INTERIM RESULTS

Half year ended 31 December 2019
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Bob Lawson
Chairman
Strong performance and strategic momentum

- Record first half performance
  - Adjusted profit before tax up 25% (27% in constant currency)
- Successful CEO transition and CFO appointment
- Continued strategic momentum
  - Excellent performance in PIC
  - Growing demand for Sexcel
  - Leading products in all our species
- Interim dividend increased 6% to 9.4p per share
## Results

### Half year ended 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 £m</th>
<th>2018 £m</th>
<th>Actual Currency</th>
<th>Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>270.7</td>
<td>238.8</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Adjusted operating profit inc JV exc gene editing</td>
<td>43.7</td>
<td>34.2</td>
<td>28%</td>
<td>29%</td>
</tr>
<tr>
<td>Adjusted operating profit inc JV</td>
<td>39.4</td>
<td>31.1</td>
<td>27%</td>
<td>28%</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(2.8)</td>
<td>(1.9)</td>
<td>(47)%</td>
<td>(47)%</td>
</tr>
<tr>
<td><strong>Adjusted profit before tax</strong></td>
<td>36.6</td>
<td>29.2</td>
<td>25%</td>
<td>27%</td>
</tr>
<tr>
<td>Adjusted earnings per share (pence)</td>
<td>43.5</td>
<td>35.8</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>Dividend per share (pence)</td>
<td>9.4</td>
<td>8.9</td>
<td>6%</td>
<td></td>
</tr>
</tbody>
</table>
Volume growth

Half year ended 31 December 2019

Porcine
Volume growth (%)

Dairy & Beef
Volume growth (%)

Excluding China; FY19: 5%
FY20 1H: 7%

FY16-FY19 are financial years (e.g. FY16 is the period July 2015 – June 2016)
FY20 1H vs FY19 1H are the periods July – December 2019 compared to July – December 2018
### Adjusted operating profit – by business unit

**Half year ended 31 December 2019**

<table>
<thead>
<tr>
<th></th>
<th>2019 £m</th>
<th>2018 £m</th>
<th>Actual Currency</th>
<th>Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Genus PIC</td>
<td>62.6</td>
<td>48.6</td>
<td>29%</td>
<td>28%</td>
</tr>
<tr>
<td>Genus ABS</td>
<td>14.6</td>
<td>12.7</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Operating units</strong></td>
<td><strong>77.2</strong></td>
<td><strong>61.3</strong></td>
<td><strong>26%</strong></td>
<td><strong>26%</strong></td>
</tr>
<tr>
<td>Research and Development</td>
<td>(30.8)</td>
<td>(24.9)</td>
<td>(24)%</td>
<td>(22)%</td>
</tr>
<tr>
<td>Central costs</td>
<td>(7.0)</td>
<td>(5.3)</td>
<td>(32)%</td>
<td>(30)%</td>
</tr>
<tr>
<td><strong>Adjusted operating profit inc JV</strong></td>
<td><strong>39.4</strong></td>
<td><strong>31.1</strong></td>
<td><strong>27%</strong></td>
<td><strong>28%</strong></td>
</tr>
<tr>
<td>Adjusted operating profit exc gene editing</td>
<td>43.7</td>
<td>34.2</td>
<td>28%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Note: Business Unit results include joint venture profits, less non-controlling interests
All regions support profit growth of 28%; China a key contributor
- Royalty revenue up 9% with all regions growing

North America volumes, profits and royalty revenue up 5%

Europe profit up 18%, with royalty revenue up 11%

Latin America volumes up 15%, profit up 20% and royalty revenue up 6%
- Very strong growth in Brazil JV

Profit in Asia up almost 300% from strong breeding stocks sales and farm margins in China
- ASF impact in Philippines; China and Philippines net impact +£9m

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**Half year ended 31 December 2019**

<table>
<thead>
<tr>
<th></th>
<th>2019 £m</th>
<th>2018 £m</th>
<th>Actual Currency</th>
<th>Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>146.5</td>
<td>125.6</td>
<td>17%</td>
<td>15%</td>
</tr>
<tr>
<td>Adjusted operating profit exc JV</td>
<td>57.3</td>
<td>45.9</td>
<td>25%</td>
<td>24%</td>
</tr>
<tr>
<td>Adjusted operating profit inc JV</td>
<td>62.6</td>
<td>48.6</td>
<td>29%</td>
<td>28%</td>
</tr>
<tr>
<td>Adjusted operating margin exc JV</td>
<td>39.1%</td>
<td>36.5%</td>
<td>2.6 pts</td>
<td>2.6 pts</td>
</tr>
</tbody>
</table>

Note: All % changes are in constant currency unless otherwise stated
## Genus ABS

### Half year ended 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 £m</th>
<th>2018 £m</th>
<th>Actual Currency</th>
<th>Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>118.0</td>
<td>107.8</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Adjusted operating profit</td>
<td>14.6</td>
<td>12.7</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>Adjusted operating margin</td>
<td>12.4%</td>
<td>11.9%</td>
<td>0.5pts</td>
<td>0.6pts</td>
</tr>
</tbody>
</table>

> ABS volumes up 9%, revenue up 10% and profit up 17%
  - Strong sexed volume growth of 56% reflecting the successful performance of Sexcel
  - Investment in resources to support sales growth

> North America volumes up 14%; profit up 22%
  - Sexed volumes up 70%, beef volumes up 41%; key account management and superior genetic offerings

> Europe volumes up 12%; profits 1% lower
  - Sexed volumes up 46%; investment in resources

> Latin America volumes up 7%; profits up 30%; strong growth in Brazil and Argentina

> Asia volumes up 4%, profit up 17%; strong growth in China

Note: All % changes are in constant currency unless otherwise stated
## Genus R&D

### Half year ended 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Actual Currency</th>
<th>Constant Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Porcine product development</td>
<td>12.0</td>
<td>8.5</td>
<td>41%</td>
<td>39%</td>
</tr>
<tr>
<td>Bovine product development</td>
<td>9.7</td>
<td>9.4</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Gene editing</td>
<td>4.3</td>
<td>3.1</td>
<td>39%</td>
<td>39%</td>
</tr>
<tr>
<td>Other research and development</td>
<td>4.8</td>
<td>3.9</td>
<td>23%</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Net Research and Development</strong>¹</td>
<td><strong>30.8</strong></td>
<td><strong>24.9</strong></td>
<td><strong>24%</strong></td>
<td><strong>22%</strong></td>
</tr>
</tbody>
</table>

> **Porcine product development up 39%**
  - Significant investment in elite farms to expand herds by 30%

> **Bovine product development up 1%**
  - Development and expansion of IntelliGen platform
  - Investment in industry leading dairy and beef programmes

> **Gene editing investment increased 39% as planned, primarily on the PRRSv resistance project**

> **Other research and development up 21%**
  - Bioinformatics, genome science and external discovery collaborations

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(1) Less non-controlling Interest

Note: All % changes are in constant currency unless otherwise stated
## Statutory income statement

### Half year ended 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 £m</th>
<th>2018 £m</th>
<th>Variance £m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted operating profit exc JV</strong></td>
<td>34.4</td>
<td>28.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Net IAS 41 valuation movement</td>
<td>13.3</td>
<td>(9.3)</td>
<td>22.6</td>
</tr>
<tr>
<td>Amortisation of acquired intangible assets</td>
<td>(4.0)</td>
<td>(4.7)</td>
<td>0.7</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>(2.8)</td>
<td>(2.4)</td>
<td>(0.4)</td>
</tr>
<tr>
<td><strong>Exceptional items</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Pension GMP equalisation</td>
<td>-</td>
<td>(15.5)</td>
<td>15.5</td>
</tr>
<tr>
<td>- Litigation/other</td>
<td>(12.8)</td>
<td>(3.1)</td>
<td>(9.7)</td>
</tr>
<tr>
<td><strong>Operating profit/(loss)</strong></td>
<td>28.1</td>
<td>(6.3)</td>
<td>34.4</td>
</tr>
<tr>
<td>Share of post-tax profit of JVs</td>
<td>5.1</td>
<td>1.4</td>
<td>3.7</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>(2.8)</td>
<td>(1.9)</td>
<td>(0.9)</td>
</tr>
<tr>
<td><strong>Profit/(loss) before tax</strong></td>
<td>30.4</td>
<td>(6.8)</td>
<td>37.2</td>
</tr>
<tr>
<td>Taxation</td>
<td>(6.3)</td>
<td>(0.3)</td>
<td>(6.0)</td>
</tr>
<tr>
<td><strong>Profit/(loss) after tax</strong></td>
<td>24.1</td>
<td>(7.1)</td>
<td>31.2</td>
</tr>
</tbody>
</table>
### Cash flow

**Half year ended 31 December 2019**

<table>
<thead>
<tr>
<th></th>
<th>2019 £m</th>
<th>2018 £m</th>
<th>Variance £m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted operating profit exc JV</strong></td>
<td>34.4</td>
<td>28.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>13.0</td>
<td>8.1</td>
<td>4.9</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>47.4</td>
<td>36.8</td>
<td>10.6</td>
</tr>
<tr>
<td>Working capital</td>
<td>(1.4)</td>
<td>(11.7)</td>
<td>10.3</td>
</tr>
<tr>
<td>Biological assets</td>
<td>(4.9)</td>
<td>(0.6)</td>
<td>(4.3)</td>
</tr>
<tr>
<td>Pension deficit repair, exceptionals and other</td>
<td>(8.2)</td>
<td>(9.0)</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Cash generated by operations</strong></td>
<td><strong>32.9</strong></td>
<td><strong>15.5</strong></td>
<td><strong>17.4</strong></td>
</tr>
<tr>
<td><strong>Cash conversion %</strong></td>
<td>96%</td>
<td>54%</td>
<td>42pts</td>
</tr>
<tr>
<td>Interest and tax paid</td>
<td>(8.8)</td>
<td>(7.0)</td>
<td>(1.8)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(17.0)</td>
<td>(15.0)</td>
<td>(2.0)</td>
</tr>
<tr>
<td>Other</td>
<td>3.4</td>
<td>1.2</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td><strong>10.5</strong></td>
<td><strong>(5.3)</strong></td>
<td><strong>15.8</strong></td>
</tr>
<tr>
<td>Acquisitions, investments and disposal proceeds</td>
<td>0.3</td>
<td>(23.1)</td>
<td>23.4</td>
</tr>
<tr>
<td>Net share proceeds</td>
<td>-</td>
<td>66.5</td>
<td>(66.5)</td>
</tr>
<tr>
<td>Dividends</td>
<td>(12.2)</td>
<td>(11.0)</td>
<td>(1.2)</td>
</tr>
<tr>
<td><strong>Net cash flow</strong></td>
<td><strong>(1.4)</strong></td>
<td><strong>27.1</strong></td>
<td><strong>(28.5)</strong></td>
</tr>
</tbody>
</table>
### Strong financial position

#### Half year ended 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>December 2019</th>
<th>December 2019 (exc IFRS 16)</th>
<th>June 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>Owners’ equity</td>
<td>496.2</td>
<td>496.3</td>
<td>503.6</td>
</tr>
<tr>
<td>Net Debt</td>
<td>107.2</td>
<td>83.8</td>
<td>79.6</td>
</tr>
</tbody>
</table>

**Key Financial ratios**

- Gearing: 22% (16%)
- Net debt to EBITDA: 0.9x (1.0x)
- Interest cover: 28x (34x)
- Dividend cover: 2.9x (2.6x)

> **Interim dividend up 6%**

> **£113m headroom on bank facilities**

  - £219m of facilities extend to 2021
  - £176m of facilities extend to 2022

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(1) Calculated on a 12 month rolling basis where applicable. Net debt to EBITDA and Interest cover as defined in the debt facility agreement on a frozen GAAP basis (see note 2 to the condensed financial statements)
## Strong performance vs. medium term objectives

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>MEDIUM TERM TARGET</th>
<th>1H FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow adjusted operating profit</td>
<td>10% CAGR (\text{constant currency, ex. gene editing})</td>
<td>29%</td>
</tr>
<tr>
<td>Convert profit to cash</td>
<td>90%+ cash conversion (\text{net cash from operations : operating profit ex. JVs})</td>
<td>96%</td>
</tr>
<tr>
<td>Strengthen our capabilities</td>
<td>Invest in our R&amp;D technology platform, people, IT and supply chain</td>
<td>£61m(^1)</td>
</tr>
<tr>
<td>Maintain a strong balance sheet</td>
<td>1.0x – 2.0x(^2) (\text{Net Debt : EBITDA})</td>
<td>0.9x</td>
</tr>
<tr>
<td>Deliver shareholder returns</td>
<td>Sustain a progressive dividend policy</td>
<td>9.4p interim dividend (6% \text{ growth; } 2.9x \text{ adjusted earnings coverage})</td>
</tr>
</tbody>
</table>

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(1) Represents investments made in Research and Development, capital expenditures, acquisitions and other investing activities during the period.

(2) Calculated on a rolling 12 month basis. Net Debt to EBITDA as defined under our debt facility agreement.
Operational and strategic update

Stephen Wilson
Chief Executive
Strong first half performance and strategic momentum

**Porcine**
- Strong growth in all regions, particularly in China
- Strengthened product line-up driving key accounts wins
- Significantly expanding China supply chain to meet demand
- Continued progress with PRRSv resistance programme as planned

**Bovine**
- Expanding IntelliGen capacity to meet rapid demand growth for Sexcel
- Sustained genetic product lead
- Demonstrating the impact of our superior NuEra beef on dairy genetics
Strong royalty growth globally

North America

- Growing share of key accounts – existing and new wins
- Growing sireline business through PIC 800 boar

EMEA

- Growth in key accounts in Spain and Russia
- Growing royalty business with Møllevang genetics

Latin America

- Strong royalty growth reported in key markets
- Key account growth, especially in Mexico and Columbia

Asia

- China royalties more than double in period
- Philippines impacted by ASF outbreak

Note: Latin America royalties excludes Brazil
Winning in the US with superior genetics

Encouraging early results from our newly launched terminal products

- Higher growth rate
- Better feed conversion
- Economic advantage

Winning share with key accounts in North America

- Protein Sources – PIC customer since 1976
- 30,000+ sows and growing fast
- Transitioning all existing business and 20,000 new sows to PIC 800
ASF now widespread in China, causing significant supply shortages

Pork production has declined rapidly...

...and prices have surged

China pork production and sow base

Over 30% reduction

China pig price (RMB/kg)

First reported ASF case

Source: USDA; Boyar; Genus estimates
Outlook for China porcine industry

Current situation

- **ASF IMPACT**
  - ASF widespread, large producers increasing biosecurity

- **CHINA SUPPLY**
  - China sow herd more than halved

- **INTERNATIONAL TRADE**
  - Imports surge in response to supply shortfall

- **PRICES**
  - Prices high & volatile due to market imbalance & trade policy

- **CHINA BREEDING STOCK**
  - High demand for breeding stock; near term volatility from COVID-19

Medium term outlook

- **Managing ASF continues to be challenging**

- **Growth in technified pig production**

- **Sustained demand for imports**

- **Prices gradually stabilise, risk of volatility remains**

- **Sustained demand from growing technified producer segment**

Source: Rabobank; HSBC; Genus analysis
Expanding our supply chain to serve the growing demand for high quality breeding stock in China

ASF is accelerating the shift to large scale pig production in China\(^1\)

We have accelerated the expansion of our supply chain in China to meet demand

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\(^1\) Source: Rabobank, Boyar

\(^2\) GGP/GP refers to great grandparent and grandparent maternal line females or boar mothers; multiplication includes customer closed herd multiplication
**Progress with PRRSv programme**

- Developed internal capability for producing gene-edited animals
- Continuing to create founder animals for evaluation of subsequent generations
- On track to make first FDA submission in 2020

**BCA strategic collaboration in China**

- BCA PRRSv development collaboration
  - MOFCOM approval for technology license\(^1\)
  - BCA building PRRSv programme team
- BCA China genetic distribution agreement\(^2\)
  - Agreement signed October 2019
  - BCA to populate farms with elite PIC genetics
  - BCA to distribute PIC genetics

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\(^1\) Refers to The Ministry of Commerce of the People's Republic of China
\(^2\) Distribution agreement relates to standard PIC genetics, not PRRS-resistance programme
Strong demand for our leading sexed genetics

+56% growth in sexed volumes globally

+70%  +46%  +29%  +70%

- Demand for Sexcel exceeding expectations
- Winning in the US with strong product and key account focus
- Investment in resources to support sales growth
- Strong demand for NuEra beef on dairy genetics, enabled by Sexcel growth
Industry demand for superior sexed genetics and differentiated beef on dairy genetics continues to grow.

ABS genetics sales volumes to US dairy farmers

<table>
<thead>
<tr>
<th></th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20 1H</th>
<th>FY23F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conventional dairy genetics</td>
<td>5%</td>
<td>4%</td>
<td>9%</td>
<td>21%</td>
<td>24%</td>
<td>~30%</td>
</tr>
<tr>
<td>Beef genetics</td>
<td>11%</td>
<td>14%</td>
<td>18%</td>
<td>24%</td>
<td>31%</td>
<td>~45%</td>
</tr>
<tr>
<td>Sexed dairy genetics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Data represents proportion of total genetic units sold to dairy farmers in the US; excludes beef x beef units.
Expanding IntelliGen footprint to meet growing global demand and improving our technology

**Total Sexcel/IntelliGen sales units**
(Thousands of artificial insemination straws)

- **New facility in the US to meet growing demand for Sexcel**
- **New facility in Uttar Pradesh, India**

**Units produced, per instrument, per day**
(6 month rolling average; relative performance, August 2018 = 100)

- **Expert in-house engineering team delivering significant efficiency improvements**
- **Expect further productivity improvements**

(1) Represents Sexcel sales volumes plus units processed for third parties or by third parties under a technology licence from Genus
(2) Based on actual production metrics at IntelliGen Pepsi Way facility
Proven and genomic analysis based on Top 100 Holsteins (using data from December 2019 from CDCB); Top 100 Holsteins are reviewed and amended in April, August and December of each year; pipeline bulls includes all genomic bulls including non-active young bulls that are not yet producing semen, but have been genetically assessed; NM$ refers to Net Merit Dollar rankings; a considerable majority of ABS unit sales is from the sale of units outside the Top 100; not all competitors are included.
Strong demand for our superior beef genetics

Total ABS beef sales volumes by source

- NuEra beef breeding programme delivering superior genetics
- Strong production efficiency and carcass quality being demonstrated in initial trials
- Expanding our programme to meet growing demand for our NuEra genetics
Strong first half performance and strategic momentum

> **Porcine**
  - Strong growth in all regions, particularly in China
  - Strengthened product line-up driving key accounts wins
  - Significantly expanding China supply chain to meet demand
  - Continued progress with PRRSv resistance programme as planned

> **Bovine**
  - Expanding IntelliGen capacity to meet rapid demand growth for Sexcel
  - Sustained genetic product lead
  - Demonstrating the impact of our superior NuEra beef on dairy genetics

> **Expect to perform in line with the Board’s expectations for the full year**
Proportion of total porcine volumes under royalty

North America

- FY16: 96%
- FY17: 97%
- FY18: 97%
- FY19: 98%
- FY20 1H: 97%

EMEA

- FY16: 63%
- FY17: 64%
- FY18: 68%
- FY19: 68%
- FY20 1H: 71%

Latin America

- FY16: 73%
- FY17: 77%
- FY18: 77%
- FY19: 81%
- FY20 1H: 75%

Asia

- FY16: 33%
- FY17: 44%
- FY18: 37%
- FY19: 58%
- FY20 1H: 43%

Volumes based on market pig equivalents; geographical split indicative of internal segmentation of territories; Russia now part of Europe (previously Asia)
PRRSv resistance programme timeline

- **Founder Animal Production / Optimization**
  - Population A
  - Population B
  - Expand to second NA facility for increased production
  - Internalize founder animal production

- **Disease and Phenotypic Testing of Purelines (2 generations)**
  - Live animal disease challenges start
  - Complete first generation
  - Complete second generation

- **Molecular Characterisation and Durability of Purelines (3 generations)**

- **Regulatory Submissions**
  - Start US FDA submission
  - US FDA package complete

(1) First batches created in 2017  (2) United States Food & Drug Administration  Note: Timeline represents calendar years
Market dynamics

**Liffe Wheat and CBOT Soybean**

- **Liffe Wheat**
- **CBOT Soybean**

**Corn - Key Markets**

- China
- Brazil
- EU
- US

**Dairy - Key Markets**

- China
- India
- EU
- Russia
- Brazil

**Pork - Key Markets**

- China
- EU
- Brazil
- US
- Russia

SOURCE: Genus analysis using constant currency
IFRS 16 removed distinctions between operating and finance leases from 1 July 2019
- Operating leases are now represented on the Balance Sheet
- Liability recognised for the future lease payments
- Right of use asset capitalised and depreciated
- We have elected not to restate the FY19 results on adoption

Impact on FY20 results on adoption
- Additional right of use assets and finance lease liabilities, of £27m were recognised on adoption
- There was no impact to net assets on adoption
- Operating profit is £0.2m higher as depreciation is lower than the operating lease payment it replaces
- Net Debt increased by £23m at 31 December 2019
- Higher finance charges leave profit before tax minimally impacted
- Bank covenants are on a frozen GAAP basis and so will not be impacted
## Impact on cash conversion and free cash flow

<table>
<thead>
<tr>
<th></th>
<th>2019 As reported</th>
<th>IFRS 16 impact</th>
<th>2019 exc IFRS 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted operating profit exc JV</td>
<td>34.4</td>
<td>(0.2)</td>
<td>34.2</td>
</tr>
<tr>
<td>Difference between depreciation and lease payments</td>
<td>(0.2)</td>
<td>(0.2)</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Adjusted operating profit exc JV</td>
<td>34.4</td>
<td>(0.2)</td>
<td>34.2</td>
</tr>
<tr>
<td>Cash generated by operations</td>
<td>32.9</td>
<td>(0.2)</td>
<td>32.7</td>
</tr>
<tr>
<td>Additional depreciation on leases</td>
<td>(3.5)</td>
<td>(3.5)</td>
<td>(3.5)</td>
</tr>
<tr>
<td>Cash generated by operations</td>
<td>32.9</td>
<td>(3.7)</td>
<td>29.2</td>
</tr>
<tr>
<td><strong>Cash Conversion</strong></td>
<td><strong>96%</strong></td>
<td></td>
<td><strong>85%</strong></td>
</tr>
<tr>
<td>Free cash flow(^1)</td>
<td>10.5</td>
<td>(3.4)</td>
<td>7.1</td>
</tr>
</tbody>
</table>

(1) IFRS 16 impact to Free cash flow is made up of a further £0.3m from higher finance costs
Genus’ geographic profile can lead to translational currency impacts

> We monitor key rates against GBP

> Latest spot rates would indicate a headwind of circa £2.0m for FY20 compared with average FY19 rates

<table>
<thead>
<tr>
<th></th>
<th>FY19 Average</th>
<th>FY20 1H Average</th>
<th>Spot @ 24 Feb 2020</th>
<th>Profit Sensitivity £m¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar</td>
<td>1.29</td>
<td>1.26</td>
<td>1.29</td>
<td>1.9</td>
</tr>
<tr>
<td>Mexican Peso</td>
<td>25.1</td>
<td>24.5</td>
<td>24.6</td>
<td>1.3</td>
</tr>
<tr>
<td>Euro</td>
<td>1.13</td>
<td>1.14</td>
<td>1.19</td>
<td>1.1</td>
</tr>
<tr>
<td>Brazilian Real</td>
<td>4.99</td>
<td>5.13</td>
<td>5.67</td>
<td>0.8</td>
</tr>
<tr>
<td>Russian Rouble</td>
<td>84.4</td>
<td>81.0</td>
<td>84.5</td>
<td>0.3</td>
</tr>
<tr>
<td>Chinese Yuan</td>
<td>8.74</td>
<td>8.88</td>
<td>9.09</td>
<td>0.2</td>
</tr>
</tbody>
</table>

(1) 12 month operating profit impact given a +/- 10% movement in exchange rate, based on FY19 results. Current year sensitivity may differ based on current trading conditions.