

Number of cattle and calves on agricultural holdings in the United Kingdom (UK) from 2005 to 2021

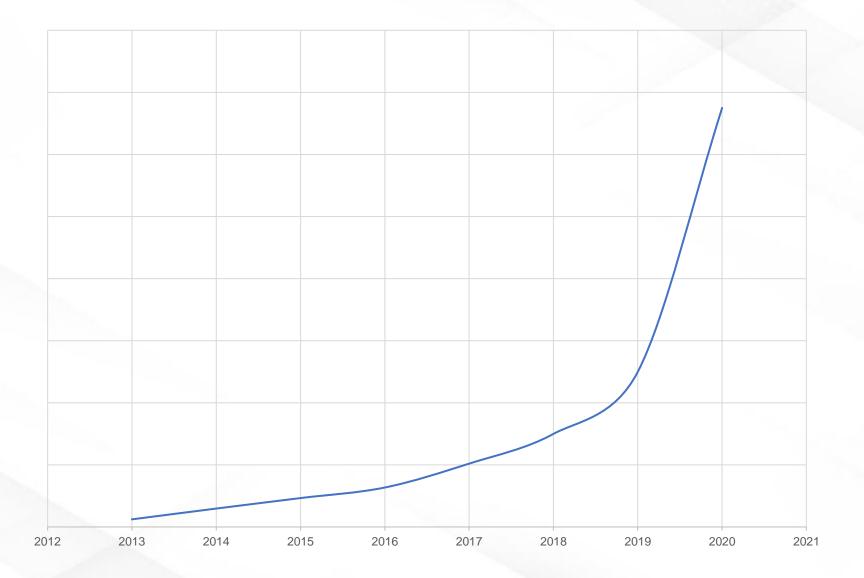
(in 1000s)



MARCH 16, 2023

THE NUMBER OF BEEF COWS IN THE U.S. DROPS TO THE LOWEST LEVEL SINCE 1962 AS THE GLOBAL FOOD CRISIS INTENSIFIES

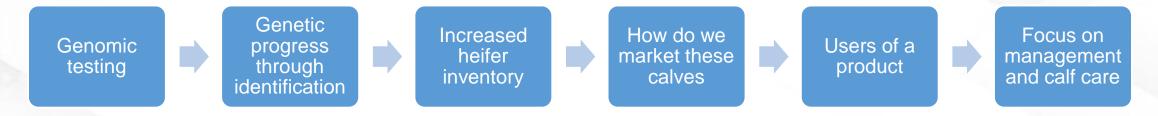




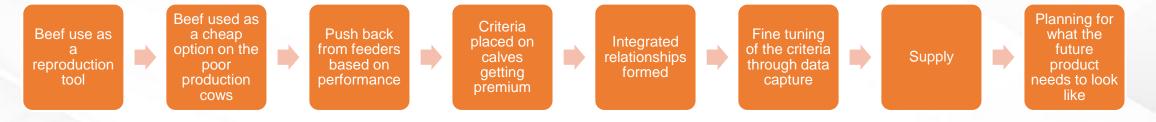


Beef cross timeline

Dairy timeline



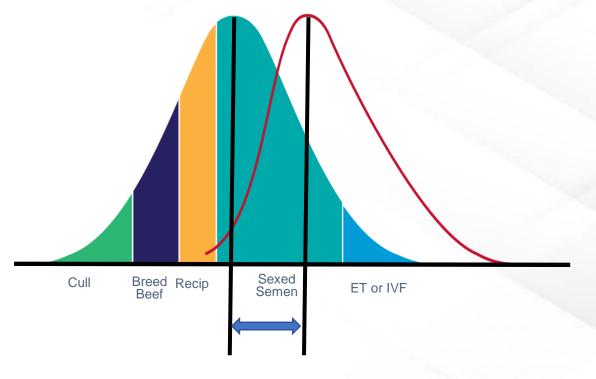
Beef timeline





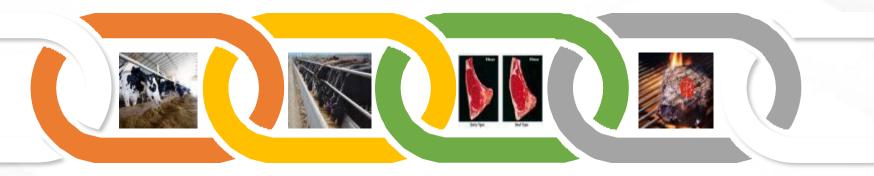
Changing times

- Conventional Semen across all cows
- Introduction of sorted semen
- Production of excess heifers
- Genomic testing to identify profitable females
- Beef as a strategy for the bottom % of dairy herds





Creating value for all links



Dairy

- Fertility
- Calving Ease
- Economics

Feedlot/Veal

- Feed efficiency
- Health
- Gain
- Grid value

Processor

- Carcass weight
- Ribeye size/shape
- Marbling

Consumer

- Cost
- Taste/Tenderness
- Sustainably produced
- · Ethically produced

Shifting a by-product of the dairy industry into a core product for beef production



How do we use beef sires?

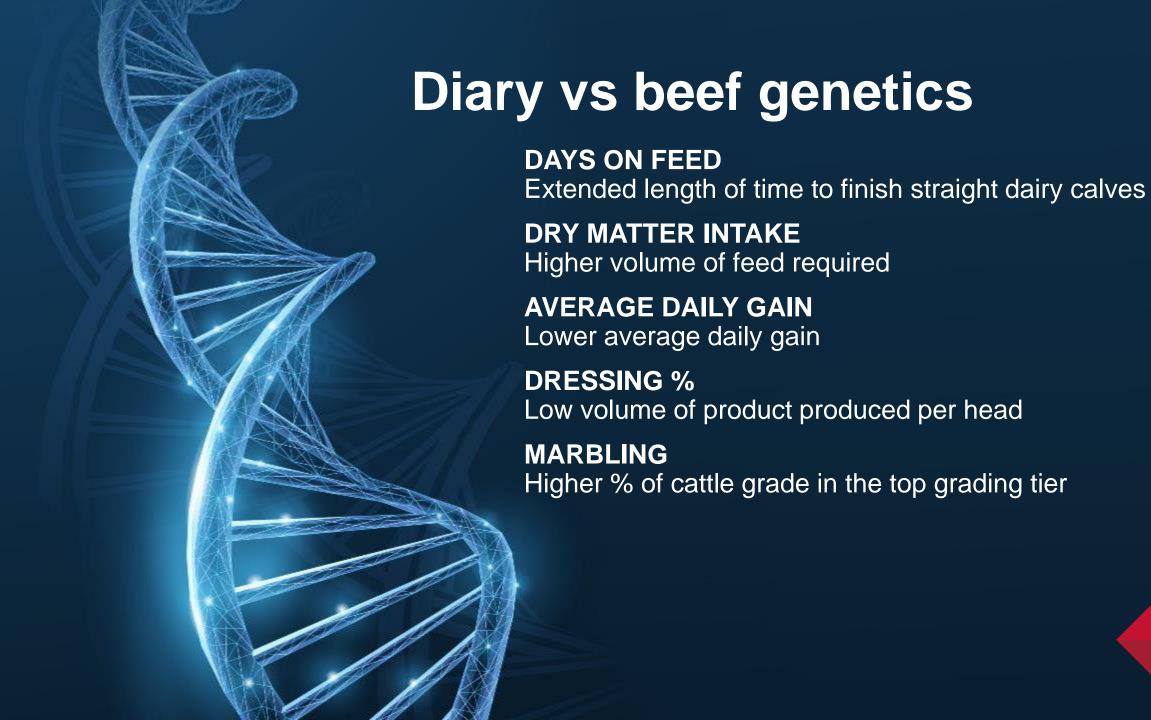


What value does beef add to dairy?

| | | | 18 TO | | | 1005050 | | | Cost | 200 | | | | | |
|------------------|-------|-----------|--------|---------|-----------|--------------|------------|------|---|---------------|--------|-------|----------------|---------|---------|
| Sex | In wt | Head | In wt, | Out wt, | DOF | DMI, lb/d | ADG, lb | F/G | gain, \$/lb | Vet, \$/hd | Death, | HCW, | Dress, | Prime, | Choice, |
| Holsteins | 300 | 425,576 | 327 | 1,258 | 347 | 15.82 | 2.65 | 6 | 0.54 | 16.74 | 3.59 | 777 | 61.8 | 1.8 | 47.7 |
| Holsteins | 400 | 97,667 | 451 | 1,289 | 302 | 17.76 | 2.73 | 6.55 | 0.57 | 14.83 | 3.58 | 784 | 61.6 | 2.3 | 50.7 |
| Holsteins | 500 | 49,332 | 545 | 1,288 | 263 | 18.71 | 2.80 | 6.73 | 0.57 | 13.84 | 2.32 | 792 | 61.7 | 2.9 | 57.2 |
| Holsteins | 600 | 60,930 | 653 | 1,298 | 222 | 19.92 | 2.86 | 7.04 | 0.59 | 12.42 | 2.08 | 795 | 61.5 | 2.8 | 57.7 |
| Holsteins | 700 | 72,469 | 749 | 1,322 | 190 | 21.02 | 2.99 | 7.13 | 0.6 | 11.45 | 1.69 | 799 | 61.2 | 2.9 | 57.3 |
| Holsteins | 800 | 80,813 | 846 | 1,313 | 154 | 22.7 | 2.99 | 7.77 | 0.6 | 9.65 | 1.13 | 806 | 60.7 | 3.9 | 56.5 |
| Holsteins | 900 | 66,616 | 940 | 1,403 | 181 | 23.59 | 2.59 | 9.4 | 0.65 | 8.07 | 1.17 | 820 | 60.7 | 5.0 | 60.3 |
| Sex | In wt | Head | In wt, | Out wt, | DOF | DMI, Ib/d | ADG, | F/G | Cost of gain, \$/lb | Vet, \$/hd | Death, | HCW, | Dress, | Prime, | Choice, |
| Steers | 300 | 188,922 | 364 | 1,115 | 298 | 14.6 | 2.47 | 5.93 | 0.53 | 21.51 | 4.16 | 729.7 | 64.6 | 1.2 | 47.3 |
| Steers | 400 | 711,714 | 460 | 1,138 | 255 | 15.7 | 2.61 | 6.06 | 0.53 | 22.11 | 3.39 | 740.2 | 64.5 | 1.0 | 43.9 |
| Steers | 500 | 2,119,892 | 558 | 1,181 | 216 | 17.3 | 2.83 | 6.19 | 0.53 | 19.54 | 2.61 | 761.8 | 64.3 | 0.9 | 46.1 |
| Steers | 600 | 4,363,876 | 653 | 1,224 | 185 | 18.8 | 3.03 | 6.26 | 0.53 | 15.96 | 1.78 | 786.0 | 64.1 | 0.8 | 45.1 |
| | 700 | 6,224,588 | 751 | 1,263 | 156 | 20.3 | 3.23 | 6.34 | 0.53 | 11.37 | 1.08 | 808.7 | 64.0 | 0.7 | 44.2 |
| Steers | | | 0.0000 | 1.00 | 100000000 | | | | 200000000000000000000000000000000000000 | | | | 17/12/10/50/00 | 9550701 | |
| Steers Steers | 800 | 5,442,413 | 843 | 1,303 | 135 | 21.8 | 3.36 | 6.55 | 0.53 | 9.20 | 0.73 | 826.3 | 63.8 | 0.6 | 42.5 |

Rust, S. R., Abney, C. S., Tigner, R., & Lehmkuhler, J. (2005). Comparison of dairy versus beef steers. *Proc. Managing and Marketing Quality Holstein Steers. R. Tigner and J. Lehmkuhler, ed. Wis. Agric. Service Assoc., Madison, WI*, 161-174.





Male calves vs females

| | Sex of BeefBuilder™ | Breed of Dam | Avg. Birthweight | Hot Carcass Weight | Carcass Adjusted Out-Weight | Ribeye Area |
|-----------------|---------------------|--------------|-------------------|--------------------|-----------------------------|----------------------------|
| | Steer | Holstein | 96 | 917 | 1455 | 14.7 |
| | Steer | Jersey | 80 | 847 | 1344 | 14.8 |
| | Heifer | Holstein | 88 | 839 | 1331 | 14.7 |
| | Heifer | Jersey | 74 | 756 | 1201 | 14.5 |
| Quality Grading | | | | | | |
| | Sex of BeefBuilder™ | Breed of Dam | Prime | Choice | Select | CAB |
| | Steer | Holstein | 2.5% | 71.2% | 25.1% | 10.3% |
| | Steer | Jersey | 2.7% | 78.3% | 18.0% | 12.2% |
| | Heifer | Holstein | 3.0% | 77.1% | 18.7% | 17.1% |
| | Heifer | Jersey | 3.3% | 76.8% | 18.2% | 12.8% |
| Yield Grading | | 0 5 | | | | |
| | Sex of BeefBuilder™ | Breed of Dam | Yield Grade 1 & 2 | Yield Grade 3 | Yield Grade 4 & 5 | Dairy Confirmation Carcass |
| | Steer | Holstein | 56.9% | 35.5% | 7.7% | 0.60% |
| | Steer | Jersey | 76.2% | 21.6% | 2.2% | 0.25% |
| | Heifer | Holstein | 63.5% | 30.3% | 6.1% | 0.57% |
| | Heifer | Jersey | 81.8% | 16.6% | 1.7% | 0.69% |





Turning a by product into a core product

Change the mindset of dairy producers

Produce beef calves with the same selection pressure as what is placed on replacement dairy females

How

- Understanding feeder needs
- Understanding the consumer and processor needs
- Connect dairies with buyers

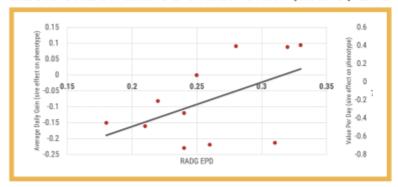


Preliminary field study results

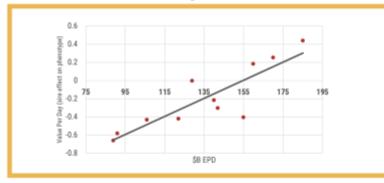
| Bull | Age in days | Sex | Hot Carcass weight | Value @\$3.25 |
|--------------------------------|-------------|-----|-----------------------|----------------------------|
| Better Genetics Bull A | 531 | F | 834 lbs | \$2710.50 |
| Average Genetics Bull B | 543 | F | 790 lbs | - \$143 & 12 extra days |
| Barn yard Billy group of bulls | 562 | F | 847 lbs | \$42.25 & 31 extra days |



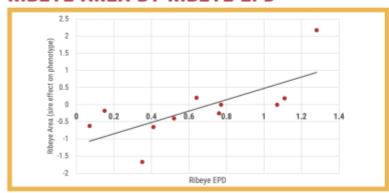
RESIDUAL AVERAGE DAILY GAIN (RADG) EPD MARBLING BY MARBLING EPD

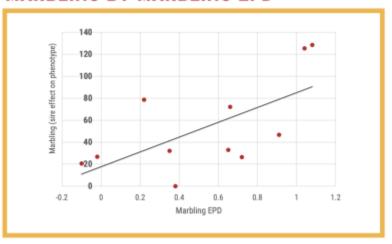


VALUE PER DAY BY \$B EPD



RIBEYE AREA BY RIBEYE EPD





DAYS TO SLAUGHTER





Beef breeds

Good

Bad

| | Birth Weights | Muscle | Feeding Ability | Marbling | Rib eye |
|--|-------------------------|------------------------|---------------------|--------------------------|------------------------|
| | Wagyu | Belgium Blue | Lim-Flex / SimAngus | Wagyu | Charolais |
| | Angus | Charolais | Charolais | Angus | Limousin |
| | Lim- Flex / SimAngus | Limousin | Belgium Blue | Lim – Flex / SimAngus | Lim-Flex / SimAngus |
| | Limousin | Lim-Flex / SimAngus | Limousin | Charolais | Belgium Blue |
| | Charolais | Angus | Angus | Limousin | Angus |
| | Belgium Blue | Wagyu | Wagyu | Belgium Blue | Wagyu |













Angus Lim-Flex /SimAngus

Wagyu

Limousin

Charolais

Belgium Blue



Where is beef on dairy going?

Data, data and more data

Cuttability, feed efficiency and health

Beef Products

- Conventional semen
- Sorted male semen
- Male beef embryos

Convention
Al beef
Semen

Sorted beef Semen

Embryos

7





Internal Semex genetics program

- #1 feed efficiency female in the breed
- #1 AxHol bull in the breed
- #5 \$B sire who is the only one in the top 10 with a 10% CED, next closest is top 45%
- All sires born are in the top 1% for AxHol
- Boviteq Research and Development





- Beef cattle numbers are decreasing
 - Pressure on supply
- Feed and input costs are increasing
 - Pressure on the quality of cattle fed
- Growing demand globally for beef protein
 - Population growth and need for nutrition
- Public perception of the industry
- Environmental impact and carbon credits
- Volume of meat produced
- Quality of meat produced



Selecting the right sire is critical

- Our sires have been pre selected to meet the needs of the entire supply chain
- All Black calves are not created equal
- The right beef x dairy calves are more sustainable, more environmentally friendly and create more volume of high quality high value product for the enjoyment of consumers

