

4 April 2022

National Milk Records plc ("NMR", the "Company", or, together with its subsidiaries, the "Group")

New Contract with Genus for Genomic Services to Accelerate the UK Dairy Industry's Progress Towards Net Zero

National Milk Record plc, the established agri-tech information services provider in UK dairy listed on Aquis Stock Exchange (AQSE: NMRP), is pleased to announce a new contract with Genus plc ("Genus") (LSE: GNS), the animal breeding and biotechnology company. NMR will act as the partner for multi-panel genomic testing and evaluations for its bovine female genomic testing requirements for the UK market.

Highlights

- Collaboration with Genus to bring genomic technology to the UK dairy industry
 - Genus will be using NMR's GeneEze testing to support its GENEadvance[®] services for genetics and reproduction subscription services
 - NMR will look to benefit from an increasing uptake of genomic testing in the UK to support its exclusive license to deliver GenoCells testing
- NMR, Genus and Agricultural and Horticultural Development Board ("AHDB") have worked together to map the DNA of the best and worst cows and bulls in terms of their environmental impact, which has then been combined into a genomic index, known as the EnviroCow index,
 - This collaboration means that, by using DNA samples, an animal's environmental impact can be a key breeding decision for farmers
 - This will help accelerate the industry's progress towards its net-zero carbon targets
- NMR's and Genus' genomics technology will allow farmers to breed cows with the lowest environmental impact and highest milk yield, whilst improving animal welfare
- The contract is for an initial term of five years and has the potential to add significant direct revenue to NMR as well as provide signposting to GenoCells and other health-related services from the Group

Andy Warne, NMR's Managing Director, commented:

"This is a significant step for genomic testing in the UK dairy sector, and we are delighted to be working with our friends at Genus, the biggest supplier of genetics in the UK market. NMR was selected by Genus as a genomics partner in the UK due to NMR's track record in both high through put laboratory services as well as the processing of animal pedigree and identification records.

"Through the use of genomics, dairy farmers are able to analyse and target their breeding objectives in order to improve efficiencies within the herd, including milk production and cow health. Additionally, this disruptive technology can improve the environmental efficiency of milk production and help the farming industry reach its net-zero greenhouse gas emissions goal. This is achieved by utilising the Enviro-Cow index, and associated genomic key, to breed cows that produce less methane per litre of milk.

"This collaboration is especially important when considering the current market environment, with Arla recently announcing a new five-year growth strategy for the UK which has a heavy focus on strengthening the sustainability, value and efficiency of the dairy supply chain, whilst increasing milk production."

Andy Thompson, the EMEA Regional Director for Genus, added:

"Genomics testing provides selection pressure on the female side in a dairy farmer's breeding programme. The GENEadvance[®] programme enables the farmer to benefit from using the best genetics on the best females. We have worked with NMR as an integrated partner to build the data supply infrastructure to support the additional insights provided by GENEadvance[®]."

Further Information

Traditionally, farmers have used the best bulls to breed replacement cows in their herd. In the past 20 years this incremental genetic progress has led to the average UK cow living longer, being more resistant to infectious diseases, such as mastitis, being more fertile and, at the same time, producing more milk per day of the cow's life. These factors all contribute to the amount of milk produced per unit of carbon improving by 20% in the past 20 years. Now, farmers will be able to use EnviroCow as a direct insight into an animal's environmental impact, and make it a key breeding consideration, accelerating the journey to net-zero.

As well as the environmental benefits, increased genomics testing will allow improved efficiency of milk production, strengthening the dairy supply chain in the UK.

Both companies are committed to developing UK bovine genotyping to their mutual advantage as well as to the benefit of customers. Alongside the commercial and financial benefits, this collaboration will support NMR's environmental efforts and aid in reducing the carbon footprint of the dairy and bovine sector, helping the industry meet its net-zero carbon targets.

About GeneEze

Using a process called SNP genotyping, GeneEze is used to identify beneficial and detrimental genotypes of individual cows. GeneEze utilises a genomic key which maps the DNA of cows known to have beneficial and detrimental DNA profiles.

About GENEadvance®

GENEadvance[®] will accelerate genetic improvement in a dairy herd to deliver better future herd performance by improving the selection accuracy of herd replacements and helping to make more informed breeding decisions whilst optimising heifer numbers.

About GenoCells

Using GeneEze testing as a base line, GenoCells can detect mastitis and sub-clinical mastitis for genomically tested herds, by reference and analysis of one sample of milk from a bulk-tank, without the need to sample and test the individual animals within the herd. As such, it provides farmers with a quick and easy method for identification and treatment of individual animals for mastitis conditions, which are a key payment parameter for milk buyers in both the UK and the US. Further, it provides information to facilitate the reduced usage of antibiotics in the herd providing further health and economic benefits.

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This announcement is available on the NMR website at www.nmr.co.uk

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014.

The Directors of the Company are responsible for the contents of this announcement.

About NMR

NMR plc

NMR is the leading agri-tech supplier of management information to the UK dairy supply chain. Through a team of self-employed milk-recorders, it collects and tests milk samples for approximately 50% of the UK's two million cows. In addition, its laboratories provide payment testing and disease testing services for Britain's milk processors. NMR has a joint-venture laboratory in the Republic of Ireland providing similar services to farmers and processors across the whole of Ireland. Another division of the Group is a livestock traceability business, Nordic Star, which services the UK dairy and beef sectors.

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