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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

FOR IMMEDIATE RELEASE

25 November 2024

Benchmark Holdings plc

Disposal of the Genetics Business

- *Enterprise value of up to £260 million*
- *Conclusion of the Strategic Review and termination of the formal sale process announced in January 2024*
- *Enables the Company to focus on its Advanced Nutrition and Health business areas, return capital to shareholders and creates an opportunity to reduce complexity and streamline the business*

Benchmark Holdings plc ("**Benchmark**", the "**Group**", or the "**Company**"), a market leading aquaculture genetics, specialist nutrition, and health business, is pleased to announce that it has entered into a binding agreement to sell the Company's genetics business area (by way of the disposal of Benchmark Genetics Limited and Benchmark Genetics Norway AS and their respective subsidiaries) (the "**Genetics Business**") to Starfish Bidco AS ("**Starfish Bidco**") (a wholly owned subsidiary of Novo Holdings A/S ("**Novo Holdings**")) representing an enterprise value of up to £260 million, including an initial consideration of £230 million and additional contingent consideration of up to £30 million (the "**Transaction**" or "**Disposal**").

Transaction highlights

- Enterprise value of up to £260 million, representing a multiple of 17.9x Adjusted EBITDA
- Initial consideration of £230 million (the "**Initial Consideration**")
- Additional contingent consideration of up to £30 million (the "**Earn-Out Consideration**"), based on the trading performance of the core salmon sub-segment of the Genetics Business for the period from 1 October 2024 to 30 September 2027 (the "**Earn-Out Period**")
- The Disposal will enable the Company to focus on its Advanced Nutrition and Health business areas (the "**Continuing Business**"), and creates an opportunity to reduce complexity and streamline the current Group structure to significantly reduce costs
- Net proceeds from the Disposal will be used to return capital to shareholders and to reduce the Company's leverage, by repaying the Group's unsecured floating rate listed green bond and drawn amounts under the Group's revolving credit facility provided by DNB Bank ASA in full, thereby strengthening the balance sheet of the Continuing Business
- Completion of the Disposal is expected during the first quarter of 2025 subject to shareholder approval and receipt of customary regulatory clearances ("**Completion**")

Conclusion of the Strategic Review and termination of the formal sale process

The Disposal concludes the previously announced Strategic Review. The board of the Company (the “**Board**”) has also decided to terminate the formal sale process under the City Code on Takeovers and Mergers (the “**Takeover Code**”) and is therefore no longer in an offer period under the Takeover Code.

Notice of Results

As announced separately today, the Company expects to release its full year results for the 12-month period ended 30 September 2024 on 12 December 2024.

Trond Williksen, Benchmark CEO, commented: *“I am pleased to announce this agreement to sell our genetics business to Novo Holdings. The Transaction will unlock significant value and enable us to return capital to shareholders.*

“The Disposal will also allow us to focus all our efforts on developing the significant potential of our continuing business areas, Advanced Nutrition and Health. In addition, it will enable us to reduce complexity and streamline the Group structure to significantly reduce costs.

“I would like to thank all our colleagues who have been working tirelessly this year to deliver a robust performance amidst difficult market conditions. Novo Holdings will be an excellent new owner of the genetics business and is in an ideal position to take the business forward.”

Aleks Engel, Partner at Novo Holdings, commented: *“We are very pleased to announce plans to acquire the Benchmark genetics business from Benchmark Holdings. Both animal and plant genetics hold immense potential to transform the global food industry, enabling more efficient and sustainable ways to feed a growing population. In particular, advancements in aquaculture genetics, such as those in the salmon industry, present significant opportunities to improve productivity, resilience, and environmental outcomes.”*

Background and rationale for the Disposal

As a result of discussions with its major shareholders, the Company announced on 22 January 2024 that it would 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.

The Board engaged professional advisers and launched a process to establish whether there would be a bidder or bidders prepared to offer a value for the Company or its individual business areas that it would consider attractive relative to the Board’s view of intrinsic value.

Having conducted a targeted but extensive process, Benchmark received a number of approaches from parties potentially interested in buying the Company and/or each of its individual business areas. Selected parties were invited to enter into a thorough due diligence process. Following a review of the proposals received, the Board resolved that the offer from Novo Holdings to acquire the Genetics Business represented the best option to unlock significant value for shareholders, and to best position the Company to realise the potential of the Continuing Business.

In reaching an agreement with Novo Holdings, the Board believes that it has achieved an attractive result for the Company and its shareholders. The Disposal represents an enterprise value of up to £260 million and a multiple of 17.9x Adjusted EBITDA.

Financial information in relation to the Genetics Business

For the last twelve months to 30 June 2024, the Genetics Business generated revenue of £57.0 million and adjusted EBITDA of £14.5 million (the “**Adjusted EBITDA**”). The net assets of the Genetics Business as at 30 June 2024 amounted to £52.8 million.

Strategy of the Continuing Business following the Disposal

The Disposal will enable the Company to focus on its Advanced Nutrition and Health business areas, which both have leading positions. The Group will maintain the strong financial discipline and commercial focus demonstrated over the recent years. The Disposal also creates an opportunity to reduce complexity and streamline the current Group structure to significantly reduce costs.

The Group’s strategy in Advanced Nutrition will continue to be focused on delivering specialist nutrition and health solutions that leverage our technical and innovation capabilities to aquaculture farmers globally. While conditions in the Company’s core cyclical shrimp market have been challenging in FY24, the business has delivered a solid performance year to date demonstrating resilience and commercial focus. Looking forward, we expect the business to benefit strongly as the shrimp markets recover.

In Health, following the significant reorganisation undertaken in FY24 to pivot the Company’s innovative sea lice solution, Ectosan® Vet and CleanTreat®, to a less capital-intensive model, we now have a profitable organisation. Our longstanding solution, Salmosan Vet®, continues to be a well-established sea lice treatment in the industry, and with Ectosan® Vet and CleanTreat®, we have strong potential for growth once a suitable customer-owned infrastructure is in place. We will continue to work with interested customers to develop the new business model.

The fundamentals of the Group’s business remain strong and with the Group’s leading positions, ongoing innovation and talented team there is substantial opportunity ahead.

It is currently expected that following the Disposal, the Company’s ordinary shares will remain admitted to trading on AIM and on Euronext Growth Oslo.

Further details on the strategy of the Continuing Business will be provided in due course.

Transaction and use of proceeds

The Transaction will be effected through the sale of the entire issued share capital of Benchmark Genetics Norway AS by Benchmark Genetics Limited to Starfish Bidco and the sale of the entire issued share capital of Benchmark Genetics Limited by the Company to Starfish Bidco. Completion is expected to occur, subject to shareholder approval and receipt of customary regulatory clearances, during the first quarter of 2025.

The Initial Consideration of £230 million is subject to customary adjustments by reference to completion accounts, based on the cash, debt and working capital position of the Genetics Business, as well as certain other specified liabilities agreed between Starfish Bidco and the Company.

After adjusting for the above (before any Earn-out Consideration is paid), the Transaction is expected to realise gross proceeds of approximately £200 million, payable in cash at Completion.

Following Completion, it is the Board's intention to use the proceeds from the Disposal to reduce leverage and return capital to shareholders. The Company will repay in full the Group's NOK750 million unsecured floating rate listed green bond and associated make-whole and swaps as well as the drawn amount, representing approximately £16 million as of 30 September 2024, under the Group's revolving credit facility provided by DNB Bank ASA. Further details of the capital return including the exact amount, its form and timing will be announced in due course.

As part of the Transaction, contingent Earn-Out Consideration of up to £30 million may also be payable by Starfish Bidco in cash subject to satisfaction of certain revenue-based milestones within the core salmon sub-segment of the Genetics Business, which incorporate revenue from salmon eggs and harvest income excluding Benchmark Genetics Chile SpA, during the Earn-Out Period. Any Earn-Out Consideration will be payable in a single instalment following the end of the Earn-Out Period.

Should the Company receive any or all of the Earn-Out Consideration, the Board, in consultation with shareholders as is practicable, will consider all options open to the Company at the time, including a return of capital to shareholders.

The Company has provided certain warranties and a tax covenant which are typical for a transaction of this nature, in respect of which the Company's liability is limited to £1, with Starfish Bidco's sole recourse being under a warranty and indemnity insurance policy.

The Company has entered into a transitional services agreement for the provision by the Company of limited operational (business as usual) services and migration services (transition assistance) to the Genetics Business and the provision by the Genetics Business of limited reverse services to the Company, in each case for a period of up to three months from Completion with options for the Genetics Business to renew for a period of a further six months subject to certain conditions following Completion

On Completion, the Company will enter into certain agreements, including a non-exclusive, worldwide, non-transferable, non-sublicensable, royalty-free and fully paid up licence, on a perpetual and (subject to termination rights under the licence) irrevocable basis, to the Genetics Business to exploit the trademarks relevant to the "Benchmark" name.

In view of the size of the Genetics Business, relative to the Company, the Disposal will result in a fundamental change of business of the Company for the purpose of Rule 15 of the AIM rules and it is therefore conditional upon the approval of shareholders at a general meeting, amongst other matters.

Certain shareholders have irrevocably undertaken to vote or procure to vote in favour of the resolution to be proposed at the general meeting in respect of 526,403,136 ordinary shares, in aggregate representing approximately 71.16 per cent. of the issued ordinary share capital of the Company as at 22 November 2024 (being the latest practicable date prior to the date of this announcement).

The resolution for the approval of the Disposal to be proposed at the general meeting is an ordinary resolution, requiring a simple majority only. Given the irrevocable undertakings received, it is expected that the resolution will be passed at the general meeting and that this condition therefore will be satisfied. Shareholders are reminded that the Disposal is also conditional upon receipt of merger control and foreign investment clearances.

A circular containing the notice of the general meeting will be published and a further announcement will be made in due course.

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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

ABOUT NOVO HOLDINGS A/S

Novo Holdings is a holding and investment company that is responsible for managing the assets and the wealth of the Novo Nordisk Foundation.

The purpose of Novo Holdings is to improve people's health and the sustainability of society and the planet by generating attractive long-term returns on the assets of the Novo Nordisk Foundation.

Wholly owned by the Novo Nordisk Foundation, Novo Holdings is the controlling shareholder of Novo Nordisk A/S and Novonosis A/S (Novozymes A/S) and manages an investment portfolio with a long-term return perspective.

In addition to managing a broad portfolio of equities, bonds, real estate, infrastructure and private equity assets, Novo Holdings is a world-leading life sciences investor. Through its Seed, Venture, Growth, Asia, Planetary Health and Principal Investments teams, Novo Holdings invests in life science companies at all stages of development.

As of year-end 2023, Novo Holdings had total assets of EUR 149 billion. www.novoholdings.dk

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 26 November 2024 (being the business day following the date of this announcement) in accordance with Rule 26.1 of the Takeover Code. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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