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Genus PLC
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Genus plc
Trading Update
("Genus" or the "Group")

Genus (LSE: GNS), a leading global animal genetics company, publishes the following unaudited trading update for its fiscal year ended 30 June 2024 ("FY24").

Management expects Group FY24 adjusted profit before tax in actual currency to be in line with market expectations of between £58m and £61m[1]. Group Net Debt to EBITDA is expected to be circa 2.0x at year-end supported by strong cash conversion in the year.

PIC has performed in-line with management's previously updated expectations. PIC-ex China continues to perform robustly and there is an improved outlook for several porcine markets. In China, the porcine market continues to be challenging, although the most efficient producers are now achieving positive margins as feed costs have declined. PIC China's enhanced commercial focus and superior genetics have continued to drive further new royalty customer wins in H2 FY24.

ABS profitability improved in constant currency from H1 FY24 as a result of actions taken under the Value Acceleration Programme ("VAP"). However, ABS continued to experience lower year on year volumes in H2 FY24 as weak demand persisted in several countries, most notably China and Brazil, impacting its adjusted operating profits. This shortfall in ABS adjusted operating profits was offset by the realisation of early savings as a result of actions taken following the R&D strategic review completed in February 2024.

Work to identify and execute the next phase of the VAP is progressing well and management continues to expect a significant improvement in ABS's adjusted operating profit in FY25. Despite this, overall ABS volumes and adjusted operating profit in FY25 are expected to be lower than previously assumed due to the continuation of weak demand in several countries, including China and Brazil.

Management notes that recent Sterling appreciation compared to average FY24 rates, particularly relative to the Mexican Peso and Brazilian Real, is likely to result in a c.£5m headwind to actual currency FY25 adjusted profit before tax, should current spot rates persist.

The Group expects to publish its preliminary results for fiscal year 2024 on 5 September 2024.

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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] £58m to £61m being the range of company collated analyst consensus for FY24 actual currency adjusted profit before tax

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