basis points is the likely change in the relevant interest rates over the next year, being the period up to the next point at which the Group expects to make these disclosures. The loss after tax for the year ended 30 September 2024 would change by +/- £0.2m if the interest rates were to move by 100 basis points (2023: +/- £0.3m).

A fundamental review and reform of major interest rate benchmarks is being undertaken globally. The only interest rate benchmarks which the Group is predominantly exposed to and that is subject to reform is NIBOR. These exposures relate to the FRN, Revolving Credit Facility, Benchmark Genetics Salten Term Loan and the associated floating-to-fixed IRS and CCS. At present, the Norwegian regulatory bodies have provided no further updates on NIBOR transition and no formal cessation date has been agreed. The Group continues to engage with its finance partners whilst closely monitoring the market and output from various industry working groups managing the transition to new benchmark interest rates

Foreign exchange risk

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency (principally Sterling, Norwegian Krone, Icelandic Krona, Euro, US Dollars and Danish Krone). The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

Foreign exchange risk continued

The following table shows the impact of a 10% increase and reduction in Sterling against the relevant foreign currencies, with all other variables held constant, on the Group's profit before tax and equity. A greater or smaller change would have a pro-rata effect. The movements in profit arise from retranslation of foreign currency denominated monetary items held at the year end, including the foreign currency revolving credit facility, foreign currency bank accounts, trade receivables, trade and other payables. The movements in equity arise from the retranslation of the net assets of overseas subsidiaries and the intangible assets arising on consolidation in accordance with IFRS 10: Consolidated Financial Statements.

Increase/(decrease)	£/\$		£/€		£/NOK		£/ISK		£/THB	
	Profit £000	Equity £000	Profit £000	Equity £000	Profit £000	Equity £000	Profit £000	Equity £000	Profit £000	Equity £000
2024 10% increase in rate	(2,212)	2,671	(154)	(6,166)	5,165	(3,845)	(1,130)	(4,500)	302	(2,842)
2024 10% reduction in rate	2,704	(3,265)	188	7,536	(6,313)	4,700	1,381	5,500	(369)	3,474
2023 10% increase in rate	(3,078)	(11,697)	(620)	(3,465)	5,218	(1,734)	-	(3,494)	95	(2,619)
2023 10% reduction in rate	3,762	14,296	758	4,235	(6,377)	2,120	-	4,270	(116)	3,201

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, the Group seeks to maintain cash balances (or agreed facilities) sufficient to meet expected requirements detailed in rolling three-month cash flow forecasts, and in long-term cash flow forecasts for a minimum period of not less than 12 months.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

Group

	Up to 3 months £000	Between 3 and 12 months £000	Between 1 and 2 years £000	Between 2 and 5 years £000	Over 5 years £000
As at September 2024*					
Trade and other payables	21,425	1,829	-	-	1,607
Financial contracts – hedging instruments	(184)	6,963	-	-	-
Loan notes and bank borrowings	17,632	57,182	-	-	-
Lease liabilities	344	914	811	1,218	826
Total	39,217	66,888	811	1,218	2,433
As at September 2023					
Trade and other payables	36,900	10,026	78	-	1,081
Financial contracts – hedging instruments	(167)	(516)	6,838	-	(472)
Loan notes, bank borrowings and other loans	10,087	6,933	66,689	16,264	1,784
Lease liabilities	3,050	9,260	4,769	3,218	1,311
Total	49,870	25,703	78,374	19,482	3,704

* Please note 2024 figures are continuing and exclude assets and liabilities held for sale.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

3 Financial instruments – risk management continued

Company

As at September 2024	Up to 3 months £000	Between 3 and 12 months £000	Between 1 and 2 years £000	Between 2 and 5 years £000	Over 5 years £000
Trade and other payables	50,342	279	–	–	–
Financial contracts – hedging instruments	(184)	6,963	–	–	–
Loan notes and bank borrowings	17,632	57,182	–	–	–
Total	67,790	64,424	–	–	–

As at September 2023	Up to 3 months £000	Between 3 and 12 months £000	Between 1 and 2 years £000	Between 2 and 5 years £000	Over 5 years £000
Trade and other payables	39,899	1,402	–	–	–
Financial contracts	(167)	(516)	6,838	–	–
Loan notes and bank borrowings	1,613	4,803	63,950	–	–
Total	41,345	5,689	70,788	–	–

Capital management

The capital structure of the Group consists of debt, as analysed in Note 25, and equity attributable to the equity holders of the Parent Company, comprising share capital, share premium, merger reserve, capital redemption reserve, hedging reserve, foreign exchange reserve, retained earnings, and share-based payment reserve, and non-controlling interest as shown in the Consolidated Statement of Changes in Equity. The Group manages its capital with the objective that all entities within the Group continue as going concerns while maintaining an efficient structure to minimise the cost of capital and ensuring that the Group complies with the banking covenants associated with the external borrowing facilities. These covenants are related to minimum liquidity, equity and borrowing ratios. The Group is not restricted by any externally imposed capital requirements.

4 Revenue

The Group's operations and main revenue streams are those described in Note 1. 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 8).

Sales of goods and provision of services

Year ended 30 September 2024	Genetics £000	Advanced Nutrition £000	Health £000	Corporate £000	Inter-segment sales £000	Total £000	Discontinued £000	Continuing £000
Sale of goods	53,486	75,806	11,703	–	–	140,995	53,486	87,509
Provision of services	3,875	34	2,822	–	–	6,731	3,875	2,856
Inter-segment sales	24	78	–	4,040	(4,142)	–	–	–
	57,385	75,918	14,525	4,040	(4,142)	147,726	57,361	90,365

Year ended 30 September 2023 (restated)	Genetics £000	Advanced Nutrition £000	Health £000	Corporate £000	Inter-segment sales £000	Total £000	Discontinued Restated* £000	Continuing Restated* £000
Sale of goods	61,372	78,449	17,707	–	–	157,528	61,371	96,157
Provision of services	4,409	–	7,807	–	–	12,216	4,410	7,806
Inter-segment sales	10	54	–	5,747	(5,811)	–	–	–
	65,791	78,503	25,514	5,747	(5,811)	169,744	65,781	103,963

* See Note 12.

Primary geographical markets

Year ended 30 September 2024	Genetics £000	Advanced Nutrition £000	Health £000	Corporate £000	Inter-segment sales £000	Total £000	Discontinued £000	Continuing £000
Norway	31,803	1,058	8,742	-	-	41,603	31,803	9,800
Vietnam	14	10,536	-	-	-	10,550	14	10,536
Iceland	7,118	-	113	-	-	7,231	7,118	113
Türkiye	107	7,197	-	-	-	7,304	107	7,197
Indonesia	391	4,993	-	-	-	5,384	391	4,993
Ecuador	40	6,203	-	-	-	6,243	40	6,203
United Kingdom	3,436	59	316	-	-	3,811	3,436	375
Faroe Islands	5,282	-	1,027	-	-	6,309	5,282	1,027
India	5	9,286	-	-	-	9,291	5	9,286
China	610	3,156	-	-	-	3,766	610	3,156
Greece	-	6,642	-	-	-	6,642	-	6,642
Canada	1,553	69	2,828	-	-	4,450	1,553	2,897
Chile	3,678	-	1,499	-	-	5,177	3,678	1,499
Rest of Europe	1,595	5,108	(1)	-	-	6,702	1,595	5,107
Rest of World	1,729	21,533	1	-	-	23,263	1,729	21,534
Inter-segment sales	24	78	-	4,040	(4,142)	-	-	-
	57,385	75,918	14,525	4,040	(4,142)	147,726	57,361	90,365

Year ended 30 September 2023	Genetics £000	Advanced Nutrition £000	Health £000	Corporate £000	Inter-segment sales £000	Total £000	Discontinued Restated* £000	Continuing Restated* £000
Norway	39,008	899	19,596	-	-	59,503	39,008	20,495
Vietnam	-	11,087	-	-	-	11,087	-	11,087
Iceland	7,343	-	-	-	-	7,343	7,343	-
Türkiye	93	7,009	-	-	-	7,102	93	7,009
Indonesia	637	4,099	-	-	-	4,736	637	4,099
Ecuador	38	7,257	-	-	-	7,295	38	7,257
United Kingdom	3,957	85	177	-	-	4,219	3,957	262
Faroe Islands	6,160	-	718	-	-	6,878	6,160	718
India	-	9,743	-	-	-	9,743	-	9,743
China	327	4,502	-	-	-	4,829	327	4,502
Greece	-	6,759	-	-	-	6,759	-	6,759
Canada	3,071	96	4,032	-	-	7,199	3,071	4,128
Chile	1,824	12	991	-	-	2,827	1,824	1,003
Rest of Europe	1,470	4,879	-	-	-	6,349	1,470	4,879
Rest of World	1,853	22,022	-	-	-	23,875	1,853	22,022
Inter-segment sales	10	54	-	5,747	(5,811)	-	-	-
	65,791	78,503	25,514	5,747	(5,811)	169,744	65,781	103,963

* See Note 12.

In 2024 and 2023, no customer accounted for more than 10% of revenue.

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

5 Expenses by nature
Continuing operations

	2024 £000	2023 Restated* £000
Changes in inventories of finished goods and work in progress	6,040	1,557
Write-down of inventory to net realisable value	421	326
Raw materials and consumables used	29,808	35,643
Transport expenses	3,902	2,422
Staff costs (see Note 7)	24,705	28,164
Motor, travel and entertainment	1,586	2,111
Premises costs	4,033	4,277
Vessel costs	2,034	4,346
Advertising and marketing	506	820
Professional fees	4,617	5,400
Gains on disposal of property, plant and equipment	(240)	(121)
Other exceptional expenses (see Note 10)	4,522	3,904
Other research and development costs	9	257
Depreciation and impairment of PPE (see Note 14)	5,716	4,789
Depreciation and impairment of right-of-use assets (see Note 14)	5,233	9,221
Amortisation and impairment of intangible assets (see Note 16)	30,891	16,601
Net impairment recognised on trade receivables	471	109
Other costs	1,816	2,321
	126,070	122,147
Other income	(206)	(650)
Total cost of sales, operating costs, depreciation, amortisation and impairment	125,864	121,497

Net impairment recognised on trade receivables is included within other operating costs in the consolidated income statement.

Other income

	2024 £000	2023 Restated £'000
Research and development expenditure credit	–	148
Grant	66	87
Other	140	415
	206	650

* See Note 12.

6 Auditors remuneration

	2024 £000	2023 £000
Audit of these financial statements	1,013	871
Amounts receivable by auditors and their associates in respect of:		
Audit of financial statements of subsidiaries pursuant to legislation	621	597
Audit related assurance services	5	761
	1,639	2,229

Fees for audit related assurance services included £nil (2023: £757,000) for audit services associated with the listing of the Green Bond and potential uplisting of the Company on Oslo Bors.

7 Staff costs

	2024 Continuing £000	2024 Discontinued £000	2024 Total £000	2023 Continuing Restated* £000	2023 Discontinued Restated* £000	2023 Total Restated* £000
Staff costs (including Directors) comprise:						
Wages and salaries*	20,070	13,111	33,181	22,958	14,872	37,830
Social security contributions and similar taxes*	1,197	1,333	2,530	2,759	1,716	4,475
Defined contribution pension cost*	1,592	1,130	2,722	1,703	1,110	2,814
Share-based payment expense (Note 33)	1,846	208	2,054	743	262	1,005
	24,705	15,782	40,487	28,164	17,960	46,124

	2024 Continuing No.	2024 Discontinued No.	2024 Total No.	2023 Continuing No.	2023 Discontinued No.	2023 Total No.
The average monthly number of employees, including Directors, during the year was as follows:						
Production	369	229	598	415	243	658
Administration	115	32	147	104	21	125
Management	73	36	109	48	26	74
	557	297	854	567	289	857

* 2023 staff costs have been restated to include an increase of £2.7m of staff costs that were disclosed within R&D costs in the prior period.

Directors' remuneration

Directors' emoluments and pension payments are detailed in the single total figure of remuneration for the financial year ended 30 September 2024 table on page 87 and the Directors' share options are detailed in the Directors' interests under the Company's employee share plans table on page 90 in the Remuneration Report. These two tables form part of these audited financial statements.

In addition to the above, there was an accounting charge for share-based payments in respect of the Directors of £694,000 (2023: £288,000). No options were exercised by the Directors during the current or prior year (2023: None). The cost of employer National Insurance contributions in relation to the Directors was £264,000 (2023: £242,000).

The key management of the Group are deemed to be the Board of Directors and Executive Management Team who have authority and responsibility for planning and controlling all significant activities of the Group. Further information in relation to remuneration of key management team personnel can be found in Note 34.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

8 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. Following management's decision to sell the Group's Genetics business area, this has been classified as discontinued operations in the income statement. However, the tables below include the Genetics business and therefore show the total of continuing activities and discontinued operations.
- **Advanced Nutrition** – manufactures and provides technically advanced nutrition and health products to the global aquaculture industry.
- **Health** – following the divestment programme completed in the previous year, the segment now focuses on providing health products to the global aquaculture market.

For completeness, corporate and inter-segment sales are also shown. Corporate sales represent revenues earned from recharging certain central costs to the operating business areas, together with unallocated central costs.

Measurement of operating segment profit or loss

Inter-segment sales are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of Group resources at a rate acceptable to local tax authorities. This policy was applied consistently throughout the current and prior period.

Year ended 30 September 2024	Genetics £000	Advanced Nutrition £000	Health £000	Corporate £000	Inter-segment sales £000	Total £000
Revenue	57,385	75,918	14,525	4,040	(4,142)	147,726
Cost of sales	(31,006)	(39,177)	(7,251)	–	85	(77,349)
Gross profit / (loss)	26,379	36,741	7,274	4,040	(4,057)	70,377
Research and development costs	(3,276)	(2,328)	(115)	–	–	(5,719)
Operating costs	(9,563)	(20,040)	(5,104)	(6,676)	4,057	(37,326)
Share of profit of equity-accounted investees, net of tax	1,288	–	–	–	–	1,288
Adjusted EBITDA	14,828	14,373	2,055	(2,636)	–	28,620
Exceptional – restructuring/acquisition related items	(1,800)	(290)	(642)	(4,649)	–	(7,381)
EBITDA	13,028	14,083	1,413	(7,285)	–	21,239
Depreciation and impairment	(5,371)	(2,755)	(8,257)	63	–	(16,320)
Amortisation and impairment	(1,638)	(15,863)	(15,025)	(3)	–	(32,529)
Operating profit / (loss)	6,019	(4,535)	(21,869)	(7,225)	–	(27,610)
Finance cost						(15,182)
Finance income						4,167
Loss before tax						(38,625)

Measurement of operating segment profit or loss continued

Year ended 30 September 2023	Genetics £000	Advanced Nutrition £000	Health £000	Corporate £000	Inter-segment sales £000	Total £000
Revenue	65,791	78,503	25,514	5,747	(5,811)	169,744
Cost of sales	(35,876)	(34,704)	(13,173)	-	54	(83,699)
Gross profit / (loss)	29,915	43,799	12,341	5,747	(5,757)	86,045
Research and development costs	(3,778)	(2,071)	(279)	-	-	(6,128)
Operating costs	(11,696)	(23,354)	(7,290)	(9,064)	5,757	(45,647)
Share of profit of equity-accounted investees, net of tax	(32)	-	-	-	-	(32)
Adjusted EBITDA	14,409	18,374	4,772	(3,317)	-	34,238
Exceptional - restructuring/acquisition related items	(3,913)	(920)	(509)	(2,475)	-	(7,817)
EBITDA	10,496	17,454	4,263	(5,792)	-	26,421
Depreciation and impairment	(4,703)	(2,437)	(11,559)	(14)	-	(18,713)
Amortisation and impairment	(1,894)	(14,269)	(2,329)	(3)	-	(18,495)
Operating profit / (loss)	3,899	748	(9,625)	(5,809)	-	(10,787)
Finance cost						(15,082)
Finance income						7,670
Loss before tax						(18,199)

Reconciliation of segmental information to IFRS measures – Revenue and Loss before tax

Revenue

		2024 £000	2023 Restated £000
Total Revenue per segmental information		147,726	169,744
Less: revenue from discontinued operations	12	(57,361)	(65,781)
Consolidated revenue		90,365	103,963

Loss before tax

		2024 £000	2023 Restated £000
Loss before tax per segmental information		(38,625)	(18,199)
Less: loss before tax from discontinued operations	12	(7,300)	(6,500)
Consolidated loss before tax		(45,925)	(24,699)

Non-current assets by location of assets

	2024 £000	2023 £000
Belgium	115,154	144,344
Norway	-	74,541
UK	880	29,690
Iceland	-	37,631
Rest of Europe	1,916	1,017
Rest of world	14,051	34,047
	132,001	321,270

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

9 Net finance costs

Continuing operations

	2024 £000	2023 Restated* £000
Interest received on bank deposits	44	250
Foreign exchange gains on financing activities	-	158
Foreign exchange gains on operating activities	3,739	3,593
Cash flow hedges – ineffective portion of changes in fair value	-	2,176
Finance income	3,783	6,177
Leases interest	(518)	(1,009)
Cash flow hedges – ineffective portion of changes in fair value	(243)	-
Foreign exchange losses on operating activities	(4,954)	(4,547)
Amortisation of capitalised borrowing fees	(967)	(565)
Interest expense on financial liabilities measured at amortised cost	(7,527)	(7,220)
Finance costs	(14,209)	(13,342)
Net finance costs recognised in profit or loss	(10,426)	(7,165)

* See Note 12.

10 Exceptional items from continuing operations – restructuring/acquisition related items

Items that are material because of their nature, non-recurring or 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.

	2024 £000	2023 Restated* £000
Acquisition related items	158	652
Exceptional restructuring costs	5,682	872
Disposal related items	(259)	(218)
Costs associated with the Oslo listing	-	2,598
Total exceptional items	5,581	3,904

* See Note 12.

Acquisition related items comprise fees incurred in both 2024 and 2023 in connection with an aborted acquisition.

Exceptional restructuring costs include £4,447,000 (2023: £nil) relating to the formal review of the Company's strategic options as announced earlier in the year. The other exceptional restructuring costs of £1,235,000 (2023: £872,000) relate to redundancies and dilapidations provisions arising from restructuring Health, Nutrition and Corporate business areas.

Disposal related items relate to income from asset disposals from Health businesses discontinued in earlier years.

In 2023, exceptional restructuring costs included £2,598,000 of legal and professional costs in relation to preparing for listing the Group on the Oslo stock exchange.

11 Taxation

Amounts recognised in profit or loss

	2024 £000	2023 Restated* £000
Analysis of charge in period		
Current tax:		
Current income tax expense on profits for the period	1,948	2,526
Adjustment in respect of prior periods	(339)	(880)
Total current tax charge on continuing activities	1,609	1,646
Deferred tax:		
Origination and reversal of temporary differences	(3,255)	(2,869)
Deferred tax movements in respect of prior periods	-	-
Total deferred tax credit on continuing activities (Note 27)	(3,255)	(2,869)
Total tax credit on continuing activities	(1,646)	(1,223)

* See Note 12.

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the UK applied to profits for the year are as follows:

	2024 £000	2023 Restated £000
Accounting loss before income tax	(45,925)	(24,699)
Expected tax credit based on the standard rate of UK corporation tax at the domestic rate of 25% (2023: 22.01%)	(11,481)	(5,436)
Income not taxable	(364)	(71)
Expenses not deductible for tax purposes	3,211	952
Deferred tax not recognised	7,447	4,848
Adjustment to tax charge in respect of prior periods	(339)	(880)
Effects of changes in tax rates	(17)	(12)
Different tax rates in overseas jurisdictions	(103)	(624)
Total tax charge on continuing operations	(1,646)	(1,223)

In the prior year, the Group released the provision held in respect of uncertain tax positions and has been reflected in the adjustment to tax charge in the prior period.

Deferred tax not recognised of £7,447,000 (2023: £4,848,000) mainly relates to current year losses which largely originate in the UK, and for which there is insufficient evidence that taxable profits will be available against which they can be utilised and so no deferred tax asset is recognised.

The above excludes a tax expense of £2,141,000 (2023: £4,588,000) from discontinued operations; this has been included in loss from discontinued operations, net of tax (Note 12). Deferred tax not recognised of £1,278,000 (2023: £2,263,000) relates to current year tax losses on discontinued operations.

Deferred taxation is measured at tax rates that are expected to apply in the periods in which temporary timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date, in the territories in which they arose.

There was no deferred tax recognised in other comprehensive income in the year (2023: £nil).

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

12 Discontinued operations

On 22 January 2024, the Board announced the decision to undertake a formal review of the Group's strategic options including the exploration of a potential sale of the Group as a whole or of one or more business units, should any attractive offers be made by potential bidders. As at 30 September, the Board assessed that a deal for the sale of the Genetics business area was reaching an advanced stage and that a sale of the business area was highly probable. The circumstances at the year end were such that the conditions outlined within IFRS 5 Non-current Assets Held for Sale and Discontinued Operations for treatment as 'held for sale' and 'discontinued operations' were met, and this has been reflected in the financial statements.

In the prior year, the Group divested its Tilapia business, which was also in the Genetics business area, for consideration of USD 1 in a management buy out. Consequently, these operations were already classified as discontinued in the prior year.

Summary of restatement of FY23 results as reported in FY23 financial statements

	Continuing operations			Discontinued operations
	Revenue £000	Adjusted EBITDA £000	Loss from continuing operations £000	(Loss)/ profit from discontinued operations £000
As stated in financial year 2023 financial statements	169,476	35,492	(16,059)	(5,505)
Reclassified in financial year 2024	(65,513)	(18,511)	(7,417)	7,417
As stated in financial year 2024 financial statements	103,963	16,981	(23,476)	1,912
			2024* £000	2023* Restated £000
Revenue			57,361	65,781
Cost of sales			(30,931)	(35,820)
Gross profit			26,430	29,961
Research and development costs			(3,276)	(3,778)
Other operating costs			(7,744)	(8,894)
Share of loss of equity-accounted investees, net of tax			1,288	(32)
Adjusted EBITDA			16,698	17,257
Exceptional loss on disposal			(1,800)	(3,913)
EBITDA			14,898	13,344
Depreciation and impairment			(5,371)	(4,703)
Amortisation and impairment			(1,638)	(1,894)
Operating profit / Profit before taxation			7,889	6,747
Net finance costs			(589)	(247)
Profit before taxation			7,300	6,500
Tax on profit			(2,141)	(4,588)
Profit from discontinued operations			5,159	1,912

* While all of the discontinued operations relate to the entire Genetics business area, the results above exclude £1.9m of intercompany recharges included within the Genetics segment in Note 8, which are eliminated within continuing activities.

Exceptional items within discontinued operations

	2024 £000	2023 Restated £000
Exceptional restructuring costs	965	-
Other costs	835	-
Loss on disposal of trade and assets	-	3,774
Other costs relating to disposals	-	139
Total exceptional loss on disposal	1,800	3,913

Exceptional costs included in discontinued operations relating to Genetics include certain costs following the closure of the tilapia operations in FY23 (£0.4m), restructuring costs in relation to the shrimp genetics operations (£0.5m) and costs incurred in relation to uninsured culling of broodstock and clean-up costs after two separate isolated ISA incidents (£0.8m).

Cash flows from discontinued operations

	2024 £000	2023 Restated £000
Net cash flow from operating activities	4,489	11,648
Net cash flow from investing activities	(1,776)	(11,416)
Net cash flow from financing activities	(5,838)	(2,401)
Net cash flow from discontinued operations	(3,125)	(2,169)

Results from discontinued operations by segment

The results from the discontinued operations relate solely to the Genetics operating segment.

Impact on the Group Consolidated Income Statement for the year ended 30 September 2024

	2024 Continuing £000	2024 Discontinued £000	2024 Total £000
Revenue	90,365	57,361	147,726
Cost of sales	(46,418)	(30,931)	(77,349)
Gross profit	43,947	26,430	70,377
Research and development costs	(2,443)	(3,276)	(5,719)
Other operating costs	(29,582)	(7,744)	(37,326)
Share of profit of equity-accounted investees, net of tax	-	1,288	1,288
Adjusted EBITDA	11,922	16,698	28,620
Exceptional – restructuring/acquisition related items	(5,581)	(1,800)	(7,381)
EBITDA	6,341	14,898	21,239
Depreciation and impairment	(10,949)	(5,371)	(16,320)
Amortisation and impairment	(30,891)	(1,638)	(32,529)
Operating (loss)/profit	(35,499)	7,889	(27,610)
Net finance costs	(10,426)	(589)	(11,015)
(Loss)/profit before taxation	(45,925)	7,300	(38,625)
Tax on loss	1,646	(2,141)	(495)
(Loss)/profit after tax for the financial period	(44,279)	5,159	(39,120)

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

12 Discontinued operations continued

Impact on the Group Consolidated Income Statement for the year ended 30 September 2023

	2023 Continuing Restated £000	2023 Discontinued Restated £000	2023 Total Restated £000
Revenue	103,963	65,781	169,744
Cost of sales	(47,879)	(35,820)	(83,699)
Gross profit	56,084	29,961	86,045
Research and development costs	(2,350)	(3,778)	(6,128)
Other operating costs	(36,753)	(8,894)	(45,647)
Share of profit of equity-accounted investees, net of tax	–	(32)	(32)
Adjusted EBITDA	16,981	17,257	34,238
Exceptional – restructuring/acquisition related items	(3,904)	(3,913)	(7,817)
EBITDA	13,077	13,344	26,421
Depreciation and impairment	(14,010)	(4,703)	(18,713)
Amortisation and impairment	(16,601)	(1,894)	(18,495)
Operating (loss)/profit	(17,534)	6,747	(10,787)
Net finance costs	(7,165)	(247)	(7,412)
(Loss)/profit before taxation	(24,699)	6,500	(18,199)
Tax on loss	1,223	(4,588)	(3,365)
(Loss)/profit after tax for the financial period	(23,476)	1,912	(21,564)

Effects of business disposals on the financial position of the Group in FY23

On 30 September 2023, the tilapia businesses of a Group's subsidiary was disposed of for the consideration of USD 1. The assets sold are highlighted in the table below.

	Tilapia £000
Assets	
Property, plant and equipment (including right-of-use assets)	738
Intangible assets	3,036
Net assets and liabilities	3,774
Total consideration	–
Consideration received in cash	–
Cash and cash equivalents disposed of	–
Net cash inflow/(outflow)	–

13 Loss per share

Basic loss per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	2024			2023 Restated		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
Loss attributable to equity holders of the Parent (£000)	(44,279)	4,815	(39,464)	(23,476)	330	(23,145)
Weighted average number of shares in issue (thousands)			739,575			731,935
Basic loss per share (pence)	(5.99)	0.65	(5.34)	(3.21)	0.05	(3.16)

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. This is done by calculating the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options and warrants. The number of shares calculated above is compared with the number of shares that would have been issued assuming the exercise of the share options and warrants.

Therefore, the Company is required to adjust the earnings per share calculation in relation to the share options that are in issue under the Company's share-based incentive schemes, and outstanding warrants. However, as any potential ordinary shares would be anti-dilutive due to losses being made there is no difference between Basic loss per share and Diluted loss per share for any of the periods being reported.

A total of 13,656,055 (2023: 8,948,132) potential ordinary shares have not been included within the calculation of statutory diluted loss per share for the year as they are anti-dilutive and reduce the loss per share. However, these potential ordinary shares could dilute earnings per share in the future. The diluted and basic loss per share are the same for both continuing and discontinued.

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

**14 Property, plant and equipment
Group**

	Freehold Land and Buildings £000	Assets in the course of construction £000	Long Term Leasehold Property Improvements £000	Plant and Machinery £000	Office Equipment and Fixtures £000	Total £000
Cost						
Balance at 1 October 2022	69,003	2,264	7,136	39,166	3,138	120,707
Additions	2,164	560	28	2,662	539	5,953
On acquisition	-	-	-	315	-	315
Reclassification	56	(106)	-	50	-	-
Increase/(decrease) through transfers from assets in the course of construction	877	(1,556)	-	679	-	-
Exchange differences	(4,446)	(53)	(344)	(1,670)	(328)	(6,841)
Transfer to assets held for resale	(1,392)	-	-	-	-	(1,392)
Transfer to inventory	-	-	-	94	-	94
Disposals	(81)	-	(1,575)	(2,121)	(58)	(3,835)
Balance at 1 October 2023	66,181	1,109	5,245	39,175	3,291	115,001
Additions	1,291	546	-	2,256	249	4,342
Increase/(decrease) through transfers from assets in the course of construction	632	(842)	-	231	(21)	-
Exchange differences	(4,845)	(50)	(179)	(1,147)	(203)	(6,424)
Transfer to assets held for resale	(55,947)	(522)	(1,964)	(11,657)	(2,258)	(72,348)
Disposals	(40)	-	(3,102)	(9,803)	(263)	(13,208)
Balance at 30 September 2024	7,272	241	-	19,055	795	27,363
Accumulated Depreciation						
Balance at 1 October 2022	10,924	-	5,176	21,315	1,392	38,807
Depreciation charge for the year	2,266	-	79	5,513	595	8,453
Transfer to assets held for resale	(542)	-	-	-	-	(542)
Exchange differences	(908)	-	(189)	(810)	(214)	(2,121)
Disposals	(81)	-	(1,575)	(1,323)	(28)	(3,007)
Balance at 1 October 2023	11,659	-	3,491	24,695	1,745	41,590
Depreciation charge for the year	2,122	-	138	4,194	422	6,876
Impairment charge for the year	-	-	-	1,893	-	1,893
Transfer to assets held for resale	(10,150)	-	(470)	(6,097)	(1,536)	(18,253)
Exchange differences	(993)	-	(36)	(586)	(124)	(1,739)
Disposals	-	-	(3,123)	(9,707)	(281)	(13,111)
Balance at 30 September 2024	2,638	-	-	14,392	226	17,256
Net book value						
At 30 September 2024	4,634	241	-	4,663	569	10,107
At 30 September 2023	54,522	1,109	1,754	14,480	1,546	73,411
At 1 October 2022	58,079	2,264	1,960	17,851	1,746	81,900

During the year, the business made the decision to pause operations on the Health business area's new sea lice treatment (Ectosan® Vet/ CleanTreat®) until a more suitable deployment platform can be found. As a result, the capitalised plant and machinery costs relating to Ectosan® Vet/ CleanTreat® of £1,893,000 were impaired to nil.

Reconciliation of depreciation and impairment to income statement

		2024 £000	2023 £000
Depreciation on property, plant and equipment		(6,876)	(8,453)
Impairment of property, plant and equipment		(1,893)	-
Impairment of assets held for sale		(550)	-
Depreciation on continuing right of use assets	15	(5,221)	(9,221)
Depreciation on discontinued right of use assets	15	(1,767)	(1,039)
Impairment on continuing right of use assets	15	(13)	-
Total per cash flow		(16,320)	(18,713)
Less: depreciation and impairment on discontinued	12	5,371	4,703
Total depreciation and impairment per income statement		(10,949)	(14,010)

Company

	Office equipment and fixtures £000
Cost	
Balance at 1 October 2022	1,371
Additions	6
Balance at 1 October 2023	1,377
Additions	2
Disposals	(713)
Balance at 30 September 2024	666
Accumulated Depreciation	
Balance at 1 October 2022	1,321
Depreciation charge for the year	17
Balance at 1 October 2023	1,338
Depreciation charge for the year	14
Disposals	(713)
Balance at 30 September 2024	639
Net book value	
At 30 September 2024	27
At 30 September 2023	39
At 1 October 2022	50

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

15 Leases
Group

	2024 £000	2023 £000
Right-of-use assets		
Leasehold property	8,996	9,213
Plant and machinery	2,896	10,585
Office equipment and fixtures	3	6
Transferred to held for sale	(7,843)	-
	4,052	19,804
Lease liabilities		
Current	4,223	11,567
Non-current	6,657	8,293
Transferred to held for sale	(7,254)	-
	3,626	19,860
Depreciation charge on right-of-use assets		
Leasehold property	2,235	1,210
Plant and machinery	4,750	9,038
Office equipment and fixtures	3	12
	6,988	10,260

Included within the depreciation charge above is £1,767,000 (2023: £1,009,000) of charge relating to assets that were transferred to held for sale.

	2024 £000	2023 £000
Additional information		
Additions to right-of-use assets	2,141	2,120
Modifications to right-of-use assets	(4,781)	1,697
Impairment of leasehold property right-of-use asset	(13)	-
Interest expense continuing	518	1,654
Interest expense discontinuing	803	-
Expense relating to short-term leases	212	237
Expense relating to low-value leases	25	20
Total cash outflow for leases	8,121	9,438

Within the year, the two largest leases, the FS Aquarius vessel and the FS Pegasus vessel, both within Benchmark Animal Health Limited, came to an end.

Company

Following the end of the leases which expired during 2023, there were no right-of-use assets or lease liabilities held by the Company at 30 September 2024 or 30 September 2023.

	2024 £000	2023 £000
Depreciation charge on right-of-use assets		
Leasehold property	-	8
Office equipment and fixtures	-	1
	-	9
Additional information		
Additions to right-of-use assets	-	(8)
Total cash outflow for leases	-	10

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

16 Intangible assets

Group

	Websites £000	Goodwill £000	Patents and Trademarks £000	Intellectual Property £000	Customer Lists £000	Contracts £000	Licences £000	Genetics £000	Development costs £000	Total £000
Cost or valuation										
Balance at 1 October 2022	447	164,674	452	160,407	6,378	6,575	40,320	23,235	31,222	433,710
Additions – externally acquired	80	1	115	-	-	-	-	-	-	196
Additions – internally developed	-	-	-	-	-	-	-	-	632	632
Disposals	-	(3,036)	(21)	-	-	-	(150)	-	-	(3,207)
Reclassification to assets held for resale	-	-	-	-	-	-	-	-	-	-
Exchange differences	(15)	(13,682)	(1)	(13,737)	(559)	(70)	(3,186)	(1,267)	(982)	(33,499)
Balance at 1 October 2023	512	147,957	545	146,670	5,819	6,505	36,984	21,968	30,872	397,832
Additions – externally acquired	149	-	104	15	-	-	-	-	-	268
Additions – internally developed	-	-	-	-	-	-	-	-	149	149
Disposals	-	(889)	-	-	-	(1,565)	(2,425)	(327)	-	(5,206)
Increase through transfers from PPE	74	-	-	-	-	-	-	-	-	74
Reclassification to assets held for resale	(692)	(20,824)	(599)	(2,531)	-	(4,868)	(2,447)	(19,924)	(5,900)	(57,785)
Exchange differences	(43)	(12,929)	(4)	(12,772)	(520)	(72)	(2,982)	(1,717)	(925)	(31,964)
Balance at 30 September 2024	-	113,315	46	131,382	5,299	-	29,130	-	24,196	303,368
Accumulated amortisation and impairment										
Balance at 1 October 2022	143	49,950	206	104,386	1,656	6,293	16,943	4,886	3,983	188,446
Amortisation charge for the period	85	-	91	12,605	222	94	1,818	606	2,437	17,958
Impairment	-	1	-	61	-	-	476	-	-	538
Disposals	-	-	(21)	-	-	-	(150)	-	-	(171)
Exchange differences	(4)	(4,484)	(2)	(8,868)	(143)	(52)	(1,177)	(253)	(33)	(15,016)
Balance at 1 October 2023	224	45,467	274	108,184	1,735	6,335	17,910	5,239	6,387	191,755
Amortisation charge for the period	119	-	112	11,701	215	89	1,489	581	2,889	17,195
Impairment	30	-	-	-	-	-	-	-	15,304	15,334
Disposals	-	(889)	-	2	-	(1,565)	(2,425)	(297)	-	(5,174)
Increase through transfers from PPE	23	-	-	-	-	-	-	-	-	23
Reclassification to assets held for resale	(375)	(1)	(360)	(477)	-	(4,796)	(2,405)	(5,087)	(1,524)	(15,025)
Exchange differences	(21)	(4,035)	(2)	(10,043)	(166)	(63)	(1,351)	(436)	(150)	(16,267)
Balance at 30 September 2024	-	40,542	24	109,367	1,784	-	13,218	-	22,906	187,841
Net book value										
At 30 September 2024	-	72,773	22	22,015	3,515	-	15,912	-	1,290	115,527
At 30 September 2023	288	102,490	271	38,486	4,084	170	19,074	16,729	24,485	206,077
At 1 October 2022	304	114,724	246	56,021	4,722	282	23,377	18,349	27,239	245,264

During the year, the business made the decision to pause operations on the Health business area's new sea lice treatment (Ectosan® Vet/ CleanTreat®) until a more suitable deployment platform can be found. As a result, the capitalised development costs relating to Ectosan® Vet/ CleanTreat® of £13,305,000 were impaired to nil.

Due to a lack of cohesive results, the Nutrition business area ceased development on an Artemia replacement for shrimp, resulting in capitalised costs of £1,999,000 being impaired to nil.

Group

Description	Category	NBV 2024 £000	NBV 2023 £000	Remaining life 2024
Acquisition of INVE in 2015				
Goodwill	Goodwill	72,773	79,909	-
Harvesting rights	Licences	15,914	19,029	11
Product technology	Intellectual property	-	-	
Product rights	Intellectual property	12,590	24,880	1
Brand names	Intellectual property	9,154	10,945	11
In-process R&D	Intellectual property	271	535	1
Customer relationships	Customer lists	3,515	4,085	17
Total relating to acquisition of INVE		114,217	139,383	
Acquisition of Salmobreed AS (Now part of Benchmark Genetics Norway AS) in 2014*				
Goodwill	Goodwill	-	6,063	-
Genetic material and breeding nuclei	Genetics	-	8,926	-
Total relating to acquisition of Salmobreed AS		-	14,989	
Acquisition of Stofnfiskur (Now Benchmark Genetics Iceland) in 2014*				
Goodwill	Goodwill	-	11,999	-
Genetic material and breeding nuclei	Genetics	-	7,598	-
Total relating to acquisition of Stofnfiskur		-	19,597	
Acquisition of Akvaforsk Genetics Center AS (Now part of Benchmark Genetics Norway AS) in 2015*				
Goodwill	Goodwill	-	4,520	-
Licences	Licences	-	-	-
Contracts	Contracts	-	170	-
Total relating to acquisition of Akvaforsk Genetics Center AS		-	4,690	
Capitalised development costs				
Ectosan®Vet/CleanTreat®	Development costs	-	14,048	-
Live food alternative diets	Development costs	1,085	3,879	3
SPR Shrimp*	Development costs	-	5,453	-
Total capitalised development costs		1,085	23,380	
Other purchased material intangible assets*	Intellectual Property	-	1,408	
Total relating to other purchased intangible assets*		-	1,408	
Other individually immaterial goodwill and intangibles*		225	2,630	
Total net book value at 30 September		115,527	206,077	

* These assets were transferred to assets held for sale following the decision to sell the Genetics business area.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

16 Intangible assets continued

Reconciliation of amortisation and impairment to income statement

		2024 £000	2023 £000
Amortisation per intangibles note		(17,195)	(17,957)
Impairment per intangibles note		(15,334)	(538)
Total per cash flow		(32,529)	(18,495)
Less: amortisation and impairment on discontinued	12	1,638	1,894
Total amortisation and impairment per income statement		(30,891)	(16,601)

Company

	Patents and trademarks £000
Cost	
Balance at 1 October 2022	30
Balance at 1 October 2023	30
Balance at 30 September 2024	30
Accumulated amortisation	
Balance at 1 October 2022	5
Amortisation charge for the year	3
Balance at 1 October 2023	8
Amortisation charge for the year	3
Balance at 30 September 2024	11
Net book value	
At 30 September 2024	19
At 30 September 2023	22
At 1 October 2022	25

17 Impairment testing of goodwill and other intangible assets

The Group tests goodwill and other intangibles not yet ready for use annually for impairment, or more frequently if there are indications that goodwill or the other intangible assets might be impaired. Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from the business combination. The only intangible assets not yet ready for use are generally the capitalised development costs on internally developed products. The development costs included in the table below represents only those that are not yet ready for use.

Due to the interdependence of the operations within each of the business areas and the way in which they are managed, management have determined the CGUs are the business areas themselves – Health, Genetics and Advanced Nutrition. These are the smallest groups of assets that independently generate cash flows and whose cash flows are largely independent of those generated by other assets. Goodwill and capitalised development costs arise across the Group, and are allocated specifically against the CGUs as follows:

	Health 2024 £000	Advanced Nutrition 2024 £000	Total 2024 £000
INVE Aquaculture Group – Goodwill	–	72,773	72,773
Development costs	206	–	206

The above table is after the transfer of £23,127,000 of Goodwill within the Genetics business area into Assets Held for Sale (see Note 23).

	Genetics 2023 £000	Health 2023 £000	Advanced Nutrition 2023 £000	Total 2023 £000

Benchmark Genetics AS	6,062	-	-	6,062
Benchmark Genetics Iceland HF (Previously Stofnfiskur HF)	11,999	-	-	11,999
Akvaforsk Genetic Center*	4,520	-	-	4,520
INVE Aquaculture Group	-	-	79,909	79,909
Goodwill	22,581	-	79,909	102,490
Development costs	-	206	3,879	4,085

* Includes goodwill arising from the joint acquisition of Akvaforsk Genetics Center AS (which was transferred into Benchmark Genetics Norway AS) and Benchmark Genetics USA Inc (formerly Akvaforsk Genetics Center Inc).

The impairment calculations used Board approved cash flow projections from four-year business plans based on actual operating results and current forecasts as a base, including any costs in relation to the Group's climate change strategy and climate change factors which have been considered when setting the long-term growth rates. The pre-tax cash flows that these projections produced were discounted at pre-tax discount rates based on the Group's beta adjusted cost of capital, further adjusted to reflect management's assessment of specific risks related to the markets and other factors pertaining to each CGU. Specific assumptions used are as follows:

Advanced Nutrition

In assessing whether the Advanced Nutrition CGU is impaired, the carrying value of the Advanced Nutrition CGU was compared to its recoverable amount, being the higher of its value in use and its fair value less cost to sell, in accordance with IAS36. Before testing was performed, an impairment charge of £2.0m was made to capitalised development costs for products no longer expected to be commercialised in the short term.

Historically a value in use calculation has been used to determine the recoverable amount for the Advanced Nutrition CGU, however given the Strategic Review undertaken during the year and which concluded after the year end, consideration has been given to changes to the corporate cost base arising from restructuring activities that would occur following the highly probable sale of the Genetics CGU, consistent with a market participant's view, and the subsequent reduction in the amount of corporate costs that would be allocated to the Advanced Nutrition CGU.

Under IAS 36, the estimates of future cash flows in the value in use calculation should not include cashflows that are expected to arise from a future restructuring exercise, or from improvement or enhancement of the assets, to which an entity is not yet committed at the balance sheet date. Given the Genetics CGU was classified as held for sale as at the balance sheet date, and that it was announced that a sale has been agreed for this CGU on 25 November 2024, the value in use calculation for the Advanced Nutrition CGU included an increased allocation of the existing corporate cost base.

Management have therefore assessed the recoverability of the Advanced Nutrition CGU using the alternative fair value less cost to sell methodology. The fair value less cost to sell methodology considers the valuation from a 'market participant' perspective. Deriving a market participant valuation can either be determined through a multiple of earnings methodology or through using a discounted cash flow model from the perspective of a market participant i.e. a buyer transacting in the principal market for an asset of this type. Management have chosen to use the discounted cash flow methodology.

Management have used the approved 2024 four-year Business Plan as the base of the discounted cash flows in the fair value less cost to sell model and have then considered their assumptions in the context of information that would be available to a market participant. The key assumptions in the impairment assessment are:

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

17 Impairment testing of goodwill and other intangible assets continued

Expected revenue growth:

Forecast revenue growth is based on the approved four-year Board business plan, which was adjusted to reflect a market participant view over five years to create a five-year plan for FY25-29. The key assumptions underlying this plan include the economic impact of the current market view of growth rates across the three segments (Artemia, Diets and Health) based on market analysis reports as well as revenue growth from commercial initiatives designed to grow market share in the Diets and Health segments. In the fair value less cost to sell model, an overlay has been applied to the business plan to remove the growth associated with planned initiatives to grow market share in the Diets and Health segments to reflect both the risk associated with achieving this growth and reflecting that a market participants view would be aligned with the current market view of growth rates across the three segments. CAGR of revenue of 7.5% is implied in the fair value less cost to sell model. In the prior year, the revenue growth assumption used in the value in use model was aligned to the Board approved business plan, and the CAGR implied in this model was 12%.

Discount rates:

The discount rate is based on the Advanced Nutrition CGU specific pre tax discount rate of 16.1% (2023: 16.4%). As the post-tax WACC was produced from the capital asset pricing model (CAPM), this was applied to post-tax cash flows. The pre-tax WACC was then determined separately from the post-tax WACC by removing the impact of the tax charge from the cash flows.

Long term growth rate:

A long-term growth rate of 3.5% (2023:3.5%) has been used for cash flows subsequent to the five-year plan period into perpetuity. This long-term growth rate represents a consistent approach for the CGU as in both periods this assumption has been considered by reference to the long term growth rates predicted in market analysis reports, which are c.7.5% (2023: c.5.0%) and are therefore considered to reflect the view that a market participant would take.

Recoverable amount:

In accordance with IAS 36, the recoverable amount is the higher of value in use and fair value less cost to sell. The fair value less cost to sell methodology resulted in calculated headroom of £18.4m.

Sensitivity to change in assumptions:

Sensitivity analysis has been performed on the key assumptions. The forecast growth rates inherently include assumptions around the ongoing recovery in global shrimp markets, and if that recovery is slower or lower than expected, due to factors such as continued reduced end market demand for shrimp, to the extent that the CAGR of revenue implied over the five-year plan falls to 6.3%, an impairment charge would be likely. Sensitivity to the discount rate was also assessed and should the pre-tax discount rate increase to 17.4%, an impairment charge would be likely. The sensitivity to a combination of a movement in forecast growth rates, discount rate and long-term growth rate was also assessed. A severe but plausible downside sensitivity was modelled to include a reduction in the CAGR of revenue implied over the five year plan to 6.13%, a long term growth rate of 3.0% and an increased pre-tax discount rate of 17.0%, and under this scenario, an impairment of £15.0m would be required.

In 2023 a value in use model was prepared using the pre-tax cashflows from five-year projections which were discounted using a pre-tax discount rate of 16.4%. CAGR of revenue of 12% was implied by the five-year plan and a long-term growth rate of 3.5% was used to extrapolate the terminal year cashflow into perpetuity.

Health

During the year, the business made the decision to pause operations on the business area's new sea lice treatment (Ectosan® Vet/CleanTreat®) until a more commercially sensible deployment model could be adopted. A prudent assumption was used in the forecast to exclude any future Ectosan® Vet/CleanTreat® operations from the business plan and continue to trade primarily using the business area's existing and well-established sea lice treatment (Salmosan® Vet). As a result, capitalised development costs relating to Ectosan® Vet/CleanTreat® of £13.3m were impaired to nil.

In 2023 a value in use model was prepared using the pre-tax cash flows from five-year projections which were discounted using a pre-tax discount rate of 17.4%. Revenue CAGR of 23% was implied by the five-year plan and a long-term growth rate of 0.0% was used to extrapolate the terminal year cash flow into perpetuity.

Genetics

Management have considered the recoverable amount of the Genetics CGU under a fair value less cost to sell methodology. This reflects the ongoing Strategic Review process and the subsequent disposal of the Genetics CGU to Novo Holdings for consideration of £260.0m (see note 23), which indicates adequate headroom.

In 2023, a value in use model was preparing using the pre-tax cash flows from five-year projections which were discounted using a pre-tax discount rate of 15.7%. CAGR of revenue of 9% was implied by the five-year plan and a long-term growth rate of 2.5% was used to extrapolate the terminal year cash flow into perpetuity.

18 Equity-accounted investees

	2024 £000	2023 £000
Interest in joint venture	–	1,158
Interest in associate	2,315	2,400
	2,315	3,558

Joint ventures

Salmar Genetics AS (“SGA”) is structured as a separate vehicle and the Group has a residual interest in the net assets of SGA. Accordingly, the Group has classified its interest in SGA as a joint venture. SGA is a provider of breeding and Genetics Services related to Atlantic salmon and as such is strategically aligned to the Group.

The Group’s interest in SGA is 50% of its net assets, including 50% of its result and total comprehensive income each year.

The Company is registered in Norway and the registered address is 7266 Kverva, Frøya, Norway.

Following the decision to sell the Genetics business area, its assets and liabilities, which include SGA, have been transferred into assets and liabilities held for resale (see Note 23).

Associates

The Group has a 22% interest in an associate Great Salt Lake Brine Shrimp Cooperative, Inc (the “Cooperative”). The Cooperative is one of the Group’s strategic suppliers and is an aquacultural cooperative organised for the purpose of harvesting, processing, manufacturing, and marketing Artemia cysts and Artemia feeds.

The Group’s interest in the Cooperative represents the aggregate of the cost of the investment in the Cooperative and the post acquisition movements in the Group’s share of the unallocated and allocated equity reserves.

The Company is registered in USA and the registered address is 1750 West 2450 South, Ogden, Utah.

The Group also had a 44% interest in an associate engaged in shrimp production and registered in Thailand, Benchmark Genetics (Thailand) Limited, up until its disposal in December 2023.

The Group had a 34% interest in an associate Baggfossen Mikrokraft AS (“BMAS”). BMAS is a power generation business and provides electricity to Benchmark Genetics Salten AS. In June 2023, the Group acquired 66% of the remaining issued share capital of Baggfossen Mikrokraft AS to bring the total owned to 100%, after which the Company ceased to be an associate and became a subsidiary.

19 Subsidiary undertakings

The direct and indirect subsidiary undertakings of Benchmark Holdings plc, all of which have been included in these Consolidated Financial Statements, are as follows:

Company name	Registered address	Country of Incorporation	Direct/ Indirect Group Interest	Share class	% of share capital/voting rights held by Group companies	Note
Genetics						
Akvaforsk Genetic Center Spring Mexico, SA de CV (dormant)	Caguama 3023, Loma Bonita, Zapopan, Jalisco CP 45086, Mexico	Mexico	Indirect	ordinary	100%	
Benchmark Genetics USA Inc	15369 County Road 512 Fellsmere, FL 32948, USA	USA	Indirect	ordinary	100%	
Benchmark Genetics Chile SpA	Santa Rosa 560 Oficina 25 B, Puerto Varas, Chile	Chile	Indirect	shares	100%	
Benchmark Genetics Limited	Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 3HH	United Kingdom	Direct	£1 ordinary	100%	
Benchmark Genetics Colombia SAS	Cra 2 # 11 41 of 1002 Torre Grupo Area Bocagrande, Cartagena 13001, Colombia	Colombia	Indirect	ordinary	100%	
Benchmark Genetics Norway AS	Bradbenken 1, 5003 Bergen, Norway	Norway	Indirect	ordinary	100%	
Iceland A Islandi EHF (dormant)	Bæjarhraun 14 – 220 Hafnarfjörður, Iceland	Iceland	Indirect	ordinary	99%	
Benchmark Genetics Salten AS	Sørfjordmoen, Kobbelv, 8264 Engan, Norway	Norway	Indirect	ordinary	75%	b
Stofnfiskur Chile Limitada (dormant)	Bæjarhraun 14 – 220 Hafnarfjörður, Iceland	Chile	Indirect	ordinary	100.00%	
Benchmark Genetics Iceland HF	Bæjarhraun 14 – 220 Hafnarfjörður, Iceland	Iceland	Indirect	ordinary	100.00%	
Stofngen EHF (dormant)	Bæjarhraun 14 – 220 Hafnarfjörður, Iceland	Iceland	Indirect	ordinary	100.00%	
Sudourlax EHF (dormant)	Bæjarhraun 14 – 220 Hafnarfjörður, Iceland	Iceland	Indirect	ordinary	100.00%	

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

19 Subsidiary undertakings continued

Company name	Registered address	Country of Incorporation	Direct/ Indirect Group Interest	Share class	% of share capital/voting rights held by Group companies	Note
Advanced Nutrition						
Fortune Ocean Americas, LLC	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	N/A	100%	
Fortune Ocean Technologies Ltd. (dormant)	25/F., OTB Building 160 Gloucester Road, Wanchai – USA	Hong Kong	Indirect	1 HKD ordinary	100%	
Golden West Artemia	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	\$1 shares	100%	
Inland Sea Incorporated	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	shares	100%	
INVE (Thailand) Ltd.	79/1 M.1 Nakhon Sawan-Phitsanulok Road, Nong Lum, Wachirabarami, Phichit 66220 Thailand	Thailand	Indirect	THB 1,000 shares	100%	
Inve Aquaculture Europe Holding B.V.	Verlengde Poolseweg 16 – 4818 CL Breda – NL	Netherlands	Indirect	1€ shares	100%	
Benchmark Holding Europe B.V.	Verlengde Poolseweg 16 – 4818 CL Breda – NL	Netherlands	Direct	\$1 shares	100%	
Inve Aquaculture México, S.A. de C.V.	Carretera Internacional # 3436, local 2, El Venadillo, C.P. 82129, Mazatlán, Sinaloa, México	Mexico	Indirect	MXN \$1,000 shares	100%	
Inve Aquaculture NV	Hoogveld 93 – 9200 Dendermonde	Belgium	Indirect	shares	100%	
Inve Aquaculture Temp Holding B.V.	Verlengde Poolseweg 16 – 4818 CL Breda – NL	Netherlands	Indirect	1€ shares	100%	
INVE Aquaculture, Inc.	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	shares	100%	
Inve Asia Ltd	25/F., OTB Building, 160 Gloucester Road, Wanchai, Hong Kong	Hong Kong	Indirect	\$1 shares	100%	
INVE Asia Services Ltd.	471 Bond Street Tambon Bangpood Amphur Pakkred Nonthaburi 11120	Thailand	Indirect	THB 100 shares	100%	
Inve do Brasil Ltda.	Rua Augusto Calheiros, 266 Fortaleza, Ceará – Brazil	Brazil	Indirect	BRL 1 shares	100%	
Inve Eurasia SA	Karacaoglan Mahallesi 6170 Sokak No:17/B Bornova-İzmir-Türkiye	Türkiye	Indirect	6.25 TL shares	100%	
Inve Hellas S.A.	Kyprou str 93-16451 Agryroupoli (Athens) – Greece	Greece	Indirect	\$29.35 shares	100%	
Inve Latin America B.V.	Verlengde Poolseweg 16 – 4818 CL Breda – NL	Netherlands	Indirect	10€ shares	100%	
Inve Technologies NV	Hoogveld 93 – 9200 Dendermonde – BE	Belgium	Indirect	shares	100%	
INVE USA Holdings, Inc.	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	\$0.001 shares	100%	
Inve Vietnam Company Ltd	8F1-19 Tan Canh, Ward 1, Tan Binh District, 30725 Ho Chi Minh City	Vietnam	Indirect	N/A	100%	
Invecuador S.A.	Sky Building Piso 11, Oficina 1113, Av. Las Américas, Edif. 090513, Guayaquil, Guayas, Ecuador	Ecuador	Indirect	\$1 shares	100%	
Inveservicios, S.A. de C.V.	Carretera Internacional No. 3436 Local 2, Colonia El Venadillo Mazatlán Sinaloa C.P. 82129 Mexico	Mexico	Indirect	shares	100%	
Maricoltura di Rosignano Solvay S.r.l.	Via P. Gigli 93 – 57013 Rosignano – IT	Italy	Indirect	shares	100%	

Company name	Registered address	Country of Incorporation	Direct/ Indirect Group Interest	Share class	% of share capital/voting rights held by Group companies	Note
PT. Inve Indonesia	Ruko Prominence Blok 38E No7 JL. Jalur Sutera Bolevard, Kota Tangerang Banten Indonesia	Indonesia	Indirect	A shares & B shares	100%	
Salt Creek Holdings, Inc	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	\$0.001 shares	100%	
Salt Creek, Inc.	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	\$0.05 shares	100%	
Sanders Brine Shrimp Company, L.C.	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	N/A	100%	
Tianjin INVE Aquaculture Co., Ltd	Room 601, Building #7, Binhai Information Security Industrial Park, No.399 Huixiang Road, Tanggu Ocean Science and Technology Park, Binhai High-Tech Zone, Tianjin ,P. R. China	China	Indirect	shares	100%	
United Aquaculture Technologies, LLC	3528 W 500 South, Salt Lake City, Utah 84104 – USA	USA	Indirect	N/A	100%	
Inve India	Fagun Towers, 8th Floor, Office No 3 No 74, Ethiraj Salai, Egmore Nungambakka, Chennai, Chennai, CHENNAI, TAMIL NADU, 600008	India	Indirect	10 INR shares	100%	
Health						
Benchmark Animal Health Group Limited	Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH	United Kingdom	Direct	£1 ordinary	100%	
Benchmark Animal Health Limited	Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 3HH	United Kingdom	Indirect	£1 ordinary	100%	
Benchmark Vaccines Limited	Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH	United Kingdom	Indirect	£1 ordinary	100%	
Benchmark R&D (Thailand) Limited	No. 57/1, Moo. 6, Samet Sub-district, Mueang Chonburi District, Chonburi Province, 20000, Thailand	Thailand	Indirect	THB 10 ordinary	100%	
Benchmark Animal Health Chile SpA	Santa Rosa 560, of 25-B, Puerto Varas	Chile	Indirect	\$1.20 ordinary	100%	
Benchmark Animal Health Norway AS	Bradbenken 1, 5003 Bergen Norway	Norway	Indirect	NOK 100 ordinary	100%	
Knowledge Services						
FAI Aquaculture Limited	Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 3HH	United Kingdom	Direct	£1 ordinary	100%	a

Notes

(a) FAI Aquaculture Limited (company number 04450207) is exempt from the requirements of the Companies Act 2006 under S479A-479C relating to the audit of individual accounts. Benchmark Holdings plc will guarantee the debts and liabilities of FAI Aquaculture Limited in accordance with Section 479C of the Companies Act 2006.

(b) Baggfossen Mikrokraft AS merged into Benchmark Genetics Salten AS during the year.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

19 Subsidiary undertakings continued

Company

	Investments in subsidiary companies £000
Cost or valuation	
Balance at 1 October 2022	253,578
Additions	30,570
Balance at 1 October 2023	284,148
Additions	575
Transferred to held for sale	(45,369)
Balance at 30 September 2024	239,354
Provisions	
Balance at 1 October 2022	(2,210)
Balance at 1 October 2023	(2,210)
Additions	(1,548)
Balance at 30 September 2024	(3,758)
Net book value	
At 30 September 2024	235,596
At 30 September 2023	281,938
At 1 October 2022	251,368

During 2024, £575,000 (2023: £570,000) of the charge associated with share options relates to employees of the subsidiary companies, and so this amount has been treated as an investment by the Company. In addition, in the prior year £30,000,000 of a loan balance due from Benchmark Genetics Limited, an existing subsidiary company, was converted into further shares in that company. In the year we have provided £1,548,000 against the investment in Benchmark Animal Health Group Limited.

The investment in Benchmark Genetics Limited has been transferred to held for sale at the end of the year.

For impairment testing purposes, the Group has determined that the Parent Company's net assets exceed the Group's net assets which is a trigger for an impairment review. Management have performed an impairment review of the investments in subsidiaries at the period end, taking into account both net assets of the subsidiaries and fair value less cost to sell calculations using assumptions consistent with those disclosed in Note 17. The impairment testing is initially performed at a CGU level due to the companies in which these investments are held being the head of these CGUs, and then if the value to support carrying value is insufficient, net assets of the next level of subsidiaries is considered. The sensitivity testing conducted did not sufficiently reduce the NPV of the Genetics CGUs to a level where they would not support the investments.

Advanced Nutrition

In assessing whether the Advanced Nutrition CGU is impaired, its carrying value was compared to its recoverable amount, being the higher of its value in use and its fair value less cost to sell, in accordance with IAS36. Refer to note 17 for detail of the method used to determine the recoverable amount of the Nutrition CGU together with the related assumptions.

Recoverable amount:

In accordance with IAS 36, the recoverable amount is the higher of value in use and fair value less cost to sell. The fair value less cost to sell methodology resulted in calculated headroom of £13.4m.

Sensitivity to change in assumptions:

Sensitivity analysis has been performed on the key assumptions. The forecast growth rates inherently include assumptions around the ongoing recovery in global shrimp markets, and if that recovery is slower or lower than expected, due to factors such as continued reduced end market demand for shrimp, to the extent that the CAGR of revenue implied over the five-year plan falls to 6.6%, an impairment charge would be likely. Sensitivity to the discount rate was also assessed and should the pre-tax discount rate increase to 17.0%, an impairment charge would be likely. The sensitivity to a combination of a movement in forecast growth rates, discount rate and long-term growth rate was also assessed. A severe but plausible downside sensitivity was modelled to include a reduction in the CAGR of revenue implied over the five year plan to 6.13%, a long term growth rate of 3.0% and an increased pre-tax discount rate of 17.0%, and under this scenario, an impairment of £20.0m would be required.

Health

As detailed in note 22, the Company has assessed the recoverability of the amount receivable from the Health CGU and has recognised a provision of £116.4m. As part of this assessment, it was further determined that the investment of £1.5m should also be impaired.

20 Inventories

Group	2024 £000	2023 £000
Raw materials	11,153	5,703
Work in progress	3,634	3,813
Finished goods and goods for resale	8,887	15,753
Total inventories at the lower of cost and net realisable value	23,674	25,269

During 2024, £29,808,000 (2023 restated: £35,643,000) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales. For discontinued operations, £16,142,000 was recognised as an expense (2023 restated: £20,475,000). The cost of inventories recognised as a debit includes £421,000 (2023 restated: £326,000) in respect of write-downs of inventory to net realisable value.

The Company did not have any inventories at the year end (2023: £nil).

21 Biological assets

Book value of biological assets recognised at fair value

Group	2024 £000	2023 £000
Salmon eggs	-	10,631
Salmon broodstock	-	33,411
Salmon milt	-	796
Lumpfish fingerlings	-	757
Shrimp	-	397
Total biological assets 30 September	-	45,992
Analysed as		
Current	-	27,586
Non-current	-	18,406
Total biological assets 30 September	-	45,992

Change in book value of biological assets

	2024 £000	2023 £000
Biological assets 1 October	45,992	46,658
Increase from production	40,369	42,393
Reduction due to sales	(39,421)	(40,583)
Other movements in biological assets	948	1,810
Foreign exchange movement before fair value adjustment	(2,436)	(1,562)
Change in fair value through income statement	(237)	(103)
Foreign exchange impact on fair value adjustment	(1,160)	(811)
Transfer to assets held for sale	(43,107)	-
Biological assets 30 September	-	45,992

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

21 Biological assets continued

Assumptions used for determining fair value of biological assets

IAS 41 requires that biological assets are accounted for at the estimated fair value net of selling and harvesting costs. Fair value is measured in accordance with IFRS 13 and is categorised into levels in the fair value hierarchy which are described in Note 2.

The fair value inputs for salmon eggs are categorised as level 2. The calculation of the fair value of the salmon eggs is based upon the current seasonally adjusted selling prices for salmon eggs less transport and incubation costs and taking account of the market capacity. The valuation also takes account of the mortality rates of the eggs and expected life as sourced from internally generated data.

The fair value inputs for salmon broodstock are categorised as level 3. The broodstock contain generations of genetic improvements and cannot be valued purely on the market weight of salmon. The Group does not sell its broodstock commercially so there is no observable input in this respect. Therefore, the calculation of the estimated fair value of salmon broodstock is primarily based upon its main harvest output being salmon eggs, which are priced upon the current seasonally adjusted selling prices for the Group's salmon eggs. These prices are reduced for harvesting costs, freight costs, incubation costs and market capacity to arrive at the net value of broodstock. The valuation also reflects the internally generated data to arrive at the biomass. This includes the weight of the broodstock, the yield that each kilogram of fish will produce and mortality rates. The fish take four years to reach maturity, and the age and biomass of the fish is taken into account in the fair value. Finally, the valuation takes account of future expected sales volumes.

Change in book value of salmon broodstock

	2024 £000	2023 £000
Biological assets 1 October	33,411	30,501
Increase from production	26,782	25,494
Transfer to salmon eggs following harvesting	(25,224)	(22,677)
Foreign exchange movement before fair value adjustment	(1,822)	(1,199)
Change in fair value through income statement	215	1,853
Foreign exchange impact on fair value adjustment	(784)	(561)
Transferred to assets held for sale	(32,576)	-
Biological assets 30 September	-	33,411

Significant unobservable inputs used in the valuation of salmon broodstock

	2024	2023
Number of eggs valued in broodstock (m units)	251	250
Average selling price per egg (GBP)	0.123	0.131
Future costs per egg (GBP)	(0.014)	(0.016)

The fair value inputs for lumpfish fingerlings and shrimp are categorised as level 2. The calculation of the fair value of lumpfish fingerlings and shrimp is valued on current selling prices less transport costs. Internally generated data is used to incorporate mortality rates and the weight of the biomass.

The fair value inputs for salmon milt are categorised as level 3. Where we have identified individual salmon carrying particular traits or disease resistance, semen (milt) can be extracted and deep-frozen using cryopreservation techniques (the process of freezing biological material at extreme temperatures in liquid nitrogen). The calculation of the fair value of milt is based on production and freezing costs and, where appropriate, an uplift to recognise the additional selling price that can be achieved from eggs fertilised by premium quality milt.

There is a presumption that fair value can be measured reliably for a biological asset. However, we sometimes face a situation where alternative estimates of fair value are determined to be clearly unreliable (for example, where we establish a new broodstock farm in a new territory). In such a case, that biological asset shall be measured at its cost less any accumulated impairment losses. In the year, this applied to £3,322,000 of broodstock in Chile. As at 30 September, the gross carrying amount was £5,532,000 (2023: £5,074,000) and the accumulated impairment losses were £2,210,000 (2023: £3,036,000).

The valuation models by their nature are based upon uncertain assumptions on sales prices, market capacity, weight, mortality rates, yields and assessment of the discounts to reflect the stages of maturity. The Group has a degree of expertise in these assumptions but these assumptions are subject to change. Relatively small changes in assumptions would have a significant impact on the valuation. A 1% increase/decrease in the assumed selling price per egg would increase/decrease the fair value of salmon broodstock and eggs by £416,000. A 10% increase/decrease in the biomass of salmon broodstock and the quantity of salmon eggs valued would increase/decrease the fair value of those biological assets by £4,159,000.

The Group is exposed to financial risks arising from changes in the market value of the salmon eggs, lumpfish fingerlings and shrimp broodstock that it sells. The Group does not anticipate that prices will decline significantly in the foreseeable future and, therefore, has not entered into derivative or other contracts to manage the risk of a decline in the price of its products. The Group reviews its outlook for salmon eggs, lumpfish fingerlings and shrimp broodstock prices regularly in considering the need for active financial risk management.

Risk management strategy related to aquaculture activity

The Group is exposed to the following risks relating to its aquaculture activities. These risks and management's strategies to mitigate them are described below:

Regulatory and environmental risks

The nature of certain of the Group's operating activities exposes us to certain significant risks to the environment, such as incidents associated with releases of chemicals or hazardous substances when conducting our operations, which could result in liability, fines, risk to our product permissions and reputational damage. There is a risk that natural disasters could lead to damage to infrastructure, loss of resources, products or containment of hazardous substances. Our business activities could be disrupted if we do not respond, or are perceived not to respond, in an appropriate manner to any major crisis or if we are not able to restore or replace critical operational capacity.

In mitigation, we have implemented standards and requirements which govern key risk management activities such as inspection, maintenance, testing, business continuity and crisis response.

Biological risks

The Group is exposed to the risk of disease within the Group's own operations and disease in the market resulting in possible border closures. In mitigation, the Group:

- Operates the highest levels of biosecurity.
- Holds genetic stock at multiple sites and increasingly sources from its own land-based salmon breeding facilities.
- Operates containment zones which mitigates the risk of border closures affecting its ability to import or export.
- Has placed increased focus on insuring its biological stock.

Outputs and quantities held

Total output of aquaculture activity in the year was:

	2024	2023
Salmon eggs	286.1m units	334.7m units
Lumpfish fingerlings	0.9m units	1.5m units

Total quantities held at 30 September before being transferred to held for sale were:

	2024	2023
Salmon eggs	78.9m units	85.6m units
Salmon broodstock	1,366 tonnes	1,517 tonnes
Lumpfish fingerlings	0.3m units	0.4m units

The Company did not hold any biological assets during the year or the prior year.

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

22 Trade and other receivables

Group	2024 £000	2023 £000
Trade receivables	20,628	27,460
Less: provision for impairment of trade receivables	(2,237)	(2,612)
Trade receivables – net	18,391	24,848
Total financial assets other than cash and cash equivalents measured at amortised cost	18,391	24,848
Prepayments	16,115	18,081
Other receivables	8,033	16,866
Total trade and other receivables	42,539	59,795

Other receivables relate to the following items: VAT recoverable £1,230,000 (2023: £4,353,000), research and development expenditure tax credits and similar items £nil (2023: £157,000), the right to receive an agreed proportion of a key supplier's harvest* £6,196,000 (2023: £10,173,000), accrued income of £53,000 (2023: £1,177,000) and other amounts receivable of £554,000 (2023: £1,006,000).

*A financial liability of £6,196,000 (2023: £10,173,000) is recognised (within trade payables) for the amount invoiced and remaining outstanding at the year end in relation to the Group's contractual obligation to pay for a specified share of the harvest of a supplier, regardless of delivery and without recourse to the supplier. As at 30 September, as the Group has not taken physical delivery of the harvested product and as the Group does not control the harvested product, an 'other receivable' of £6,196,000 (2023: £10,173,000) has been recorded in relation to the Group's right to receive the product in the future.

The fair values of trade and other receivables measured at amortised cost are not materially different to their carrying values. As at 30 September 2024, trade receivables of £4,989,000 (2023: £6,313,000) were past due but not impaired. They relate to customers with no default history. The ageing analysis of these receivables is as follows:

	2024 £000	2023 £000
Up to 3 months overdue	4,062	5,480
3 to 6 months overdue	857	833
6 to 12 months overdue	70	–
	4,989	6,313

Movements on the Group provision for impairment of trade receivables are as follows:

	2024 £000	2023 £000
At 1 October	2,612	2,748
Provided during the year	704	696
Unused provisions reversed	(482)	(600)
Provisions used during the year	(223)	(32)
Foreign exchange movements	(233)	(200)
Transferred to assets held for sale	(141)	–
At 30 September	2,237	2,612

The movement on the provision for impaired receivables has been included in the operating costs line in the Consolidated Income Statement.

Other classes of financial assets included within trade and other receivables do not contain impaired assets.

Company	2024 £000	2023 £000
Loans and receivables due from subsidiary companies	195,958	202,448
Less: provision for impairment	(116,430)	(11,489)
Loans and receivables due from subsidiary companies - net	79,528	190,959
Total financial assets other than cash and cash equivalents measured at amortised costs	79,528	190,959
Prepayments	773	1,049
Other receivables	144	129
Total trade and other receivables	80,445	192,137
Less: non-current portion: loans provided to subsidiary companies	(79,785)	(190,705)
Current portion	660	1,432

The Company determines whether amounts receivable from subsidiary companies are impaired by considering if there is an indicator of increased credit risk. The key assumption considered is the probability of a subsidiary company going into default at the balance sheet date. The definition of default used by the Company is that the counterparty has significantly fallen behind the business plan. In this case credit risk at the balance sheet date is captured by the definition of default and the probability of default occurring on the next day (reflecting the contractual period of an on-demand loan).

The performance of the CGU has been assessed to conclude on the probability of default, and the quantum of any impairment, by reference to the loss given default.

In the case of the Health CGU, the decision made during the year to pause operations on the business area's new sea lice treatment (Ectosan® Vet/CleanTreat®) until a more commercially sensible deployment model could be adopted. A risk adjusted assumption was used in the forecast to exclude any future Ectosan® Vet/CleanTreat® operations from the business plan and continue to trade primarily using the business area's existing and well-established sea lice treatment (Salmosan® Vet). This has resulted in a cash shortfall arising when an amount receivable from the Health CGU is assessed against its expected future performance. This has resulted in an expected credit loss provision being recognised in respect of the intercompany receivable of £116,430,000 (2023: £11,489,000).

During the year, we released the £11,489,000 relating to FAI Aquaculture Limited as the company no longer trades and therefore the amount was waived. In the prior year, £15,000 of the provision was released following repayment of part of the loan.

For all the loans provided to subsidiary companies outstanding at 30 September 2024 and 30 September 2023, no interest is payable.

Loans and receivables due from subsidiary companies of £79,785,000 (2023: £190,705,000) have been classified as non-current assets, even though these balances are repayable on demand; as at 30 September 2024, the Company did not expect to realise them in the next 12 months.

Movements on the Company provision for impairment of loans and receivables due from subsidiary companies are as follows:

	2024 £000	2023 £000
At 1 October	11,489	11,504
Provided during the year	116,430	-
Unused provisions reversed	-	(15)
Provisions used during the year	(11,489)	-
At 30 September	116,430	11,489

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

23 Assets and liabilities held for sale

On 22 January 2024, the Board announced the decision to undertake a formal review of the Group's strategic options including the exploration of a potential sale of the Group as a whole or of one or more business units, should any attractive offers be made by potential bidders. As at 30 September, the Board assessed that a deal for the sale of the Genetics business area, on terms to which they were committed, was reaching an advanced stage and their commitment to the sale was such that a sale was highly probable. The circumstances at the year end were such that the conditions outlined within IFRS 5 Non-current Assets Held for Sale and Discontinued Operations for treatment as 'held for sale' and 'discontinued operations' were met, and this has been reflected in the financial statements.

In 2023, management committed to sell certain property, plant and equipment with a market value of £850,000 which was held within the Health business area. The property concerned was no longer required by the business, and so the decision was made to sell. The property was sold during the year for £300,000 after a further impairment charge in the year of £550,000 (see Note 14).

	Transferred to held for sale 2024 £000	Fair Value Adjustment 2024 £000	Total assets transferred 2024 £000	Transferred to held for sale 2023 £000	Fair Value Adjustment 2023 £000	Total assets transferred 2023 £000
Assets held for sale						
Property, plant and equipment	54,095	–	54,095	850	–	850
Right-of-use assets	7,843	–	7,843	–	–	–
Intangible assets	42,760	–	42,760	–	–	–
Equity-accounted investees	2,304	–	2,304	–	–	–
Biological and agricultural assets	43,107	–	43,107	–	–	–
Inventories	502	–	502	–	–	–
Trade and other receivables	12,641	–	12,641	–	–	–
Total Assets held for sale	163,252	–	163,252	850	–	850
					2024 £000	2023 £000
Trade and other payables					(11,754)	–
Loans and borrowings					(22,314)	–
Corporation tax liability					(3,147)	–
Provisions					(568)	–
Deferred tax liability					(8,914)	–
Total liabilities directly associated with the assets held for sale					(46,697)	–

Company

	Transferred to held for sale 2024 £000	Fair Value Adjustment 2024 £000	Total assets transferred 2024 £000	Transferred to held for sale 2023 £000	Fair Value Adjustment 2023 £000	Total assets transferred 2023 £000
Assets held for sale						
Investments	45,369	–	45,369	–	–	–
Total Assets held for sale	45,369	–	45,369	–	–	–

24 Trade and other payables

Group	2024 £000	2023 £000
Trade payables	15,021	26,657
Other payables	2,037	2,213
Accruals	5,933	16,257
Other payables – tax and social security payments	1,870	2,957
Financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	24,861	48,084
Financial contracts – hedging instrument	6,779	5,683
Financial liabilities, excluding loans and borrowings, classified as financial liabilities at fair value through profit or loss	6,779	5,683
Deferred income	69	404
Total trade and other payables	31,709	54,171
Less: non-current portion of other payables	(1,607)	(6,842)
Current portion	30,102	47,329

Book values approximate to fair value at 30 September 2024 and 2023.

Of the financial contracts, £6,779,000 (2023: £6,155,000) relates to a NOKUSD floating to fixed cross-currency interest rate swap (“CCS”) and a NOK interest rate swap (“IRS”), both of which were entered to fully match the timing and tenure of the underlying new senior secured floating rate listed bond issue of NOK 750m.

The floating-to-fixed NOK IRS (notional NOK 300m) is designated a cash flow hedge where any changes in the fair value of the swap will be taken directly to equity within the hedging reserve and recycled to profit or loss as the bond impacts the profit or loss.

The NOKUSD CCS (notional NOK 450m) has been separated into two synthetic swaps; the first is a floating-to-fixed NOKGBP interest rate swap, being a cash flow hedge of the foreign exchange and interest rate risk on NOK denominated debt. The fair value of this synthetic swap is posted to the hedging reserve in equity. The second synthetic swap is a fixed-to-fixed GBPUSD swap designated as a net investment hedge in the USD net assets in the consolidated accounts of Benchmark Holdings plc. The fair value of this leg is posted to the foreign exchange translation reserve in equity.

Company	2024 £000	2023 £000
Trade payables	413	840
Loans received from subsidiary companies	46,035	36,070
Accruals	3,895	4,149
Other payables – tax and social security payments	278	242
Financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	50,621	41,301
Financial contracts – hedging instrument	6,779	6,155
Financial liabilities, excluding loans and borrowings, classified as financial liabilities at fair value through profit or loss	6,779	6,155
Total trade and other payables	57,400	47,456
Less: non-current portion of other payables	–	(6,155)
Current portion	57,400	41,301

The amount within loans received from subsidiary companies is the balance due to Inve Aquaculture Holding B.V., the loan is repayable on demand and interest is incurred at a rate of 2% plus LIBOR per annum.

Of the financial contracts, £6,779,000 (2023: £6,155,000) relates to a NOKUSD CCS and NOK IRS, both of which are deemed to be effective hedges against the senior unsecured floating rate listed bond issue of NOK 750m.

Book values approximate to fair value at 30 September 2024 and 2023.

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

25 Loans and borrowings

Group	2024 £000	2023 £000
Non-current		
2025 750m NOK Loan notes	-	57,604
Bank borrowings	-	16,799
Unamortised debt issue costs	-	(742)
Lease liabilities (Note 15)	2,837	8,293
	2,837	81,954
Current		
2025 750m NOK Loan notes	53,125	-
Bank borrowings	16,250	9,320
Unamortised debt issue costs	(931)	(842)
Lease liabilities (Note 15)	789	11,567
	69,233	20,045
Total loans and borrowings	72,070	101,999

At 30 September 2024, the fair value of the unsecured floating rate listed green bond of NOK 750m was NOK 767m (2023: NOK 791m).

The Group has a secured GBP 20.0m RCF provided by DNB Bank ASA, maturing on 27 June 2025. This facility was extended on the same terms in March 2024 by GBP 7.5m, to a total facility of GBP 27.5m, with the GBP 7.5m extension maturing on 27 March 2025. The margin on this combined facility is a minimum of 2.5% and a maximum of 3.25%, dependent upon the leverage of the Group above the relevant risk-free reference or IBOR rates depending on which currency is drawn.

The lease liabilities are secured on the assets to which they relate.

Following the decision to sell the Genetics business area, £22.3m of loans and borrowings have been transferred into held for sale. Under the terms of the deal agreed on 25 November 2024 for the sale of Genetics, these facilities will be repaid from the sale proceeds.

Group

The currency profile of the Company's loans and borrowings is as follows:

	2024 £000	2023 £000
Sterling	15,674	16,680
Norwegian Krone	53,125	76,730
Thai Baht	1,399	464
Euro	568	614
US Dollar	871	6,460
Iceland Krona	-	585
Other	433	466
	72,070	101,999

25 Loans and borrowings continued

Company

The book value and fair value of loans and borrowings are as follows:

	2024 £000	2023 £000
Non-current		
2025 750m NOK Loan notes	-	57,604
Unamortised debt issue costs	-	(742)
	-	56,862
Current		
2025 750m NOK Loan notes	53,125	-
RCF	16,250	7,750
Unamortised debt issue costs	(931)	(842)
	68,444	6,908
Total loans and borrowings	68,444	63,770

At 30 September 2024, the fair value of the unsecured floating rate listed green bond of NOK 750m was NOK 767m. (2023: NOK 791m).

The currency profile of the Company's loans and borrowings is as follows:

	2024 £000	2023 £000
Sterling	15,319	6,167
Norwegian Krone	53,125	57,603
	68,444	63,770

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

25 Loans and borrowings continued

Group continued

Reconciliation of movements of liabilities to cash flows arising from financing activities.

Year ended 30 September 2024

	Loans and borrowings £000	Share capital/ additional paid- in capital £000	Retained earnings £000	Non-controlling interest £000	Total £000
Balance at 1 October 2023	101,999	38,167	183,489	6,212	
Changes from financing cash flows					
Proceeds of share issues	-	63	-	-	63
Acquisition of NCI	-	-	-	-	-
Proceeds from bank or other borrowings	8,196	-	-	-	8,196
Repayment of bank or other borrowings	(1,990)	-	-	-	(1,990)
Interest and finance charges paid	(9,119)	-	-	-	(9,119)
Payments to finance lease creditors	(8,121)	-	-	-	(8,121)
Total changes from financing cash flows	(11,034)	63	-	-	(10,971)
The effect of changes in foreign exchange rates	(6,649)	-	-	-	
Other changes – liability-related					
Interest expense	9,146	-	-	-	
Loan acquired	-	-	-	-	
Capitalised borrowing fees	967	-	-	-	
New leases	5,132	-	-	-	
Leases modified	(5,167)	-	-	-	
Interest accrual movement	(10)	-	-	-	
Transferred to liabilities directly associated with the assets held for sale	(22,314)	-	-	-	
Total liability-related other changes	(12,246)	-	-	-	
Total equity-related other changes	-	-	(37,409)	(207)	
Balance at 30 September 2024	72,070	38,230	146,080	6,005	

Year ended 30 September 2023

	Loans and borrowings £000	Share capital/ additional paid-in capital £000	Retained earnings £000	Non-controlling interest £000	Total £000
Balance at 1 October 2022	110,136	421,528	(185,136)	9,886	
Changes from financing cash flows					
Proceeds of share issues	-	10,874	-	-	10,874
Acquisition of NCI	-	-	(3,470)	(4,539)	(8,009)
Proceeds from bank or other borrowings	21,847	-	-	-	21,847
Repayment of bank or other borrowings	(18,470)	-	-	-	(18,470)
Interest and finance charges paid	(9,131)	-	-	-	(9,131)
Payments to finance lease creditors	(9,438)	-	-	-	(9,438)
Total changes from financing cash flows	(15,192)	10,874	(3,470)	(4,539)	(12,327)
The effect of changes in foreign exchange rates	(6,679)	-	-	-	
Other changes – liability-related					
Interest expense	9,209	-	-	-	
Loan acquired	241	-	-	-	
Capitalised borrowing fees	565	-	-	-	
New leases	3,101	-	-	-	
Leases modified	702	-	-	-	
Interest accrual movement	(84)	-	-	-	
Total liability-related other changes	13,734	-	-	-	
Total equity-related other changes	-	(394,235)	372,095	865	
Balance at 30 September 2023	101,999	38,167	183,489	6,212	

Company

Year ended 30 September 2024

	Loans and borrowings £000	Share capital/ additional paid-in capital £000	Total £000
Balance at 1 October 2023	63,770	38,167	
Changes from financing cash flows			
Proceeds of share issues	-	63	63
Proceeds from bank or other borrowings	8,186	-	8,186
Repayment of bank borrowings	-	-	-
Interest and finance charges paid	(6,572)	-	(6,572)
Total changes from financing cash flows	1,614	63	1,677
The effect of changes in foreign exchange rates	(4,479)	-	
Other changes – liability-related			
Interest expense	6,582	-	
Capitalised borrowing fees	967	-	
Interest accrual movement	(10)	-	
Total liability-related other changes	7,539	-	
Total equity-related other changes	-	-	
Balance at 30 September 2024	68,444	38,230	

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

25 Loans and borrowings continued

Company continued

Year ended 30 September 2023

	Loans and borrowings £000	Share capital/ additional paid- in capital £000	Total £000
Balance at 1 October 2022	65,073	421,528	
Changes from financing cash flows			
Proceeds of share issues	–	10,874	10,874
Proceeds from bank or other borrowings	6,661	–	6,661
Repayment of bank borrowings	(4,000)	–	(4,000)
Interest and finance charges paid	(6,327)	–	(6,327)
Repayments of lease liabilities	(10)	–	(10)
Total changes from financing cash flows	(3,676)	10,874	7,198
The effect of changes in foreign exchange rates	(4,529)	–	
Other changes liability-related			
Interest expense	6,441	–	
Capitalised borrowing fees	565	–	
Interest accrual movement	(82)	–	
Total liability-related other changes	6,902	–	
Total equity-related other changes	–	(394,235)	
Balance at 30 September 2023	63,770	38,167	

26 Provisions

	Total £000
At 1 October 2022	(1,631)
Provisions made during the year	(457)
Provisions used	21
Unused provisions reversed	50
Increase/decrease through net exchange differences	37
At 1 October 2023	(1,980)
Provisions made during the year	(1,371)
Provisions used	2,492
Unused provisions reversed	10
Increase/decrease through net exchange differences	48
Transferred to liabilities directly associated with the assets held for sale	568
At 30 September 2024	(233)
Current	(233)
Non-current	–
At 30 September 2024	(233)
Current	(1,280)
Non-current	(700)
At 30 September 2023	(1,980)

Other provisions

During the year, provisions of £1,371,000 were made. These were as follows:

- £880,000 (2023: £400,000) in respect of costs relating to contractual commitments in leases entered into during the year to restore certain leased assets to their original condition at the end of the lease period. The costs have been capitalised and are being depreciated over the life of the relevant asset.
- £254,000 (2023: £nil) relating to dilapidation provisions for a leased property no longer required by the Group.
- £237,000 (2023: £nil) for maintenance costs on a tilapia production site which is surplus to requirements. The lease is due to complete in 2027. In the prior year, a provision of £57,000 was made in relation to close of tilapia business.

Provisions of £568,000 held within the Genetics business area have been transferred to liabilities directly associated with assets held for sale.

During the year, £10,000 was released from dilapidation provisions (2023: £50,000) for leases no longer held.

No provision were held by the Company at the year end (2023: £nil).

27 Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using the substantively enacted rates in the relevant territories in which the temporary differences and tax losses are expected to reverse.

The movement on the net deferred tax account is as shown below:

Group	2024 £000	2023 £000
At 1 October	(24,106)	(27,990)
<i>Recognised in income statement</i>		
Tax credit on continuing activities (Note 11)	3,255	2,869
Tax credit on discontinued activities	308	(936)
Total tax credit	3,563	1,933
Exchange differences	1,706	1,951
Transferred to liabilities directly associated with assets held for sale	8,914	-
At 30 September	(9,923)	(24,106)

The Company did not have a deferred tax balance at the year end (2023: £nil).

There was no deferred tax recognised in other comprehensive income.

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the Directors believe it is probable that these assets will be recovered. The Directors believe there is sufficient evidence that the amounts recognised will be recovered against future taxable profits in the relevant tax jurisdiction. The Group did not recognise deferred tax assets of £44,310,000 (2023: £40,397,000) in respect of losses amounting to £128,578,000 (2023: £126,812,000) and temporary differences of £37,085,000 (2023: £25,120,000), where there was insufficient evidence that the amounts will be recovered. Of the unused tax losses on which no deferred tax is recognised, £128,228,000 have no expiry date and £350,000 expire between 2028 and 2035.

The discontinued deferred tax assets not recognised are £12,767,000 (2023: £12,368,000) in respect of losses amounting to £54,975,000 (2023: £52,765,000) and temporary differences of £115,000 (2023: £29,000), where there was insufficient evidence that the amounts will be recovered. Of the unused tax losses on which no deferred tax is recognised, £46,516,000 have no expiry date and £8,459,000 expire between 2028 and 2035.

No deferred tax is recognised on the unremitted earnings of overseas subsidiaries and joint ventures. The aggregate amount of temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, for which deferred tax has not been recognised is £150,974,000 (discontinued £84,044,000). As the earnings are continually reinvested by the Group and there is no intention for these entities to pay dividends, no tax is expected to be payable on them in the foreseeable future.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

27 Deferred tax continued

Group continued

The movements in deferred tax assets and liabilities (prior to the offsetting of balances within the same jurisdiction as permitted by IAS 12) during the period, together with amounts recognised in the Consolidated Income Statement and amounts recognised in other comprehensive income are as follows:

Group	At 1	(Charged)/	Credited/	Transferred to	At 30
	October	Consolidated	(charged) to other	liabilities directly	September
	2024	Income Statement	comprehensive	assets held for sale	2024
	£000	2024	income	2024	£000
Accelerated capital allowances	(1,273)	63	83	1,127	–
Intangibles	(18,404)	3,487	1,433	3,126	(10,358)
Biological assets	(4,797)	76	150	4,570	–
Other temporary and deductible differences	288	(81)	47	182	437
Fair value of share options	80	18	(7)	(91)	–
Net tax assets / (liabilities)	(24,106)	3,563	1,706	8,914	(9,923)

Group	At 1	(Charged)/	Credited/	At 30
	October	Consolidated	(charged) to other	September
	2023	Income Statement	comprehensive	2023
	£000	2023	income	£000
Accelerated capital allowances	(1,317)	(58)	102	(1,273)
Intangibles	(24,194)	3,768	2,022	(18,404)
Biological assets	(4,109)	(772)	84	(4,797)
Other temporary and deductible differences	1,560	(1,017)	(255)	288
Fair value of share options	70	12	(2)	80
Net tax assets / (liabilities)	(27,990)	1,933	1,951	(24,106)

The Company did not have any deferred tax in the profit or loss or balance sheet at the year end (2023: £nil). The Company has not recognised deferred tax assets of £21,407,000 (2023: £17,957,000) in respect of losses amounting to £50,061,000 (2023: £48,506,000) and temporary differences of £34,290,000 (2023: £22,060,000) for which there is insufficient evidence that taxable profits will be available in the near term against which they can be utilised.

28 Share capital and additional paid-in capital

Allotted, called up and fully paid	Number	Share Capital	Additional paid-
		£000	in share capital
			£000
Ordinary shares of 0.1 penny each			
Balance at 30 September 2022	703,960,798	704	420,824
Exercise of share options	202,242	–	–
Shares issued through placing and open offer	35,189,350	35	10,839
Cancellation of part of the share premium account	–	–	(394,235)
Balance at 30 September 2023	739,352,390	739	37,428
Exercise of share options	433,753	1	62
Balance at 30 September 2024	739,786,143	740	37,490

The holders of ordinary shares are entitled to one vote per share at meetings of the Company, and to receive dividends from time to time as declared.

During the year ended 30 September 2024, the Group issued a total 433,753 ordinary shares of 0.1p each to certain employees of the Group relating to share options; 145,615 exercised at 42.5p per share and 288,138 at 0.1p per share. During the prior year ended 30 September 2023, the Group issued a total 202,242 ordinary shares of 0.1p each to certain employees of the Group relating to share options, all of which were exercised at a price of 0.1 pence.

In the prior year on 15 December 2022, the Company issued 35,189,350 new ordinary shares of 0.1 pence each by way of a placing and subscription at an issue price of 37.0 pence per share. Gross proceeds of £13.0m were received for the placing and subscription shares. Non-recurring costs of £2.1m were incurred in relation to the share issue and this has been charged to the share premium account (presented within additional paid in share capital).

During the prior year, part of the share premium account was cancelled by capital reduction, which created additional distributable reserves of £394,235,072.

29 Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium reserve	Amount subscribed for share capital in excess of nominal value.
Merger reserve	Under merger relief, the amount in excess of nominal value attributed to shares issued as consideration in an acquisition where the Group has secured at least a 90% equity holding in the other company.
Capital redemption reserve	Amounts transferred from share capital on redemption of issued shares.
Foreign exchange reserve	Gains/losses arising on retranslating the net assets of overseas operations into Sterling and the fair value movement of net investment hedges.
Hedging reserve	Comprises the effective portion of the cumulative net change in fair value of hedging instruments used in cash flow hedges pending subsequent recognition on profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere. To simplify presentation, the share-based payment reserve has been combined with the retained earnings reserve. The share-based payment reserve recognises the value of equity-settled share-based payment transactions provided to employees, including management personnel, as part of their remuneration. Refer to Note 33 for further details of these plans.

The balance of additional paid-in share capital includes the merger reserve balance of £33,188,000, the balance being the share premium reserve. The merger reserve arose due to the Company issuing 38,635,671 shares of 0.1p each at 86p as part consideration for the acquisition of INVE Aquaculture Holdings B.V. on 30 December 2015.

30 Non-controlling interest

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest ("NCI"), before any intragroup eliminations.

	Benchmark Genetics Salten AS £000
Year ended 30 September 2024	
NCI percentage	25%
Non-current assets	31,835
Current assets	18,541
Non-current liabilities	(13,707)
Current liabilities	(12,679)
Net assets	23,990
Net assets attributable to NCI	6,005
Revenue	19,970
Profit	1,373
OCI	(2,200)
Total comprehensive income	(827)
Profit allocated to NCI	344
OCI allocated to NCI	(551)
Cash flows from operating activities	3,122
Cash flows used in investment activities	(71)
Cash flows (used in)/from financing activities (dividends to NCI: £nil)	(4,880)
Net increase in cash and cash equivalents	(1,829)

Notes Forming Part of the Financial Statements continued
for the year ended 30 September 2024

Year ended 30 September 2023	Benchmark Genetics Iceland HF £000	Benchmark Genetics Salten AS £000	Total £000
NCI percentage	0%	25%	
Non-current assets	–	35,672	
Current assets	–	22,198	
Non-current liabilities	–	(17,057)	
Current liabilities	–	(15,992)	
Net assets	–	24,821	
Net assets attributable to NCI	–	6,212	6,212
Revenue	9,314	21,070	
Profit	821	5,978	
OCI	(3,570)	(1,373)	
Total comprehensive income	(2,749)	4,605	
Profit allocated to NCI	86	1,496	1,582
OCI allocated to NCI	(374)	(344)	(717)
Cash flows from operating activities	3,541	6,202	
Cash flows used in investment activities	(21)	(2,024)	
Cash flows (used in)/from financing activities (dividends to NCI: £nil)	(123)	(545)	
Net increase in cash and cash equivalents	3,397	3,633	

31 Retirement benefits

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost represents contributions payable by the Group and amounted to £2,722,000 (2023 restated: £2,814,000). Contributions totalling £1,845,000 (2023: £1,298,000) were payable to the fund at the balance sheet date and are included in other payables.

32 Capital commitments

At 30 September 2024, the Group and Company had capital commitments as follows:

	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
Contracted for but not provided within these financial statements	482	362	–	–

33 Share-based payment

Share options

The Group operates equity-settled share option and cash settled share option schemes for certain employees. If the options remain unexercised after a period of seven years from the vesting date the options expire. Options are forfeited, other than in limited circumstances, if the employee leaves the Group before the end of the vesting period. In these limited circumstances, options will be exercisable in a specified period following termination of employment after which they will lapse.

For some of options granted in 2021, 2022, 2023 and 2024 additional performance measures apply. The performance measures are EPS growth, where 25% vests at threshold performance and 100% vests at maximum performance and Relative Total Shareholder Return measured against the FTSE AIM 100 index, where 25% vests at a ranking of median rising to 100% for a ranking of upper quartile or higher. In the case of Executive Directors, any vested shares will be subject to a two-year holding period.

The share options under the scheme are as follows:

Year ended 30 September 2024:

Year	As at 1 October 2023	Granted in 2024	Exercised in 2024	Forfeited in 2024	As at 30 September 2024	Option price*	Exercise period
2015	58,883	–	(29,239)	–	29,644	0.10p	March 2018 to February 2025
2015	34,194	–	(2,931)	(5,467)	25,796	0.10p	July 2018 to June 2025
2016	290,463	–	(61,813)	(15,273)	213,377	0.10p	March 2019 to February 2026
2017	82,382	–	(31,631)	(8,367)	42,384	0.10p	March 2020 to February 2027
2018	4,334,833	–	–	(1,027,163)	3,307,670	69.5p	January 2021 to January 2028
2019	4,941,800	–	–	(1,153,200)	3,788,600	58.5p	January 2022 to January 2029
2020	8,260,883	–	(145,615)	(1,718,852)	6,396,416	42.5p	February 2023 to February 2030
2020	2,100,000	–	–	–	2,100,000	31.5p	June 2023 to June 2030
2021	3,220,755	–	(162,524)	(2,428,538)	629,693	0.10p	January 2024 to January 2031
2021	205,899	–	–	(154,630)	51,269	0.10p	May 2024 to May 2031
2022	3,867,144	–	–	(163,812)	3,703,332	0.10p	December 2024 to December 2031
2023	3,934,998	–	–	(308,696)	3,626,302	0.10p	December 2024 to December 2031
2024	–	2,236,788	–	(177,212)	2,059,576	0.10p	December 2026 to December 3033
2024	–	11,699,890	–	–	11,699,890	0.10p	December 2025 to December 3032
2024	–	237,780	–	–	237,780	0.10p	December 2025 to December 3032

* The option price is the nominal value of the Parent Company's shares for options issued except for the options issued in 2018, 2019 and 2020 for which the option price is the market price of the share on the date the options were granted.

Year ended 30 September 2023:

Year	No. of options					Option price*	Exercise period
	As at 1 October 2022	Granted in 2023	Exercised in 2023	Forfeited in 2023	As at 30 September 2023		
2013	42,000	–	(42,000)	–	–	0.10p	August 2016 to July 2023
2015	93,197	–	(34,314)	–	58,883	0.10p	March 2018 to February 2025
2015	44,073	–	(9,879)	–	34,194	0.10p	July 2018 to June 2025
2016	360,582	–	(59,619)	(10,500)	290,463	0.10p	March 2019 to February 2026
2017	115,172	–	(32,790)	–	82,382	0.10p	March 2020 to February 2027
2018	4,801,111	–	–	(466,278)	4,334,833	69.5p	January 2021 to January 2028
2019	5,494,400	–	–	(552,600)	4,941,800	58.5p	January 2022 to January 2029
2020	8,908,797	–	–	(647,914)	8,260,883	42.5p	February 2023 to February 2030
2020	2,100,000	–	–	–	2,100,000	31.5p	June 2023 to June 2030
2021	3,370,258	–	–	(149,503)	3,220,755	0.10p	January 2024 to January 2031
2021	205,899	–	–	–	205,899	0.10p	May 2024 to May 2031
2022	4,267,914	–	–	(400,770)	3,867,144	0.10p	December 2024 to December 2031
2023	–	4,368,781	–	(433,783)	3,934,998	0.10p	December 2024 to December 2031

* The option price is the nominal value of the Parent Company's shares for options issued except for the options issued in 2018 and 2019 for which the option price is the market price of the share on the date the options were granted.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

Of the total number of options remaining at 30 September 2024, 16,561,885 (2023: 20,709,870) were exercisable. Included in the remaining share options from 2013 to 2021, the balance of options exercisable included 22,964 options from 2021 (2023: 356,439), 201,994 options from 2022 (2023: 201,994), and nil options from 2023 & 2024 (2023: nil), which had vested early, not been exercised and had not lapsed. The early vests were due to employees leaving the Group as part of the structural efficiencies programme and the restructuring of management.

Options exercised in 2024 resulted in 433,753 shares being issued at a weighted average price of 0.1p. The related weighted average share price at the time of exercise was 43.1p per share. Options exercised in 2023 resulted in 136,602 shares being issued at a weighted average price of 0.1p. The related weighted average share price at the time of exercise was 38.6p per share.

The stochastic model has been used to calculate the fair value of the share options with market-based performance conditions, whereas the share options which are not subject to market-based performance conditions use the Black-Scholes valuation model. The weighted average fair value of the share options granted during the period was 25.6p (2023: 37.1p). Other inputs used in the fair value measurement include:

Inputs	2024	2023
Expected share price volatility	42.67%	N/A
Risk-free rate	4.49%	N/A
Expected dividend yield	0.00%	N/A

The expected price volatility is based on the historic volatility (based on the remaining life of the options).

The total charge reflected in the Consolidated Income Statement in relation to the share-based transactions is listed in the table below. The share-based payment expense comprises:

Share options issued	Weighted average exercise price	Weighted average remaining contractual life	Continuing 2024 £000	Discontinued 2024 £000	Total 2024 £000	Continuing 2023 £000	Discontinued 2023 £000	Total 2023 £000
August 2013	0.1p	Zero	-	-	-	-	-	-
March 2015 and July 2015	0.1p	One year	-	-	-	-	-	-
March 2016	0.1p	Two years	-	-	-	-	-	-
March 2017	0.1p	Three years	-	-	-	-	-	-
January 2018	69.5p	Four years	-	-	-	-	-	-
January 2019	58.5p	Five years	-	-	-	-	-	-
February 2020	42.5p	Six years	-	-	-	94	68	162
June 2020	31.5p	Six years	-	-	-	30	-	30
January 2021	0.1p	Seven years	7	(6)	1	215	80	295
May 2021	0.1p	Seven years	8	-	8	9	-	9
December 2021	0.1p	Eight years	98	58	156	111	32	143
April 2023	0.1p	Eight years	570	114	684	284	82	366
December 2023	0.1p	Nine years	1,147	43	1,190	-	-	-
February 2024	0.1p	Nine years	15	-	15	-	-	-
Equity-settled schemes			1,845	209	2,054	743	262	1,005
Total share-based payment charge			1,845	209	2,054	743	262	1,005

The expense recognised above has been recognised in the income statement.

The Group did not enter into any other share-based payment transactions with parties other than employees during the current or previous period.

The total charge recognised in the Company's income statement was £1,480,000 (2023: £437,000).

34 Related party transactions

Subsidiaries

Transactions between the Company and its subsidiary undertakings (see Note 19), which are related parties, amounted to £4,040,000 in the year (2023: £5,747,000). These transactions related to intercompany recharges. In the year we loaned £5,511,000 to subsidiary undertakings (2023: £8,616,000), and received loans totalling £10,588,000 (2023: £2,624,000). Interest of £3,098,000 was charged during the year from a subsidiary (2023: £2,415,000). Balances with subsidiary undertakings are shown in Notes 22 and 24.

Details of transactions between the Group and other related parties are disclosed in the following note.

Other related party transactions

During the year, Group entities entered into the following trading transactions with related parties during the year that are not members of the Group;

	Transaction values for the year ended 30 September		Balance outstanding as at 30 September	
	2024 £000	2023 Restated* £000	2024 £000	2023 £000
Sales of goods and services				
Salmar Genetics AS ¹	–	40	–	–
Nova Sea AS ⁶	157	–	–	–
Benchmark Genetics (Thailand) Limited ⁵	24	48	–	88
Great Salt Lake Brine Shrimp Cooperative, Inc ²	527	758	120	78
Purchases				
Great Salt Lake Brine Shrimp Cooperative, Inc ^{*2}	18,031	9,234	8,399	10,350
Baggfossen Mikrokraft AS ³	–	12	–	–
Marco Polo Events Ltd ⁴	–	11	–	–

1 Joint venture.

2 Associate.

3 Baggfossen Mikrokraft AS was an associate until the remainder of the shares were purchased in June 2023.

4 A director is a director of Marco Polo Events Ltd.

5 An associate disposed of in December 2023.

6 A director is a director of Nova Sea AS.

*2023 Great Salt Lake Brine Shrimp Cooperative Inc purchases has been restated by a reduction of £10.0m due to the prior year disclosure including advance payments.

Remuneration of key management personnel

The aggregate remuneration of the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. In 2024 and 2023, the key management personnel of the Group were considered to be the Board of Directors and the Executive Management Team.

	2024 £000	2023 £000
Salary	1,805	1,959
Bonus	–	1,194
Social security	754	633
Taxable benefits	23	23
Pension	117	134
Fees	253	294
Share-based payment	1,485	562
Total	4,437	4,799

Parent and ultimate controlling party

The Company is controlled by the shareholders. There is no single controlling party.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

35 Notes supporting statement of cash flows

Cash and cash equivalents for the purposes of the statement of cash flows comprises:

Group	2024 £000	2023 £000
Cash at bank and in hand	23,088	36,525
Cash and cash equivalents	23,088	36,525
Company		
Cash at bank and in hand	1,427	321
Cash and cash equivalents	1,427	321

36 Alternative profit measures and other metrics

Alternative profit measures

Management has presented the performance measures EBITDA, Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit Before Tax because it monitors performance at a consolidated level and believes that these measures are relevant to an understanding of the Group's financial performance.

EBITDA, a widely used measure which reflects profitability, is earnings before interest, tax, depreciation, amortisation and impairment and is shown on the income statement.

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 operating profit is operating loss before exceptional items including acquisition-related items and amortisation of intangible assets excluding development costs as reconciled below.

Adjusted profit before tax is earnings before tax, amortisation and impairment of acquired intangibles, 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.

Reconciliation of adjusted operating profit to operating loss (continuing)

	2024 £000	2023 Restated* £000
Revenue	90,365	103,963
Cost of sales	(46,418)	(47,879)
Gross profit	43,947	56,084
Research and development costs	(2,443)	(2,350)
Other operating costs	(29,582)	(36,753)
Depreciation and impairment	(10,949)	(14,010)
Amortisation and impairment of capitalised development costs	(17,569)	(1,792)
Adjusted operating (loss)/profit	(16,596)	1,179
Exceptional including acquisition related items	(5,581)	(3,904)
Amortisation and impairment of intangible assets excluding development costs	(13,322)	(14,809)
Operating loss	(35,499)	(17,534)

* See Note 12.

36 Alternative profit measures and other metrics continued

Reconciliation of adjusted loss before tax to adjusted operating loss (continuing)

	2024 £000	2023 Restated* £000
Loss before taxation	(45,925)	(24,699)
Exceptional including acquisition related items	5,581	3,904
Amortisation and impairment of intangible assets excluding development costs	13,322	14,809
Adjusted loss before tax	(27,022)	(5,986)

* See Note 12.

Other metrics

	2024 £000	2023 Restated* £000
Total R&D Investment		
Research and development costs		
– Continuing operations	2,443	2,350
– Discontinued operations	3,276	3,778
Internal capitalised development costs (Note 15)	149	632
Total R&D investment	5,868	6,760

* See Note 12.

Liquidity

Following the refinancing in September 2023, a key financial covenant is a minimum liquidity of £10.0m as cash plus undrawn facilities.

	2024 £000	2023 £000
Cash and cash equivalents	23,088	36,525
Undrawn bank facility	11,250	12,250
Liquidity	34,338	48,775

The undrawn bank facility relates to the RCF facility (see Note 25). At 30 September 2024, £16,250,000 (2023: £7,750,000) of the RCF was drawn, leaving £11,250,000 (2023: £12,250,000) undrawn.

37 Net debt

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

	2024 £000	2023 £000
Cash and cash equivalents	23,088	36,525
Loans and borrowings (excluding lease liabilities) – current	(68,444)	(8,478)
Loans and borrowings (excluding lease liabilities) – non-current	–	(73,661)
Net debt excluding lease liabilities	(45,356)	(45,614)
Lease liabilities – current	(789)	(11,567)
Lease liabilities – non-current	(2,837)	(8,293)
Net debt	(48,982)	(65,474)

Following the decision to sell the Genetics business area, £22.3m of loans and borrowings (including lease liabilities) have been transferred into held for sale.

Notes Forming Part of the Financial Statements continued

for the year ended 30 September 2024

38 Business combinations and transactions in subsidiary companies

There have been no business combinations or transactions in the shares of subsidiary companies during the year.

In the previous year, the Group acquired 66% of the issued share capital of Baggfossen Mikrokraft AS to bring the total owned to 100% for consideration of £48,000. The goodwill was impaired during FY23. The following table shows the consideration paid and the fair value of the assets acquired.

Business combinations

	Total £000
Consideration	
Cost of investment	48
<i>Satisfied by;</i>	
Cash	48
Total consideration	48
Fair value of assets acquired	
Fixed assets	307
Accounts Receivable	(13)
Other receivables	1
Financial instrument – interest rate swap	10
Accounts payable	(1)
Other current liabilities – advance from customers	(3)
Bank loan	(235)
Advance from Salten Starnfisk	(10)
Advance from BG Salten	(12)
Total identifiable net assets	44
Goodwill	4

On 15 February 2023, the Group purchased the minority interest's shareholding of 14,981,272 shares in Benchmark Genetics Iceland HF for €9,000,000 (£8,009,000). Following this acquisition, Benchmark Genetics Limited, a subsidiary of Benchmark Holdings PLC, became the owner of 100% of the share capital of Benchmark Genetics Iceland HF.

On 6 February 2023, the Group exercised the put/call option in place to purchase the final 20% of Benchmark Genetics USA Inc for 1 NOK.

On 11 May 2023, the Group received £1,250,000 as the final part of the deferred consideration for Improve International Limited and its subsidiaries which was sold in June 2020.

39 Contingent liabilities

In the ordinary course of the group's business, from time to time, various legal cases arise which may give rise to the recognition of a contingent liabilities. There are no specific provisions or individually significant contingent liabilities that require specific disclosure.

40 Post balance sheet events

Disposal of Genetics business area

The strategic review announced in January 2024 was completed post year end and on 25 November 2024, the Company announced that it had entered into a binding agreement to sell its Genetics business area by way of the disposal of Benchmark Genetics Limited and Benchmark Genetics Norway AS and their respective subsidiaries to Starfish Bidco AS, a wholly owned subsidiary of Novo Holdings A/S. The agreed deal includes initial consideration of £230.0m receivable on completion and additional contingent consideration of up to £30.0m receivable in three years' time based on trading performance of the core salmon sub-segment in the period from 1 October 2024 to 30 September 2027. Completion of the deal is expected during the first quarter of 2025 subject to shareholder approval and receipt of customary regulatory clearances. The proceeds will enable Benchmark to repay its NOK 750m green bond and amounts drawn on its RCF, and to focus on its Advanced Nutrition and Health business areas going forward.

At the year end, the Genetics business were treated as discontinued operations (see note 12) and the assets and liabilities transferred into held for sale (see note 23) as the sale at the year end was considered highly probable. Included within liabilities held for sale is £22.3m of borrowings held within Genetics. The terms of the agreed deal prescribe that these facilities will be paid out of the proceeds received at completion.

Change in control of a significant customer

On 26 November 2024, Benchmark learned that the business and assets of one of its significant customers based in Venezuela, Grupo Lamar, had been seized and controlled by the government. As a result of this and due to US, UK and EU sanction laws applicable against the Venezuelan government, it is not currently possible for Benchmark to trade with Grupo Lamar, and for that company to export its products to its largest market in Europe. The demand for products in Europe is unaffected by the change in control of Grupo Lamar, so it is expected that other suppliers in the industry will be able to supply their own products to that market. Benchmark in turn is expected to be able to switch its supply to those suppliers which will mitigate the impact of this event.

This change in control has happened after the year end, and so in line with the guidance of IAS 10 Events After the Reporting Period, this is a non-adjusting post balance sheet event and no amendments have been made to the year-end accounts as a consequence of this matter. The Directors have considered this matter when forming their conclusion over the going concern status of the Benchmark Group and this has not affected their conclusion that it remains appropriate to prepare the financial statements on a going concern basis.

Glossary

Adjusted EBITDA	EBITDA before exceptional and acquisition costs (see income statement)
Adjusted Operating Profit	Adjusted Operating Profit is operating loss before exceptional items including acquisition-related items and amortisation and impairment of intangible assets excluding development costs (see Note 36)
AEBITDA	EBITDA before exceptional and acquisition-related items (see income statement)
AER	Actual exchange rate
AGM	Annual General Meeting
AIM	Alternative Investment Market
APHIS	Animal and Plant Health Inspection Service
B4B	Benchmark for Better
Breeders	Broodstock shrimp
CAGR	Compound Annual Growth Rate is the average annual growth rate over a period assuming that growth is compounded
CCS	Cross-currency swap
CEO	Chief Executive Officer
CER	Constant exchange rate
CFD	Climate-related Financial Disclosure Regulations
CFO	Chief Financial Officer
CGD	Complex Gill Disease
CGU	Cash-Generating Unit
CleanTreat®	Benchmark's water purification system that removes medicines from treatment water
CO₂	Carbon Dioxide
Constant currency	2024 figures in GBP converted using average foreign exchange rates prevalent in 2023
CPI	Consumer Price Index
CSRD	Corporate Sustainability Reporting Directive
EBITDA	Earnings/(loss) before interest, tax, depreciation and amortisation and impairment
Ectosan®Vet	Sea Lice veterinary medicinal treatment used together with CleanTreat®
EFRAGs	European Financial Reporting Advisory Group
EMI	Enterprise Management Incentive
EMT	Executive Management Team
ESG	Environmental, Social, Governance
FAO	Food and Agriculture Organisation
FRC	Financial Reporting Council
FRN	Floating rate NOK Bond
FY	Financial Year
GEC	Global Energy and Climate
GHG	Greenhouse Gas Emissions
GRI	Global Reporting Initiative. Organisation producing reporting standards
GSL	Great Salt Lake
HSE	Health and Safety Executive
IAS	International Accounting Standards
IEA	International Energy Agency
IFRS	International Financial Reporting Standards

Investing Activities	Investing Activities are those activities which have no associated income stream in the current period, but which are intended to provide the Group with income-generating operations in future periods. Includes exceptional items, R&D expenditure, pre-operational expenses for new ventures and costs of acquiring new businesses
IP	Intellectual Property
IPCC	International Panel on Climate Change
IPO	Initial Public Offering
IRS	Interest rate swap
ISA	International Standards on Auditing
ISA	Infectious Salmon Anaemia
ISO	International Organisation for Standardisation
JV	Joint Venture
LIBOR	London Interbank Offered Rate
Liquidity	Undrawn bank facilities plus cash and cash equivalents
LTIP	Long-Term Incentive Plan
MBO	Management buyout
MWh	MegaWatt hours. Unit of measure for energy
Net debt	Net debt is cash and cash equivalents less loans and borrowings
Net Zero	Organisation will set and pursue an ambitious 1.5 °C aligned science-based target for its full value-chain emissions. Any remaining hard-to-decarbonise emissions can be compensated using certified greenhouse gas removal
NGFS	Network for Greening the Financial System
NIBOR	Norwegian Interbank Offered Rate
OCI	Other Comprehensive Income
QCA	Quoted Companies Alliance
R&D	Research & Development
RCF	Revolving Credit Facility
RCP	Representative Concentration Pathways
Salmosan®Vet	Benchmark's sea lice bath treatment
SASB	Sustainability Accounting Standards Board
SDGs	Sustainability Development Goals
Sea lice	Parasite in salmon farming causing significant economic loss and welfare issues
SECR	Streamlined Energy of and Carbon Reporting. The requirement to report carbon emissions annually
SFA	Singapore Food Agency
SONIA	Sterling Overnight Index Average Rate
SPR	Specific Pathogen Resistant
SSP	Sustainable Shrimp Partnership
SWG	Sustainability Working Group
TAG	Technical Advisory Group
tCO2e	Tonnes of CO2 equivalent. Unit of measure for reporting all greenhouse gas emissions in a common way
TCFD	Task Force on Climate-Related Financial Disclosures
Total Adjusted EBITDA	Adjusted EBITDA for continuing and discontinued operations (see income statement)
USDA	United States Department of Agriculture
WOAH	World Organisation for Animal Health
WRI	World Resources Institute

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