

4 September 2025

Genus plc

(“Genus”, the “Group” or the “Company”)

Accelerated Chinese porcine joint venture formation

Genus plc (LSE:GNS), a leading global animal genetics company, is pleased to announce a positive update in relation to its existing strategic porcine collaboration in China with Beijing Capital Agribusiness Co. Ltd (“BCA”), the Group’s domestic state-backed partner.

Key highlights:

- Strengthening PIC China’s local positioning by accelerating porcine joint venture formation in China, 51% owned by BCA and 49% owned by Genus
- Provides the best possible route to achieving PRP commercialisation in China
- Accelerated value crystallisation with retained future economic rights; Genus to receive:
 - A gross cash payment of US\$160m (estimated US\$140m, net of withholding tax and transaction costs, and subject to any further working capital and net debt adjustments)
 - US\$7.5m accelerated milestone, upon receipt of approval for the formation of the joint venture from the competent Chinese state-owned assets supervision and administration authority, in lieu of remaining milestone payments under the original agreements
 - Intellectual property royalties from the joint venture on PRP sales in China that are consistent with the original agreements
 - Dividends from the joint venture based on Genus’s 49% ownership, consistent with the original agreements
- Transaction expected to complete in 2026, subject to Chinese regulatory approvals for the formation of the joint venture

Transaction details

The original agreements, signed in May 2019¹, allowed for Genus and BCA to jointly research, develop, register and market the PRRS² Resistant Pig (“PRP”) in China. Under the terms of the original agreements, BCA would pay Genus between US\$120m-\$160m to establish a Chinese joint venture 51% owned by BCA and 49% owned by Genus following the achievement of PRP regulatory approval and commercialisation in China. The joint venture would include PIC China and BCA’s Future Bio-Tech business (“FBT”).

Given the positive progress made to date, the parties have entered into updated agreements (“updated agreements”) to accelerate the formation of this Chinese joint venture. This cements Genus’s and BCA’s commitment to strengthening PIC China’s local business and achieving PRP commercialisation in China, as a domestic partner collaboration provides the best possible route to obtaining necessary MARA³ approvals.

As noted in the key highlights above, the updated agreements accelerate value crystallisation for Genus whilst retaining future economic rights that are consistent with the original agreements.

The transaction will proceed in two stages. In the first stage, PIC will receive the accelerated milestone payment of US\$7.5m and the gross cash payment of US\$160m, and BCA will acquire 51% of PIC China

through a share purchase and additional subscription for new shares. The first stage is subject to Chinese regulatory approvals and is expected to complete in FY26. In the second stage, PIC China will acquire 100% of FBT, the BCA controlled entity pursuing MARA³ approval for PRP under license from Genus, with the consideration and costs necessary to achieve PRP commercialisation in China fully funded by BCA from their share subscription. The second stage is expected to complete in 2026 and is not subject to additional regulatory approval.

Following completion of the transaction, PIC China will be deconsolidated from Genus's financial results and Genus's 49% interest in the joint venture will be equity accounted. Proceeds from the transaction are currently expected to be used for balance sheet deleveraging and potential additional shareholder returns, in line with the Genus's capital allocation framework.

Commenting on the transaction, Jorgen Kokke, CEO of Genus, said:

"Genus has enjoyed a strong and successful partnership with BCA for a number of years. The formalisation of our relationship through accelerating the joint venture is a very positive step towards PIC China achieving regulatory approval for the PRRS resistant pig."

Matt Culbertson, COO of Genus PIC, said:

"We are excited about the market potential of the Chinese porcine industry. Combining our industry leading PIC China team with BCA's strategic progress in China on the PRP program is expected to enable greater delivery of value to our Chinese customers and an additional opportunity for future business growth."

Liu Jiantong, CEO of Beijing Capital Agribusiness Co., Ltd., said:

"China produces and consumes approximately 50% of pork globally. Pork is deeply ingrained in Chinese culinary culture. PIC Genetics and the PRRS Resistant technologies will greatly improve the efficiency of Chinese pork production to provide healthy, affordable and sustainable pork for Chinese people. We are proud to partner with Genus to grow the PIC China business and to contribute to our country."

Analyst Presentation

Management is hosting an in-person presentation and Q&A session for sell-side analysts today at 09:00 at Peel Hunt's London offices (100 Liverpool Street, London EC2M 2AT). Those unable to attend in person can also join remotely; please contact Toto Berger at Burson Buchanan for details: genus@buchanan.uk.com.

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 Lucie Grant (General Counsel and Company Secretary).

InterChina Partners acted as Sole Financial Adviser and Herbert Smith Freehills Kramer acted as Legal Counsel to Genus on this transaction.

As at 30 June 2025, the total book value of net assets attributable to PIC China was approximately £32m. In the twelve months to 30 June 2025, revenue of £41.3m and adjusted operating profit including joint ventures of £8.4m were attributable to PIC China.

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About Genus

Genus's core commercial proposition is helping farmers rear healthier animals that produce more high-quality animal protein with fewer resources. Genus advances genetic improvement through genomic selection and biotechnology. The Group sells its products and services to livestock farmers and food producers predominantly in the dairy, beef and pork food production sectors.

Genus's worldwide sales are made in over 85 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 our customers use them to supply the global dairy and meat supply chains.

Genus's competitive edge comes 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. The PRP is a market leading innovation in gene editing, which Genus is looking to commercialise in the porcine industry once regulatory approval is gained in certain markets.

Headquartered in Basingstoke, United Kingdom, Genus companies operate in over 24 countries on six continents, with research laboratories located in Madison, Wisconsin, USA.

About BCA

BCA owns a portfolio of animal genetics businesses and is one of the largest agribusiness groups in China. BCA is owned by Beijing Capital Agribusiness & Foods Group (which is in turn owned by the Beijing Municipality), GLP-Youshan Fund, and CITIC Agriculture Technology Co., Ltd and CITIC Agri Investment Fund.

¹ 16 May 2019: [Strategic porcine collaboration in China with Beijing Capital Agribusiness](#)

² Porcine Reproductive and Respiratory Syndrome virus

³ The Ministry of Agriculture and Rural Affairs of the People's Republic of China

⁴ US Food and Drug Administration