

**28 August 2020**

Information within this announcement is deemed by the Company to constitute inside information under the Market Abuse Regulations (EU) No. 596/2014.

**Benchmark Holdings plc**

**(“Benchmark”, the “Company” or the “Group”)**

**Q3 Results**

**(3 months ended 30 June 2020)**

**Restructuring programme substantially complete  
Resilient trading despite challenging shrimp market**

In compliance with the terms of the Company’s senior secured bond which requires it to publish quarterly financial information, Benchmark, the aquaculture biotechnology business, announces its unaudited results for the 3 months ended 30 June 2020 (the “period”). All Q3 FY20, Q3 FY19, YTD Q3 2020 and YTD Q3 2019 figures quoted in this announcement are based on unaudited accounts.

£m	Q3 FY20	Q3 FY19	YTD Q3 2020	YTD Q3 2019	FY2019 Restated*
<b>Adjusted</b>					
Revenue from continuing operations	24.5	22.8	81.6	90.1	126.8
Adjusted EBITDA <sup>2</sup> from continuing operations	0.3	(1.4)	3.2	5.9	13.5
Adjusted operating (loss)/profit	(1.5)	(3.0)	(2.3)	1.3	5.5
Exceptional items	(0.6)	(0.1)	(0.7)	(0.1)	(0.6)
EBITDA <sup>1</sup> from continuing operations	(0.2)	(1.5)	2.4	5.9	13.0
<b>Statutory</b>					
Loss before tax from continuing operations	(8.5)	(12.0)	(27.4)	(18.2)	(69.2)
Loss from continuing operations	(8.0)	(11.7)	(27.2)	(18.7)	(69.9)
Loss - total incl. discontinued operations	(4.4)	(12.5)	(23.2)	(21.6)	(83.1)
Basic loss per share (p)	(0.66)	(2.24)	(3.83)	(3.95)	(15.03)
Net debt <sup>4</sup>	(54.7)	(78.3)	(54.7)	(78.3)	(87.1)

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

(2) Adjusted EBITDA is EBITDA<sup>1</sup>, before exceptional items and acquisition related expenditure.

(3) Adjusted Operating Profit is operating loss before exceptional items including 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 excluding balances held for sale. Net debt includes £8.6m (Q3 2019: £nil; FY2019: £nil) relating to operating lease obligations which are now held on balance sheet following the adoption of IFRS 15 (note 15).

\* FY2019 numbers have been restated to reflect changes to the ongoing continuing business since the year end (note 5). Q3 2019 and YTD Q3 2019 figures have not been previously reported and so are not restated.

**Divisional summary (Continuing and discontinued operations)**

£m	Q3 FY20	Q3 FY19	YTD Q3 2020	YTD Q3 2019	FY 2019
<b>Revenue</b>					
Advanced Nutrition	16.0	13.6	47.3	54.5	76.8
Genetics	7.2	7.1	29.7	29.7	39.7
Animal Health	2.7	4.0	9.4	11.1	17.7
<b>Adjusted EBITDA<sup>2</sup></b>					
Advanced Nutrition	2.8	1.4	6.1	10.9	15.4
Genetics	1.2	0.8	9.8	5.7	10.1
Animal Health	(2.8)	(3.2)	(10.5)	(9.4)	(10.2)

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

(2) Adjusted EBITDA is EBITDA<sup>1</sup>, before exceptional items and acquisition related expenditure.

**Q3 Overview**
**Financial Performance**

- Revenues from continuing operations were 8% ahead of the prior year resulting from:
  - Continued good performance in Genetics with revenues in line with the prior year
  - Higher revenues in Advanced Nutrition which benefitted from a partial catch-up of delayed orders as a result of Covid-19
  - Lower revenues in Animal Health below Q3 2019 with the comparable period benefitting from revenues derived from BMK08 trials
- Adjusted EBITDA from continuing operations was £0.3m against a £1.4m loss in in Q3 2019 reflecting higher revenues, higher margins in Genetics as external production moves in-house, and a reduction in operating costs and R&D expenses from measures taken during Covid-19
- YTD Q3, Group revenues from continuing operations were 9.4% below the prior year and Adjusted EBITDA from continuing operations was £3.2m, £2.7m below the prior year. The decrease reflects the impact from weak shrimp markets which offset a strong performance in Genetics and an improvement in Animal Health driven by cost savings
- Pro forma net debt following post period end disposals reduced to £36m as at 27 August 2020
- Liquidity, following the disposals, of c.£84m (cash and available facility) as at 27 August 2020

### **Market environment and operational highlights**

- The salmon industry continues to be resilient and the sea bass / bream market is relatively stable
- The shrimp market continues to be challenging as a result of Covid-19 lockdowns with low demand and prices, and major producing countries including India and Ecuador significantly affected
- BMK08/CleanTreat<sup>®</sup> on track for commercial launch in Q2 of calendar year 2021
- Trond Williksen joined as new CEO on 1 June 2020

### **Disposals and restructuring**

- Disposal programme substantially complete raising up to £44m; five divestments in the period to date
  - Improve International to RJD Partners in June 2020 for up to £12.75m
  - FishVet to Zoetis in July 2020 for c. £14.5m
  - Vaccine manufacturing facility to Catapult Gene and Cell Therapy in July 2020 for net proceeds of £12m
  - Agreement to exit equine vaccine joint development programme in August 2020 for a £1m upfront consideration and up to £1m deferred
  - MBO of FAI Farms in August 2020 for a nominal sum
- Restructuring programme aiming to deliver £10m in annual savings from 2021 is well advanced following the sale of the vaccine manufacturing facility

### **Current trading and outlook**

- Salmon industry remains resilient and sea bass/bream markets stable; however, conditions in the shrimp market continue to be challenging, and we expect these trends to continue in FY21
- Expect to deliver full year results in-line with market expectations

### **Trond Williksen, CEO, commented:**

“We are very pleased with the significant progress made over the last few months towards the completion of the disposal of non-core assets and the cash proceeds generated. Following the restructuring we are well advanced to become a streamlined, financially strong business wholly focused on our core businesses: Genetics, Advanced Nutrition and Health. We continue to work on our restructuring programme which aims to deliver £10m in annual savings from FY21 taking us a step closer towards our goal of becoming sustainably profitable.

“While the shrimp market continues to experience challenges as a result of Covid-19 the salmon market which underpins our genetics and health businesses remains resilient and overall, we expect to deliver full year results in line with expectations.”

### **Septima Maguire, CFO, commented:**

“The completion of our disposal programme generating up to £44m, together with our ongoing cash conservation plan puts us in a strong financial position to remain resilient through the Covid-19 pandemic and to invest selectively in our business to deliver future growth.”



### Details of analyst / investor call today

There will be a call at **8:30am UK time** today for analysts and investors. To register for the call please contact MHP Communications on +44 (0)20 3128 8742, or by email on [benchmark@mhpc.com](mailto:benchmark@mhpc.com)

### 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](http://www.benchmarkplc.com)

## **Management Report**

During Q3 2020 and post period end, the Company completed five disposals and exits, substantially concluding its disposal programme which raised up to £44m in total. In June 2020 the Company announced the sale of Improve International to RJD Partners for up to £12.75m. This was followed by the sale of FishVet to Zoetis on 1 July for c.£14.5m and the sale of the Group's vaccine manufacturing facilities to Cell and Gene Therapy Catapult for net proceeds of £12m towards the end of July. In August the Company exited its consulting business FAI Farms through an MBO and its joint development equine vaccine programme which generated a £1m upfront payment and up to £1m potential deferred payment. We are particularly pleased to have secured strong buyers, providing continuity of employment for our staff.

Following the disposal of non-core assets and exit from loss making activities, we are well advanced towards becoming a streamlined, financially strong Group. Our stronger financial position enables us to focus and invest selectively in our businesses: Genetics, Advanced Nutrition and Health. We continue to work on our restructuring programme which aims to deliver £10m in annual savings from FY21, taking us a step closer towards our goal of becoming sustainably profitable.

During the period we continued to prepare for the launch of BMK08 and CleanTreat<sup>®</sup> in Q2 calendar year 2021, progressing through the regulatory approval process, developing our commercial plan and advancing the construction of a second CleanTreat<sup>®</sup> system.

Trading in Q3 delivered an 8% increase in revenues and an Adjusted EBITDA profit of £0.3m, a £1.7m improvement from the Adjusted EBITDA loss of £1.4m in Q3 last year. Operating costs of £8.0m in Q3 were 15% below the prior period (Q3 2019: £9.4m) and R&D expenses of £1.6m were 54% down (Q3 2019: £3.5m). This reflects the positive impact of a group-wide effort to reduce operating costs and R&D, and a natural reduction in marketing and travel expenses in the period as a result of Covid-19. Total R&D investment in Q3 including capitalised development costs were £2.6m (Q3 2019: £6.1m).

YTD Q3 revenues were £81.6m, 9.4% below the prior year (YTD Q3 2019: £90.1m). YTD Q3 Adjusted EBITDA was £3.2m (YTD Q3 2019: £5.9m) reflecting challenging markets in Advanced Nutrition, partially offset by a continued strong performance and improved margins in Genetics as we continue to shift production of salmon eggs in-house.

Overall, our main end markets saw a continuation of the trends reported in our interim results with weak shrimp markets, a resilient salmon industry and sea bass/bream markets experiencing a modest impact from Covid-19. We expect this scenario to continue for the remainder of the year and 2021.

### **Update on Covid-19**

We continue to operate our business with the health and safety of our employees as a priority while providing continuity of supply and service to our customers. Conditions across our multiple locations around the world vary and we have procedures in place to address local constraints. We are maintaining our focus on cost and cash management, which together with our tried and tested flexible operating processes, give us resilience for the next phase of the pandemic and the uncertainty associated with it.

### **Advanced Nutrition**

Advanced Nutrition reported revenues of £16.0m in Q3, 18% above the prior year (Q3 2019: £13.6m) as a result of a partial catch-up of previously delayed orders due to Covid-19. YTD Q3 revenues of £47.3m were 13% below the prior year (YTD Q3 2019: £54.5m). Adjusted EBITDA in Q3 was £2.8m (Q3 2019: £1.4m). YTD Q3 Adjusted EBITDA was £6.1m (YTD Q3 2019: £10.9m).



The YTD Q3 performance reflects an ongoing weak shrimp market, and continued competition in Artemia leading to significantly lower Artemia volumes and prices. The shrimp markets continue to be challenged by low prices, compounded by lower demand as a result of the slow and limited reopening in the catering sector globally, as well as the ongoing impact from Covid-19 on some of the major shrimp producing countries.

The impact from Covid-19 on the shrimp markets was initially evident in China, then the rest of Asia, and extended into Latin America as the pandemic spread across the globe. At peak impact, we estimate that major shrimp producing countries were operating at 20-60% of normal capacity in hatchery and farm. In the past two months we have seen some evidence of recovery in Thailand, Vietnam and Indonesia, although volatility remains. The most affected major markets are now India and Ecuador, which we estimate are operating at 20-50% of capacity, the situation in Ecuador being compounded by relations with its primary consumer market of China. Overall, we expect the global shrimp market to remain weak for the rest of the year and, at this stage, the timing of a recovery is uncertain.

On a product-by-product basis in Q3, Artemia revenues were up 58% and Diets up 1% versus the prior year while Health was down 10%. YTD Q3, Artemia revenues were down 15% versus prior year as a result of volume and price erosion, whilst revenues in Diets were down 15% as a result of low shrimp and sea bass/bream demand as outlined above; Health was up 13%.

### **Genetics**

Genetics revenues in Q3 2020 at £7.2m were in line with the prior year (Q3 2019: £7.1m) reflecting similar egg volumes and a higher average price which was offset by adverse forex movements. Traditionally Q3 is the lowest sales quarter as customers in the northern hemisphere transition from in-season to out-of-season eggs. YTD Q3 revenues at £29.7m were also in line with prior year (YTD Q3 2019: £29.7m).

Adjusted EBITDA for Q3 2020 of £1.2m was 46% higher than prior year (Q3 2019: £0.8m), with reduced operating costs and R&D spend as part of our Covid-19 mitigation strategy which more than offset lower fair value adjustments of biological assets in the period.

Adjusted EBITDA for YTD Q3 of £9.8m was £4.1m higher than prior year (YTD Q3 2019: £5.7m). The increase in margin and Adjusted EBITDA is mainly due to the benefit of in-house egg production at the Group's new Salten facility replacing more expensive outsourced production, higher egg prices and higher royalties from salmon farmers using Benchmark genetics in their own production. R&D investment (expensed and capitalised) in the division increased to £4.4m (YTD Q3 2019: £3.4m) as a result of higher investment in our breeding programmes in salmon and SPR shrimp.

Operationally, test market sales of our specific pathogen resistant (SPR) shrimp breeders continued successfully in China and Indonesia and expanded into Vietnam. In parallel, we are continuing our programme of performance trials in China, Thailand and Vietnam. Together, these efforts will give us a strong platform to launch commercially as the shrimp markets recover.

### **Animal Health**

Revenues in Q3 2020 were £2.7m (Q3 2019: £4.0m); of which discontinued operations accounted for £1.3m in Q3 2020 (Q3 2019: £1.6m). The reduction in revenues reflects the lack of BMK08/CleanTreat® trials in the period, as well as lower Salmosan and toll manufacturing revenues. YTD Q3 2020 revenues were £9.4m (YTD Q3 2019: £11.1m) of which discontinued operations accounted for £4.3m (YTD Q3 2019: £4.5m).

Adjusted EBITDA in Q3 2020 was a loss of £2.8m (Q3 2019: loss £3.2m) of which Adjusted EBITDA from discontinued operations was a profit of £0.2m (Q3 2019: profit of £0.1m). The improvement reflects a reduction in R&D investment in vaccines and lower operating costs partially offset by lower revenues and increased investment in BMK08 and CleanTreat<sup>®</sup>. YTDQ3 Adjusted EBITDA was a loss of £10.5m (Q3 YTD 2019: loss £9.4m) and a loss of £2.8m in the quarter (Q3 2019: loss £3.2m) of which discontinued operations accounted for profit of £0.1m (YTD Q3 2019: £0.1m loss).

Following the review of our vaccine strategy and the disposal of our vaccine manufacturing facility, the Company intends to continue the development of a more focused aqua vaccine programme in partnership with a business with complementary capabilities.

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

Net finance cost for the quarter was £2.0m. The higher interest charge following the refinancing in FY19 of £1.8m (Q3 2019: £1.5m) was offset in the quarter by a credit of £1.5m for the increase in the fair value of the financial instrument used to hedge the interest and currency risk on the NOK bond financing (Q3 2019: £nil). The forex charge in the quarter was lower in the current quarter at £1.4m (Q3 2019: £2.4m), and amortisation of capitalised borrowing fees was lower following the refinancing exercise last year at £0.2m (Q3 2019: £0.8m).

Net finance cost for the YTD Q3 at £11.5m is £4.9m higher than the prior year (YTD 2019: £6.6m). The main reasons for the higher charge are the higher interest costs following refinancing in FY19 of £5.3m (YTD Q3 2019: £3.9m), a deficit on revaluation of hedging instruments mentioned above of £2.1m (YTD Q3 2019: £nil) and forex charges of £3.2m (YTD Q3 2019: £2.3m).

Net debt at the quarter end was £54.7m (June 2019: £78.3m; Sept 2019: £87.1m), after an increase in cash of £38.5m in the year to date (2019: increase in cash of £0.5m). This is a result of tight control over cash during the Covid-19 lockdown period together with the share raise concluded in February 2020 (£42m net), receipts from the dissolution of the joint venture in Chile (£6.9m) and net receipts from the disposals programme of £6.8m. The reduction in net debt is after cash inflow from operations of £0.5m (YTD 2019: outflow of £6.3m) and capex of £8.5m (2019: £10.9m). Liquidity at the end of the period was £67m providing £57m of headroom against our minimum liquidity covenant.

Pro forma net debt following post period end disposals is £36m giving liquidity of £84m as at 27 August.

#### **Outlook**

Following the recent divestments, the Company is in a solid financial position to prepare for the commercial launch of BMK08 in Q2 2021 CY, and to invest selectively in its streamlined core business. We continue to work on the announced restructuring which is well advanced and is expected to deliver at least £10m in annual savings.

The salmon industry which underpins our Genetics and Health businesses remains resilient, and although conditions in the shrimp market continue to be challenging, we expect to deliver full year results in line with market expectations.

**Consolidated Income Statement for the period ended 30 June 2020**

All figures in £000's	Notes	Q3 2020 (unaudited)	Q3 2019* (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019* (unaudited)	FY 2019 Restated* (audited)
<b>Revenue</b>	4	<b>24,542</b>	22,754	81,566	90,110	126,776
Cost of sales		<b>(14,425)</b>	(11,070)	(42,352)	(45,113)	(60,303)
<b>Gross profit</b>		<b>10,117</b>	11,684	39,214	44,997	66,473
Research and development costs		<b>(1,618)</b>	(3,537)	(8,297)	(9,064)	(12,587)
Other operating costs		<b>(7,969)</b>	(9,389)	(27,942)	(29,580)	(39,939)
Share of (loss)/profit of equity-accounted investees, net of tax		<b>(186)</b>	(167)	205	(432)	(414)
<b>Adjusted EBITDA<sup>2</sup></b>		<b>344</b>	(1,409)	3,180	5,921	13,533
Exceptional - restructuring/acquisition related items	6	<b>(581)</b>	(71)	(749)	(71)	(581)
<b>EBITDA<sup>1</sup></b>		<b>(237)</b>	(1,480)	2,431	5,850	12,952
Depreciation and impairment		<b>(1,831)</b>	(1,610)	(5,447)	(4,664)	(8,080)
Amortisation and impairment		<b>(4,479)</b>	(4,291)	(12,880)	(12,767)	(62,045)
<b>Operating loss</b>		<b>(6,547)</b>	(7,381)	(15,896)	(11,581)	(57,173)
Finance cost		<b>(1,999)</b>	(4,765)	(11,634)	(7,216)	(12,422)
Finance income		<b>11</b>	162	90	571	368
<b>Loss before taxation</b>		<b>(8,535)</b>	(11,984)	(27,440)	(18,226)	(69,227)
Tax on loss	7	<b>580</b>	303	223	(444)	(640)
<b>Loss from continuing operations</b>		<b>(7,955)</b>	(11,681)	(27,217)	(18,670)	(69,867)
<b>Discontinued operations</b>						
Profit/(loss) from discontinued operations, net of tax	5	<b>3,559</b>	(818)	4,021	(2,911)	(13,213)
		<b>(4,396)</b>	(12,499)	(23,196)	(21,581)	(83,080)
<b>Loss for the year attributable to:</b>						
- Owners of the parent		<b>(4,413)</b>	(12,520)	(23,383)	(22,048)	(83,857)
- Non-controlling interest		<b>17</b>	21	187	467	777
		<b>(4,396)</b>	(12,499)	(23,196)	(21,581)	(83,080)
<b>Earnings per share</b>						
Basic loss per share (pence)	8	<b>(0.66)</b>	(2.24)	(3.83)	(3.95)	(15.03)
Diluted loss per share (pence)	8	<b>(0.66)</b>	(2.24)	(3.83)	(3.95)	(15.03)
<b>Earnings per share - continuing operations</b>						
Basic loss per share (pence)	8	<b>(1.19)</b>	(2.10)	(4.48)	(3.43)	(12.66)
Diluted loss per share (pence)	8	<b>(1.19)</b>	(2.10)	(4.48)	(3.43)	(12.66)
Adjusted EBITDA from continuing operations		<b>344</b>	(1,409)	3,180	5,921	13,533
Adjusted EBITDA from discontinued operations	5	<b>(37)</b>	265	388	428	192
<b>Total Adjusted EBITDA</b>		<b>307</b>	(1,144)	3,568	6,349	13,725

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

2 Adjusted EBITDA – EBITDA before exceptional and acquisition related items

\*FY 2019 numbers have been restated to reflect changes to the ongoing continuing business since the year end (note 5). YTD Q3 2019 and Q3 2019 figures have not been previously reported and so are not restated.



## Consolidated Statement of Comprehensive Income for the period ended 30 June 2020

All figures in £000's	Q3 2020 (unaudited)	Q3 2019* (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019* (unaudited)	FY 2019 Restated* (audited)
<b>Loss for the period</b>	<b>(4,396)</b>	(12,499)	(23,196)	(21,581)	(83,080)
<b>Other comprehensive income</b>					
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign exchange translation differences	<b>8,886</b>	11,953	(8,438)	4,481	13,919
Cash flow hedges - changes in fair value	<b>4,982</b>	(768)	(4,904)	(927)	(3,549)
Cash flow hedges - reclassified to profit or loss	<b>(1)</b>	(19)	(163)	(7)	(17)
<b>Total comprehensive income for the period</b>	<b>9,471</b>	(1,333)	(36,701)	(18,034)	(72,727)
<b>Total comprehensive income for the period attributable to:</b>					
- Owners of the parent	<b>9,169</b>	(1,513)	(36,253)	(18,245)	(73,174)
- Non-controlling interest	<b>302</b>	180	(448)	211	447
	<b>9,471</b>	(1,333)	(36,701)	(18,034)	(72,727)
<b>Total comprehensive income for the period attributable to owners of the parent:</b>					
- Continuing operations	<b>5,169</b>	(856)	(41,255)	(15,362)	(60,348)
- Discontinued operations	<b>4,000</b>	(657)	5,002	(2,883)	(12,826)
	<b>9,169</b>	(1,513)	(36,253)	(18,245)	(73,174)

\*FY 2019 numbers have been restated to reflect changes to the ongoing continuing business since the year end (note 5). YTD Q3 2019 and Q3 2019 figures have not been previously reported separately and so are not restated.

## Consolidated Balance Sheet as at 30 June 2020

All figures in £000's	Notes	30 June 2020 (unaudited)	30 June 2019 (unaudited)	30 September 2019 (audited)
<b>Assets</b>				
Property, plant and equipment		86,021	100,862	88,900
Right of use assets		8,743	-	-
Intangible assets		260,158	323,617	275,744
Equity-accounted investees		3,884	3,351	3,453
Other investments		24	34	25
Biological and agricultural assets		9,328	8,329	12,469
Trade and other receivables		-	40	-
<b>Non-current assets</b>		<b>368,158</b>	<b>436,233</b>	<b>380,591</b>
Inventories		23,323	23,953	22,609
Biological and agricultural assets		20,435	17,138	16,024
Trade and other receivables		31,505	42,831	52,136
Cash and cash equivalents		54,492	24,873	16,051
		<b>129,755</b>	<b>108,795</b>	<b>106,820</b>
Assets held for sale	9	9,812	-	15,970
<b>Current assets</b>		<b>139,567</b>	<b>108,795</b>	<b>122,790</b>
<b>Total assets</b>		<b>507,725</b>	<b>545,028</b>	<b>503,381</b>
<b>Liabilities</b>				
Trade and other payables		(37,489)	(31,566)	(35,235)
Loans and borrowings	10	(4,809)	(2,283)	(3,231)
Corporation tax liability		(3,553)	(3,796)	(2,703)
Provisions		(386)	(1,388)	(404)
		<b>(46,237)</b>	<b>(39,033)</b>	<b>(41,573)</b>
Liabilities directly associated with the assets held for sale	9	(3,799)	-	(10,634)
<b>Current liabilities</b>		<b>(50,036)</b>	<b>(39,033)</b>	<b>(52,207)</b>
Loans and borrowings	10	(104,335)	(100,882)	(99,961)
Other payables		(2,020)	(1,844)	(2,004)
Deferred tax		(34,915)	(38,297)	(38,743)
<b>Non-current liabilities</b>		<b>(141,270)</b>	<b>(141,023)</b>	<b>(140,708)</b>
<b>Total liabilities</b>		<b>(191,306)</b>	<b>(180,056)</b>	<b>(192,915)</b>
<b>Net assets</b>		<b>316,419</b>	<b>364,972</b>	<b>310,466</b>
<b>Issued capital and reserves attributable to owners of the parent</b>				
Share capital	11	668	558	559
Additional paid-in share capital		399,601	358,044	358,044
Capital redemption reserve		5	5	5
Retained earnings		(133,311)	(49,293)	(110,916)
Hedging reserve		(8,633)	(934)	(3,566)
Foreign exchange reserve		52,399	50,690	60,202
<b>Equity attributable to owners of the parent</b>		<b>310,729</b>	<b>359,070</b>	<b>304,328</b>
Non-controlling interest		5,690	5,902	6,138
<b>Total equity and reserves</b>		<b>316,419</b>	<b>364,972</b>	<b>310,466</b>

The notes are an integral part of this interim consolidated financial information

## Consolidated Statement of Changes in Equity for the period ended 30 June 2020

All figures in £000's	Share capital	Additional paid-in share capital	Other reserves	Hedging reserve	Retained earnings	Total attributable to equity holders of parent	Non-controlling interest	Total equity
<b>As at 1 October 2019 (unaudited)</b>	559	358,044	60,207	(3,566)	(110,916)	304,328	6,138	310,466
<b>Comprehensive income for the period</b>								
(Loss)/profit for the period	-	-	-	-	(23,383)	(23,383)	187	(23,196)
Other comprehensive income	-	-	(7,803)	(5,067)	-	(12,870)	(635)	(13,505)
<b>Total comprehensive income for the period</b>	-	-	(7,803)	(5,067)	(23,383)	(36,253)	(448)	(36,701)
<b>Contributions by and distributions to owners</b>								
Share issue	109	42,869	-	-	-	42,978	-	42,978
Share issue costs recognised through equity	-	(1,312)	-	-	-	(1,312)	-	(1,312)
Share based payment	-	-	-	-	988	988	-	988
<b>Total contributions by and distributions to owners</b>	109	41,557	-	-	988	42,654	-	42,654
<b>Total transactions with owners of the Company</b>	109	41,557	-	-	988	42,654	-	42,654
<b>As at 30 June 2020 (unaudited)</b>	668	399,601	52,404	(8,633)	(133,311)	310,729	5,690	316,419
<b>As at 1 October 2018 (unaudited)</b>	557	357,894	45,958	-	(28,240)	376,169	5,678	381,847
<b>Comprehensive income for the year</b>								
(Loss)/profit for the year	-	-	-	-	(22,048)	(22,048)	467	(21,581)
Other comprehensive income	-	-	4,737	(934)	-	3,803	(256)	3,547
<b>Total comprehensive income for the year</b>	-	-	4,737	(934)	(22,048)	(18,245)	211	(18,034)
<b>Contributions by and distributions to owners</b>								
Share issue	1	150	-	-	-	151	-	151
Share based payment	-	-	-	-	995	995	-	995
<b>Total contributions by and distributions to owners</b>	1	150	-	-	995	1,146	-	1,146
<b>Changes in ownership</b>								
Disposal of subsidiary with NCI	-	-	-	-	-	-	13	13
<b>Total changes in ownership interests</b>	-	-	-	-	-	-	13	13
<b>Total transactions with owners of the Company</b>	1	150	-	-	995	1,146	13	1,159
<b>As at 30 June 2019 (unaudited)</b>	558	358,044	50,695	(934)	(49,293)	359,070	5,902	364,972
<b>As at 1 October 2018 (audited)</b>	557	357,894	45,958	-	(28,240)	376,169	5,678	381,847
<b>Comprehensive income for the year</b>								
(Loss)/profit for the year	-	-	-	-	(83,857)	(83,857)	777	(83,080)
Other comprehensive income	-	-	14,249	(3,566)	-	10,683	(330)	10,353
<b>Total comprehensive income for the year</b>	-	-	14,249	(3,566)	(83,857)	(73,174)	447	(72,727)
<b>Contributions by and distributions to owners</b>								
Share issue	2	150	-	-	-	152	-	152
Share based payment	-	-	-	-	1,181	1,181	-	1,181
<b>Total contributions by and distributions to owners</b>	2	150	-	-	1,181	1,333	-	1,333
<b>Changes in ownership</b>								
Disposal of subsidiary with NCI	-	-	-	-	-	-	13	13
<b>Total changes in ownership interests</b>	-	-	-	-	-	-	13	13
<b>Total transactions with owners of the Company</b>	2	150	-	-	1,181	1,333	13	1,346
<b>As at 30 September 2019 (audited)</b>	559	358,044	60,207	(3,566)	(110,916)	304,328	6,138	310,466

Other reserves in this statement is an aggregation of Capital redemption reserve and Foreign exchange reserve.

## Consolidated Statement of Cash Flows for the period ended 30 June 2020

All figures in £000's	YTD Q3 2020 (unaudited)	30 June 2019 (unaudited)	30 September 2019 (audited)
<b>Cash flows from operating activities</b>			
<b>Loss for the period</b>	<b>(23,196)</b>	(21,581)	(83,080)
<b>Adjustments for:</b>			
Depreciation and impairment of property, plant and equipment	6,353	6,940	17,227
Amortisation and impairment of intangible fixed assets	13,259	13,515	66,087
Loss/(gain) on sale of property, plant and equipment	75	(31)	(838)
Gain on sale of subsidiaries	(5,564)	-	-
Finance income	(89)	(473)	(368)
Finance costs	6,394	4,836	7,773
Other adjustments for non-cash items	(1,776)	68	68
Share of (profit)/loss of equity-accounted investees, net of tax	(205)	432	414
Foreign exchange losses	4,015	2,721	5,620
Share based payment expense	988	995	1,181
Tax (credit)/charge	(113)	468	111
	141	7,890	14,195
Decrease/(increase) in trade and other receivables	9,790	4,380	(12,516)
Increase in inventories	(648)	(3,023)	(2,273)
Increase in biological assets	(3,931)	(5,848)	(8,593)
(Decrease)/increase in trade and other payables	(3,175)	(6,877)	3,968
(Decrease)/increase in provisions	(18)	-	261
	2,159	(3,478)	(4,958)
Income taxes paid	(1,667)	(2,840)	(4,253)
<b>Net cash flows from/(used in) operating activities</b>	<b>492</b>	(6,318)	(9,211)
<b>Investing activities</b>			
Proceeds from sale of subsidiaries, net of cash disposed of	5,025	-	-
Acquisition of subsidiaries, net of cash acquired	-	(6)	(7)
Purchase of investments	(373)	(6,892)	(7,020)
Receipts from disposal of investments	6,932	5,942	5,942
Purchase of property, plant and equipment	(5,235)	(5,365)	(7,850)
Proceeds from sales of intangible assets	207	-	-
Purchase of intangibles	(3,249)	(5,539)	(7,964)
Proceeds from sales of other long-term assets	1,776	-	-
Proceeds from sale of fixed assets	123	273	1,131
Interest received	89	296	447
<b>Net cash flows from/(used) in investing activities</b>	<b>5,295</b>	(11,291)	(15,321)
<b>Financing activities</b>			
Proceeds of share issues	42,978	1	2
Proceeds from bank or other borrowings	7,925	91,829	92,578
Share-issue costs recognised through equity	(1,312)	-	-
Repayment of bank borrowings	(9,614)	(70,459)	(71,224)
Interest and finance charges paid	(5,309)	(3,305)	(5,366)
Repayments of lease liabilities	(1,914)	(5)	(5)
<b>Net cash inflow from financing activities</b>	<b>32,754</b>	18,061	15,985
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>38,541</b>	452	(8,547)
Cash and cash equivalents at beginning of year	16,051	24,090	24,090
Effects of movements in exchange rate on cash held	(100)	331	508
<b>Cash and cash equivalents at end of year</b>	<b>54,492</b>	24,873	16,051

The Consolidated Statement of Cash Flows presents cash flows from both Continuing and Discontinued operations of the cash balance at 30 June 2020 of £54,492,000, £nil has been classified as held for sale (note 9)

## Unaudited notes to the interim financial statements for period ended 30 June 2020

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### 1. Basis of preparation

Benchmark Holdings plc (the 'Company') is a company incorporated domiciled in the United Kingdom. These consolidated interim financial statements as at and for the nine months ended 30 June 2020 represents that of the Company and its subsidiaries (together referred to as the 'Group').

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 30 September 2019 ('last annual financial statements'). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. Statutory accounts for the year ended 30 September 2019 were approved by the Directors on 20 December 2019 and have been delivered to the Registrar of Companies. The audit report received on those accounts was unqualified and did not make a statement under section 498 of the Companies Act 2006 but did contain an emphasis of matter paragraph in relation to going concern.

#### Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Management Report.

As at 30 June 2020 the Group had net assets of £316.4m (30 September 2019: £310.5m), including cash of £54.5m (30 September 2019: £16.1m) as set out in the consolidated balance sheet. The Group made a loss for the year to date of £23.2m (12 months ending 30 September 2019: £83.1m). Drawings against the Group's USD 15m revolving credit facility were £nil at 30 June 2020 (30 September 2019: £nil).

As noted in the Management Report, the impact of the Covid-19 pandemic has affected parts of the group's businesses to varying degrees. The ultimate impact of the pandemic on industry, the economy, Benchmark's markets and its businesses remains to some extent uncertain. Our main markets have seen a continuation of the trends observed in Q2, with weak shrimp markets, resilient salmon markets and seabass/seabream markets which have experienced modest impact from Covid-19. The Directors monitor available market analysis and believe these conditions will remain for the rest of the year and into 2021. As the outlook for the salmon sector remains positive, and this underpins our Genetics and Health businesses, the group is well placed to deal with the uncertain global economic future ahead.

The directors have reviewed forecasts covering the period to September 2021 including downside sensitivity assumptions in relation to trading performance across the Group including supply, demand and pricing of key raw materials and products and the timing of trials relating to future products to assess the impact on the Group's trading and cashflow forecasts and on the forecast compliance with the covenants included within the Group's financing arrangements. Cash resources have been boosted by the successful disposal of the Improve International group during the period, the post period end disposal of the FVG group, the vaccines manufacturing business and FAI Farms Limited, and the ongoing cost base following these transactions has been significantly reduced.

The uncertainty relating to the future impact on the Group of the virus outbreak has been separately considered as part of the directors' assessment of the going concern assumption. The positive preventative measures implemented by management at an early stage in response to the pandemic continue to be in force where necessary. In the downside scenario analysis performed, the directors have considered the reasonably plausible impact of Covid-19 on the Group's trading and cashflow forecasts, modelling significant reductions in the revenues in the Advanced Nutrition and Animal Health divisions in the period to September 2021. The assumptions include a potential delay in launch of BMK08, delay in the expansion of SPR shrimp and a short-term further reduction in the demand for nutrition products. Mitigating measures within the control of management were implemented early in the pandemic and remain in place, including reductions in areas of discretionary spend, temporary furlough of certain staff or reduced working hours, deferral of capital projects and temporary hold on R&D for non-imminent products. Furthermore, the voluntarily 20% reduction in salary taken by the Board and Operating Board also remains in place.

It is difficult to predict the overall outcome and impact of the pandemic, but under all of the above scenario analysis, the Group has sufficient liquidity and resources throughout the period under review whilst still maintaining adequate headroom against the borrowing covenants. The directors therefore remain confident that the Group has adequate resources to continue to meet its liabilities as and when they fall due within the period of 12 months from the date of approval of these interim financial statements. Accordingly, the interim financial statements have been prepared on a going concern basis.

In the last annual financial statements it was disclosed that although the Directors believed it remained appropriate to prepare the financial statements on a going concern basis, a material uncertainty existed that may have 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

### **1. Basis of preparation (continued)**

its liabilities in the normal course of business. The last annual financial statements did not include any adjustments that would result from the basis of preparation being inappropriate. Based on the review and financing activities described above, and the greatly improved cash reserves now available, the Directors no longer believe this material uncertainty exists.

#### **Accounting policies**

The accounting policies adopted are consistent with those used in preparing the consolidated financial statements for the financial year ended 30 September 2019.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total earnings.

#### **Adoption of new and revised standards**

Since 1 October 2019, IFRS 16 Leases has been applied. The effects of this are set out in note 2.

The Group does not consider that any other standards, amendments or interpretations issued by the IASB, but not yet applicable, will have a significant impact on the financial statements.

#### **Alternative performance measures ('APMs')**

The Directors measure the performance of the Group based on a range of financial measures, including measures not recognised by EU-adopted IFRS. These APMs may not be directly comparable with other companies' APMs and the Directors do not intend these as a substitute for, or superior to, IFRS measures.

Directors have presented the performance measures Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit Before Tax because it monitors performance at a consolidated level using these and believes that these measures are relevant to an understanding of the Group's financial performance (see note 13).

#### **Use of estimates and judgements**

The preparation of interim financial information requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual amounts may differ from these estimates.

In preparing these interim financial statements the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 30 September 2019.

### **2. Changes in significant accounting policies**

The Group has adopted IFRS 16 Leases from 1 October 2019.

IFRS 16 superseded the previous lease guidance including IAS 17: "Leases" and related interpretations. It requires all leases to be recognised on the Balance Sheet, with certain exceptions for low-value leases and leases with a term of less than 12 months.

The impact of IFRS 16 on the Group has been to recognise a lease liability representing its obligation to make lease payments and a corresponding right-of-use asset representing its right to use the underlying asset in the Balance Sheet for leases currently classified as operating leases, except for short-term leases and leases of low value assets. The nature of expenses related to these leases has now changed because the Group now recognises a depreciation charge for right of use assets and interest expense on lease liabilities.

IFRS 16 has been adopted for the year ending 30 September 2020 using the modified retrospective approach. The right-of-use asset recognised on transition has been measured at an amount materially equal to the lease liability, which has been measured at the present value of the future lease payments discounted using the discount rate implicit in the lease (or if that rate could not be readily determined, the lessee's incremental borrowing rate). Therefore, no adjustment to the opening balance of retained earnings at 1 October 2019 has been necessary along with no restatement of comparative information.

## 2. Changes in significant accounting policies (continued)

The impact of IFRS 16 on the Income Statement for the 9-month period ended 30 June 2020 for continuing operations has been an increase to operating profit of £1.5m, an increase in finance costs of £0.3m, and an increase in depreciation of £1.0m and no change in loss on discontinued operations.

For arrangements previously classified as finance leases, where the Group is a lessee, as the Group had already recognised an asset and a related finance lease liability for the lease arrangement, there has been no impact on the amounts recognised in the Group's Consolidated Financial Statements, at 1 October 2019.

When measuring lease liabilities that were previously classified as operating leases, the Group discounted lease payments using relevant incremental borrowing rates at 1 October 2019. The weighted average applied is 5.6%.

### Changes in significant accounting policies

#### Reconciliation of right of use assets and liabilities

All figures in £000's

Operating lease commitments disclosed at 30 September 2019	9,528
Recognition exemption for leases of low-value assets	(3)
Recognition exemption for leases with less than 12 months of lease term remaining at transition	(914)
Discounted using the incremental borrowing rate at 1 October 2019	(2,473)
Finance lease liabilities recognised at 30 September 2019	590
Recognised within assets held for sale	(2,069)
<b>Lease liabilities recognised at 1 October 2019</b>	<b>4,659</b>

The Group presents lease liabilities within Loans and Borrowings. The carrying amount included within these at 30 June 2020 is as follows:

All figures in £000's

Current	2,482
Non-current	6,656
<b>Total</b>	<b>9,138</b>

## 3. Segment information

Operating segments are reported in a manner consistent with the reports made to the chief operating decision maker. It is considered that the role of chief operating decision maker is performed by the Board of Directors.

The Group operates globally and for management purposes is organised into reportable segments as follows:

- *Animal Health Division* – provides veterinary services, environmental services diagnostics and animal health products to global aquaculture, and manufactures licenced veterinary vaccines and vaccine components;
- *Benchmark Genetics Division* - harnesses industry leading salmon breeding technologies combined with state-of-the-art production facilities to provide a range of year-round high genetic merit ova;
- *Advanced Animal Nutrition Division* - manufactures and provides technically advanced nutrition and health products to the global aquaculture industry.

In addition to the above, reported as "all other segments" is the Knowledge Services division. The division is currently being divested, but has been engaged in providing sustainable food production consultancy, technical consultancy and assurance services and promotes sustainable food production and ethics through online news and technical publications for the international agriculture and food processing sectors and through delivery of training courses to the industries.

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

### 3. Segment information (continued)

#### 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.

#### Segmental Revenue

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	YTD 2019 (audited)
Animal Health	2,709	3,972	9,431	11,122	17,742
Genetics	7,166	7,116	29,670	29,718	39,696
Advanced Animal Nutrition	15,969	13,588	47,264	54,488	76,776
All other segments	1,955	4,355	8,876	12,619	15,881
Corporate	1,209	1,441	3,993	5,031	6,534
Inter-segment sales	(1,211)	(1,813)	(4,480)	(6,068)	(7,890)
<b>Total</b>	<b>27,797</b>	<b>28,659</b>	<b>94,754</b>	<b>106,910</b>	<b>148,739</b>

#### Segmental Adjusted EBITDA

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	YTD 2019 (audited)
Animal Health	(2,847)	(3,214)	(10,535)	(9,352)	(10,197)
Genetics	1,185	811	9,794	5,740	10,075
Advanced Animal Nutrition	2,787	1,361	6,086	10,928	15,406
All other segments	(299)	226	140	963	1,264
Corporate	(519)	(328)	(1,917)	(1,930)	(2,823)
<b>Total</b>	<b>307</b>	<b>(1,144)</b>	<b>3,568</b>	<b>6,349</b>	<b>13,725</b>

#### Reconciliations of segmental information to IFRS measures

##### Revenue

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	YTD 2019 Restated* (audited)
Total revenue per segmental information	27,797	28,659	94,754	106,910	148,739
Less: revenue from discontinued operations	(3,255)	(5,905)	(13,188)	(16,800)	(21,963)
<b>Consolidated revenue</b>	<b>24,542</b>	<b>22,754</b>	<b>81,566</b>	<b>90,110</b>	<b>126,776</b>

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

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	YTD 2019 Restated* (audited)
Total reportable segment Adjusted EBITDA	1,125	(1,042)	5,345	7,316	15,284
Other Segment and Corporate Adjusted EBITDA	(818)	(102)	(1,777)	(967)	(1,559)
	307	(1,144)	3,568	6,349	13,725
Less: Adjusted EBITDA from discontinued operations	37	(265)	(388)	(428)	(192)
Adjusted EBITDA from continuing operations	344	(1,409)	3,180	5,921	13,533
Exceptional including acquisition related items	(581)	(71)	(749)	(71)	(581)
Depreciation and impairment	(1,831)	(1,610)	(5,447)	(4,664)	(8,080)
Amortisation and impairment	(4,479)	(4,291)	(12,880)	(12,767)	(62,045)
Net finance costs	(1,988)	(4,603)	(11,544)	(6,645)	(12,054)
<b>Loss before taxation from continuing operations</b>	<b>(8,535)</b>	<b>(11,984)</b>	<b>(27,440)</b>	<b>(18,226)</b>	<b>(69,227)</b>

\*See note 5.



#### 4. Revenue

The Group's operations and main revenue streams are those described in its financial statements to 30 September 2019. The Group's revenue is derived from contracts with customers.

##### Disaggregation of revenue

In the following tables, revenue is disaggregated by primary geographical market and by sales of goods and services. The table includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see note 3).

##### Sale of goods and provision of services

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

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Sale of goods	1,986	6,456	15,953	177	-	-	24,572	899	23,673
Provision of services	643	822	-	1,760	-	-	3,225	2,356	869
Inter-segment sales	80	(112)	16	18	1,209	(1,211)	-	-	-
	2,709	7,166	15,969	1,955	1,209	(1,211)	27,797	3,255	24,542

###### 3 months ended 30 June 2019 (unaudited)

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Sale of goods	2,119	6,348	13,579	322	-	-	22,368	403	21,965
Provision of services	1,684	749	-	3,808	50	-	6,291	5,502	789
Inter-segment sales	169	19	9	225	1,391	(1,813)	-	-	-
	3,972	7,116	13,588	4,355	1,441	(1,813)	28,659	5,905	22,754

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

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Sale of goods	5,210	26,406	47,216	431	-	-	79,263	1,219	78,044
Provision of services	3,798	3,264	-	8,407	22	-	15,491	11,969	3,522
Inter-segment sales	423	-	48	38	3,971	(4,480)	-	-	-
	9,431	29,670	47,264	8,876	3,993	(4,480)	94,754	13,188	81,566

###### 9 months ended 30 June 2019 (unaudited)

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Sale of goods	6,239	27,040	54,450	964	-	-	88,693	1,327	87,366
Provision of services	4,471	2,556	-	11,067	123	-	18,217	15,473	2,744
Inter-segment sales	412	122	38	588	4,908	(6,068)	-	-	-
	11,122	29,718	54,488	12,619	5,031	(6,068)	106,910	16,800	90,110

#### 4. Revenue (continued)

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

###### 12 months ended 30 September 2019 (audited)

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued Restated*	Continued Restated*
Sale of goods	10,582	36,270	76,707	1,168	-	-	124,727	2,202	122,525
Provision of services	6,582	3,285	-	13,978	167	-	24,012	19,761	4,251
Inter-segment sales	578	141	69	735	6,367	(7,890)	-	-	-
	17,742	39,696	76,776	15,881	6,534	(7,890)	148,739	21,963	126,776

\*See note 5.

##### Primary geographical markets

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

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Faroe Islands	-	1,599	3	-	-	-	1,602	-	1,602
Greece	-	20	1,031	-	-	-	1,051	-	1,051
Norway	322	3,098	205	-	-	-	3,625	318	3,307
India	3	-	2,085	-	-	-	2,088	-	2,088
UK	658	1,225	20	1,341	-	-	3,244	1,710	1,534
Singapore	-	-	2,390	-	-	-	2,390	-	2,390
Ecuador	-	-	1,550	-	-	-	1,550	-	1,550
Chile	1,084	-	-	-	-	-	1,084	483	601
Rest of Europe	537	890	775	509	-	-	2,711	653	2,058
Rest of World	25	446	7,894	87	-	-	8,452	91	8,361
Inter-segment sales	80	(112)	16	18	1,209	(1,211)	-	-	-
	2,709	7,166	15,969	1,955	1,209	(1,211)	27,797	3,255	24,542

###### 3 months ended 30 June 2019 (unaudited)

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Faroe Islands	-	1,907	-	-	-	-	1,907	-	1,907
Greece	2	22	1,891	-	-	-	1,915	-	1,915
Norway	961	2,719	176	-	-	-	3,856	396	3,460
India	-	-	1,614	-	-	-	1,614	-	1,614
UK	803	331	46	2,351	50	-	3,581	2,892	689
Singapore	-	-	1,275	-	-	-	1,275	-	1,275
Ecuador	-	-	2,115	-	-	-	2,115	-	2,115
Chile	1,478	301	16	-	-	-	1,795	569	1,226
Rest of Europe	391	1,437	664	1,328	-	-	3,820	1,478	2,342
Rest of World	168	380	5,782	451	-	-	6,781	570	6,211
Inter-segment sales	169	19	9	225	1,391	(1,813)	-	-	-
	3,972	7,116	13,588	4,355	1,441	(1,813)	28,659	5,905	22,754

#### 4. Revenue (continued)

Primary geographical markets (continued)

9 months ended 30 June 2020 (unaudited)

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Faroe Islands	34	5,165	4	-	-	-	5,203	-	5,203
Greece	-	61	5,025	-	-	-	5,086	-	5,086
Norway	1,429	13,974	446	-	-	-	15,849	1,145	14,704
India	6	-	4,642	-	-	-	4,648	3	4,645
UK	1,911	5,581	74	5,795	22	-	13,383	7,138	6,245
Singapore	7	-	4,255	-	-	-	4,262	9	4,253
Ecuador	-	-	5,412	-	-	-	5,412	-	5,412
Chile	3,256	24	16	-	-	-	3,296	1,158	2,138
Rest of Europe	1,535	3,324	3,870	2,546	-	-	11,275	3,167	8,108
Rest of World	830	1,541	23,472	497	-	-	26,340	568	25,772
Inter-segment sales	423	-	48	38	3,971	(4,480)	-	-	-
	9,431	29,670	47,264	8,876	3,993	(4,480)	94,754	13,188	81,566

9 months ended 30 June 2019 (unaudited)

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Faroe Islands	126	6,323	1	-	-	-	6,450	-	6,450
Greece	19	66	6,023	-	-	-	6,108	-	6,108
Norway	1,922	14,158	381	-	-	-	16,461	1,160	15,301
India	-	-	11,259	-	-	-	11,259	-	11,259
UK	2,131	2,757	175	7,082	123	-	12,268	8,718	3,550
Singapore	17	-	6,724	-	-	-	6,741	17	6,724
Ecuador	-	-	6,457	-	-	-	6,457	-	6,457
Chile	3,763	1,966	33	-	-	-	5,762	1,190	4,572
Rest of Europe	1,857	3,276	5,711	3,765	-	-	14,609	4,352	10,257
Rest of World	875	1,049	17,686	1,185	-	-	20,795	1,363	19,432
Inter-segment sales	412	123	38	587	4,908	(6,068)	-	-	-
	11,122	29,718	54,488	12,619	5,031	(6,068)	106,910	16,800	90,110

#### 4. Revenue (continued)

##### Primary geographical markets (continued)

12 months ended 30 September 2019 (audited)

All figures in £000's	Animal Health	Genetics	Advanced Animal Nutrition	All other segments	Corporate	Inter-segment sales	Total	Discontinued	Continued
Faroe Islands	126	8,248	2	-	-	-	8,376	-	8,376
Greece	20	114	7,214	4	-	-	7,352	3	7,349
Norway	2,656	19,074	466	8	-	-	22,204	1,548	20,656
India	-	-	12,798	-	-	-	12,798	-	12,798
UK	2,831	3,397	255	8,544	167	-	15,194	10,718	4,476
Singapore	17	-	9,062	-	-	-	9,079	17	9,062
Ecuador	-	-	9,555	-	-	-	9,555	-	9,555
Chile	5,392	1,969	33	-	-	-	7,394	1,619	5,775
Rest of Europe	3,024	4,943	3,946	4,733	-	-	16,646	5,689	10,957
Rest of World	3,098	1,810	33,376	1,857	-	-	40,141	2,369	37,772
Inter-segment sales	578	141	69	735	6,367	(7,890)	-	-	-
	17,742	39,696	76,776	15,881	6,534	(7,890)	148,739	21,963	126,776

\* See note 5.

#### 5. Discontinued activities

In June 2019 the Group announced a programme of structural efficiencies which focused on the disposal and discontinuation of non-core activities. This programme primarily includes the businesses of Knowledge Services Division and the veterinary services business within Animal Health Division.

During Q1, a small non-core business within Advanced Animal Nutrition was put up for sale and a business within the Corporate category was closed. During Q2 research and development operations at two sites in the Animal Health division were closed. FY 2019 numbers have been restated to reflect these changes to the continuing business since they were previously reported. Q3 2019 and Q3 YTD 2019 figures have not been previously reported separately and so are not restated.

Consequently, these operations have been classified as discontinued and part of the disposal group is presented as held for sale (See note 9). The disposal group includes assets and liabilities within the Knowledge Services, Animal Health and Advanced Animal Nutrition segments.

#### Summary of restatement of FY 2019 results as reported at Q1, Q2 and Q3 financial statements

All figures in £000's	Continuing operations		Discontinued operations	
	Revenue	Adjusted EBITDA	Loss from continuing operations	Loss from discontinued operations
As stated in FY 2019 financial statements	127,343	12,051	(73,291)	(9,789)
Reclassified in Q1	(567)	899	2,841	(2,841)
As restated in Q1 2020 financial statements	126,776	12,950	(70,450)	(12,630)
Reclassified in Q2	-	2	583	(583)
As restated in Q2 2020 financial statements	126,776	12,952	(69,867)	(13,213)

## 5. Discontinued activities (continued)

The disposals, together with the cost reduction/cost containment plan and enhanced working capital management will allow the Company to reallocate resources to priority revenue generating strategic projects and to maintain adequate headroom. The timing and proceeds from these actions remain part of the plan to maintain sufficient liquidity to execute the Group's product development programme and to support its Continuing Operations.

Significant progress in selling the disposal group had been made by 30 June 2020. On 23 June 2020, the Group divested its global provider of Continuing Professional Development training for veterinary professionals, Improve International Limited and its subsidiaries ("Improve"). Total consideration for Improve is up to £12.8m of which £11.8m has been recognised at fair value (see table below). In addition, on 1 January 2020, the Group divested its TomAlgae subsidiary for nominal proceeds. The business was in the R&D phase and required significant further investment to bring a commercial product to market.

On 7 February 2020, the Group disposed of Aquaculture UK, its conferencing business, for initial consideration of £1.5m which could rise to £2.0m depending on the revenue outcome of the next event. Sales of the Group's Online News Publications, for a combined total cash consideration of £0.6m have completed in the period.

Further transactions since the reporting date are detailed in note 12.

### Effects of disposals of subsidiaries on the financial position of the Group

All figures in £000's	Improve	TomAlgae	Total
<b>Assets</b>			
Property, plant and equipment (including Right of use assets)	1,588	-	1,588
Intangible assets	4,109	-	4,109
Inventories	164	68	232
Trade and other receivables	4,928	6	4,934
Cash and cash equivalents	4,363	243	4,606
Trade and other payables	(9,048)	(316)	(9,364)
Corporation tax liability	(59)	(1)	(60)
Deferred tax	(178)	-	(178)
<b>Net assets and liabilities</b>	<b>5,867</b>	<b>-</b>	<b>5,867</b>
Total consideration	11,760	22	11,782
Less: Fair value of contingent consideration	(1,778)	(22)	(1,800)
Less: Disposal costs deducted from cash proceeds	(351)	-	(351)
Consideration received in cash	9,631	-	9,631
Cash and cash equivalents disposed of	(4,363)	(243)	(4,606)
<b>Net cash inflow/(outflow)</b>	<b>5,268</b>	<b>(243)</b>	<b>5,025</b>

## 5. Discontinued activities (continued)

### Results from discontinued operations

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	FY 2019 Restated* (audited)
<b>Revenue</b>	<b>3,255</b>	5,905	13,188	16,800	21,963
Cost of sales	<b>(1,670)</b>	(3,275)	(7,017)	(9,582)	(12,625)
<b>Gross profit</b>	<b>1,585</b>	2,630	6,171	7,218	9,338
Research and development costs	<b>(15)</b>	(88)	(140)	(180)	(263)
Other operating costs	<b>(1,607)</b>	(2,277)	(5,643)	(6,610)	(8,883)
<b>Adjusted EBITDA</b>	<b>(37)</b>	265	388	428	192
Exceptional - restructuring/acquisition related items	<b>4,713</b>	(291)	5,111	(291)	(745)
<b>EBITDA</b>	<b>4,676</b>	(26)	5,499	137	(553)
Depreciation and impairment	<b>(687)</b>	(552)	(906)	(2,276)	(9,147)
Amortisation and impairment	<b>(379)</b>	(221)	(379)	(748)	(4,042)
<b>Operating loss</b>	<b>3,610</b>	(799)	4,214	(2,887)	(13,742)
Finance costs	<b>(24)</b>	-	(83)	-	-
<b>Profit/(loss) before taxation</b>	<b>3,586</b>	(799)	4,131	(2,887)	(13,742)
Tax on profit/(loss)	<b>(27)</b>	(19)	(110)	(24)	529
<b>Profit/(loss) from discontinued operations</b>	<b>3,559</b>	(818)	4,021	(2,911)	(13,213)

### Exceptional - restructuring/acquisition related items – discontinued operations

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	FY 2019 Restated* (audited)
Profit on disposal of business	<b>482</b>	-	1,829	-	-
Profit on disposal of subsidiaries	<b>5,564</b>	-	5,564	-	-
Provisions for onerous leases	-	-	-	-	(349)
Salary costs	<b>(447)</b>	(89)	(741)	(89)	(99)
Cost of sales	-	(202)	(22)	(202)	(297)
Legal and professional fees	<b>(760)</b>	-	(1,040)	-	-
Other	<b>(126)</b>	-	(479)	-	-
<b>Total exceptional items recognised on discontinued operations</b>	<b>4,713</b>	(291)	5,111	(291)	(745)

## 5. Discontinued activities (continued)

### Results from discontinued operations by segment

	Animal Health	Knowledge Services	Advanced Animal Nutrition	Corporate	Total Discontinued
All figures in £000's	Q3 2020 (unaudited)	Q3 2020 (unaudited)	Q3 2020 (unaudited)	Q3 2020 (unaudited)	Q3 2020 (unaudited)
Revenue	1,318	1,937	-	-	3,255
Adjusted EBITDA	207	(234)	-	(10)	(37)
Operating profit/(loss)	(66)	3,841	12	(177)	3,610

	Animal Health	Knowledge Services	Advanced Animal Nutrition	Corporate	Total Discontinued
All figures in £000's	Q3 2019 (unaudited)	Q3 2019 (unaudited)	Q3 2019 (unaudited)	Q3 2019 (unaudited)	Q3 2019 (unaudited)
Revenue	1,614	4,129	114	48	5,905
Adjusted EBITDA	63	354	(86)	(66)	265
Operating loss	(118)	(504)	(110)	(67)	(799)

	Animal Health	Knowledge Services	Advanced Animal Nutrition	Corporate	Total Discontinued
All figures in £000's	YTD Q3 2020 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2020 (unaudited)
Revenue	4,325	8,838	2	23	13,188
Adjusted EBITDA	66	591	(118)	(151)	388
Operating profit/(loss)	(543)	5,532	(369)	(406)	4,214

	Animal Health	Knowledge Services	Advanced Animal Nutrition	Corporate	Total Discontinued
All figures in £000's	YTD Q3 2019 (unaudited)	YTD Q3 2019 (unaudited)	YTD Q3 2019 (unaudited)	YTD Q3 2019 (unaudited)	YTD Q3 2019 (unaudited)
Revenue	4,520	12,030	129	121	16,800
Adjusted EBITDA	(146)	1,193	(415)	(204)	428
Operating loss	(696)	(1,497)	(488)	(206)	(2,887)

	Animal Health	Knowledge Services	Advanced Animal Nutrition	Corporate	Total Discontinued
All figures in £000's	FY 2019 Restated* (audited)	FY 2019 Restated* (audited)	FY 2019 Restated* (audited)	FY 2019 Restated* (audited)	FY 2019 Restated* (audited)
Revenue	6,255	15,141	400	167	21,963
Adjusted EBITDA	(294)	1,386	(609)	(291)	192
Operating loss	(1,030)	(9,218)	(3,201)	(293)	(13,742)

## 6. Exceptional - restructuring/acquisition related items

Items that are material because of their size or nature, non-recurring and whose significance is sufficient to warrant separate disclosure and identification within the consolidated financial statements are referred to as exceptional items. The separate reporting of exceptional items helps to provide an understanding of the Group's underlying performance.

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	FY 2019 Restated* (audited)
Acquisition related items	-	8	-	8	82
Exceptional restructuring costs	(581)	(79)	(749)	(79)	(663)
<b>Total exceptional items</b>	<b>(581)</b>	<b>(71)</b>	<b>(749)</b>	<b>(71)</b>	<b>(581)</b>

\* See note 5.

Exceptional expenses in Q3 2020 include £514,000 (YTD Q3 2020: £676,000) of staff costs and £67,000 (YTD Q3 2020: £73,000) of legal and professional costs relating to the ongoing restructuring of the group.

## 7. Taxation

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	Q3 YTD 2020 (unaudited)	Q3 YTD 2019 (unaudited)	FY 2019 Restated* (audited)
<b>Current tax expense</b>					
Analysis of charge in period					
<b>Current tax:</b>					
Current income tax expense on profits for the period	(328)	(879)	(2,634)	(4,053)	(4,258)
Adjustment in respect of prior periods	-	-	-	-	(76)
<b>Total current tax charge</b>	<b>(328)</b>	<b>(879)</b>	<b>(2,634)</b>	<b>(4,053)</b>	<b>(4,334)</b>
<b>Deferred tax expense</b>					
Origination and reversal of temporary differences	908	1,182	2,857	3,609	4,499
Deferred tax movements in respect of prior periods	-	-	-	-	(805)
<b>Total deferred tax credit</b>	<b>908</b>	<b>1,182</b>	<b>2,857</b>	<b>3,609</b>	<b>3,694</b>
<b>Total tax credit/(charge) on continuing operations</b>	<b>580</b>	<b>303</b>	<b>223</b>	<b>(444)</b>	<b>(640)</b>

\* see note 5



## 8. Earnings/loss per share

Basic earnings/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.

	Q3 2020 (unaudited)	Q3 2019 (unaudited)	Q3 YTD 2020 (unaudited)	Q3 YTD 2019 (unaudited)	FY 2019 Restated* (audited)
<b>(Loss)/profit attributable to equity holders of the parent (£000)</b>					
Continuing operations	(7,972)	(11,702)	(27,404)	(19,137)	(70,644)
Discontinued operations	3,559	(818)	4,021	(2,911)	(13,213)
Total	(4,413)	(12,520)	(23,383)	(22,048)	(83,857)
<b>Weighted average number of shares in issue (thousands)</b>					
	667,596	558,118	611,301	557,721	557,887
<b>Basic earnings/(loss) per share (pence)</b>					
Continuing operations	(1.19)	(2.10)	(4.48)	(3.43)	(12.66)
Discontinued operations	0.53	(0.14)	0.65	(0.52)	(2.37)
Total	(0.66)	(2.24)	(3.83)	(3.95)	(15.03)

\* see note 5.

Diluted earnings/loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. This is done by calculating the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options and warrants. The number of shares calculated above is compared with the number of shares that would have been issued assuming the exercise of the share options and warrants.

Therefore, the Company is required to adjust the earnings per share calculation in relation to the share options that are in issue under the Company's share-based incentive schemes, and outstanding warrants. However, as any potential ordinary shares would be anti-dilutive due to losses being made there is no difference between Basic loss per share and Diluted loss per share for any of the periods being reported.

At 30 June 2020, a total of 2,244,476 potential ordinary shares have not been included within the calculation of statutory diluted loss per share for the period (30 September 2019: 2,962,168) as they are anti-dilutive. These potential ordinary shares could dilute earnings/loss per share in the future.

## 9. Assets and liabilities held for sale

As stated in note 5, during the previous financial year, management committed to a plan to sell or close certain businesses. Where, for the businesses concerned, the applicable criteria for inclusion as held for sale have been met the assets and liabilities of these businesses have been presented as held for sale.

### Assets held for sale

All figures in £000's

Property, plant and equipment	1,977
Right of use assets	743
Intangible assets	496
Deferred tax asset	267
Inventories	580
Biological and agricultural assets	207
Trade and other receivables	5,542
Cash and cash equivalents	-
<b>Total Assets held for sale</b>	<b>9,812</b>

### Liabilities directly associated with the assets held for sale

All figures in £000's

Trade and other payables	(2,452)
Loans and borrowings	(1,321)
Corporation tax liability	(11)
Provisions	(15)
<b>Total liabilities directly associated with the assets held for sale</b>	<b>(3,799)</b>

### Measurement of fair values

*Fair value hierarchy* - The fair value measurement for the disposal group has been categorized as a Level 3 fair value based on the inputs to the valuation technique used.

*Valuation technique and significant unobservable inputs* - A market approach valuation technique was applied in measuring the fair value of the assets and liabilities held for sale as adjusted for intercompany and cash balances.

## 10. Loans and borrowings

The Group's borrowing facilities includes a USD 15m RCF provided by DNB Bank ASA (50%) and HSBC UK Bank PLC (50%). At 30 June 2020 the whole facility (USD 15m) was undrawn.

## 11. Share capital and share premium

	Number	Share Capital £000	Additional paid-in share capital £000
<b>Allotted, called up and fully paid</b>			
<b>Ordinary shares of 0.1 penny each</b>			
Balance at 30 September 2019	558,741,439	559	358,044
Shares issued through placing and open offer	107,440,766	107	41,557
Exercise of share options	1,446,864	2	-
<b>Balance at 30 June 2020</b>	<b>667,629,069</b>	<b>668</b>	<b>399,601</b>

On 19 February 2020, the Company issued 91,000,000 new Ordinary Shares by way of a placing and 16,440,766 new Ordinary Shares by way of an open offer to qualifying shareholders, both at an issue price of 40p. Gross proceeds of £36.4m for the placing shares and £6.6m for the open offer shares were received 19 and 20 February 2020 respectively. Non-recurring costs of £1.3m were incurred in relation to the share issues and this has been charged to the share premium account.

## 12. Subsequent event

After the period end, further progress on the Group's programme of structural efficiencies has been made. On 1 July 2020 the Group completed the sale of Fish Vet Group Limited and its subsidiaries to Pharmaq, part of the global animal health company Zoetis, for a total cash consideration of between £14.4m and £14.7m. The sale comprises Benchmark's veterinary and diagnostic services activities in the UK, Ireland, Norway and Chile.

On 31 July 2020, the Group completed the sale of its vaccine manufacturing facility at Braintree, UK to Cell and Gene Therapy Catapult for £16m in cash. Exit and transaction costs are estimated to be c.£4m. This is part of a £100m investment by the UK Government to develop the Cell and Gene Therapy Catapult Manufacturing Innovation Centre to manufacture millions of doses of COVID-19 vaccines per month. On the same date, the Group sold its publishing business for cash consideration of £0.1m.

On 10 August, the Group completed the sale of its subsidiary FAI Farms Limited whose activities include consultancy in the food and farming sectors, research and development in sustainable food production, and commercial farming. The business was sold to members of its management team for cash consideration was £0.1m.

On 24 July 2020, the Group exited a vaccine development agreement with Evax AG. In settlement, the Group will receive consideration of £1.0m receivable in September 2020 and up to a further £1.0m depending on certain future conditions being met.

### 13. Alternative profit measures and other metrics

Management has presented the performance measures Adjusted EBITDA, Adjusted Operating Profit and Adjusted Profit Before Tax because it monitors performance at a consolidated level using these and believes that these measures are relevant to an understanding of the Group's financial performance.

Adjusted EBITDA which reflects underlying profitability, is earnings before interest, tax, depreciation, amortisation, impairment, exceptional items and acquisition related expenditure and is shown on the Income Statement.

Adjusted Operating Profit/Loss is operating loss before exceptional items including acquisition related items and amortisation and impairment of intangible assets excluding development costs as reconciled below.

Adjusted Profit/Loss Before Tax is earnings before tax, amortisation and impairment of intangibles assets excluding development costs, exceptional items and acquisition related expenditure as reconciled below. These measures are not defined performance measures in IFRS. The Group's definition of these measures may not be comparable with similarly titled performance measures and disclosures by other entities.

#### Reconciliation of Adjusted Operating Profit/(Loss) to Operating Loss

##### Continuing operations

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	Q3 YTD 2020 (unaudited)	Q3 YTD 2019 (unaudited)	FY 2019 Restated* (audited)
<b>Revenue</b>	<b>24,542</b>	22,754	81,566	90,110	126,776
Cost of sales	<b>(14,425)</b>	(11,070)	(42,352)	(45,113)	(60,303)
<b>Gross profit</b>	<b>10,117</b>	11,684	39,214	44,997	66,473
Research and development costs	<b>(1,618)</b>	(3,537)	(8,297)	(9,064)	(12,587)
Other operating costs	<b>(7,969)</b>	(9,389)	(27,942)	(29,580)	(39,939)
Depreciation and impairment	<b>(1,831)</b>	(1,610)	(5,447)	(4,664)	(8,080)
Amortisation of capitalised development costs	-	-	-	-	-
Share of profit of equity accounted investees net of tax	<b>(186)</b>	(167)	205	(432)	(414)
<b>Adjusted Operating (Loss)/Profit</b>	<b>(1,487)</b>	(3,019)	(2,267)	1,257	5,453
Exceptional - restructuring acquisition related items	<b>(581)</b>	(71)	(749)	(71)	(581)
Amortisation and impairment of intangible assets excluding development costs	<b>(4,479)</b>	(4,291)	(12,880)	(12,767)	(62,045)
<b>Operating loss</b>	<b>(6,547)</b>	(7,381)	(15,896)	(11,581)	(57,173)

#### Reconciliation of Loss Before Taxation to Adjusted Loss Before Tax

##### Continuing operations

All figures in £000's	Q3 2020 (unaudited)	Q3 2019 (unaudited)	Q3 YTD 2020 (unaudited)	Q3 YTD 2019 (unaudited)	FY 2019 Restated* (audited)
<b>Loss before taxation</b>	<b>(8,535)</b>	(11,984)	(27,440)	(18,226)	(69,227)
Exceptional - restructuring/acquisition related items	<b>581</b>	71	749	71	581
Amortisation and impairment of intangible assets excluding development costs	<b>4,479</b>	4,291	12,880	12,767	62,045
<b>Adjusted Loss Before Tax</b>	<b>(3,475)</b>	(7,622)	(13,811)	(5,388)	(6,601)

\* See note 5.

### 13. Alternative profit measures and other metrics (continued)

#### Liquidity

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

	<b>30 June 2020</b>
All figures in £000's	<b>(unaudited)</b>
Cash and cash equivalents	<b>54,492</b>
Undrawn bank facility	<b>12,128</b>
	<b>66,620</b>

#### 14. Net debt

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

	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 September</b>
All figures in £000's	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>2019</b>
			<b>(audited)</b>
Cash and cash equivalents	<b>54,492</b>	24,873	16,051
Loans and borrowings – current	<b>(4,809)</b>	(2,283)	(3,231)
Loans and borrowings – non-current	<b>(104,335)</b>	(100,882)	(99,961)
	<b>(54,652)</b>	(78,292)	(87,141)

Following the adoption of IFRS 16 from 1 October 2019, lease obligations of £8.6m (30 June 2019: £nil; 30 September 2019: £nil) have been included in loans and borrowings above relating to operating lease arrangements.