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Genus PLC
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Genus plc ('Genus')

FINAL JURY DECISIONS IN US LITIGATION

Genus plc (LSE: GNS), a global pioneer in animal genetics, following the announcements last week, can now report the final jury verdicts in its litigation against Inguran LLC, operating as Sexing Technologies ('ST'), relating to ABS's Genus Sexed Semen ('GSS') processing technology.

At the trial, in the US District Court for the Western District of Wisconsin where the jury damages verdict was announced late on Friday 12 August, the jury found that Genus should pay ST an upfront payment of $750,000 and an ongoing royalty of $1.25 per straw on commercialisation of the GSS technology for the use of ST's US patent numbers 8,206,987, and $500,000 upfront and $0.50 per straw royalty for the 8,198,092 patent, both of which had been determined by the jury to be valid and infringed. In respect of ABS's breach of the confidentiality obligations under the 2012 semen sorting agreement between the parties, damages were determined by the jury to be $750,000.

In a verdict delivered on 10 August, the jury determined that ABS and Genus had proved that ST had wilfully maintained monopoly power in the market for sexed bovine semen processing in the US since July 2012. The jury also found that Genus had not proved that it had suffered injury to date as a result of ST's wilful maintenance of monopoly power. Following the verdict on wilful maintenance of monopoly power by ST, Genus has now sought an injunction from the court to allow, among other things, ABS to terminate the 2012 semen sorting agreement on ninety days notice and to provide relief from the restrictive provisions under that agreement. Genus plans to commercialise its GSS technology in the US and globally and introduce competition into the market.

GSS is a novel technology for sexing bovine semen that does not subject the sperm cells to high pressures and forces. Dairy farmers have a preference for female calves, and the use of gender skewed sexed semen in artificial insemination provides customers with female calves from ABS's elite genetic lines. The commercial launch of GSS product would provide ABS customers and third party bull studs with an alternative service provider and increased competition in the market for the processing of sexed bovine semen.

Genus is now awaiting the court's decision on its request for an injunction and is considering other post verdict motions. Genus will update the market as further court rulings are made.

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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 over seventy-five countries under the trademarks 'ABS' (dairy and beef cattle) and 'PIC' (pigs) and comprise semen, embryos 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.

With headquarters in Basingstoke, United Kingdom, Genus companies operate in over twenty-five countries on six continents, with research laboratories located in Madison, Wisconsin, USA.

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