12 December 2024

Benchmark Holdings plc

("Benchmark", the "Company" or the "Group")

Full Year Results for the Financial Year ended 30 September 2024

Resilient performance in a year of change and market headwinds
Completion of strategic review resulting in disposal of Genetics business

Benchmark, the aquaculture biotechnology company, announces its full year audited results for the year ended 30 September 2024 (the "period").

The Genetics business which is the subject of a post period end disposal has been treated as held for sale and discontinued in the Annual Report. The 2024 results for Genetics have been included to enable our shareholders to evaluate the performance and development of the Group as a whole before this disposal took place

Financial highlights

- Total revenues (continuing and discontinued operations) were 7% below the prior year at constant currency (CER) (-13% reported) resulting from:
    - **Advanced Nutrition**: revenues +5% CER demonstrating resilient performance in challenging shrimp markets.
    - **Health**: revenues -41% CER following restructuring steps to transition to new business model for Ectosan® Vet and CleanTreat® including decommissioning of the two platform supply vessels and CleanTreat® units
    - **Genetics (discontinued)**: revenues -8% CER against a strong FY23 comparator, which benefitted from supply constraints in the market and due to a shift from direct egg sales to indirect sales through the Company's JV in Norway (which delivers an improved Adjusted EBITDA margin).
- Revenue from continuing operations was £90.4m was 6% below the prior year at constant currency (-13% reported)
- Operating costs from continuing operations decreased by 20% (£7.2m) with the savings resulting from restructuring actions across the Group
- Total Adjusted EBITDA excluding fair value movements in biological assets was £28.9m, 10% below the prior year at constant currency (-16% reported, FY23: £34.3m)
- Adjusted EBITDA from continuing operations was 24% below the prior year at constant currency (-30% reported) driven by lower revenues in Health and lower margin in Advanced Nutrition due to change in product mix in the year, and higher logistic costs caused by trade route disruptions
- Total loss for the period was £39.1m (FY23: £21.6m) due to lower revenues and margin, higher finance costs, higher exceptional costs primarily arising from the strategic review process, and the impairment of capitalised development costs in Health
- Net debt[3] reduced to £49.0m (FY23: £65.5m) following transfer of £22.3m of Genetics loans and borrowings into liabilities held for sale
- Cash and cash equivalents of £23.1m and liquidity of £34.3m at year end
- At 11 December 2024, cash and cash equivalents of £15.2m and available liquidity of £26.5m

Conclusion of Strategic Review and Disposal of Genetics business

Post period end, on 25 November the Company announced the conclusion of the strategic review initiated in January 2024 and the proposed Disposal of the Genetics business to Novo Holdings AS (the "Disposal"). Transaction highlights:

- Enterprise value of up to £260 million, representing a multiple of 17.9x Adjusted EBITDA (for the year to 30 June 2024).
- Initial cash consideration of £230m with additional contingent cash consideration of up to £30m

- The Directors of the Company believe that the Disposal unlocks significant value for shareholders and enables the Group to focus on its Advanced Nutrition and Health business areas and creates an opportunity to reduce complexity and streamline the Group to significantly reduce costs
- Net proceeds from the Disposal will be used to return capital to shareholders and to reduce the Company's leverage, by repaying the Group's unsecured listed green bond and drawn amounts under the Group's revolving credit facility thereby strengthening the balance sheet of the continuing business
- Completion of the Disposal is subject to regulatory approvals and is expected during the first quarter of 2025

Financial Summary

(£m)	**FY 2024**	**FY 2023**	**% AER**	**% CER****
Revenue from continuing operations	90.4	104.0	-13%	-6%
Total Revenue (continuing and discontinued)	147.7	169.7	-13%	-7%
Adjusted				
Adjusted EBITDA[1] from continuing operations	11.9	17.0	-30%	-24%
Total Adjusted EBITDA excluding fair value movements in biological assets	28.9	34.3	-16%	-10%
Statutory				
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 (p)	(5.34)	(3.16)	-69%	
Net debt[3]	(49.0)	(65.5)		
Net debt excluding lease liabilities[3]	(45.4)	(45.6)		

** Constant exchange rate (CER) figures derived by retranslating current year figures using previous year's foreign exchange rates
(1) Adjusted EBITDA is EBITDA (earnings before interest, tax, depreciation and amortisation and impairment), before exceptional items including acquisition related items.
(2) Adjusted Operating Profit is operating loss before exceptional items including acquisition related items and amortisation of intangible assets excluding development costs
(3) Net debt is cash and cash equivalents less loans and borrowings after transfer of £22.3m (£15.1m excluding lease liabilities) transferred to liabilities held for sale relating to the Genetics business.
(4) Cash generated from operations after working capital and taxes as percentage of Adj. EBITDA

Business Area Performance £m	**FY 2024**	**FY 2023**	**% AER**	**% CER****
Revenue				
Advanced Nutrition	75.9	78.5	-3%	+5%

Health	14.5	25.5	-43%	-41%
Genetics (discontinued)	57.4	65.8	-13%	-8%
Adjusted EBITDA[1]				
Advanced Nutrition	14.4	18.4	-22%	-16%
Health	2.1	4.8	-57%	-55%
Genetics (discontinued)	14.8	14.4	+3%	+9%
- excluding fair value movements in biological assets	15.1	14.5	+4%	+10%

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

Operational highlights

Advanced Nutrition – commercial focus and continued innovation

* Continued commercial focus through challenging markets resulting in revenue growth at constant currency
* Launch of new products including SnappArt 360, applying new production technology to increase feed stability and performance
* Expanded sales channels by establishing new subsidiary in India which increases our commercial presence in this key market for shrimp

Health – rightsizing the business and moving away from capital intensive model

- Decommissioned the two supply vessels and CleanTreat units moving away from capital intensive model
- Restructuring of the organisation, rightsizing it to deliver our well-established sea lice treatment Salmosan® Vet
- Maintained capability to deliver Ectosan® Vet and CleanTreat® onto customer owned infrastructure

Genetics – continued innovation and progress in growth vectors

- Launched new salmon genetic lines demonstrating ongoing innovation
- Excellent progress in our salmon genetics business in Chile doubling its 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

- Net Zero goal: Reduction in GHG emissions in Thailand following the installation of solar panels in the year which supply 23% of the electricity in the facility

Current trading and outlook

Advanced Nutrition

- Soft start to the year with unchanged conditions in the shrimp markets; Q1 FY25 impacted by loss of significant customer in Venezuela
- Expect improvement through the year and recovery in gross margin underpinned by higher quality of the recent Artemia harvest

- Actions taken over the past years to strengthen our commercial effort, broaden the product portfolio and increase operational efficiency are anticipated to mitigate the impact of market cyclicality and position the business to deliver growth and improved profitability in the short and medium term

Health

- Health has had a good start to 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, Health is expected to deliver stable profitability. At the same time, we will continue to work with customers to develop an optimal model for Ectosan® Vet and CleanTreat® based on customer owned infrastructure representing potential future upside

Group

- Focus 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
- 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, CEO, commented:

"FY24 was transformational for the Group. We managed to deliver a resilient performance amidst difficult market conditions, as well as realising significant shareholder value resulting from the successful development of our Genetics business over the years.

"The sale of Genetics creates an opportunity to simplify the Group's structure, positioning it to realise the potential in the Advanced Nutrition and Health business areas, whilst reducing costs and leverage. At the same time it will enable a return of capital to shareholders.

"Following the disposal, Benchmark will become 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."

Presentation for analysts and institutional investors at 8am GMT

Trond Williksen, Chief Executive Officer and Septima Maguire, Chief Financial Officer will host a presentation for analysts and institutional investors at 08.00 GMT (09.00 CET).

The presentation will be held in person at Haakon Vlls Gate 2, Oslo, Norway. To register your interest, please contact benchmark@mhpgroup.com

A live webcast of the presentation will be available for analysts and investors to join remotely at the following link: Benchmark Holdings Webcast Q4 2024

Equity Development webcast for retail investors at 11am GMT

Trond Williksen, Chief Executive Officer and Septima Maguire, Chief Financial Officer will host a second webcast for retail investors and wealth managers at 11.00 GMT (12:00 CET). The webcast is open to all existing and potential shareholders.

To register please visit: **https://www.equitydevelopment.co.uk/news-and-events/benchmark-investor-presentation-12december2024**

Enquiries

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About Benchmark

Benchmark's mission is to enable aquaculture producers to improve their sustainability and profitability. We bring together biology and technology, to develop innovative products which improve yield, quality and animal health and welfare for our customers. We do this by improving the genetic make-up, health and nutrition of their stock - from broodstock and hatchery through to nursery and grow out. Benchmark has a broad portfolio of products and solutions, including salmon eggs, live feed (Artemia), diets and probiotics and sea lice treatments. Find out more at www.benchmarkplc.com

Chairman's Statement

Conclusion of a Strategic Review

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. 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.

Chief Executive Officer's Review

A transformational year for Benchmark

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.

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. Groupwide 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.

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 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

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.

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.

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 5).

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 5).
1 EBITDA is earnings/(loss) before interest, tax, depreciation and amortisation and impairment. See income statement.
2 Adjusted EBITDA is EBITDA[1] 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.
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 13.
5 % CER is the change year on year translating current figures using last year's foreign exchange rates.

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 5) and the assets and liabilities have been transferred into Assets and Liabilities Held for Sale (Note 13).

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 performance

	Revenue				AEBITDA[2]				AEBITDA margin %	
Adjusted measures (£m)	**2024**	**2023**	**% AER**	**% CER[5]**	**2024**	**2023**	**% AER**	**% CER[5]**	**2024**	**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 5)	**(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%

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'.

Adjusted measures

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 other 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 5) and the balance sheet items have been transferred to assets and liabilities held for resale (see Note 13).

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).

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

	Expensed				Total expensed and capitalised			
R&D by business area (£m)	**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 5) 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 5)	(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	-	(0.3)
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 5)	(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 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 13.

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.

Cash and total debt

Net debt (£m)	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 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 16, 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.

Consolidated Income Statement
for the year ended 30 September 2024

	Notes	2024 £000	2023 Restated* £000
Continuing operations			
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)
Adjusted EBITDA[2]		**11,922**	16,981
Exceptional – restructuring/acquisition related items	4	**(5,581)**	(3,904)
EBITDA[1]		**6,341**	13,077
Depreciation and impairment	7	**(10,949)**	(14,010)
Amortisation and impairment	9	**(30,891)**	(16,601)
Operating loss		**(35,499)**	(17,534)
Finance cost	3	**(14,209)**	(13,342)
Finance income	3	**3,783**	6,177
Loss before taxation		**(45,925)**	(24,699)
Tax on loss		**1,646**	1,223
Loss from continuing operations		**(44,279)**	(23,476)
Discontinued operations			
Profit from discontinued operations, net of tax	5	**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		**344**	1,582
		(39,120)	(21,564)
Earnings per share			
Basic loss per share (pence)	6	**(5.34)**	(3.16)
Diluted loss per share (pence)	6	**(5.34)**	(3.16)
Earnings per share – continuing operations			
Basic loss per share (pence)	6	**(5.99)**	(3.21)
Diluted loss per share (pence)	6	**(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 5).

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	(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 5) (2023: £1,912,000) and foreign exchange translation differences loss of £11,296,000 (2023: £9,351,000).

Consolidated Balance Sheet
as at 30 September 2024

	Notes	2024 £000	2023 £000
Assets			
Property, plant and equipment	7	**10,107**	73,411
Right-of-use assets	8	**4,052**	19,804
Intangible assets	9	**115,527**	206,077
Equity-accounted investees		**2,315**	3,558
Other investments		**–**	14
Biological assets	11	**–**	18,406
Non-current assets		**132,001**	321,270
Inventories		**23,674**	25,269
Biological assets	11	**–**	27,586
Corporation tax asset		**347**	–
Trade and other receivables	12	**42,539**	59,795
Cash and cash equivalents		**23,088**	36,525
		89,648	149,175
Assets held for sale	13	**163,252**	850
Current assets		**252,900**	150,025
Total assets		**384,901**	471,295
Liabilities			
Trade and other payables	14	**(30,102)**	(47,329)
Loans and borrowings	15	**(69,233)**	(20,045)
Corporation tax liability		**–**	(6,422)
Provisions		**(233)**	(1,280)
		(99,568)	(75,076)
Liabilities directly associated with the assets held for sale	13	**(46,697)**	–
Current liabilities		**(146,265)**	(75,076)
Loans and borrowings	15	**(2,837)**	(81,954)
Other payables	14	**(1,607)**	(6,842)
Deferred tax		**(9,923)**	(24,106)
Provisions		**–**	(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		**740**	739
Additional paid-in capital		**37,490**	37,428
Capital redemption reserve		**5**	5
Retained earnings		**146,080**	183,489
Hedging reserve		**(1,021)**	(203)
Foreign exchange reserve		**34,970**	54,947
Equity attributable to owners of the parent		**218,264**	276,405
Non-controlling interest		**6,005**	6,212
Total equity and reserves		**224,269**	282,617

The financial statements 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

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

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	7	**9,319**	8,453
Depreciation and impairment of right-of-use assets	8	**7,001**	10,260
Amortisation and impairment of intangible fixed assets	9	**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		**2,054**	1,005
Tax expense		**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		**23,088**	36,525

1. Basis of preparation

These audited results have been prepared on the basis of the accounting policies which are to be set out in Benchmark Holdings Plc's annual report and financial statements for the year ended 30 September 2024. Those policies have been consistently applied to all the years presented unless otherwise stated.

These Group financial statements were prepared and approved by the Directors in accordance with UK-adopted international accounting standards and in accordance with IFRS adopted pursuant to Regulation (EC) No. 1606/2002 as it applied in the European Union ("Adopted IFRS"). While the financial information included in this preliminary statement has been prepared on the basis of the requirements of IFRSs in issue, this statement does not itself contain sufficient information to comply with IFRS.

The financial information set out above does not constitute the company's statutory accounts for the years ended 30 September 2024 or 2023 but is derived from those accounts. Statutory accounts for 2023 have been delivered to the registrar of companies, and those for 2024 will be delivered in due course. The auditor has reported on those accounts. The auditor's report for 2024 was (i) unqualified, (ii) contained a material uncertainty in respect of going concern to which the auditor drew attention by way of emphasis without modifying their report and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006. Their report for the accounts of 2023 was (i) unqualified and (ii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

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).

The group meets its day-to-day working capital requirements using a green bond and RCF 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 16, 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.

2. 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)**

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	5	**(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	5	**(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

3. Net finance costs

	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)

4. Exceptional items – restructuring, acquisition and disposal 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

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.

5. 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

	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 2, 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 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)**

Impact on the Group Consolidated Income Statement for the year ended 30 September 2023

	2023 Continuing £000	2023 Discontinued £000	2023 Total £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

On 30 September, the tilapia businesses of a Group's subsidiary was disposed of for 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)	**–**

6. 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		
	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.

7. 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

	Note	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	8	**(5,221)**	(9,221)
Depreciation on discontinued right of use assets	8	**(1,767)**	(1,039)
Impairment on continuing right of use assets	8	**(13)**	–
Total per cash flow		**(16,320)**	(18,713)
Less: depreciation and impairment on discontinued	5	**5,371**	4,703
Total depreciation and impairment per income statement		**(10,949)**	(14,010)

8. Leases

Group

Right-of-use assets	2024 £000	2023 £000
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	2024 £000	2023 £000
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	2024 £000	2023 £000
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.

Additional information	2024 £000	2023 £000
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.

9. 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 amortization 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.

The table below provides further detail of intangibles and their remaining amortisation period.

Description	Category	NBV 2024 £000	NBV 2024 £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.

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	5	**1,638**	1,894
Total amortisation and impairment per income statement		**(30,891)**	(16,601)

10. 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 cashflows and whose cashflows 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 13).

	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, which includes any costs in relation to the Group's climate change strategy and climate change factors considered when setting the long-term growth rates, 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:

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 13), 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.

11. 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

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.

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**

12. 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.

13. 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.

Assets held for sale

	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
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

Liabilities directly associated with the assets held for sale

	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)**	–

14. 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.

15. Loans and borrowings

Group

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 8)	**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 8)	**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.

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

16. 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 5) and the assets and liabilities transferred into held for sale (see note 13) 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.