

## FY23 results: consolidation and cash generation

1 December 2023

For the year to 30 September 2023, Benchmark Holdings reported revenue FY23 of £169.6m<sup>1</sup>, +7.5%YoY (currency adjusted +7%YoY) which was 0.7% below our outlook, and adjusted EBITDA of £35.5m<sup>1</sup>, +9%YoY, 5% above our outlook. Net operating cash of £20.0m was almost double FY22 (£10.8m) with a notable improvement in working capital management from £(12.0)m to £(1.0)m underlining efforts to control costs and improve operational efficiency. Net debt<sup>2</sup> was £45.6m, with year-end cash at £36.5m.

### Business areas performance

**Genetics** delivered revenue of £65.8m, +14.6%YoY (38.8% of total), with (adj.) EBITDA of £14.4m, -9.8%YoY (£15.7m inclusive of discontinued operations, -10%YoY). Salmon eggs remained the revenue mainstay, +19%YoY (£45.6m) with a record volume (335m) shipped, +15%YoY. The Group took the strategic decision to cease investment in the development of tilapia genetics. **Advanced Nutrition** revenue declined 2.2%YoY to £78.5m (46.3% of total), although Q4 showed signs of recovery (£17.1m vs £16.1m in Q3); a resilient overall performance in markets impacted by the combination of weakened consumer demand for shrimp (73% of the segment) and increased input costs. (adj.) EBITDA declined 3.4%YoY (-8.0%YoY currency adjusted). **Health** revenue of £25.5m, +27%YoY, yielded an (adj.) EBITDA contribution of £4.8m (FY22: 0.1m), with proprietary Ectosan<sup>®</sup>Vet, Clean Treat<sup>®</sup> and Salmosan<sup>®</sup>Vet demand boosting gross margins from 43% to 48%. In addition to capacity management, repositioning from owned vessels to customer operated installations, including a new generation of well boats, remains a strategic priority.

### Q4 performance

Q4 revenue declined 14%YoY to £36.6m (-7% currency adjusted); Genetics revenue remained firm, -2%YoY; Advanced Nutrition revenue at -9%YoY continued the trend affecting shrimp markets; revenue from Health declined 53%YoY due to a delay in seasonal demand for sea lice treatments.

### Outlook – a positive start to FY24

The Group reports Genetics operations at normalised levels, early signs of a recovery in shrimp markets positive for Advanced Nutrition, and in the Health segment improved Q1 24 demand visibility with Clean Treat<sup>®</sup> at improved capacity utilisation. Most significantly, in FY23 the Group exhibited discipline in cost and cash management which establishes a sound platform for growth in FY24.

**We revise down** our FY24 revenue outlook by -6% and for FY25 by -7% principally due to a 24% reduction in the outlook for Health. For (adj.) EBITDA the adjustments are -4% in FY24 but +3% in FY25, indicative of continued improvements expected in operational efficiency.

**We maintain our fair value at 63p/share.**

#### Company Data

	AIM: BMK
EPIC	
Price (last close)	36p
52 weeks Hi/Lo	47p/33p
Market cap	£266m
ED Fair Value / share	63p
Proforma net debt / (cash) <sup>2</sup>	£45.6m

#### Share Price, p



Source: ADVFN

#### Description

Benchmark Holdings PLC develops products and biotechnology solutions for the aquaculture sector, to improve sustainability, animal quality and health and welfare, yields and profitability. The Group is focused on: Genetics, to improve stocks and the resilience of species; Advanced Nutrition, specific to early stages of animal development; and Health for sea lice treatments.

The Group has operations in the UK, Norway, US, Chile, Colombia, Iceland, Belgium, Thailand, Vietnam and China.

#### Outlook to FY25

Yr to 30 Sep.(£m)	2021	2022	2023	2024E	2025E
Revenue	125.1	157.7	169.5	181.9	202.7
EBITDA (adj)	19.4	32.6	35.5	38.1	48.3
Pre-Tax (adj)	7.0	(4.4)	7.2	(3.3)	7.8
EPS (adj, p)	0.5	(2.1)	(3.2)	(1.6)	(0.5)
Net debt/(cash)	56.9	47.5	45.6	36.5	23.4
EV/EBITDA	16.1x	9.6x	8.8x	8.2x	6.5x

Source: Company data, Equity Development estimates. PE, N.M. <sup>1</sup>Currency adjusted: revenue +7%YoY; (adj.) EBITDA excluding biological asset fair value +16%YoY. <sup>2</sup> Net debt excludes lease liabilities.

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**Report outline**

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Outlook to FY25

Q4 results and performance

Cashflow analysis

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## FY23 performance highlights

The principal features of FY23 performance were:

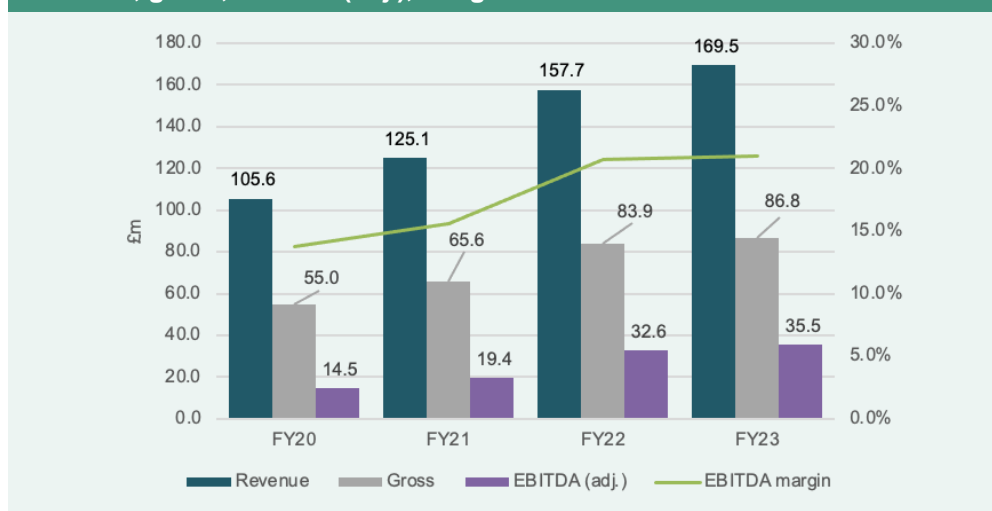
- **Revenue:** £169.5m, +7.5%YoY.
- **Gross profitability:** £86.8m, +3.4%YoY, 51.2% margin (FY22: 53.2%).
- **EBITDA (adj.):** £35.5m, +8.9%YoY, 20.9% margin (FY22: 20.7%) with (adj.) EBITDA excluding the fair value adjustment for organic assets at £35.6m, +15%YoY (FY22: £32.6m), and +16.0% currency adjusted.
- Operating costs of £45.2m, equivalent to 30.2% of revenue, with a reduction from £24.0m in H1 to £21.1m in H2 (vs H1 22 £19.9m and H2 22 £24.2m). Cost control was evident with working capital management at £(1.0)m compared to £(12.0)m a year earlier.

### FY23 results vs ED estimates

Yr to 31 March (£m)	2023E	2023R	beta
Genetics	63.81	65.79	3.1%
Advanced Nutrition	77.88	78.50	0.8%
Health	29.20	25.51	-12.6%
<b>Revenue</b>	<b>170.72</b>	<b>169.48</b>	<b>-0.7%</b>
EBITDA (adj.)			
Genetics	13.40	14.41	7.5%
Advanced Nutrition	18.69	18.37	-1.7%
Health	7.30	4.77	-34.6%
<b>EBITDA (adj)</b>	<b>33.89</b>	<b>35.49</b>	<b>4.7%</b>

Source: Company data. Equity Development estimates.

### Revenue, gross, EBITDA (adj.), margin FY20 - FY23



Source: Company data. Equity Development estimates.

## FY23 results summary

Below summarises FY23 performance, including reported currency-adjusted (CER) growth rates.

FY23 results including fair value and currency adjustments				
Yr to 30 Sep (£m)	FY22	FY23	YoY	YoY CER
Genetics	57.4	65.8	14.6%	20.0%
Advanced Nutrition	80.3	78.5	-2.2%	-7.0%
Health	20.1	25.5	26.7%	29.0%
Inter segment	(0.1)	(0.3)		
<b>Revenue</b>	<b>157.7</b>	<b>169.5</b>	<b>7.5%</b>	<b>7.0%</b>
Gross	83.9	86.8	3.4%	4.0%
<i>Margin</i>	53.2%	51.2%		
R&D	(6.6)	(6.1)		
Admin & Other	(44.1)	(45.2)		
Equity inv.	(0.6)	(0.0)		
Sum Op-ex	(51.3)	(51.3)		
EBIT Reported	(6.2)	(5.3)		
<b>EBIT Adjusted</b>	<b>10.7</b>	<b>14.6</b>	<b>35.8%</b>	<b>41.0%</b>
<i>Margin</i>	6.8%	8.6%		
Amortisation	(19.2)	(18.5)		
Depreciation	(19.7)	(18.4)		
EBITDA Genetics	16.0	15.7	-2.0%	1.0%
Ex discontinued:	17.4	15.7	-10.0%	
EBITDA Adv Nutrition	19.0	18.4	-3.4%	-8.0%
EBITDA Health	0.1	4.8	43.2x	41.7x
Corp	(3.9)	(3.3)		
EBITDA Reported	32.6	31.6	-3.2%	
<b>EBITDA Adjusted</b>	<b>32.6</b>	<b>35.5</b>	<b>8.9%</b>	<b>11.0%</b>
<i>Margin</i>	20.7%	20.9%		
<b>EBITDA ex fair value adj.</b>	<b>31.5</b>	<b>35.6</b>	<b>15.0%</b>	<b>16.0%</b>
Financial income	4.7	7.7		
Financial expense	(19.9)	(15.0)		
PBT Reported	(21.4)	(12.7)		
<b>PBT Adjusted</b>	<b>(4.4)</b>	<b>7.2</b>		
Tax	(7.3)	(3.4)		
Profit/Loss after tax rptd.	(28.7)	(16.1)		
<b>Profit/Loss after tax adj.</b>	<b>(11.7)</b>	<b>3.9</b>		
Net debt (pre-leases)	73.7	65.5		

Source: Company data. Equity Development estimates.

Net of changes in the fair value of biologic assets of £33.4m (FY22: £30.5m) – the assessed value of salmon eggs, lumpfish fingerlings and shrimp, etc. – the Genetics division recorder (adj.) EBITDA of £15.8m (unchanged YoY), with growth of 8%YoY currency-adjusted.

## Genetics business area

### Underpinned by record salmon eggs production; exit from tilapia operations

Record levels of shipment of salmon eggs (335m), comprising 69% of the Genetics business area total, continued to underpin performance, +17%YoY in the leading Norwegian market, partially offset by NOK and ISK currency effects. Firm pricing boosted harvested salmon revenue, +31%YoY to £11.1m. Nevertheless, gross profitability declined from 55.2% (FY22 restated) to 45.5% due to higher licensed broodstock fees, increased own production costs and non-capitalisation of shrimp production costs (FY22: capitalised at £1.0m). With completion of the Q4 review of tilapia operations, the assets of the business were sold (management buy-out), with a resulting FY23 revenue of £0.3m and an (adj.) EBITDA loss of £1.3m plus exceptional costs of £3.9m. Similarly, development of shrimp genetic operations slowed (revenue of £1.2m vs FY22: £2.0m) reflecting market weakness, incurring an (adj.) EBITDA loss of £3.6m. Operations in Chile generated revenue of £1.0m and an (adj.) EBITDA loss of £3.4m, however, there are indications that exports in particular are adding momentum. The **Genetics** business recorded:

- Revenue of £65.8m, +15%YoY, 38.7% of total (sum excludes centralised costs); adjusted for currency movements, +20%YoY.
- Adjusted EBITDA £14.4m, -9%YoY, 22.0% margin (FY22: 27.5% margin).
- Adjusted EBITDA from continuing operations of £15.7m (FY22 restated: £17.4m), 24.0% margin (FY22: 30.0%); net of fair value movement in biological assets £15.8m (FY22: 15.8m).

### FY23 components of revenue and (adj.) EBITDA

£m	FY22	FY23	YoY	% of
Salmon eggs (m)	291.0	335.0	14.8%	
Salmon eggs	38.3	45.6	19.1%	69.3%
Harvested fish	8.5	11.1	30.6%	16.9%
Other	9.1	7.4	-18.8%	11.2%
Services	1.3	1.2	-7.7%	1.8%
IP	0.8	0.5	-37.5%	0.8%
<b>Revenue</b>	<b>58.0</b>	<b>65.8</b>	<b>13.4%</b>	
Gross	32.0	29.9	-6.6%	
R&D	(4.3)	(3.8)	-12.7%	
Other op-ex	(11.1)	(11.7)	5.1%	
Equity in earnings	(0.6)	0.0		
<b>EBITDA (adj)</b>	<b>16.0</b>	<b>14.5</b>	<b>-9.4%</b>	
Dep	(5.3)	(4.7)		
Amort	(1.7)	(1.9)		
Op (adj)	9.0	7.9	-12.1%	
Exceptional items	0.0	(3.9)		
Op reported	9.0	4.0	-55.8%	
EBITDA reported	16.0	10.6	-33.9%	
Gross margin	55.2%	45.5%		
R&D % of revenue	7.5%	5.7%		
Op-ex % of revenue	19.2%	17.8%		
EBITDA (adj.) margin	27.5%	22.0%		
Operating (adj.) margin	15.5%	12.0%		

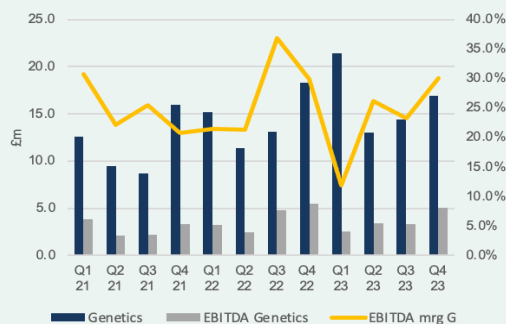
Source: Company data.

## Q4 performance

As illustrated below, quarterly performance exhibited the pattern of seasonal rebuild of revenue and profitability:

- Revenue of £16.9, -7%YoY, adjusted for currency movements, +2%YoY.
- Adjusted EBITDA £5.1m, 7%YoY, 30.0% margin (Q4 22: 29.9% margin); net of fair value movement in biological assets: £7.2m, +4%YoY, at constant currency exchange rate, +10%YoY.

### Quarterly revenue & EBITDA Q1 21 – Q4 23



Source: Company data. Equity Development estimates. Data excludes currency effects.

Quarterly revenue trended in line with Q4 22 and Q4 21.

### Salmon eggs (m) FY22 - 23



### Quarterly revenue FY21 - 23



Source: Company data. Equity Development estimates. Data excludes currency effects.

## Outlook: revenue revised down, EBITDA revised up

Following a strong FY23 we expect normalisation of demand for salmon eggs, whilst cost management and improvement potential in Chile and SPR shrimp production, summarised below.

### Revised outlook

£m	FY23	FY24 old	FY 24 new	beta	FY 25 old	FY25 new	beta	24 YoY	25YoY
Revenue	65.8	69.6	66.4	-4%	74.4	71.1	-4%	1%	7%
EBITDA	15.7	15.3	15.9	4%	16.7	17.4	4%	2%	9%
Margin	23.8%	22.0%	24.0%		22.5%	24.5%			

Source: Company data. Equity Development estimates. Data excludes currency effects.

## Advanced Nutrition business area

### Resilience in weak shrimp markets

As evident in quarterly performance (see chart below), the effect of weakening demand in shrimp markets (73% of business area revenue) gathered pace from Q1. Artemia revenue, where the Group retains access to 44% of the Great Salt Lake Artemia harvest rights, declined 1%YoY (47% of total), whilst probiotic health revenue increased 14%YoY (11.7% of the segment total). The Group reported improved Artemia profitability which, combined with cost management, led to an increase in gross margin from 53.0% to 55.8% and 3%YoY overall growth. Despite cost control and some staff reductions, operating costs rose 8.4%YoY to £23.4m resulting in (adj.) EBITDA for the year of £18.4m, -3%YoY.

**Advanced Nutrition** recorded:

- Revenue of £78.5m, -2%YoY, 46.2% of total (sum excludes centralised costs). Adjusted for currency movements, -7%YoY.
- Adjusted EBITDA 18.4m, -3%YoY, 23.4% margin (FY22: 23.7% margin), at constant exchange rate, -8%YoY.

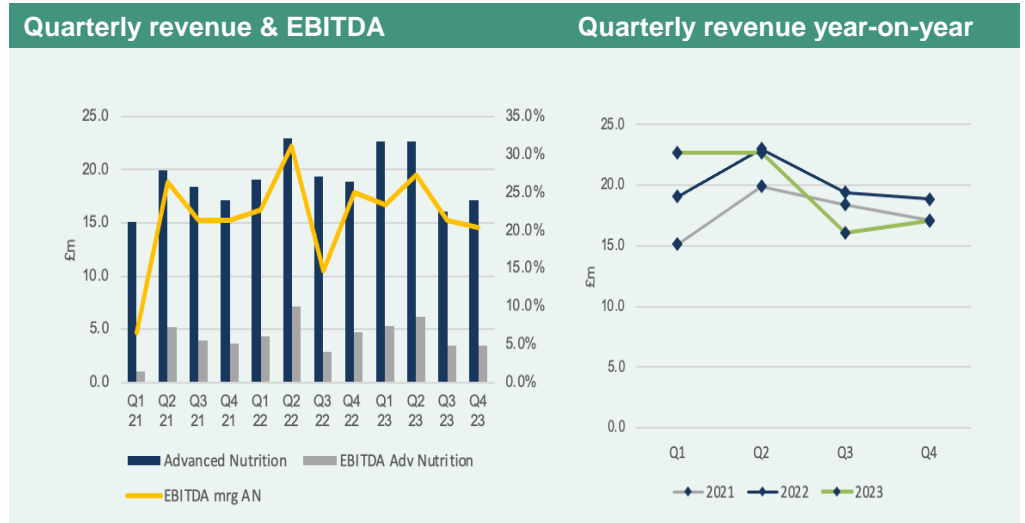
### FY23 components of revenue and (adj.) EBITDA

£m	FY22	FY23	YoY	% of
Artemia	37.1	36.7	-1.1%	46.7%
Diets	35.1	32.6	-7.1%	41.5%
Health probiotics	8.1	9.2	13.6%	11.7%
<b>Revenue</b>	<b>80.3</b>	<b>78.5</b>	<b>-2.2%</b>	
Gross	42.6	43.8	2.9%	
R&D	(2.0)	(2.1)	4.1%	
Op-ex	(21.5)	(23.4)	8.4%	
Equity in earnings	0.0	0.0		
<b>EBITDA (adj)</b>	<b>19.0</b>	<b>18.4</b>	<b>-3.4%</b>	
Dep	(2.2)	(2.4)		
Amort	(15.0)	(14.3)		
Op (adj)	1.8	1.7	-6.3%	
Exceptional items	(0.2)	(0.9)		
Op reported	1.6	0.7	-52.1%	
EBITDA reported	18.8	17.5	-7.1%	
Gross margin	53.0%	55.8%		
R&D % of revenue	2.5%	2.6%		
Op-ex % of revenue	26.8%	29.7%		
EBITDA (adj.) margin	23.7%	23.4%		
Operating (adj.) margin	2.2%	2.1%		

Source: Company data.

### Q4 performance

- Revenue of £17.1m, -9.3%YoY, 46.7% of total (sum excludes centralised costs). Adjusted for currency movements, -3%YoY.
- Adjusted EBITDA £3.5m, -26%YoY, 20.0% margin (Q4 22: 25.0% margin).
- Adjusted EBITDA at constant exchange rate, -20%YoY.



Source: Company data. Equity Development estimates. Data excludes currency effects.

### Outlook: unchanged

There are early signs of recovery in the key shrimp market which form the basis for our FY24-25 outlook, which remains unchanged, as below.

Revised outlook									
£m	FY23	FY24 old	FY 24 new	beta	FY 25 old	FY25 new	beta	24 YoY	25YoY
Revenue	78.5	85.7	85.7	0%	94.2	94.3	0%	9%	10%
EBITDA	18.4	19.7	19.7	0%	23.6	23.6	0%	7%	20%
Margin	23.4%	23.0%	23.0%		25.0%	25.0%			

Source: Company data. Equity Development estimates. Data excludes currency effects.

## Health business area

### Ongoing exit from owned assets

The business area derived £12.4m of revenue from Ectosan®/Vet and Clean Treat® treatments for sea lice (FY22: £12.3m), £4.8m (FY22: £2.5m) of vessel related revenue, and from Salmosan®/Vet £8.3m (FY22: £5.4m). The strategic priority remains to migrate demand from Benchmark leased and controlled vessels onto customer-owned infrastructure in order to reduce or eliminate the cost of under-utilisation, especially outside of the sea lice season. The transition also depends on the propensity of customers to develop (and ability to afford) their own wellboat capacity. During this phase, Benchmark monitored and reduced operating costs from £8.1m (FY22) to £7.3m and held R&D at £0.3m (FY22: £0.4m), resulting in an (adj.) EBITDA margin for the year of 18.7%.

Health recorded:

- Revenue of £25.5m, +27%YoY, 15.0% of total (sum excludes centralised costs); adjusted for currency movements, +29%YoY.
- Adjusted EBITDA £4.8m (FY22: £0.1m), 18.7% margin (FY22: 0.5% margin).

### FY23 components of revenue and (adj.) EBITDA

£m	FY22	FY23	YoY
<b>Revenue</b>	<b>20.1</b>	<b>25.5</b>	<b>26.7%</b>
Gross	8.6	12.3	43.7%
R&D	(0.4)	(0.3)	-25.0%
Op-ex	(8.1)	(7.3)	-10.1%
<b>EBITDA (adj)</b>	<b>0.1</b>	<b>4.8</b>	
Dep	(12.3)	(11.6)	
Amort	(2.5)	(2.3)	
Op (adj)	(14.6)	(9.1)	
Exceptional items	0.0	(0.5)	
Op reported	(14.6)	(9.6)	
EBITDA reported	0.1	4.3	
Gross margin	42.7%	48.4%	
R&D % of revenue	1.8%	1.1%	
Op-ex % of revenue	40.3%	28.6%	
EBITDA (adj.) margin	0.5%	18.7%	
Operating (adj.) margin	-72.5%	-35.7%	

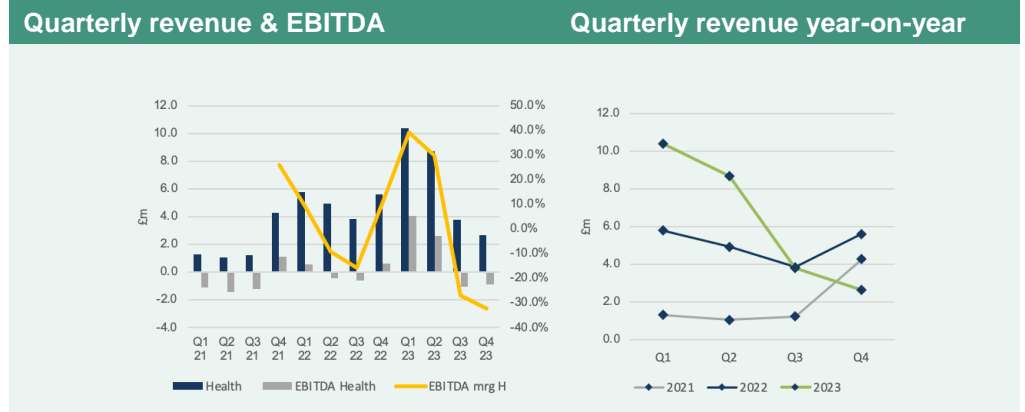
Source: Company data.

### Q4 performance

Quarterly performance was impacted by the late start of the sea lice season and corresponding weak demand for treatment, leading to low capacity utilisation to offset vessel lease costs of £1.9m. This resulted in:

- Revenue of £2.6m, -53%YoY.
- An adjusted EBITDA loss of £(0.9)m; Q4 22: £0.6m.





Source: Company data. Equity Development estimates. Data excludes currency effects.

### Outlook: revised down

Benchmark reports that post year-end demand for Ectosan®Vet and Clean Treat® has improved, with visibility for Q1 24 supporting the expectation of normal seasonal trends. Our outlook takes into account delivery of the strategic shift towards customer-owned wellboats and treatment systems, reducing the onus on Benchmark's own infrastructure. Our revised outlook is summarised below.

Revised outlook									
£m	FY23	FY24 old	FY 24 new	beta	FY 25 old	FY25 new	beta	24 YoY	25YoY
Revenue	25.5	39.4	30.1	-24%	49.3	37.6	-24%	18%	25%
EBITDA	4.8	9.9	6.0	-39%	12.3	11.3	-8%	26%	88%
Margin	18.7%	22.0%	24.0%		22.5%	24.5%			

Source: Company data. Equity Development estimates. Data excludes currency effects.

### Transition to customer-owned wellboats

In March 2023 Benchmark initiated partnership with MMC First Process' Technologies System Solution ([www.mmcfirstprocess.com](http://www.mmcfirstprocess.com)) for fish handling into a wellboat design developed by Salt Ship Design ([www.saltship.com](http://www.saltship.com)). The project is scheduled for completion in two phases by year-end 2025. Below illustrates the Salt Ship wellboat design 'Siegrunn' a 800m<sup>3</sup> capacity vessel.



Source: Company data. [www.saltship.com](http://www.saltship.com)

## Group outlook to FY25

We revise down our FY24 revenue outlook by -6% and for FY25 by -7% on the basis of a 4% reduction in the contribution from Genetics (1.7% of FY24 total) and a 24% reduction in the contribution from Health (5.1% of FY24 total). However, at (adj.) EBITDA level the respective adjustments are -4% and +3%, indicative of continued improvements expected in operational efficiency.

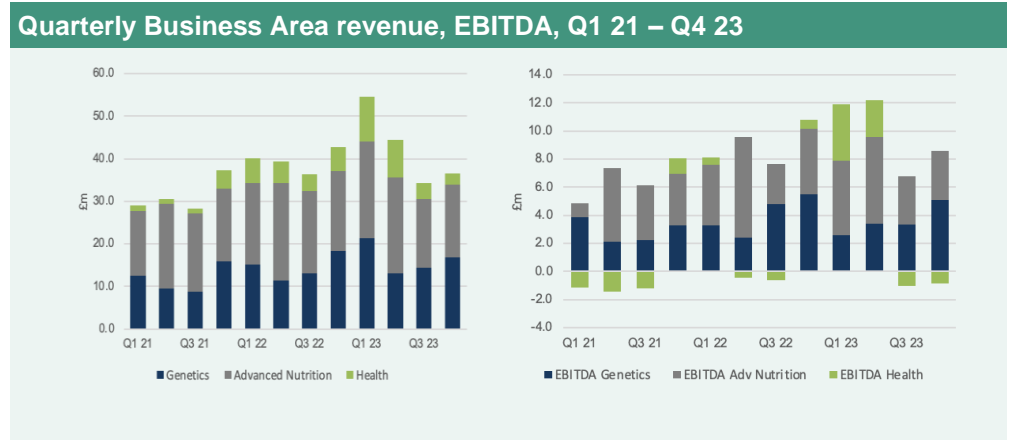
### Outlook to FY25, revenue, gross, EBITDA (adj.)

£m	FY24 old	FY 24 new	beta	FY 25 old	FY25 new	beta	24 YoY	25YoY
Genetics	69.6	66.4	-4.5%	74.4	71.1	-4.5%	1.0%	7.0%
Advanced Nutrition	85.7	85.7	0.1%	94.2	94.3	0.1%	9.2%	10.0%
Health	39.4	30.1	-23.6%	49.3	37.6	-23.6%	18.0%	25.0%
Inter segment	(0.2)	(0.3)	108.0%	(0.2)	(0.4)	108.0%	5.0%	5.0%
<b>Revenue</b>	<b>194.5</b>	<b>181.9</b>	<b>-6.4%</b>	<b>217.7</b>	<b>202.7</b>	<b>-6.9%</b>	<b>7.3%</b>	<b>11.4%</b>
Gross	<b>101.1</b>	<b>96.4</b>	<b>-4.6%</b>	<b>115.4</b>	<b>107.4</b>	<b>-6.9%</b>	<b>11.2%</b>	<b>11.4%</b>
Margin	52.0%	53.0%		53.0%	53.0%			
R&D	(7.9)	(6.9)	-12.5%	(8.8)	(7.0)	-20.5%		
Admin & Other	(52.7)	(51.4)	-2.4%	(58.7)	(52.1)	-11.3%		
Sum operating costs	(61.3)	(58.3)	-4.8%	(68.3)	(59.1)	-13.5%		
EBIT Reported	0.8	(1.0)		8.1	9.2	14.4%		
<b>EBIT Adjusted</b>	<b>0.8</b>	<b>(1.0)</b>		<b>8.1</b>	<b>9.2</b>	<b>14.4%</b>		
Margin	0.4%	N.M.	4.6%	3.7%	4.6%			
Amortisation	(19.2)	(19.9)		(19.2)	(19.9)			
Depreciation	(19.9)	(19.2)		(19.9)	(19.2)			
EBITDA Genetics	15.3	15.9	4.2%	16.7	17.4	4.0%	1.8%	9.2%
EBITDA Adv Nutrition	19.7	19.7	0.1%	23.6	23.6	0.1%	7.3%	19.6%
EBITDA Health	9.9	6.0	-38.9%	12.3	11.3	-8.3%	26.2%	87.5%
Corp	(5.0)	(3.6)	-28.0%	(5.5)	(4.0)	-28.0%		
EBITDA Reported	39.9	38.1	-4.4%	47.1	48.3	2.6%	20.6%	26.9%
<b>EBITDA Adjusted</b>	<b>39.9</b>	<b>38.1</b>	<b>-4.4%</b>	<b>47.1</b>	<b>48.3</b>	<b>2.6%</b>	<b>7.3%</b>	<b>26.9%</b>
Margin	20.5%	20.9%		21.6%	23.8%	10.2%		
Financial income	5.5	5.5		6.1	6.1			
Financial expense	(7.8)	(7.8)		(7.5)	(7.5)			
PBT Reported	(1.5)	(3.3)		6.7	7.8	17.5%		
<b>PBT Adjusted</b>	<b>(1.5)</b>	<b>(3.3)</b>		<b>6.7</b>	<b>7.8</b>	<b>17.5%</b>		
Tax	(8.9)	(8.3)		(11.1)	(11.5)			
Profit/Loss after tax rptd.	(10.3)	(11.6)		(4.5)	(3.7)			
Profit/Loss after tax adj.	<b>(10.3)</b>	<b>(11.6)</b>		<b>(4.5)</b>	<b>(3.7)</b>			
EPS rptd basic (p)	(1.4)	(1.6)		(0.6)	(0.5)			
Margin								
EBITDA Genetics	22.0%	24.0%		22.5%	24.5%			
EBITDA Adv Nutrition	23.0%	23.0%		25.0%	25.0%			
EBITDA Health	25.0%	20.0%		25.0%	30.0%			

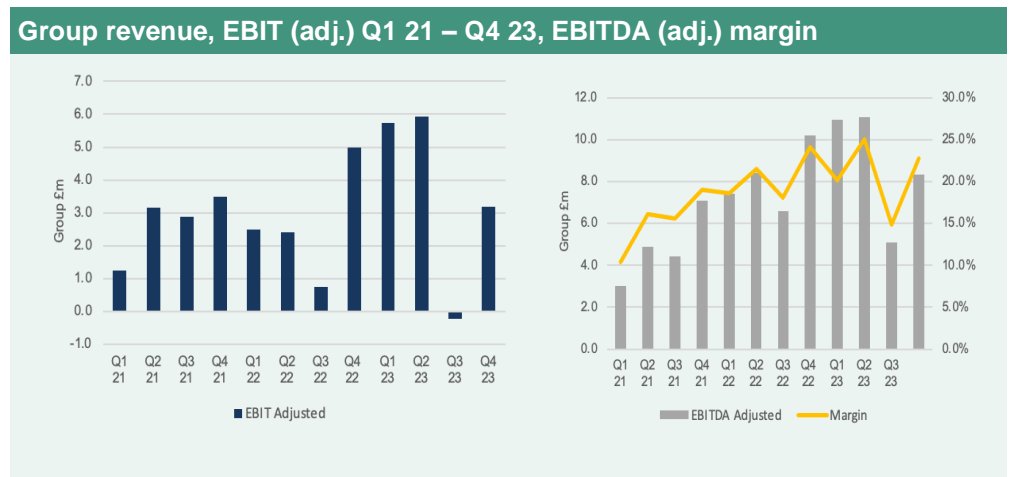
Source: Company data. Equity Development estimates.

## Q4 performance

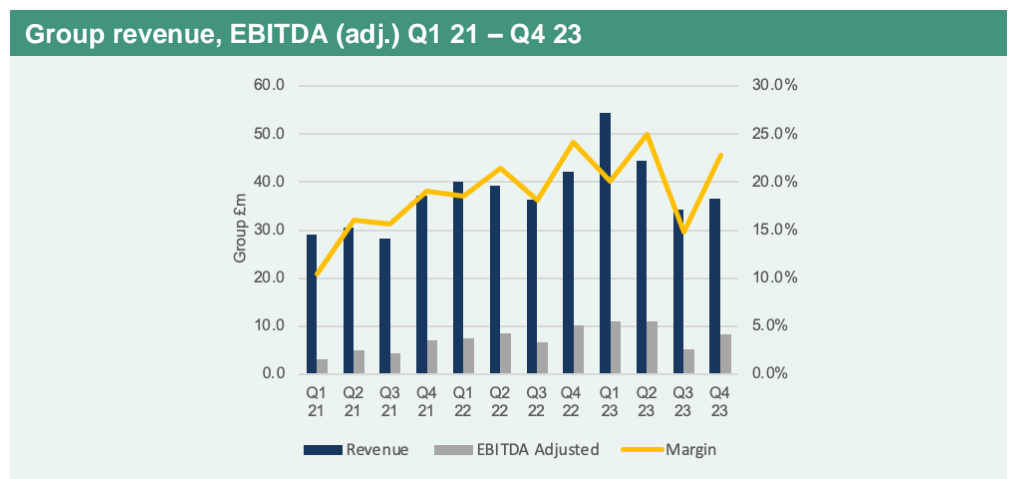
The following charts summarise the quarterly evolution of Business Area and Group performance.



Source: Company data.



Source: Company data.



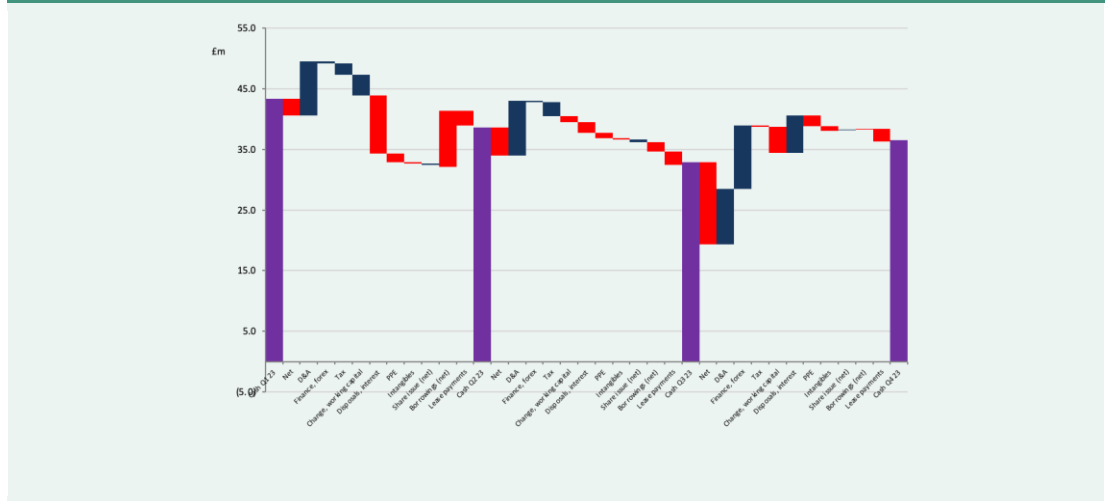
Source: Company data.

## Cashflow – cash preservation

The Group's strong track record on cashflow management remains a consistent salient feature of performance over the past four years, an important feature as, noted by the Group, working capital absorbs a significant proportion of cash resources. The principal features of FY23 cashflow were: cash generated from operations of £29.6m (FY22: £30.3m), inclusive of £3.7m from disposals; movement in working capital of £(1.1)m compared to £(12.0)m a year earlier, boosted by a £6.6m increase in receivables; a reduction in GSL Artemia inventory contributed to the improvement; capital spending reduced from £12.7m to £6.8m; Comparable aggregate interest and tax at £17.1m (FY22: £17.0m); issue of shares (net) of £10.9m (FY22: £20.2m) pursuant to Oslo Euronext Growth listing, also enabling acquisition of the minority interest in the Icelandic operation. Resulting £2.4m (pre-forex) movement in cash (FY22 £7.4m reduction).

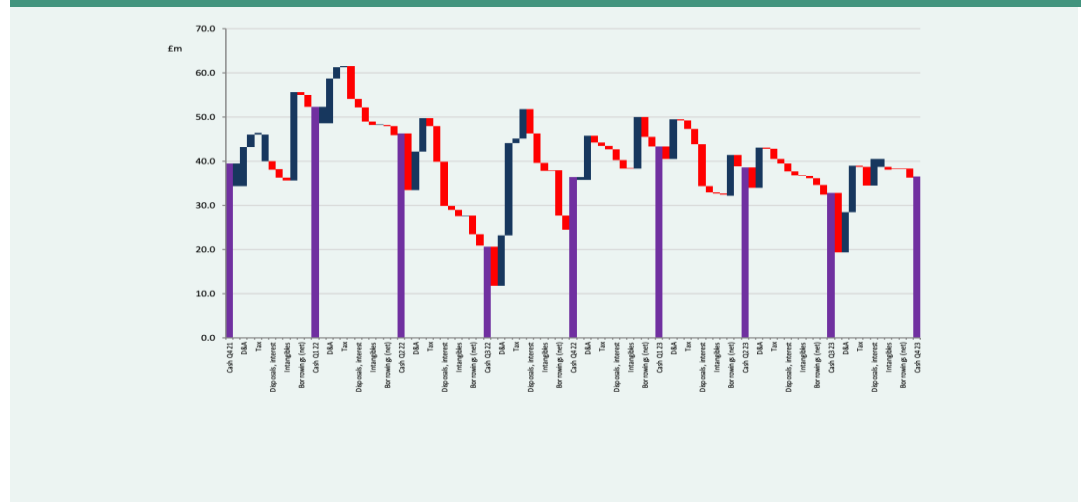
As illustrated the Group maintained similar cashflow discipline and cash balances throughout FY23, a track record which is evident from Q4 21.

### Evolution of quarterly cashflow, Q1 23 – Q4 23



Source: Company data, Equity Development estimates.

### Evolution of quarterly cashflow, Q4 21 – Q4 23



Source: Company data, Equity Development estimates.

## Valuation considerations

### DCF valuation

Our DCF-based valuation indicates a Fair Value of 63p/share. The principal inputs in our DCF-based 5-year valuation are: WACC 11.2%; multiple of terminal value applied: 8.0x.

DCF valuation							
Year to 30 Sep (£m)	FY24E	FY25E	FY26E	FY27E	FY28E		
Revenue	181.9	202.7	224.8	247.3	272.1	WACC	11.2%
OCF	38.7	47.7	58.8	76.0	76.9	Terminal multiple	8.0x
Cash tax	(3.4)	(8.3)	(11.5)	(3.3)	(2.8)	Terminal value	308.8
Capex, investments	(6.3)	(6.6)	(6.9)	(7.2)	(7.6)	PV of DCF	156.8
FCF	28.3	32.0	39.6	64.6	65.6	Net debt / (cash)	45.6
DCF	21.2	25.9	28.8	42.3	38.6	EV (£m)	511.2
Cash	46.0	51.8	64.8	103.1	132.7	PV of equity	465.6
EV/EBITDA	13.4x	10.6x	8.4x	6.9x	6.3x	<b>Price per share (p)</b>	<b>63.0</b>
EBITDA	38.1	48.3	60.6	73.8	81.2		
EBITDA margin	20.9%	23.8%	27.0%	29.8%	29.8%		
Mkt EV/EBITDA	8.2x	6.5x	5.2x	4.2x			

Source: Company data, Equity Development estimates.

Below summarises our outlook compared to parameters established in Benchmark's medium-term targets.

Comparison of ED estimates and Benchmark medium-term targets							
Target based outlook	FY22	FY23	FY24E	FY25E	FY26E	FY27E	Growth av
Revenue target "15-18%"							
<b>Genetics</b>	58.0	66.7	76.7	88.2	101.5	116.7	15%
Advanced Nutrition	80.3	89.9	100.7	112.8	126.3	141.5	12%
Health	20.1	28.6	37.1	45.6	54.0	62.5	25%
<b>Sum</b>	158.4	185.2	214.5	246.6	281.8	320.7	15%
ED estimate	157.7	169.5	181.9	202.7	224.8	247.3	9%
<b>EBITDA margin</b>							
Genetics	27.5%	27.4%	27.3%	27.2%	27.1%	27.0%	
Advanced Nutrition	23.7%	23.9%	24.2%	24.5%	24.7%	25.0%	
Health	0.5%	9.4%	18.3%	27.2%	36.1%	45.0%	
<b>EBITDA</b>							
Genetics	16.0	18.3	21.0	24.0	27.5	31.5	
Advanced Nutrition	19.0	21.5	24.4	27.6	31.3	35.4	
Health	0.1	2.7	6.8	12.4	19.5	28.1	
<b>Sum</b>	<b>35.1</b>	<b>42.5</b>	<b>52.1</b>	<b>64.0</b>	<b>78.3</b>	<b>95.0</b>	
Target "25-30%"	22.2%	23.0%	24.3%	26.0%	27.8%	29.6%	
<b>ED estimate</b>							
Genetics	16.0	15.7	15.9	17.4	19.6	21.5	
Advanced Nutrition	19.0	18.4	19.7	23.6	25.9	28.5	
Health	0.1	4.8	6.0	11.3	19.5	28.6	
ED (adj.) EBITDA E	<b>32.6</b>	<b>35.5</b>	<b>38.1</b>	<b>48.3</b>	<b>60.6</b>	<b>73.8</b>	
<b>Margin</b>	20.7%	20.9%	20.9%	23.8%	27.0%	29.8%	

Source: Company data, Equity Development estimates, Koyfin.

## Peer group analysis

Benchmark commenced trading on the Euronext Oslo Growth market of the Oslo Stock Exchange on 15 December 2022. Below we show comparative valuation metrics for the nine constituent companies of the Oslo Børs Seafood Index (<https://live.euronext.com/en/product/indices>) involved in salmon and fish farming, and aquaculture. Overall these metrics indicate

- A market cap-weighted average EV/EBITDA of 7.5x.
- A market cap-weighted average EV/Revenue of 2.1x.
- A market cap-weighted average PE of 13.1x.

### Comparative valuation metrics: Oslo Børs Seafood Index, Benchmark Holdings

Ticker	Name	Price (Icu)	Mkt cap (£m)	EV/Rev	EV/EBITDA	PE
AKBM	Aker BioMarine AS	33.4	275	1.8x	7.4x	51.5x
ASA	Atlantic Sapphire ASA	0.9	71	1.9x	0.0x	0.0x
AUSS	Austevoll Seafood ASA	58.8	1,113	0.9x	5.8x	7.4x
BAKKA	P/F Bakkafrost	408.0	2,266	2.7x	8.8x	15.4x
GSF	Grieg Seafood ASA	52.1	548	1.4x	6.0x	13.4x
LSG	Lerøy Seafood Group ASA	33.6	1,874	1.1x	6.6x	10.6x
MOWI	Mowi ASA	151.6	7,352	1.9x	6.9x	10.5x
SALM	SalMar ASA	460.9	5,682	2.7x	8.6x	15.6x
BMK	Benchmark Holdings plc	36	266	1.7x	8.0x	(24.8)x
<b>Sum/Average</b>			<b>19,180</b>	<b>2.1x</b>	<b>7.5x</b>	<b>13.1x</b>

Source: Company data, Equity Development estimates, Koyfin.

Below illustrates the comparative positioning of Benchmark relative to peers based on EV/EBITDA and EV/Revenue, excepting Atlantic Sapphire and Salmon Evolution as outliers (polynomial best-fit shown).

### Comparative valuation metrics, +1 yr EV/EBITDA, EV/Revenue



Source: Company data, Koyfin.

## Share price performance

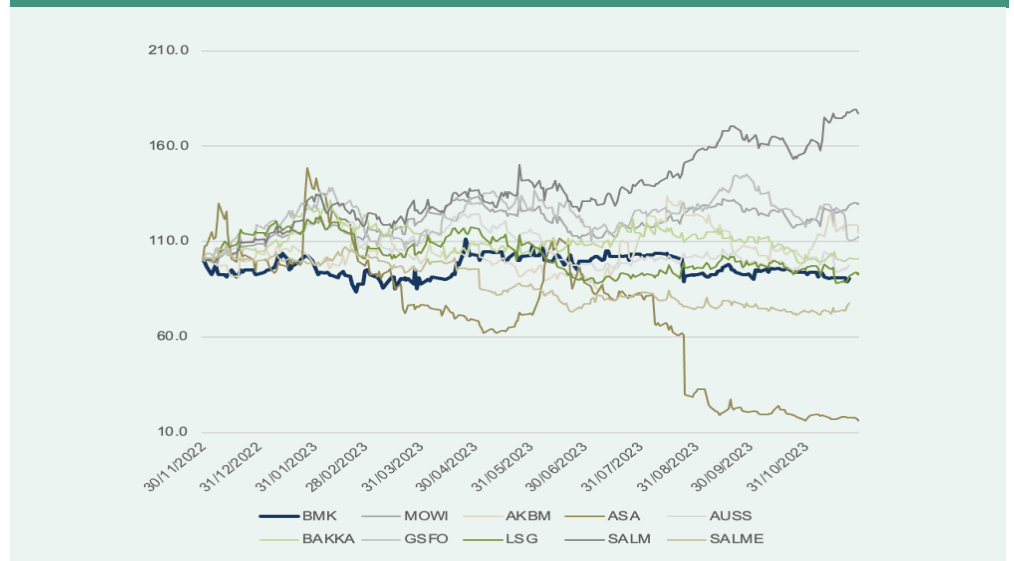
Below summarises the share price performance for Benchmark and the nine constituent members of the Oslo Børs Seafood Index. Performance from 29/11/2022:

- LSE AIM Benchmark Holdings PLC, -11.5%.
- LSE AIM All Share (FTAI), -16.2%.
- Oslo Børs Seafood Index, +25.4%.

Benchmark Euronext Growth Oslo comparative performance from 15/12/2022 (BMK admission date):

- Benchmark, +28.9%; Oslo Børs Seafood Index, +16.4%.

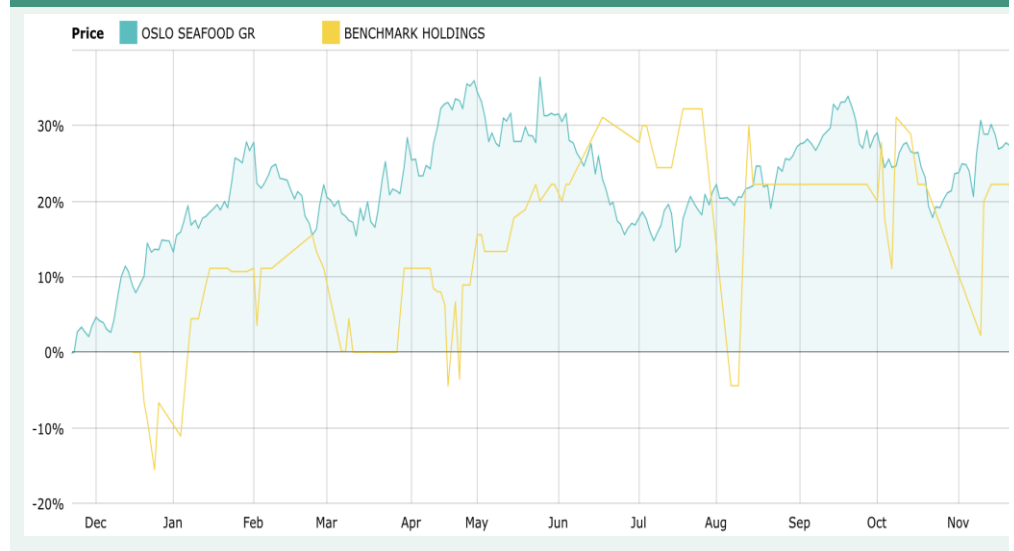
### Share price performance: Oslo Børs Seafood Index peers, Benchmark Holdings



Source: Company data, Yahoo Finance.

Below shows the comparative -1 year performance of Benchmark versus the Oslo Børs Seafood Index.

### 1 Year performance: Oslo Børs Seafood Index, Benchmark Holdings



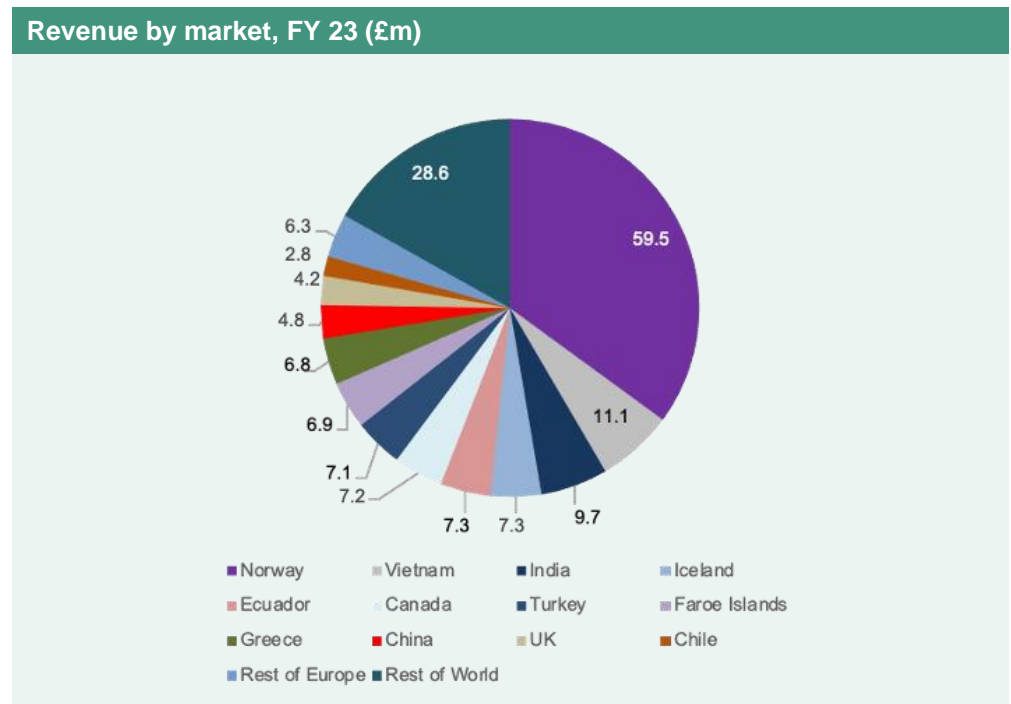
Source: <https://live.euronext.com/en/product/indices/NO0010580624-XOSL#chart>.

## Appendix I: Revenue by operation and market

The geography of FY 23 revenue illustrates Benchmark's globally-distributed marketing presence, backed by strength in its home market, Norway.

Revenue by segment and market, FY 23								
FY23 (£m)	Genetics	AN	Health	Corporate	Inter	Total	Disct'd	Ongoing
Norway	39.008	0.899	19.596			59.503		59.503
Vietnam		11.087				11.087		11.087
India		9.743				9.743		9.743
Iceland	7.343	0.000				7.343		7.343
Ecuador	0.038	7.257				7.295		7.295
Canada	3.071	0.096	4.032			7.199		7.199
Turkey	0.093	7.009				7.102		7.102
Faroe Islands	6.160		0.718			6.878		6.878
Greece	0.000	6.759				6.759		6.759
China	0.327	4.502				4.829		4.829
UK	3.957	0.085	0.177			4.219		4.219
Chile	1.824	0.012	0.991			2.827		2.827
Europe	1.470	4.879				6.349		6.349
Rest of World	2.490	26.121				28.611	0.268	28.343
Inter-seg	0.010	0.054		5.747	(5.811)			
<b>Sum</b>	<b>65.791</b>	<b>78.503</b>	<b>25.514</b>	<b>5.747</b>	<b>(5.811)</b>	<b>169.744</b>	<b>0.268</b>	<b>169.470</b>

Source: Company data. Corporate: internal revenue. Inter: deduction to match internal cross sales. Disct'd: discontinued operations.



Source: Company data.



## Appendix II: Debt profile

FY23 loans and borrowings totalled £102.0m (FY22: £110.1m). Below outlines the structure of Benchmark's principal debt facilities and estimated net debt (pre- and post-IFRS16).

The Group notes access to cash reserves and debt of £48.8m (FY22: £45.8m).

Debt profile							
Debt	NOKm	Rate £	£m	NIBOR	Plus	Rate	Interest £m
Bond Due 27 9 25	750	0.0740	62.0	4.75%	6.50%	11.25%	6.98
Salten Due 31 1 2028	179.5	0.0740	13.3	4.75%	2.50%	7.25%	0.96
RCF Due 30 6 2025	£7.75m drawn		20.0			2.75%	0.21
<b>Sum</b>	<b>929.5</b>		<b>95.3</b>				<b>8.15</b>
Salten Innovision Norge undrawn	44.0	0.0740	3.3			5.95%	0.19
<b>Net debt (£m)</b>	<b>2022</b>	<b>2023</b>					
Cash	36.4	36.5					
NOK 750m bond	(62.0)	(57.6)					
Other borrowings	(21.8)	(24.5)					
Leases	(26.4)	(19.9)					
Net debt	(73.8)	(65.5)					
Net debt pre-IFRS 16	(47.4)	(45.6)					

Source: Company data.

## Appendix III: Board changes

During the course of FY23 the Group made a number of Board appointments.

17 April 2023:

- Atle Eide stepped down as Non-Executive Director.
- Torgeir Svae appointed as Non-Executive Director. Torgeir is an Investment Director at Kverva AS responsible for the seafood portfolio. As Kverva AS is a 22.35% shareholder in Benchmark Holdings, Mr Svae is not considered an independent director.

30 June 2023:

- Kevin Quinn, Non-Executive Director from November 2016 retired from the Board (28 September 2023).
- Marie Danielsson appointed as Non-Executive Director. Ms Danielsson is CFO of BEWi ASA, an Oslo Børse-quoted provider of packaging, component and insulation solutions (BEWI.OL, mkt. cap. NOK 3.9bn).

29 November 2023:

- Laura Lavers, non-independent Non-Executive Director from November 2022, and representative of JNE Partners LLP which holds 22.74% of Benchmark shares, retired from the Board.
- Jonathan Esfandi appointed as Non-Executive Director. Mr Esfandi is the founder and managing partner at JNE Partners LLP, and is considered non-independent.

The Group announced that Susan Searle will conclude her ten years of Board tenure in December.

## FINANCIAL SUMMARY

P&L annual					
£m	FY21	FY22	FY23	FY24E	FY25E
Genetics	46.8	58.0	65.8	66.4	71.1
Advanced Nutrition	70.5	80.3	78.5	85.7	94.3
Health	7.8	20.1	25.5	30.1	37.6
Inter segment	(0.1)	(0.7)	-0.3	-0.3	-0.4
<b>Revenue</b>	<b>125.1</b>	<b>157.7</b>	<b>169.5</b>	<b>181.9</b>	<b>202.7</b>
<b>Gross</b>	<b>65.6</b>	<b>83.9</b>	<b>86.8</b>	<b>96.4</b>	<b>107.4</b>
<i>Margin</i>	52.4%	53.2%	51.2%	53.0%	53.0%
COGS	(59.5)	(73.8)	(82.7)	(85.5)	(95.3)
R&D	(7.0)	(6.6)	(6.1)	(6.9)	(7.0)
Admin & Other	(38.2)	(44.1)	(45.2)	(51.4)	(52.1)
Equity inv.	(0.9)	(0.6)	(0.0)	(0.0)	(0.0)
Sum operating costs	(46.1)	(51.3)	(51.3)	(58.3)	(59.1)
One-off costs	(0.2)	0.0	(3.9)	0.0	0.0
EBIT Reported	(5.4)	(6.2)	(5.3)	(1.0)	9.2
<b>EBIT Adjusted</b>	<b>10.8</b>	<b>10.7</b>	<b>14.6</b>	<b>(1.0)</b>	<b>9.2</b>
<i>Margin</i>	8.6%	6.8%	8.6%	N.M.	4.6%
Amortisation	(16.3)	(19.2)	(18.5)	(19.9)	(19.9)
Depreciation	(8.4)	(19.7)	(18.4)	(19.2)	(19.2)
EBITDA Reported	19.3	32.6	31.6	38.1	48.3
<b>EBITDA Adjusted</b>	<b>19.4</b>	<b>32.6</b>	<b>35.5</b>	<b>38.1</b>	<b>48.3</b>
<i>Margin</i>	15.6%	20.7%	20.9%	20.9%	23.8%
Financial income	4.2	4.7	7.7	5.5	6.1
Financial expense	(8.0)	(19.9)	(15.0)	(7.8)	(7.5)
PBT Reported	(9.2)	(21.4)	(12.7)	(3.3)	7.8
<b>PBT Adjusted</b>	<b>7.0</b>	<b>(4.4)</b>	<b>7.2</b>	<b>(3.3)</b>	<b>7.8</b>
Tax	(2.4)	(7.3)	(3.4)	(8.3)	(11.5)
Profit/Loss after tax rptd.	(11.6)	(28.7)	(16.1)	(11.6)	(3.7)
<b>Profit/Loss after tax adj.</b>	<b>4.6</b>	<b>(11.7)</b>	<b>3.9</b>	<b>(11.6)</b>	<b>(3.7)</b>
Basic wtd. Av. shares (m)	669.5	698.2	731.9	731.9	731.9
Diluted wtd. av. shares (m)	674.1	704.5	740.9	740.9	740.9
EPS rptd basic (p)	(1.93)	(4.60)	(3.16)	(1.58)	(0.50)
<b>EPS adj basic (p)</b>	<b>0.49</b>	<b>(2.16)</b>	<b>(3.16)</b>	<b>(1.58)</b>	<b>(0.50)</b>

Source: Company data, Equity Development estimates.

**P&L quarterly FY23**

<b>£m</b>	<b>Q1 23</b>	<b>Q2 23</b>	<b>Q3 23</b>	<b>Q4 23</b>
Genetics	21.4	13.0	14.4	16.9
Advanced Nutrition	22.7	22.6	16.1	17.1
Health	10.4	8.7	3.8	2.6
Inter segment	(0.0)	(0.0)	(0.0)	(0.0)
<b>Revenue</b>	<b>54.5</b>	<b>44.4</b>	<b>34.3</b>	<b>36.6</b>
<b>Gross</b>	<b>24.2</b>	<b>24.8</b>	<b>17.3</b>	<b>20.4</b>
<i>Margin</i>	<i>44.5%</i>	<i>55.9%</i>	<i>50.4%</i>	<i>55.8%</i>
COGS	(30.3)	(19.5)	(17.0)	(16.2)
R&D	(1.6)	(1.4)	(1.5)	(1.6)
Admin & Other	(11.8)	(12.3)	(10.6)	(10.5)
Equity inv.	0.1	0.0	(0.1)	(0.0)
Sum operating costs	(13.3)	(13.7)	(12.2)	(12.1)
One-off costs	(1.0)	(1.7)	(0.5)	0.0
EBIT Reported	(0.1)	0.4	(4.5)	(1.1)
<b>EBIT Adjusted</b>	<b>5.7</b>	<b>5.9</b>	<b>(0.2)</b>	<b>3.2</b>
<i>Margin</i>	<i>10.5%</i>	<i>13.4%</i>	<i>N.M.</i>	<i>0.0%</i>
Amortisation	(5.5)	(4.4)	(4.3)	(4.3)
Depreciation	(4.6)	(4.6)	(4.7)	(4.5)
EBITDA Reported	10.0	9.4	4.6	7.7
<b>EBITDA Adjusted</b>	<b>11.0</b>	<b>11.1</b>	<b>5.1</b>	<b>8.3</b>
<i>Margin</i>	<i>20.1%</i>	<i>25.0%</i>	<i>14.8%</i>	<i>22.8%</i>
Financial income	7.5	0.8	2.7	(3.2)
Financial expense	(7.3)	(3.2)	(3.0)	(1.7)
PBT Reported	0.1	(2.0)	(4.7)	(6.1)
<b>PBT Adjusted</b>	<b>6.0</b>	<b>3.5</b>	<b>(0.5)</b>	<b>(1.7)</b>
Tax	(0.8)	(0.7)	0.1	(2.0)
Profit/Loss after tax rptd.	(0.7)	(2.7)	(4.6)	(8.0)
<b>Profit/Loss after tax adj.</b>	<b>5.2</b>	<b>2.8</b>	<b>(0.4)</b>	<b>(3.7)</b>
Basic wtd. Av. shares (m)	710.1	724.5	739.3	739.3
Diluted wtd. av. shares (m)	719.0	728.8	745.3	740.9
EPS rptd basic (p)	(0.18)	(0.39)	(1.07)	(1.50)
<b>EPS adj basic (p)</b>	<b>0.64</b>	<b>0.37</b>	<b>(0.50)</b>	<b>(0.92)</b>

Source: Company data, Equity Development estimates.

**Cashflow annual**

£m	FY21	FY22	FY23	FY24E	FY25E
<b>Net reported</b>	<b>(11.6)</b>	<b>(30.5)</b>	<b>(21.6)</b>	<b>(11.6)</b>	<b>(3.7)</b>
PPE depreciation	5.0	8.6	8.5	8.9	8.9
RoU depreciation	3.3	11.3	10.3	10.3	10.3
Amortisation	16.3	19.2	18.5	19.9	19.9
Disposals net	0.0	(0.0)	3.7	0.0	0.0
Finance (net)	6.5	18.1	7.7	2.3	1.4
Forex, other	(0.9)	(4.9)	(1.8)	0.0	0.0
Share-based payments	0.8	1.2	1.0	1.0	1.0
Tax	2.4	7.3	3.4	8.3	11.5
<b>Operating Cash Flow</b>	<b>22.0</b>	<b>30.3</b>	<b>29.6</b>	<b>39.1</b>	<b>49.4</b>
<b>Working capital</b>					
(Increase)/Decrease inventories	(3.6)	(5.4)	2.9	(1.9)	(3.1)
(Increase)/Decrease in receivables	(8.2)	(8.5)	(6.6)	(0.0)	(4.0)
Increase/(Decrease) in payables	5.5	6.9	3.9	3.5	7.5
Increase/(Decrease) in bio/agri assets	(5.4)	(6.1)	(1.7)	(2.0)	(2.0)
Provisions	(0.0)	1.1	0.4	0.0	0.0
<b>Change, working capital</b>	<b>(11.6)</b>	<b>(12.0)</b>	<b>(1.0)</b>	<b>(0.4)</b>	<b>(1.6)</b>
Cash generated by operations	10.4	18.3	28.6	38.7	47.7
Tax (paid)/received	(4.6)	(7.4)	(8.6)	(3.4)	(8.3)
<b>Net cash from operations</b>	<b>5.8</b>	<b>10.8</b>	<b>20.0</b>	<b>35.4</b>	<b>39.4</b>
Investing activities	0.3	0.0	0.0	0.0	0.0
Disposals, invsts	(0.5)	1.4	0.9	0.0	0.0
PPE	(17.7)	(10.8)	(6.0)	(6.3)	(6.6)
Intangibles	(5.0)	(1.9)	(0.8)	(0.8)	(0.8)
Interest / Other	0.1	0.1	0.6	0.0	0.0
Net cash used in investing	(23.1)	(11.2)	(5.3)	(7.1)	(7.4)
<b>Net OpFCF</b>	<b>(17.3)</b>	<b>(0.4)</b>	<b>14.7</b>	<b>28.3</b>	<b>32.0</b>
<b>Financing activities</b>					
Share issue (net)	0.8	20.2	10.9	0.0	0.0
Borrowings (net)	(3.1)	(6.9)	3.4	(1.6)	(9.4)
Interest paid	(7.7)	(9.6)	(9.1)	(7.8)	(7.5)
Lease payments	(4.6)	(10.5)	(9.4)	(9.4)	(9.4)
Other	(0.0)	0.0	(8.0)	0.0	0.0
Net cash from financing	(14.7)	(6.9)	(12.3)	(18.8)	(26.3)
<b>Net increase in cash / equivalents</b>	<b>(32.0)</b>	<b>(7.3)</b>	<b>2.4</b>	<b>9.5</b>	<b>5.7</b>
Cash start	71.6	39.5	36.4	36.5	46.0
Forex	(0.2)	4.3	(2.3)	0.0	0.0
<b>Cash end</b>	<b>39.5</b>	<b>36.4</b>	<b>36.5</b>	<b>46.0</b>	<b>51.8</b>

Source: Company data, Equity Development estimates.

**Cashflow quarterly FY23**

£m	Q1 23	Q2 23	Q3 23	Q4 23
<b>Net reported</b>	<b>(0.7)</b>	<b>(2.7)</b>	<b>(4.6)</b>	<b>(13.5)</b>
PPE depreciation	2.0	2.2	2.1	2.1
RoU depreciation	2.6	2.3	2.6	2.8
Amortisation	5.5	4.4	4.3	4.3
Disposals net	(0.0)	0.0	0.0	3.7
Finance (net)	(0.5)	1.9	1.6	4.8
Forex, other	0.4	(1.5)	(1.3)	0.6
Share-based payments	0.3	0.2	0.4	0.2
Tax	0.8	0.7	(0.1)	2.0
<b>Operating Cash Flow</b>	<b>10.3</b>	<b>7.5</b>	<b>5.0</b>	<b>6.8</b>
<b>Working capital</b>				
(Increase)/Decrease inventories	1.6	0.9	(0.3)	0.6
(Increase)/Decrease in receivables	4.0	2.1	(2.3)	(10.3)
Increase/(Decrease) in payables	(9.6)	(4.0)	2.8	14.8
Increase/(Decrease) in bio/agri assets	3.3	(2.4)	(1.3)	(1.3)
Provisions	(0.0)	(0.0)	(0.0)	0.4
<b>Change, working capital</b>	<b>(0.8)</b>	<b>(3.4)</b>	<b>(1.1)</b>	<b>4.2</b>
Cash generated by operations	9.6	4.1	3.9	11.0
Tax (paid)/received	(1.5)	(2.6)	(2.2)	(2.2)
<b>Net cash from operations</b>	<b>8.1</b>	<b>1.4</b>	<b>1.7</b>	<b>8.8</b>
Investing activities	0.0	0.0	0.0	0.0
Disposals, invsts	0.0	(8.3)	0.9	8.3
PPE	(1.8)	(1.4)	(0.9)	(1.8)
Intangibles	(0.0)	(0.2)	0.2	(0.7)
Interest / Other	(0.3)	0.7	0.1	0.2
Net cash used in investing	(2.2)	(9.3)	0.2	6.0
<b>Net OpFCF</b>	<b>5.9</b>	<b>(7.9)</b>	<b>1.9</b>	<b>14.8</b>
<b>Financing activities</b>				
Share issue (net)	11.6	(0.3)	(0.5)	0.0
Borrowings (net)	(4.4)	9.2	(1.5)	0.1
Interest paid	(2.2)	(1.9)	(2.7)	(2.4)
Lease payments	(2.2)	(2.5)	(2.7)	(2.1)
Other	(0.6)	0.0	0.6	(8.0)
Net cash from financing	2.2	4.6	(6.8)	(12.4)
<b>Net increase in cash / equivalents</b>	<b>8.1</b>	<b>(3.3)</b>	<b>(4.8)</b>	<b>2.4</b>
Cash start	36.4	42.8	38.6	32.9
Forex	(1.8)	(0.9)	(0.9)	1.3
<b>Cash end</b>	<b>42.8</b>	<b>38.6</b>	<b>32.9</b>	<b>36.5</b>

Source: Company data, Equity Development estimates.

<b>Balance sheet annual</b>					
<b>£m</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24E</b>	<b>FY25E</b>
<b>Fixed Assets</b>					
Intangible assets	229.0	245.3	206.1	187.0	167.9
PPE net	78.8	81.9	73.4	60.5	47.8
RoUse assets	25.5	27.0	19.8	19.8	19.8
Equity investees	3.4	3.1	3.6	3.6	3.6
Other invsts	0.0	0.0	0.0	0.0	0.0
Bio/agri assets	21.2	20.9	18.4	18.4	18.4
<b>Sum Fixed Assets</b>	<b>358.0</b>	<b>378.2</b>	<b>321.3</b>	<b>289.2</b>	<b>257.5</b>
<b>Current Assets</b>					
Inventories	20.9	29.8	25.3	27.1	30.2
Trade receivables	46.5	56.4	59.8	59.8	63.9
Bio/agri assets	17.1	25.8	28.4	28.4	28.4
Cash, Equivalents	39.5	36.4	36.5	46.0	51.8
<b>Sum Current Assets</b>	<b>124.0</b>	<b>148.4</b>	<b>150.0</b>	<b>161.4</b>	<b>174.3</b>
<b>Total Assets</b>	<b>482.0</b>	<b>526.6</b>	<b>471.3</b>	<b>450.6</b>	<b>431.8</b>
<b>Current Liabilities</b>					
Trade payables	(46.7)	(44.3)	(47.3)	(50.8)	(58.3)
Loans	(10.7)	(17.1)	(20.0)	(20.0)	(20.0)
Tax	(5.6)	(10.2)	(6.4)	(6.4)	(6.4)
Provisions	(0.6)	(1.6)	(1.3)	0.0	0.0
<b>Sum Current Liabilities</b>	<b>(63.5)</b>	<b>(73.3)</b>	<b>(75.1)</b>	<b>(77.3)</b>	<b>(84.8)</b>
<b>Total Assets less Current Liabilities</b>	<b>418.5</b>	<b>453.3</b>	<b>396.2</b>	<b>373.4</b>	<b>347.0</b>
<b>Long-term Liabilities</b>					
Borrowings	(109.7)	(93.0)	(82.0)	(80.4)	(71.0)
Other	(0.9)	(9.0)	(7.5)	0.0	0.0
Tax	(28.2)	(28.0)	(24.1)	(6.8)	(6.8)
Sum Long-term liabilities	(138.9)	(130.0)	(113.6)	(87.2)	(77.8)
<b>Total liabilities</b>	<b>(202.4)</b>	<b>(203.3)</b>	<b>(188.7)</b>	<b>(164.4)</b>	<b>(162.5)</b>
<b>Net Assets</b>	<b>279.6</b>	<b>323.3</b>	<b>282.6</b>	<b>286.2</b>	<b>269.3</b>
<b>Capital &amp; Reserves</b>					
Share Capital	0.7	0.7	0.7	0.7	0.7
Additional paid-in capital	400.7	420.8	37.4	52.6	39.3
Capital Reserve	0.0	0.0	0.0	0.0	0.0
Retained earnings	(154.2)	(185.1)	183.5	171.9	168.2
Hedging reserve	(5.9)	(0.7)	(0.2)	(0.2)	(0.2)
Forex reserve	30.5	77.7	54.9	54.9	54.9
Non-controlling interest	7.9	9.9	6.2	6.2	6.2
<b>Equity</b>	<b>279.6</b>	<b>323.3</b>	<b>282.6</b>	<b>286.2</b>	<b>269.3</b>
Net debt / (cash), excl. leases	56.9	47.5	45.6	36.5	23.4
Net debt IFRS 16	80.9	73.7	65.5	54.4	39.2

Source: Company data, Equity Development estimates.

**Balance sheet quarterly FY23**

£m	Q1 23	Q2 23	Q3 23	Q4 23
<b>Fixed Assets</b>				
Intangible assets	224.6	215.1	205.3	206.1
PPE net	80.5	77.2	71.9	73.4
RoUse assets	23.9	22.4	21.8	19.8
Equity investees	3.0	3.1	3.0	3.6
Other invsts	0.4	0.0	0.0	0.0
Bio/agri assets	24.9	20.6	21.7	18.4
<b>Sum Fixed Assets</b>	<b>357.4</b>	<b>338.4</b>	<b>323.7</b>	<b>321.3</b>
<b>Current Assets</b>				
Inventories	28.2	27.1	26.2	24.1
Trade receivables	51.2	48.4	47.9	44.1
Bio/agri assets	17.2	22.6	21.3	26.0
Cash, Equivalents	42.8	38.6	32.9	36.5
<b>Sum Current Assets</b>	<b>139.3</b>	<b>136.8</b>	<b>128.3</b>	<b>130.7</b>
<b>Total Assets</b>	<b>496.7</b>	<b>475.1</b>	<b>451.9</b>	<b>452.0</b>
<b>Current Liabilities</b>				
Trade payables	(35.3)	(29.7)	(32.0)	(40.1)
Loans	(16.2)	(22.1)	(21.8)	(18.0)
Tax	(10.3)	(8.4)	(6.8)	(7.0)
Provisions	(1.6)	(1.6)	(1.6)	(1.6)
<b>Sum Current Liabilities</b>	<b>(63.4)</b>	<b>(61.8)</b>	<b>(62.1)</b>	<b>(66.7)</b>
<b>Total Assets less Current Liabilities</b>	<b>433.3</b>	<b>413.3</b>	<b>389.8</b>	<b>385.3</b>
<b>Long-term Liabilities</b>				
Borrowings	(88.0)	(82.9)	(78.0)	(78.0)
Other	(4.4)	(6.3)	(4.9)	(1.0)
Tax	(25.1)	(24.3)	(22.8)	(22.8)
Sum Long-term liabilities	(117.4)	(113.4)	(105.6)	(101.8)
<b>Total liabilities</b>	<b>(180.8)</b>	<b>(175.3)</b>	<b>(167.8)</b>	<b>(168.5)</b>
<b>Net Assets</b>	<b>315.9</b>	<b>299.9</b>	<b>284.2</b>	<b>283.5</b>
<b>Capital &amp; Reserves</b>				
Share Capital	0.7	0.7	0.7	0.7
Additional paid-in capital	432.4	37.9	37.4	37.9
Capital Reserve	0.0	0.0	0.0	0.0
Retained earnings	(186.1)	202.0	197.2	(196.2)
Hedging reserve	(1.3)	(1.3)	0.5	(1.0)
Forex reserve	59.9	54.4	43.5	60.0
Non-controlling interest	10.3	5.4	10.0	10.0
<b>Equity</b>	<b>315.9</b>	<b>299.9</b>	<b>289.4</b>	<b>283.5</b>

Source: Company data, Equity Development estimates.



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