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Genus PLC
15 February 2024

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Genus plc

Trading Update

("Genus" or the "Group")

Genus (LSE: GNS), a leading global animal genetics company, publishes the following trading update for the fiscal 2024 first half period of 1 July 2023 to 31 December 2023 and outlook.

FY24 H1 Trading

The Group has performed resiliently amidst challenging market conditions. For the 2024 fiscal first half period, management expects to report revenue of £334m and adjusted profit before tax of £29m, in-line with expectations.

PIC ex-China performed robustly, with North America, Latin America and Europe delivering adjusted operating profit growth in constant currency. China continues to be a challenging porcine market, however our enhanced commercial focus has resulted in winning new royalty customers in the period which will positively impact fiscal year 2025 and beyond.

In challenging markets, ABS saw volumes decrease 6%. Demand for dairy genetics in China was particularly impacted due to a double-digit decline in the dairy herd. Management has taken significant action through a comprehensive global Value Acceleration Programme that includes changes to the leadership structure, integration and simplification of ABS's supply chains, targeted pricing initiatives and cost efficiencies.

With regards to our PRP[1] programme, recent engagement with the US FDA[2] has shifted to the post-approval compliance procedures. This has clarified the data submissions and monitoring that will be required on an ongoing basis post PRP approval. Validation of our procedures to comply with these monitoring requirements is expected to take several months. We therefore now expect FDA approval in fiscal year 2025. Our dialogue shifting to the post-approval compliance procedures reinforces our view that approval will be forthcoming. There are no changes to our commercialisation timeline or financial projections.

Outlook

Notwithstanding the management actions taken, and assuming that present market conditions persist for the balance of the fiscal year, management expects fiscal year 2024 adjusted profit before tax to be not less than £58m in actual currency.

Genus will announce its interim results for the six month period 1 July 2023 to 31 December 2023 on 22 February 2024.

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This announcement contains inside information for the purposes of article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR. The person responsible for making this announcement on behalf of the Group is Dan Hartley (General Counsel and Company Secretary).

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.

[1] PRRS Resistant Pig

[2] US Food and Drug Administration

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