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Genus PLC
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Genus plc
('Genus' or the 'Group')

Strategic Porcine Multiplication Agreement in China

3 September 2014 - Genusplc (LSE: GNS), a leading global animal genetics company, is pleased to announce a new strategic agreement with River Stone Farm (Shandong) Co., Ltd ('Riverstone') to become the Group's first commercial multiplier in China. Riverstone is a joint venture between Black River Capital Partners Food Fund Holdings (Singapore) Pte Ltd ('Black River') and Pipestone System, a leading US pig management company. Under the terms of the multi-year agreement, Genus's porcine genetics division, Genus PIC, will exclusively stock and sustain Riverstone's new pig production project in China, with a total anticipated herd size of 24,000 sows.

China is the largest pork market worldwide and the agreement with Riverstone positions Genus for additional growth by providing significant new capacity without material upfront investment and with lower commodity risk exposure. It also enables the Group to develop its royalty revenue model in China, providing resilient revenue streams.

Riverstone's project comprises four breeding farms based in Shandong, eastern China, capable of producing in total more than 600,000 pigs for market every year. The first module of 6,200 pigs will be ready for stocking in the first quarter of 2015 and will produce grandparent and parent gilts for both Genus and Riverstone as well as supplying the market with prime slaughter pigs. As a result of the agreement, Genus will be able to access more than 10,000 grandparent gilts a year for sale to large-scale integrated producers.

The project also features a dedicated artificial insemination stud to house sire line boars for commercial pig production and dam line males for great-grandparent and grandparent matings. The genetic profile of the herd will be monitored and managed using Genus PIC's proprietary software and database to maximise the effectiveness of the genetic improvement programme. The database is the largest of its kind with tens of millions of pedigree, performance and genomic data points supporting accelerated genetic progress.

Karim Bitar, CEO of Genus, said,

"As the largest market for pork globally, we continue to see long-term growth potential in China. We are seeking to build capacity in the country, whilst reducing the upfront investment and exposure to commodity risk, and this first commercial multiplication partnership represents an important milestone in this strategy. We look forward to working with Riverstone to help provide Chinese consumers with safe, affordable and high quality pork."

Commenting on the agreement, Wei Guo, Director of Riverstone, said,

"Genus represents the industry leader in porcine genetics and we are excited to be working with Genus in order to achieve the growth opportunities in China. Riverstone's aim is to produce safe pork in an efficient and environmentally-friendly way. Partnering with Genus will enable us to focus on our commercial production to achieve this aim."

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This announcement is available on the Genus website www.genusplc.com

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About Genus
Genus creates advances to animal breeding and genetic improvement by applying biotechnology and sells added value products for livestock farming and food producers. Its technology is applicable across all livestock species and is currently commercialised by Genus in the dairy, beef and pork food production sectors.

Genus's worldwide sales are made in seventy countries under the trademarks 'ABS' (dairy and beef cattle) and 'PIC' (pigs) and comprise semen and breeding animals with superior genetics to those animals currently in production. Genus's customers' animals produce offspring with greater production efficiency, and quality, and use these to supply the global dairy and meat supply chain.

The Group's competitive edge has been created from the ownership and control of proprietary lines of breeding animals, the biotechnology used to improve them and its global supply chain, technical service and sales and distribution network.
www.genusplc.com

About Pipestone System
Pipestone System manages 170,000 sows on 40 production units in Minnesota, Iowa, Nebraska and South Dakota. In China, Pipestone already has management contracts with integrators Besun (a Genus PIC joint venture partner) and Shennong.
www.pipestonesystem.com

About Black River
Black River is a wholly owned subsidiary of Black River Capital Partners Fund (Food) LP, which is a private equity fund managed by Black River Asset Management LLC ('BRAM'). BRAM is a global asset management firm specialising in alternative investment strategies. Formed in 2003, it is an independently managed subsidiary of Cargill, Inc., a privately held corporation and one of the world's leading suppliers of food, agricultural and industrial products and services. BRAM's investment professionals are located in 12 countries spanning five continents.
www.black-river.com

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