European Union Notifies Trading Partners on the Proposal for the Regulation of Plants Obtained from New Genomic Techniques

December 1, 2023

- *EU notifies World Trade Organization (WTO) Members of its proposal for regulation of plants obtained from New Genomic Techniques (NGTs).*
- *The notification asks for comments from WTO members by 30 December 2023 and is accompanied with a timetable for Parliamentary Votes.*
- *Proposed regulation identifies a 'conventional-like' category of NGT products that would be regulated as conventional varieties, bringing EU policy closer to that of trading partners in North and South America, Australia, India and Japan.*

SAN DIEGO, Dec. 01, 2023 (GLOBE NEWSWIRE) -- Cibus, Inc. (NASDAQ: CBUS), a leading agricultural technology company that develops and licenses plant traits to seed companies, acknowledges the European Union notification to World Trade Organization (WTO) members on the European Commission proposal for regulation of plants obtained from New Genomic Techniques (NGTs) on 31st October. The notification is intended to ensure any potential trade barriers are avoided and invites comments from WTO members by the year end.

The proposal is a result of a European Commission study, requested by EU Member States, which concluded that EU GMO legislation was not fit for purpose in relation to applications of NGTs in plants. NGTs include a variety of gene editing techniques leading to genetic changes classed as targeted mutagenesis and cisgenesis.

The proposal, which is part of a package of EU proposals to ensure resilient and sustainable use of the EU's natural resources, describes a category of NGTs producing modifications that could be obtained in nature or by conventional breeding. These are determined to be 'conventional-like' and, once verified, would be regulated in the same way as conventional varieties.

The proposal was adopted by the EU College of Commissioners at their meeting on July 5, 2023, and is currently under review in committees of the European Parliament and by Ministers of Member States in the Council of the European Union.

Recent disclosures forecast that Members of the European Parliament are going to vote on the proposal during January 2024. In addition, the recent EU notification proposes an adoption date in July 2024 with additional implementing acts required to be passed within 24 months in order for the new legislation to become fully operational.

"The ambitious schedule for adoption set out in the notification highlights significant progress within EU institutions that will be welcomed by trading partners, many of whom have introduced similar regulatory policy over the past eight years," said Tony Moran, Senior Vice President at Cibus, Inc.

About Cibus
Cibus is a leader in gene edited productivity traits that address critical productivity and sustainability challenges for farmers such as diseases and pests which the United Nations estimates cost the global economy approximately $300 billion annually. Cibus is not a seed company. It is a technology company that uses gene editing to develop and license traits to seed companies in exchange for royalties on seed sales. Cibus' focus is productivity traits for the major global crops such as canola, rice, soybean, and wheat. Cibus is the technology leader in high throughput gene editing technology that enables Cibus to develop and commercialize plant traits at a fraction of the time and cost of conventional breeding. Using its Trait Machine process, Cibus has developed a pipeline of five productivity traits including important traits for pod shatter reduction, *Sclerotinia* resistance and weed management. Three crops: canola, rice, and soybean; with Cibus' five traits: pod shatter reduction, herbicide tolerance (HT)1, HT2, HT3, and *Sclerotinia* resistance make up the core of Cibus' three-crop, five-trait model, which is the central focus of its business. Its initial traits for pod shatter reduction and weed management are developed an in collaboration with leading seed companies. Its other pipeline traits including *Sclerotinia* resistance are in advanced greenhouse and field trial stages.

About the Cibus *RTDS*®-based High Throughput Breeding System
A key element of Cibus' technology breakthrough is its high throughput breeding process (referred to as the Trait Machine™ System). The Trait Machine process is a crop specific application of Cibus' patented Rapid Trait Development System™ (***RTDS***). The proprietary technologies in ***RTDS*** integrate crop specific cell biology platforms with a series of gene editing technologies to enable a system of end-to-end crop specific precision breeding. It is the core technology platform for Cibus' Trait Machine: the first standardized end-to-end semi-automated crop specific gene editing system that directly edits a seed company's elite germplasm. Each Trait Machine process requires a crop specific cell biology platform that enables Cibus to edit a single cell from a customers' elite germplasm and grow that edited cell into a plant with the Cibus edits. Cibus has Trait Machine platforms developed for canola and rice and has already begun transferring back to customers their elite germplasm with Cibus edits.

The traits from Cibus' ***RTDS***-based high throughput breeding system are indistinguishable from traits developed using conventional breeding or from nature. Under the European Commission's current proposal, if adopted, we expect that products

from Cibus' ***RTDS*** gene editing platform such as its pod shatter trait and *Sclerotinia* resistance traits for canola and winter oilseed rape will be considered 'conventional-like'.

Cibus believes that ***RTDS*** and the Trait Machine process represent the technological breakthrough in plant breeding that is the ultimate promise of plant gene editing: high throughput gene editing systems operating as an extension of seed company breeding programs.

Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of applicable securities laws, including The Private Securities Litigation Reform Act of 1995. All statements, other than statements of present or historical fact included herein, including statements regarding the benefits of the Act, Cibus' operational performance, and Cibus' strategy, future operations, prospects and plans, are forward-looking statements. Forward-looking statements may be identified by words such as "anticipate," "believe," "intend", "expect," "plan," "scheduled," "could," "would" and "will," or the negative of these and similar expressions.

These forward-looking statements are based on the current expectations and assumptions of Cibus' management about future events, which are based on currently available information. These forward-looking statements are subject to numerous risks and uncertainties, many of which are difficult to predict and beyond the control of Cibus. There are many factors that could cause Cibus' actual results, level of activity, performance or achievements to differ materially from those expressed or implied by forward-looking statements, including factors related to: (i) risks associated with the possible failure to realize certain anticipated benefits of the transactions contemplated by the merger (the "Transactions"), including with respect to future financial and operating results; (ii) the effect of the completion of the Transactions on Cibus' business relationships, operating results and business generally; (iii) the outcome of any litigation related to the merger agreement or Transactions; (iv) competitive responses to the Transactions and changes in expected or existing competition; (v) challenges to Cibus' intellectual property protection and unexpected costs associated with defending Cibus' intellectual property rights; (vi) increased or unanticipated time and resources required for Cibus' platform or trait product development efforts; (vii) Cibus' reliance on third parties in connection with its development activities; (viii) Cibus' ability to effectively license its productivity traits and sustainable ingredient products; (ix) the recognition of value in Cibus' products by farmers, and the ability of farmers and processors to work effectively with crops containing Cibus' traits; (x) Cibus' ability to produce high-quality plants and seeds cost effectively on a large scale; (xi) Cibus' need for additional funding to finance its activities and challenges in obtaining additional capital on acceptable terms, or at all; (xii) Cibus' dependence on distributions from Cibus Global, LLC to pay taxes and cover Cibus' corporate and overhead expenses; (xiii) regulatory developments that disfavour or impose significant burdens on gene-editing processes or products; (xiv) Cibus' ability to achieve commercial success; (xv) commodity prices and other market risks facing the agricultural sector; and (xvi) technological developments that could render Cibus' technologies obsolete. In addition to these factors, other known and unknown risks and uncertainties may adversely affect such forward-looking statements and cause Cibus' actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, actual results and plans could differ materially from those expressed in any forward-looking statements. In addition, the forward-looking statements included in this press release represent Cibus' views as of the date hereof. Cibus specifically disclaims any obligation to update such forward-looking statements in the future, except as required under applicable law. These forward-looking statements should not be relied upon as representing Cibus' views as of any date subsequent to the date hereof.

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