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Genus PLC
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Genus plc

('Genus')

OUTCOME IN LATEST INTELLIGEN LITIGATION

Genus plc (LSE: GNS), a global pioneer in animal genetics, announces that on 9 September 2019 the jury in the US District Court for the Western District of Wisconsin held that Genus' sexing semen technology, sold by ABS Global, Inc. ("**ABS**") under the IntelliGen brand, infringed three patents asserted by Inguran, LLC and Cytonome/ST, LLC (collectively "**ST**").

This litigation is part of a long-running dispute since 2014 between ABS and ST in connection with the development and launch of Genus' sexed semen technology, a proprietary product which competes with ST in the market for processing sexed bovine semen. In the first litigation, commenced in 2014, the Court found that ST had wilfully maintained an illegal monopoly in the US market for sexed bovine semen processing, but also found, among other things, that ABS infringed US Patent No. 8,206,987 (**'987"**). On appeal, the '987 patent was sent back to the Court for re-trial.

In June 2017, ST filed patent infringement proceedings against ABS, Genus and Premium Genetics (UK) Limited in the US District Court for the Western District of Wisconsin. The second litigation alleged that ABS' IntelliGen technology infringed seven ST patents and asserted trade secret and breach of contract claims. Prior to the trial, ABS successfully invalidated or demonstrated non-infringement of five of the seven patents and dismissed the trade secret and breach of contract claims.

On 9 September 2019, the jury held that the IntelliGen technology infringed the '987 patent along with US patents 7,311,476 ("'**476**") and 7,611,309 ("'**309**") and that ST was not in material breach of the 2012 Semen Sorting Agreement between the parties.

The infringement of the '987 patent confirms ABS' existing obligation to pay a royalty of $1.25 for each straw of sexed semen produced in the US. The jury will now consider damages that flow from the infringement of the '476 and '309 patents, which will be retrospective only, as ABS has already modified the IntelliGen technology by incorporating its non-infringing microfluidic chip known as "SSC(B)". ST confirmed in Court that the SSC(B) does not infringe the '476 or '309 patents. ABS is considering its options for appeal.

IntelliGen provides farmers and bull studs with a novel technology for sexing bovine semen that focuses on fertility outcomes and has seen a rapid uptake since its launch in 2017. ABS will continue to expand and commercialise its IntelliGen technology providing customers and third party bull studs with an alternative service provider, increased competition and improved fertility outcomes.

For further information, please contact:

Genus **Tel: +44 (0)1256 345970**

Stephen Wilson, Group Finance Director

Dan Hartley, Group General Counsel and Company Secretary

Buchanan **Tel: +44 (0)207 466 5000**

Charles Ryland / Chris lane / Vicky Hayns

About Genus

Genus is a world-leading animal genetics company. 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 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 farms. Genus's customers' animals produce offspring with greater production efficiency, and quality, and use these to supply the global dairy and meat supply chains.

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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