Financial Review

In the year ended 30 June 2025, Group revenue grew 1% in actual currency (a 5%[2] increase in constant currency). Adjusted operating profit including joint ventures increased by 19% (30%[2] in constant currency), reflecting broad-based growth from PIC and significant adjusted operating profit improvement at ABS driven mainly by VAP initiatives. R&D investment decreased by 24% (22%[2] in constant currency) as planned, reflecting continued focus on the alignment of R&D workstreams with Genus's strategic priorities.

Adjusted profit before tax of £74.3m increased 24% in actual currency (38% in constant currency), with interest expense increasing from £18.3m to £18.8m (a 3%[2] increase in constant currency) primarily from higher borrowings.

On a statutory basis, profit before tax was £28.5m (FY24: £5.5m). The adjusting items between the statutory and adjusted profit before tax had a lower impact this year predominantly due to a £13.3m decrease (2024: £23.2m decrease) in the non-cash fair value IAS41 valuation of biological assets of the Group and net exceptional expenses of £11.4m (2024: £24.6m net expense). The full reconciliation can be found further below. Basic earnings per share on a statutory basis were 29.3 pence (2024: 12.0 pence).

Exchange rate movements were a significant headwind during the year with Mexican Peso and Brazilian Real depreciation against sterling being particularly impactful. The total translation impact on Group profit before tax was £8.5m compared with FY24.

Revenue

Revenue increased 1% in actual currency (a 5%[2] increase in constant currency) at £672.8m (FY24: £668.8m). PIC's revenue increased by 3% (a 8%[2] increase in constant currency), however strategically important royalty revenue increased by 5%[2] in constant currency. In ABS, revenue decreased by 2% (a 2%[2] increase in constant currency), sexed revenue increased 6% in constant currency, reflecting the continuing success of Genus's sexed genetics and IntelliGen processing capability.

	Adjusted results[1]				Statutory results		
	Actual currency			Constant currency	Actual currency		
Year ended 30 June	**2025 £m**	2024 £m	**Change %**	change %[2]	**2025 £m**	2024 £m	**Change %**
Revenue	**672.8**	668.8	**1**	5	**672.8**	668.8	**1**
Operating profit	**81.1**	67.0	**21**	30	**42.4**	6.4	**563**
Operating profit inc JVs	**93.1**	78.1	**19**	30	**n/a**	n/a	**n/a**
Profit before tax	**74.3**	59.8	**24**	38	**28.5**	5.5	**418**
Net cash flows from operating activities	**106.2**	55.1	**93**	n/a	**106.7**	68.8	**55**
Free cash flow	**40.9**	(3.2)	**n/a**	n/a	**n/a**		
Basic earnings per share (pence)	**81.8**	65.6	**25**	39	**29.3**	12.0	**144**
Dividend per share (pence)					**32.0**	32.0	**–**

1 Includes share of adjusted pre-tax profits of joint ventures and removes share of adjusted profits of non-controlling interests
2 Prior year period restated. Please see Note 1 of the notes to the condensed set of Financial Statements changes of reportable segments
3 n/a = not applicable

Adjusted operating profit including JVs

Year ended 30 June Adjusted profit before tax[1]	Actual currency 2025 £m	 2024 £m	 Change %	Constant currency change %
Genus PIC	**111.9**	103.6	**8**	16
Genus ABS	**19.5**	14.0	**39**	53
R&D	**(16.5)**	(21.8)	**24**	22
Central costs	**(21.8)**	(17.7)	**(23)**	(29)
Adjusted operating profit inc JVs	**93.1**	78.1	**19**	30
Net finance costs	**(18.8)**	(18.3)	**(3)**	(3)
Adjusted profit before tax	**74.3**	59.8	**24**	38

1 Includes share of adjusted pre-tax profits of joint ventures and removes share of adjusted profits of non-controlling interests

Statutory profit before tax
The table below reconciles adjusted profit before tax to statutory profit before tax:

	2025 £m	2024 £m
Adjusted profit before tax	**74.3**	59.8
Operating loss attributable to non-controlling interest	**-**	(0.9)
Net IAS 41 valuation movement on biological assets in JVs and associates	**0.9**	14.6
Tax on JVs and associates	**(2.0)**	(5.7)
Adjusting items:		
Net IAS 41 valuation movement on biological assets	**(13.3)**	(23.2)
Amortisation of acquired intangible assets	**(5.6)**	(5.8)
Impairment of goodwill	**(1.5)**	-
Share-based payment expense	**(6.9)**	(7.0)
Other gains and losses	**(4.2)**	(1.7)
Exceptional items	**(11.4)**	(24.6)
Statutory Profit Before Tax	**28.5**	5.5

Adjusted operating profit including JVs

Adjusted operating profit including joint ventures was £93.1m (FY24: £78.1m), a 30%[2] increase in constant currency. The Group's share of adjusted joint venture operating profit, primarily from our Brazilian joint venture with Agroceres, was higher than prior year at £12.0m (FY24: £10.2m).

PIC's adjusted operating profit including joint ventures increased by 16%[2] in constant currency with growth in the Americas and Asia partially offset by Europe. Spend on PRP increased in the year, as planned, due to increased marketing activity but this was offset by the net receipt of a £3.7m milestone payment from the Group's Chinese partner, Beijing Capital Agribusiness that was paid following FDA approval.

ABS's adjusted operating profit increased by 53% in constant currency driven by VAP initiatives that delivered £11.8m of benefit in the year. Volume performance was also robust with growth of 5%, and sexed growth of 11% with underlying sexed mix shift continuing. China (dairy) and Brazil (beef) continued to be challenging markets but elsewhere the trading environment improved from prior year. Following on from Phases 1 & 2, management has initiated a VAP Phase 3 to be actioned in FY26 to target an annualised adjusted operating profit benefit of £9m with £6m expected to be realised in-year.

Statutory profit before tax

Statutory profit before tax was £28.5m (2024: £5.5m), reflecting the higher adjusted profit performance, lower biological asset reduction and lower net exceptional expenses.

The Group's net IAS 41 valuation on biological assets comprised a £1.7m reduction (2024 restated: £14.8m increase) in porcine biological assets, with a marginally lower breeding sales percentage being partially offset by an increase in the ratio of boars to gilt sales and the increase relating to the restocking of Benxi farm following a health break earlier in the year, and a £11.6m reduction (2024 restated: £38.0m reduction) in bovine biological assets, reflecting higher production costs, lower inventory and lower sales estimates. Share-based payment expense was £6.9m (2024: £7.0m). These reconciling items are primarily non-cash, can be volatile and do not correlate to the underlying trading performance in the year.

Exceptional items

There was a £11.4m net exceptional expense in the year (2024: £24.6m net expense). As part of ABS's on-going Value Acceleration Programme, significant one-off expenses were recognised in relation to staff redundancies (£4.4m), fixed asset and inventory write downs (£0.6m) and consultancy fees (£3.8m). £1.9m of exceptional cost was professional fees, primarily incurred in relation to potential corporate transactions.

Financial Review continued

Net finance costs

Net finance costs increased to £18.8m (2024: £18.3m), primarily due to an increase in average borrowings during the year. Average borrowings increased by 4% to £243.6m (2024: £234.4m) resulting in a further £0.6m increase in interest costs in the year. Average interest rates in the period were broadly comparable at 6.26% (2024: 6.20%), raising the cost of like-for-like borrowings by £0.1m.

Amortisation costs in the year were £0.9m (2024: £0.9m) and within other interest there was IFRS 16 finance lease interest of £2.4m (2024: £2.8m) with the discount interest unwind on the Group's pension liabilities and put options totalling £0.4m (2024: £0.5m). Foreign interest in the year was an income of £0.1m (2024: Income of £0.4m).

Taxation

The statutory profit tax charge for the year, including share of income tax of equity accounted investees of £11.2m (2024: £8.8m), represents an effective tax rate ('ETR') of 36.7% (2024: 78.6%). The decrease in the statutory ETR of 41.9 points results primarily from an increase in profit before tax to £28.5m (2024: £5.5m) and a reduction in non-deductible expenses of £2.2m (2024: £5.8m) from decreased corporate transaction activity.

The adjusted profit tax charge for the year of £20.4m (2024: £16.8m) represents an ETR on adjusted profits of 27.5% (2024: 28.1%). The expected adjusted profit for the Group in FY26 is in the range of 26-28%.

Earnings per share

Adjusted basic earnings per share increased by 25% (39% in constant currency) to 81.8 pence (2024: 65.5 pence) from the broad-based PIC profit growth and ABS VAP actions. Basic earnings per share on a statutory basis were 29.3 pence (2024: 12.0 pence), taking into account the factors above and lower impacts from IAS 41 valuation movements and exceptional items.

Biological assets

A feature of the Group's net assets is its substantial investment in biological assets, which under IAS 41 are stated at fair value. At 30 June 2025, the carrying value of biological assets was £268.3m (2024 restated: £308.6m), as set out in the table below.

The balance sheet at 30 June 2024 has been restated by a reduction of £41.1m in biological assets. During FY25 management reviewed its approach in determining the fair value of bovine and porcine biological assets and concluded that there was insufficient recent third-party market transactions to support the approach of using a long-term pre-tax risk adjusted discount rate. As such management shortened its view of a long term pre-tax adjusted rate to 10 years consistent with the pre-tax cash flows and this resulted in an increase in the risk adjusted discount rate. For the year ended 2024 there was no material effect on the Group Income Statement, Group Statement of Comprehensive Income and no impact on the Group Statement of Cash Flows. Therefore, there has been no restatement of the Group Income Statement and no adjustment to earnings per share.

	2025 £m	Restated 2024 £m
Non-current assets	**219.0**	256.3
Current assets	**34.7**	32.3
Inventory	**14.6**	20.0
	268.3	308.6
Represented by:		
Porcine	**209.3**	235.5
Dairy and beef	**59.0**	76.1
	268.3	308.6

The movement in the overall balance sheet carrying value of biological assets of £40.3m includes the effect of an exchange rate translation decrease of £20.3m. Excluding the translation effect and the impact of the disposal of our LuoDian farm there was a net fair value impact of:

- a £1.7m decrease in the carrying value of porcine biological assets, with a marginally lower breeding sales percentage being partially offset by an increase in the ratio of boars to gilt sales, the increase relating to the restocking of Benxi farm following a health break earlier in the year; and
- a £11.6m decrease in the bovine biological assets carrying value, primarily reflecting higher production costs, lower inventory and lower estimates, based on market data, of the semen sales price attributable to the biological asset value

The historical cost of these assets, less depreciation, was £72.0m at 30 June 2025 (2024: £80.9m), which is the basis used for the adjusted results. The historical cost depreciation of these assets included in adjusted results was £16.4.m (2024: £15.3m).

Retirement benefit obligations

The Group's retirement benefit obligations at 30 June 2025 were £6.9m (2024: £6.6m) before tax and £5.7m (2024: £5.4m) net of related deferred tax. The largest element of this liability now relates to some legacy unfunded pension commitments dating prior to Genus's acquisition of PIC.

Robust investment strategies mean our two main defined benefit obligation schemes have remained in sound financial positions. Prior to any IFRIC 14 amendments, both the Dalgety Pension Fund ('DPF') and our share of the Milk Pension Fund reported IAS 19 surpluses. Formal notice to wind-up the DPF was given by the scheme's sponsoring employers on 13 February 2025, as all member benefits have now been secured with insurance companies, following the completion of the GMP equalisation exercise. Wind-up is expected to complete in the first quarter of 2026.

Cash flow

Free cash flow	2025 £m	2024 £m
Adjusted EBITDA	**119.8**	108.9
Cash received from joint ventures	**6.1**	4.7
Working capital	**11.3**	(11.2)
Biological assets	**1.3**	(9.6)
Net capital expenditure	**(18.2)**	(24.0)
Lease repayments	**(14.1)**	(13.7)
Adjusted cash from operating activities	**106.2**	55.1
Cash conversion %	**114%**	71%
Exceptional items	**(24.2)**	(17.9)
Pension contributions, provisions & other	**(1.6)**	(1.4)
Interest and tax paid	**(39.5)**	(39.0)
Free cash flow inc. lease payments	**40.9**	(3.2)

Adjusted cash from operating activities of £106.2m (2024: £55.1m), was driven by strong growth in adjusted EBITDA, which reached £119.8m (2024: £108.9m), and significant improvements in working capital compared to FY24 of £22.5m, primarily due to enhanced inventory management, particularly within the ABS business, and improved cash collections. Genus also recorded lower outflows related to biological assets compared to the prior year, which had been impacted by restocking at PIC's Aurora production facility and farm stockings in China. Net capital expenditure was lower, at £18.2m

(2024: £24.0m), as planned. Cash flow conversion in FY25 was 115% (FY24: 71%), benefiting from the strong work capital management and the reduction in other capital investment outflows, and is far in excess of our annual target for cash flow conversion of at least 70%, which we also expect to exceed in this coming year.

Free cash flow, including lease repayments, totalled £40.9m (2024: £3.2m outflow), and was a record, despite being impacted by exceptional item outflows of £24.2m (2024: £17.9m), also as planned. These included £6.5m related to FY24 corporate transactions that did not complete, £7.9m for ST settlement payments, and £8.8m for ABS VAP restructuring and consulting costs. The cash outflow from investments, including joint venture loans, was £4.3m (2024: nil), primarily related to a £2.6m cash outflow for the first payment to acquire the remaining DeNovo non-controlling interest.

Credit facilities and net debt

On 10 June 2025, the company renewed its Facilities Agreement with a group of eight banks and at the balance sheet date, the Company's facilities under this agreement comprised a £220m multi-currency revolving credit facility ('RCF') and a USD150 million RCF. The term of the new facility is for four years, maturing on 9 June 2029. The facility includes two one-year extension options, exercisable not more than 60 days, nor less than 30 days, prior to the first and second anniversaries of the signing date of 10 June 2025. The facility also includes an uncommitted £100m accordion feature for future business development opportunities. In addition to the RCF facilities, the Company has c£13m of unilateral facilities supporting its GBP, EUR, and USD pooling arrangements. The Company had headroom of £119.4m (2024: £106.7m) in its combined facilities at 30 June 2025.

Net debt decreased to £228.2m at 30 June 2025 (2024: £248.7m) supported by a free cash inflow of £40.9m, and a £7.5m improvement in net debt through the LuoDian joint venture agreement, and after dividend payments of £21.1m and a £10.6m non-cash increase in net debt from the deferred consideration for the acquisition of the remaining De Novo non-controlling interest. Net debt also benefited from foreign exchange translation on the US dollar loan facilities of £8.2m. The ratio of net debt to adjusted EBITDA as calculated under our financing facilities at the year-end decreased to 1.5 times (2024: 2.0 times) which remains in line with our medium-term objective of having a ratio of net debt to EBITDA of between 1.0 – 2.0 times. Net debt as calculated under our new Facility Agreement includes bank guarantees but excludes IFRS 16 lease liabilities up to a cap of £60m (2024: cap of £30m). The effect of this change in the treatment of leases on the net debt ratio at 30 June 2025, was an improvement of 0.14 times. At the end of June 2025, interest cover was at 8 times (2024: 8 times).

Capital allocation priorities and return on adjusted invested capital

Subject to managing Group debt within the stated leverage range, the Group's capital allocation framework prioritises the investment of cash in areas that will deliver future earnings growth and strong cash returns on a sustainable basis. Our first priority is investments in our existing business to drive organic growth, including capital expenditure in infrastructure, innovation in new products and the development of our people. Our second priority is to assess the potential for disciplined value enhancing investments in current and adjacent market niches to supplement our core organic growth. These investments can bring new technology, intellectual property and/or talent into the Group and can expand our market reach.

After assessing potential investment opportunities, the Board may consider whether it is appropriate to return additional value to shareholders over and above the Group's progressive ordinary dividend policy. The quantum and structure of any additional return of value to shareholders would be determined subject to prevailing market conditions.

In FY25, Group return on adjusted invested capital, as defined in the alternative performance measures glossary, was higher at 14.7% (FY24: 11.5%), reflecting an increase in adjusted operating profit including joint ventures after tax to £67.5m (2024: £56.2m), due to the significant adjusted operating profit improvement and a 0.6 point reduction in the adjusted effective tax rate. Adjusted invested capital decreased by 6% to £460.1m (2024: £489.5m), predominantly due to lower working capital and a reduction in leased farm assets through the LuoDian joint venture agreement earlier in the year.

Dividend

Recognising the importance of balancing investment for the future with ensuring an attractive return for shareholders, the Board is recommending an unchanged final dividend of 21.7 pence per ordinary share, consistent with the prior year final dividend. When combined with the interim dividend, this will result in an unchanged total dividend for the year of 32.0 pence per ordinary share (FY24: 32.0 pence per share). Dividend cover from adjusted earnings increased to 2.6 times (FY24: 2.0 times) in line with our targeted range of 2.5x to 3.0x..

It is proposed that the final dividend will be paid on 05 December 2025 to the shareholders on the register at the close of business on 07 November 2025.

1 Adjusted results are the Alternative Performance Measures ('APMs') used by the Board to monitor underlying performance at a Group and operating segment level, which are applied consistently throughout. These APMs should be considered in addition to statutory measures, and not as a substitute for or as superior to them. For more information on APMs, see the APM Glossary

2 Constant currency percentage movements are calculated by representing the results for the year ended 30 June 2025 at the average exchange rates applied to adjusted operating profit for the year ended 30 June 2024