



Benchmark®

Benchmark Holdings plc,
4 Park Square,
Thorncliffe Business Park,
Sheffield S35 2PH

info@benchmarkplc.com
benchmarkplc.com

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This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your broker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your shares in Benchmark Holdings plc, please forward this letter and the accompanying documents to the purchaser, transferee or to the broker or agent through whom you made the sale or transfer was effected for transmission to the purchaser or the transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction.

Benchmark Holdings plc

(Incorporated in England and Wales with registered number 04115910)

Registered office:
Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH

Directors:
Trond Williksen
Septima Maguire
Kristian Eikre
Peter George
Yngve Myhre
Torgeir Svae
Marie Danielsson
Jonathan Esfandi

22 January 2024

To shareholders of Benchmark Holdings plc and, for information only, to holders of convertible securities, options or subscription rights and persons with information rights.

Dear Shareholder,

Strategic review and formal sale process by Benchmark Holdings plc (Company)

As you may be aware, on 22 January 2024, the Company announced that it will undertake a formal review of its strategic options (**Strategic Review**) including, but not limited to, a sale of the Company as a whole or alternatively the potential sale of one or more individual business units, and that it will conduct a formal sale process (**FSP**) (**Announcement**).

The full text of the Announcement is enclosed with this letter, as required under Rule 2.11 of the City Code on Takeovers and Mergers (**Code**).

Although the Announcement has put the Company into what is known as an "offer period" under the Code, there can be no certainty that any offers will be made for the Company as a whole or for one or more individual business units.

This letter is not to be taken as a summary of the information in the Announcement and should not be regarded as a substitute for reading the Announcement in full.

A copy of this letter, including the full text of the Announcement and all other information, documents and announcements relating to the Strategic Review and the FSP, will remain available during the course of the offer period on the Company's website at <https://www.benchmarkplc.com/investors/strategic-review/>.

Yours faithfully



Peter George
Chairman

Availability of hard copies

If you received this letter and the attached announcement in electronic form you may request a hard copy of the documents by contacting the Company's Registrar, Equiniti Limited, by telephone on 0371 384 2417 or by submitting a request in writing addressed to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. It is important that you note that unless you make such a request, a hard copy of the documents will not be sent to you. You may also request that all future documents, announcements and information to be sent to you in relation to any offer or the formal sale process should be in hard copy form.

Directors' responsibility statement

The Directors of the Company accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. This is for information purposes only and does not constitute an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, pursuant to the possible offer or otherwise.

Provision of addresses, electronic addresses and other details

Please note that addresses, electronic addresses and certain other information provided by the shareholders of the Company, persons with information rights and other relevant persons for the receipt of communications from the Company may be provided to any offeror during the offer period as required under Section 4 of Appendix 4 of the Code.

Dealing disclosure requirements

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Code applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Code applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when

the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

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THIS IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE “CODE”) AND THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE, NOR AS TO THE TERMS ON WHICH ANY OFFER MIGHT BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

FOR IMMEDIATE RELEASE

22 January 2024

Benchmark Holdings plc

Strategic Review, Formal Sale Process and Commencement of Offer Period

Benchmark Holdings plc (“Benchmark” or the “Company”), is a market leading aquaculture genetics, nutrition, and health business, delivering advanced biotechnology products and solutions that enable the aquaculture industry to improve its productivity and sustainability, helping address the need for sustainable aquatic food to feed a growing global population.

The Company is a supplier of choice for aquaculture producers worldwide with market leading positions in genetics, early-stage nutrition and sea lice solutions and well invested infrastructure to support growth. The Company’s specialised mission critical products and solutions reflect decades of invested capital, IP and expertise, which the Board believes are very difficult to replicate.

The Company’s genetics strategy is innovation-led, employing a world-leading team of geneticists who apply the latest technologies on the Company’s four breeding programmes to deliver continuous genetic improvement in growth and disease resistance. In nutrition, through INVE, Benchmark delivers advanced nutrition solutions focused on the early stages of shrimp and marine fish production, which require specialist nutrition protocols and technical support, translating into attractive margins. The health business area addresses sea lice, one of the largest sustainability challenges for salmon farmers globally, through veterinary medicinal treatments.

Management actions over the last three years have delivered substantial revenue growth and improvement in profitability and cash conversion. Since FY20, Benchmark’s revenue from continuing operations has grown from £105.4m to £169.5m in FY23 and Adjusted EBITDA has increased from £15.5m to £35.5m. The Company is well positioned with a strong balance sheet and significant headroom to grow within its existing markets, as well as multiple potential avenues for expansion.

For the full year ended 30 September 2023, Benchmark delivered 7% revenue growth¹, 15% increase in adjusted EBITDA¹ and improved its operational cash conversion from 35% to 58%, demonstrating continued progress in the year despite challenging conditions in the shrimp sector, one of the Company’s core markets.

¹ Growth from continuing operations (excluding movements in fair value of biological assets)

The Board believes that the current share price materially undervalues the combined value of Benchmark's businesses and the long-term prospects of the Company, which may at least in part be due to the tightly held and illiquid nature of its ordinary shares.

As a result, having consulted with the Company's major shareholders, the Board has unanimously decided to undertake a formal review of the Company's strategic options (the "**Strategic Review**") including, but not limited to, a sale of the Company as a whole or alternatively the potential sale of one or more individual business units, to establish whether there is a bidder or bidders prepared to offer a value for the Company or its individual business units that the Board considers attractive relative to the Board's view of intrinsic value.

In this context, the Company has agreed with the UK Takeover Panel (the "**Panel**") that any discussions in relation to an offer for the Company may take place within the context of a formal sale process (as set out in Note 2 on Rule 2.6 of the Code) to enable conversations with parties interested in making such a proposal to take place on a confidential basis. The Panel has granted a dispensation from the requirements of Rules 2.4(a), 2.4(b) and 2.6(a) of the Code such that any interested party participating in the formal sale process will not be required to be publicly identified as a result of this announcement and will not be subject to the 28 day deadline referred to in Rule 2.6(a), for so long as they are participating in the formal sale process.

Parties interested in making a proposal should contact Benchmark's financial advisers, Evercore and Rabobank, using the contact details below.

The Company intends to conduct a targeted process and the first phase will include the provision of an information pack, following which interested parties will be invited to submit non-binding indicative offers. As a condition to participation in the first phase, parties will be required to enter into a non-disclosure agreement and standstill arrangement with Benchmark on terms satisfactory to the Board of Benchmark and on the same terms, in all material respects, as other selected parties. It is currently expected that a select number of parties will be invited to participate in a second phase. Further announcements regarding timing and procedures for the formal sale process will be made as appropriate.

The Board reserves the right to alter any aspect of the process or to terminate it at any time and will make further announcements as appropriate. The Board also reserves the right to reject any approach or terminate discussions with any interested party or participant at any time.

The Company is not currently in any discussions with any potential offeror relating to an acquisition of the issued and to be issued share capital of the Company. Following this announcement, the Company is now considered to be in an "offer period" as defined in the Code, and the dealing disclosure requirements summarised below will apply.

Shareholders are advised that there can be no certainty that an offer for the Company will be made or a sale of individual business units undertaken, nor as to the terms on which any offer or sale will be made.

Enquiries:

For further information please contact:

Benchmark Holdings plc

Tel: 0114 240 9939

Ivonne Cantu, Investor Relations

Evercore (Financial Adviser to Benchmark)

Tel: 020 7653 6000

Simon Elliott, Julian Oakley, Julien Baril, Parul Seth

Rabobank (Financial Adviser to Benchmark)

Tel: +31 30 7122755

Reinier Henneman, Anders Rasmussen, Hans Pronk,
Benny Vossen**Deutsche Numis (Broker and NOMAD to Benchmark)**

Tel: 020 7260 1000

Freddie Barnfield, Duncan Monteith, Sher Shah

MHP Group (Press Enquiries)

Tel: 020 3128 8004

Katie Hunt, Reg Hoare

benchmark@mhpgroup.com

ABOUT BENCHMARK

Benchmark is a market leading aquaculture biotechnology company. Benchmark's mission is to drive sustainability in aquaculture by delivering products and solutions in genetics, advanced nutrition and health which improve yield, growth and animal health and welfare.

Through a global footprint in 26 countries and a broad portfolio of products and solutions, Benchmark addresses many of the major aquaculture species – salmon, shrimp, sea bass and sea bream, and tilapia, in all the major aquaculture regions around the world. Find out more at www.benchmarkplc.com.

MAR

The information contained within this announcement is considered by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"), and the UK version of MAR which is part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via a Regulatory Information Service and Newspoint, this inside information will be considered to be in the public domain.

PUBLICATION ON WEBSITE

A copy of this announcement will be made available at <https://www.benchmarkplc.com/> no later than 12:00 noon (London time) on 23 January 2024 (being the business day following the date of this announcement) in accordance with Rule 26.1 of the Code. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

RULE 2.9 INFORMATION

In accordance with Rule 2.9 of the Code, the Company confirms that, as at close of business on 19 January 2024, its issued share capital consisted of 739,370,757 ordinary shares of £0.001 each, with ISIN GB00BGHPT808, which carry voting rights of one vote per share. The Company does not hold any ordinary shares in treasury.

OTHER NOTICES

This announcement is not intended to and does not constitute an offer to buy or the solicitation of an offer to subscribe for or sell or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction. The release, publication or distribution of this announcement in whole or in part, directly or indirectly, in, into or from certain jurisdictions may be restricted by law and therefore persons in such jurisdictions should inform themselves about and observe such restrictions.

Evercore Partners International LLP ("**Evercore**"), which is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the UK, is acting exclusively as financial adviser to Benchmark and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than Benchmark for providing the protections afforded to clients of Evercore nor for providing advice in connection with the matters referred to herein. Neither Evercore nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Evercore in connection with this announcement, any statement contained herein, any offer or otherwise. Apart from the responsibilities and liabilities, if any, which may be imposed on Evercore by the Financial Services and Markets Act 2000, or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Evercore nor any of its affiliates accepts any responsibility or liability whatsoever for the contents of this announcement, and no representation, express or implied, is made by it, or purported to be made on its behalf, in relation to the contents of this announcement, including its accuracy, completeness or verification of any other statement made or purported to be made by it, or on its behalf, in connection with Benchmark or the matters described in this document. To the fullest extent permitted by applicable law, Evercore and its affiliates accordingly disclaim all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this announcement, or any statement contained herein.

Coöperatieve Rabobank U.A., acting through its Corporate Finance Advisory M&A department, is supervised by the European Central Bank (ECB) and is acting as exclusive financial adviser to Benchmark and to no other party in relation to the matters described in this announcement. Coöperatieve Rabobank U.A. is not responsible or liable to any other person in relation to the matters described in this announcement and third parties shall have no (direct or indirect) rights against Coöperatieve Rabobank U.A.

DISCLOSURE REQUIREMENTS OF THE CODE

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by

no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

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Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.