



## ANNOUNCEMENT

The Board of Directors of Malaysian Genomics Resource Centre Berhad (hereinafter referred to as “MGRC” or “the Company”) is pleased to announce the following unaudited results for the fourth quarter ended 30 June 2010.

### CONDENSED INCOME STATEMENT

Income Statement	4th Quarter	Cumulative Quarters
	3 Months Ended 30.06.2010 (RM'000)	13 Months Ended 30.06.2010 (RM'000)
	unaudited	unaudited
Revenue	1,479	15,779
Interest income	35	205
Employee benefits and expense	(460)	(2,102)
Depreciation and amortisation	(245)	(935)
Exclusive license fee	(62)	(271)
Annual maintenance fee	(301)	(1,304)
Management fees	1	(811)
Other expenses	(400)	(1,201)
Profit from operations	<b>47</b>	<b>9,360</b>
Finance costs	(0)	(1)
Profit before tax	<b>47</b>	<b>9,359</b>
Income tax expense	(11)	(43)
Profit for the period/year	<b>36</b>	<b>9,316</b>
Attributable to:		
Shareholders of the company	36	9,316
Net profit for the period/year	<b>36</b>	<b>9,316</b>
Earnings per share (EPS) attributable to the equity holders of the company (sen)		
Basic EPS	0.05	12.10
Diluted EPS	N/A	N/A

The cumulative quarters for the financial period ended 30 June 2010 comprises a period of 13 months due to a change in MGRC's financial year end from 31 May to 30 June. No comparable figures are available as this is the first quarterly report to Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited condensed income statement should be read in conjunction with the accompanying explanatory notes that form an integral part of this Interim Financial Statement.



**CONDENSED BALANCE SHEET**

<b>Balance Sheet</b>	<b>As at End of Current Quarter</b>
	<b>30.06.2010</b>
	<b>(RM'000)</b>
	unaudited
<b>ASSETS</b>	
<b>NON-CURRENT ASSETS</b>	
Plant and equipment	680
Intangible asset	5,448
<b>CURRENT ASSETS</b>	
Trade and other receivables	3,213
Due from immediate holding company	-
Cash and bank balances	9,637
<b>TOTAL ASSETS</b>	<b>18,978</b>
<b>EQUITY AND LIABILITIES</b>	
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	
Share capital	7,700
Share premium	1,175
Retained earnings	5,876
<b>TOTAL EQUITY</b>	<b>14,751</b>
<b>NON-CURRENT LIABILITY</b>	
Hire purchase payable	-
<b>CURRENT LIABILITIES</b>	
Other payables	4,227
Hire purchase payable	-
Tax payable	-
Due to immediate holding company	-
<b>TOTAL LIABILITIES</b>	<b>4,227</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18,978</b>
Net assets	14,751
Net assets per share (sen)	19.16

The unaudited condensed balance sheet should be read in conjunction with the accompanying explanatory notes that form an integral part of this Interim Financial Statement. No comparable figures are available as this is the first quarterly report to Bursa Securities.



**CONDENSED STATEMENT OF CHANGES IN EQUITY**

<b>Statement of Changes in Equity</b>	<b>Non-Distributable</b>		<b>Distributable</b>	<b>Total</b>
	<b>Share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Equity</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>At 1 June 2009 (restated)</b>	1,925	1,175	12,335	15,435
Dividends	-	-	(10,000)	(10,000)
Issue of ordinary shares:				
Bonus issue	5,775	-	(5,775)	-
Profit for the period			9,316	9,316
<b>At 30 June 2010 (unaudited)</b>	<b>7,700</b>	<b>1,175</b>	<b>5,876</b>	<b>14,751</b>

The unaudited condensed statement of changes in equity should be read in conjunction with the accompanying explanatory notes that form an integral part of this Interim Financial Statement. No comparable figures are available as this is the first quarterly report to Bursa Securities.

Note on Restatement

Certain restatements were effected to rectify misstatements of revenue and expenses in the income statements and their related amounts in the balance sheets of prior years to comply with Financial Reporting Standards in Malaysia. Please refer to MGRC's Prospectus dated 8 September 2010.



**CONDENSED CASH FLOW STATEMENT**

<b>Cash Flow Statement</b>	<b>13 Months Ended 30.06.2010 (RM'000)</b>
	unaudited
<b>Cash flows from operating activities</b>	
Profit before tax	9,359
Adjustments for:	
Amortisation of intangible assets	662
Depreciation of plant and equipment	273
Hire purchase interest	1
Interest income	(205)
Operating profit before working capital changes	10,090
(Increase) / decrease in receivables	(2,163)
(Decrease) / increase in payables	(2,891)
Changes in related company balances	2,348
Cash generated from operations	7,384
Interest paid	(1)
Taxes paid	(62)
Net cash generated from operating activities	<b>7,321</b>
<b>Cash flows from investing activities</b>	
Interest received	205
Purchase of plant and equipment	(470)
Purchase of computer software license	-
Net cash used in investing activities	<b>(265)</b>
<b>Cash flows from financing activities</b>	
Increase in share capital	-
Repayment of hire purchase	(38)
Dividends paid	(10,000)
Net cash used in financing activities	<b>(10,038)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,982)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>12,619</b>
<b>Cash and cash equivalents at end of the period</b>	<b>9,637</b>

The unaudited condensed cash flow statement should be read in conjunction with the accompanying explanatory notes that form an integral part of this Interim Financial Statement. No comparable figures are available as this is the first quarterly report to Bursa Securities.



**UNAUDITED NOTES TO THE INTERIM FINANCIAL REPORT**

**A Explanatory Notes Pursuant to FRS 134**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements are consistent in the use of the same accounting policies and methods of computation as previously disclosed in the Accountant’s Report included in the Company’s Prospectus dated 8 September 2010.

**A2. Auditors’ Report on Preceding Annual Financial Statements**

The Auditors’ Report on the financial statements for the financial year ended 31 May 2009 was not qualified.

**A3. Seasonal and Cyclical Factors**

The operations of MGRC were not significantly affected by seasonal and cyclical factors.

**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

Save as disclosed below, there were no significant unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review. Included in the trade and other receivables set out in the condensed balance sheet was a prepayment amount of RM1.56 million relating to prepaid listing expenses.

**A5. Material Changes in Estimates**

The Company has previously reviewed the estimated useful life of its intangible asset and is of the opinion that a life span of 10 years (previously 20 years) is more reflective of the economic useful life of its intangible asset.

**A6. Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter under review.

**A7. Dividends Paid**

There were no dividends paid in the current financial quarter under review.



**A8. Segmental Information**

For the quarter under review MGRC operated in two lines of business, namely the provision of Contract Genomics Services and Genomics Data Access Services. These are used in determining segmental revenue based on business activity. Since MGRC receives revenue from Malaysia as well as other countries, geographical segmentation of revenue is based on the country in which the customer is located. There is no inter-segment transaction during the period under review.

<b>Segmental Analysis</b>	<b>4th Quarter</b>	<b>Cumulative Quarters</b>
	<b>3 Months</b>	<b>13 Months</b>
	<b>Ended 30.06.2010</b>	<b>Ended 30.06.2010</b>
<b>4th Quarter Revenue:</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
	unaudited	unaudited
<b>by Service</b>		
Genomics Data Access Services	1,200	14,445
Contract Genomics Services	279	1,334
<b>TOTAL</b>	<b>1,479</b>	<b>15,779</b>
<b>by Geographical Location</b>		
Malaysia	1,200	14,477
United States	279	1,302
<b>TOTAL</b>	<b>1,479</b>	<b>15,779</b>

No comparative figures are available as this is the first quarterly report to Bursa Securities .

**A9. Valuation of Property, Plant and Equipment**

There has been no valuation on any of MGRC's property, plant and equipment during the current financial quarter under review.

**A10. Subsequent Events**

Save as disclosed below, there were no material events subsequent to the end of the current financial quarter under review that has not been reflected:

- i) The Company has entered into its negotiation with a supplier to purchase a sequencing machine at a cost of RM2,277,000 and is in the process of finalizing all documents related thereto.
- ii) On 8 September 2010, the Company has successfully launched its prospectus in conjunction with the listing on the ACE Market of Bursa Securities comprising a public issue of 17.1 million new ordinary shares of RM0.10 each ("MGRC Shares") and an offer for sale of 2.0 million existing MGRC Shares, at an issue/offer price of RM1.08 each. Application for the subscription was closed on 23 September 2010.



The entire enlarged issued and paid-up share capital of the Company of 94,100,480 MGRC Shares is expected to be listed and quoted on the ACE Market on 5 October 2010.

**A11. Changes in the Composition of the Company**

There were no changes in the composition of the Company, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations for the current financial year.

**A12. Contingent Liabilities or Contingent Assets**

There was no contingent liability or contingent asset arising since the last audited annual balance sheet date as at 31 May 2009.

**A13. Capital Commitments**

There were no material capital commitments entered into since the last annual balance sheet date.

**A14. Related Party Transactions**

Save as disclosed below, there were no significant related party transactions during the quarter under review up to the date of this announcement.

<b>Related Party Transactions</b>		<b>4th Quarter</b>	<b>Cumulative Quarters</b>
<b>Related Party</b>	<b>Nature of Transaction</b>	<b>3 Months Ended 30.06.2010 (RM'000)</b>	<b>13 Months Ended 30.06.2010 (RM'000)</b>
		unaudited	unaudited
Synamatix, our holding company	Exclusive licence fees payable to Synamatix with respect of software developed by Synamatix pursuant to Software License Agreement	62	271
Synamatix, our holding company	System maintenance cost payable to Synamatix for annual maintenance of software developed by Synamatix pursuant to Software License Agreement	301	1,304
Neuramatix, our ultimate holding company	Management fee payable to Neuramatix pursuant to Shared Services Agreement	(1)	811
Synamatix, our holding company	Contract Genomics Services rendered to Synamatix in our ordinary course of business	0	9,245

The Shared Services Agreement with Neuramatix, our ultimate holding company, is approved annually in advance, hence the costs presented are estimated costs based on approved annual budget. This resulted in an over-accrual in previous quarters upon reconciliation to actual costs received at the end of the financial period.



A15. Cash and Cash Equivalents

<b>Cash and Cash Equivalents</b>	<b>13 Months Ended 30.06.2010 (RM'000)</b>
	unaudited
Cash on hand and at banks	2,837
Deposit with licensed banks	6,800
	<b>9,637</b>

**B Explanatory Notes Pursuant to Appendix 9B, ACE Market Listing Requirements**

B1. Performance of the Company

For the financial period ended 30 June 2010, MGRC recorded revenue and profit before tax of RM15.78 million and RM9.32 million respectively.

For the current quarter, the Company recorded revenue and profit before taxation of RM1.48 million and RM0.05 million respectively.

Long-term contracts and recurring contractual agreements are not a norm in our industry. Additionally, revenues coincide with the relevant milestones for each project and we may face fluctuations such that revenue recorded for certain quarters may be higher than for other quarters, depending on the factors above.

B2. Comparison with Preceding Quarter's Results

This is the first quarterly report on the results of the Company for the financial period ended 30 June 2010, announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Securities in conjunction with MGRC's admission to the ACE Market of Bursa Securities. As this is the first quarterly report, no comparative figures for the corresponding quarter of the preceding year or the preceding quarter of the current year are reported.

B3. Prospects of the Company

Barring any unforeseen circumstances, the Directors are of the opinion that the prospects for the financial year ending 30 June 2011 will remain favourable.

According to Frost & Sullivan's Independent Market Research Report on the Bioinformatics Industry (Global and Malaysia), MGRC is a leading player in the bioinformatics space in Malaysia, and since it already offers its bioinformatics analysis services to clients overseas its prospects are closely tied to the global outlook of the industry.



The same report forecasts that the global bioinformatics analysis market, which was valued at an estimated USD3.4 billion in 2009, will expand at a compound annual growth rate of 24.9% to about USD10.4 billion by 2014. The market will be largely driven by demand in North America and Europe, mainly because the majority of research activity utilizing results from bioinformatics analysis is undertaken there.

MGRC will work towards capitalizing on the growing trend for outsourcing of contract bioinformatics analysis services where service providers in Asia have the added advantage of being more cost competitive over service providers in North America and Europe.

**B4. Variance from Profit Forecast**

The Company did not publish any profit forecast in respect of the financial period ended 30 June 2010.

**B5. Taxation**

MGRC's BioNexus pioneer status accords the Company with tax exemption on its statutory income for qualifying activities. The Company's effective tax rate for the current financial year is thus lower than the Malaysian statutory tax rate of 25%.

Taxation	4th Quarter	Cumulative Quarters
	3 Months	13 Months
	Ended 30.06.2010	Ended 30.06.2010
	(RM'000)	(RM'000)
	unaudited	unaudited
Current period	11	43
Deferred tax	-	-
<b>Taxation for the period</b>	<b>11</b>	<b>43</b>

**B6. Unquoted Securities and/or Properties**

There were no purchases or disposals of any unquoted securities and/or properties for the current financial quarter and financial period year to date.

**B7. Quoted Securities**

There were no purchases or disposal of any quoted securities for the current financial quarter. The Company did not hold any investment in quoted securities as at 30 June 2010.

**B8. Status of Corporate Proposal**

Save as disclosed in Note A10(ii), there is no corporate proposal announced but not completed as at the date of this announcement.



**B9. Status of Utilisation of Proceeds from Issue of Shares**

As at the end of the financial quarter, proceeds from the issue of shares had yet to be received.

**B10. Company Borrowings**

The Company does not have any borrowings as at 30 June 2010.

**B11. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments entered into by the Company as at 30 September 2010 being the date of this report.

**B12. Material Litigations**

As at the date of this announcement, there are no material litigations against the Company or taken by the Company.

**B13. Dividends**

No dividends were declared during the current financial quarter under review.

In respect of the financial period ended 30 June 2010, an interim tax exempt dividend on 1,925,012 ordinary shares totaling RM10,000,000 had been declared on 19 November 2009.

**B14. EPS**

i) **Basic** The basic EPS is computed by dividing the net profit attributable to the equity holders of the Company for the financial quarter and year to date periods by the weighted average of the number of ordinary shares in issue during the period.

Basic EPS	4th Quarter	Cumulative Quarters
	3 Months Ended 30.06.2010 (RM'000)	13 Months Ended 30.06.2010 (RM'000)
	unaudited	unaudited
Net profit attributable to ordinary shareholders	36	9,316
Weighted average number of ordinary shares of RM0.10 each in issue ('000s)	77,000	77,000
<b>Basic EPS (sen)</b>	<b>0.05</b>	<b>12.10</b>

ii) **Diluted** The Company does not have any convertible shares or convertible financial instruments for the current financial quarter and financial period year to date.



B15. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a Resolution of the Directors dated 30 September 2010.