

ANNOUNCEMENT

The Board of Directors of Malaysian Genomics Resource Centre Berhad (hereinafter referred to as "MGRC" or "the Company") hereby announce the following unaudited results for the first quarter ended 30 September 2010.

A PRESENTATION OF RESULTS

I(a) CONDENSED INCOME STATEMENT

for the financial period ended	Current Year 1st Quarter 30.9.2010 (RM'000)
	unaudited
Revenue	1,475
Interest income from fixed deposits	63
Employee benefits and expense	(735)
Depreciation and amortisation	(211)
Exclusive license fee	(62)
System maintenance cost	(301)
Management fees	(202)
Other expenses	(483)
Profit / (loss) from operations	(456)
Finance costs	0
Profit / (loss) before tax	(456)
Income tax expense	(16)
Profit / (loss) for the period	(472)
Profit / (loss) attributable to:	
Shareholders of the company	(472)
Minority interest	0
Net profit / (loss) for the period	(472)
Earnings per share (EPS) attributable to the equity holders of the company (sen)	
Basic EPS	(0.61)
Diluted EPS	N/A

No comparable figures are available as this is the second quarterly report to Bursa Malaysia Securities Berhad ("Bursa"). The unaudited condensed income statement should be read in conjunction with the audited financial statements for the period ended 30 June 2010 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

A PRESENTATION OF RESULTS (cont.)

(b) CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the financial period ended	Current Year 1st Quarter 30.9.2010 (RM'000)
	unaudited
Profit / (loss) for the period	(472)
Other comprehensive income	0
Total comprehensive income / (loss) for the period	(472)
Total comprehensive income / (loss) attributable to:	
Shareholders of the company	(472)
Minority interest	0
Total comprehensive income / (loss) for the period	(472)

No comparable figures are available as this is the second quarterly report to Bursa. The unaudited condensed statement of comprehensive income should be read in conjunction with the audited financial statements for the period ended 30 June 2010 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

A PRESENTATION OF RESULTS (cont.)
II CONDENSED STATEMENT OF FINANCIAL POSITION

as at	30.09.2010 (RM'000)	30.06.2010 (RM'000)
	unaudited	audited
ASSETS		
NON-CURRENT ASSETS		
Plant and equipment	658	680
Intangible asset	5,295	5,448
CURRENT ASSETS		
Trade and other receivables	4,942	3,213
Cash and bank balances	7,678	9,637
TOTAL ASSETS	18,573	18,978
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	7,700	7,700
Share premium	1,175	1,175
Equity compensation reserve	110	0
Retained earnings	5,404	5,876
TOTAL EQUITY	14,389	14,751
CURRENT LIABILITIES		
Other payables	4,122	4,227
Tax payable	11	0
Due to immediate holding company	51	0
TOTAL LIABILITIES	4,184	4,227
TOTAL EQUITY AND LIABILITIES	18,573	18,978
Net assets (RM'000)	14,389	14,751
Net assets per share attributable to equity holders of the company (sen)	18.69	19.16

The unaudited condensed statement of financial position should be read in conjunction with the audited financial statements for the period ended 30 June 2010 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

A PRESENTATION OF RESULTS (cont.)
III CONDENSED STATEMENT OF CHANGES IN EQUITY

	Equity Attributable to Equity Holders of the Company (RM'000)	← Share Capital (RM'000)	Non-Distributable Share Premium (RM'000)	→ Other Reserves (RM'000)	Distributable Retained Earnings (RM'000)
for the financial period ended 30 September 2010					
Opening balance at 1 July 2010 (unaudited)	14,751	7,700	1,175	0	5,876
Total comprehensive income / (loss)	(472)	0	0	0	(472)
Share-based payment compensation	110	0	0	110	0
Closing balance at 30 September 2010 (unaudited)	14,389	7,700	1,175	110	5,404

No comparable figures are available as this is the second quarterly report to Bursa. The unaudited condensed statement of changes in equity should be read in conjunction with the audited financial statements for the period ended 30 June 2010 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

A PRESENTATION OF RESULTS (cont.)
IV CONDENSED STATEMENT OF CASH FLOWS

for the financial period ended	Current Year 1st Quarter 30.09.2010 (RM'000) unaudited
Cash flows from operating activities	
Profit / (loss) before tax	(456)
Adjustments for:	
Amortisation of intangible assets	153
Depreciation of plant and equipment	58
Share-based payment compensation	110
Unrealised foreign exchange loss	23
Interest income	(62)
Operating profit / (loss) before working capital changes	(174)
(Increase) / decrease in receivables	(1,752)
(Decrease) / increase in payables	(105)
Changes in related company balance	51
Cash generated from operations	(1,980)
Taxes paid	(5)
Net cash used in operating activities	(1,985)
Cash flows from investing activities	
Interest received	62
Purchase of plant and equipment	(36)
Net cash generated from investing activities	26
Net (decrease) / increase in cash and cash equivalents	(1,959)
Cash and cash equivalents at beginning of the period	9,637
Cash and cash equivalents at end of the period	7,678

No comparable figures are available as this is the second quarterly report to Bursa. The unaudited condensed statement of cash flows should be read in conjunction with the audited financial statements for the period ended 30 June 2010 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

UNAUDITED NOTES TO THE INTERIM FINANCIAL REPORT

B Explanatory Notes Pursuant to FRS 134

i Basis of Preparation & Changes in Accounting Policies

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 Bursa ACE Market Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the period ended 30 June 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the period ended 30 June 2010.

On 1 July 2010, the Company adopted the following FRSs:

FRS 8: Operating Segments
 FRS 4: Insurance Contracts
 FRS 7: Financial Instruments: Disclosures
 FRS 101: Presentation of Financial Statements (revised)
 FRS 123: Borrowing Costs (revised)
 FRS 139: Financial Instruments: Recognition and Measurement
 Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
 Amendments to FRS 132: Financial Instruments: Presentation
 Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives
 Amendments to FRSs "Improvements to FRSs (2009)"
 IC Interpretation 9: Reassessment of Embedded Derivatives
 IC Interpretation 10: Interim Financial Reporting and Impairment
 IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions
 IC Interpretation 13: Customer Loyalty Programmes
 IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
 Amendments to FRS 132: Classification of Rights Issues
 FRS 1: First-time Adoption of Financial Reporting Standards
 FRS 3: Business Combinations (revised)
 FRS 127: Consolidated and Separate Financial Statements (amended)
 Amendments to FRS 2: Share-based Payment
 Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations
 Amendments to FRS 138: Intangible Assets
 Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives
 IC Interpretation 12: Service Concession Arrangements
 IC Interpretation 15: Agreements for the Construction of Real Estate
 IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
 IC Interpretation 17: Distributions of Non-cash Assets to Owners

Other than for the application of FRS 8, FRS 101, FRS 139, and FRS 7, the application of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Company.

FRS 8: Operating Segment FRS 101: Presentation of Financial Statements (revised)

FRS 8 replaces FRS 114₂₀₀₄: Segment Reporting and requires a 'management approach', under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Company's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position or results of the Company.

B Explanatory Notes Pursuant to FRS 134 (cont.)**i Basis of Preparation & Changes in Accounting Policies (cont.)**FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the statement of changes in equity will include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The Company has elected to present in two linked statements. This revised FRS does not have any impact on the financial position and results of the Company.

FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures

FRS 139 sets out the new requirements for the recognition and measurement of the Company's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments in the statement of financial position reflects the designation of the financial instruments. The Company determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 July 2010.

FRS 7 requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Company's exposure to risks, enhanced disclosure regarding components of the Company's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, AFS financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The adoption of these FRSS do not have any impact on the Company's interim financial statements of the current quarter and its opening balance as at 1 July 2010.

ii Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the 13-month period ended 30 June 2010 was not qualified.

iii Seasonal and Cyclical Factors

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

iv Material and Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

Save as disclosed below, there were no material and 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 statement of financial position was a prepayment amount of RM3.26 million relating to prepaid listing expenses.

v Material Changes in Estimates

There were no material changes in the estimates that had effect(s) on the current quarter under review.

B Explanatory Notes Pursuant to FRS 134 (cont.)

vi 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.

vii Dividends Paid

There were no dividends paid in the quarter under review.

viii Segmental Information

FRS 8 requires identification of reporting segment on the basis of internal reports that are regularly reviewed by the entity's Chief Operating Decision Maker in order to allocate resources to the segment and assess its performance. The management monitors the operating results of the company as a whole for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Company has only one reportable segment for the period under review as well as the foreseeable future. Please refer to the financial statements presented in Part A of this announcement.

ix Valuation of Plant and Equipment

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

x Subsequent Events

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

- a) The Company has ordered a sequencing machine at a cost of RM2,354,250 and is awaiting delivery of the machine from the supplier.
- b) Following a public issue of 17,100,000 new ordinary shares of RM0.10 each and an offer for sale of 2,000,000 existing shares, the entire enlarged issued and paid-up share capital of the Company (94,100,480 MGRC shares) was listed and quoted on Bursa's ACE Market on 5 October 2010.

xi 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 quarter.

xii Contingent Liabilities or Contingent Assets

There was no contingent liability or contingent asset arising since the last audited annual balance sheet date as at 30 June 2010.

xiii Capital Commitments

Save as disclosed below, there were no material capital commitments entered into since the last audited annual balance sheet date:

- A downpayment of 50% (RM1,177,125) was paid on ordering the sequencing machine disclosed under Note B(x).

B Explanatory Notes Pursuant to FRS 134 (cont.)
xiv 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.

a) Significant Related Party Transactions

for the financial period ended		Current Year
Related Party		1st Quarter
Nature of Transaction		30.09.2010
		(RM'000)
		unaudited
Neuramatix, our ultimate holding company.	Management fee payable to Neuramatix pursuant to Shared Services Agreement.	202
Synamatix, our holding company.	Exclusive licence fees payable to Synamatix with respect of software developed by Synamatix pursuant to Software License Agreement.	62
Synamatix, our holding company.	System maintenance fees payable to Synamatix for annual maintenance of software licensed by MGRC pursuant to Software License Agreement.	301
		565

b) Compensation of Key Management Personnel (excluding directors)

	Current Year
	1st Quarter
	30.09.2010
	(RM'000)
	unaudited
Salaries, allowances and bonuses	128
Contributions to defined contribution plan	15
Social security contributions	0
Estimated money value of benefits-in-kind	56
Total short-term employee benefits	199

The estimated money value of benefits-in-kind is pursuant to the share based transaction disclosed under Note C(i).

xv Cash and Cash Equivalents

as at	Current Year
	1st Quarter
	30.09.2010
	(RM'000)
	unaudited
Cash on hand and at banks	878
Deposits with licensed banks	6,800
	7,678

C Explanatory Notes Pursuant to Appendix 9B, ACE Market Listing Requirements
i Performance of the Company

For the current quarter, the Company recorded revenue of RM1.48 million and a loss before taxation of RM0.46 million.

Long-term contracts and recurring contractual agreements are not a norm in our industry. Additionally, revenue coincides with the relevant milestones for each project and we may face fluctuations such that revenue recorded in each quarter may vary.

Notwithstanding the lack of a recurring element in our revenue, performance for the quarter under review can be attributed to an increase in staff costs stemming from:

- a) the recognition of share based payment transactions, whereby RM110,464 was treated as a benefit to employees in accordance with FRS 2 and recognised as staff cost, and
- b) the basis for accruing bonus payments had been adjusted downward, resulting in an over accrual of bonus payments as at the previous quarter. The accrual of bonus payments has continued on an ongoing basis in the current reportable quarter.

ii Comparison with Preceding Quarter's Results

The comparison of this quarter's results with the preceding quarter is set out below.

for the financial period ended	Current Year 1st Quarter 30.09.2010 (RM'000)	Previous Year 4th Quarter 30.06.2010 (RM'000)	Variance (RM'000)
	unaudited	unaudited	
Revenue	1,475	1,479	(4)
Profit / (loss) before tax	(456)	47	(503)

While revenues remained constant as compared to the preceding quarter, additional costs were incurred for staff costs as disclosed under Note C(i) above. In addition, an expense pursuant to our Shared Services Agreement with Neuramatix was recognised for the current quarter as compared to the credit balance disclosed in the previous quarter.

iii 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.

MGRC has accepted two projects awarded by the Ministry of Science, Technology and Innovation, previously announced by MGRC on 4 October 2010, and commenced project related work in November 2010. The Company expects these projects to contribute to its results over a consecutive six reportable financial quarters beginning the 2nd quarter of this financial year.

In addition to expanding its team of scientists and purchasing new equipment to increase its sequencing capacity, MGRC will continue to pursue new projects for prospective clients in Malaysia and abroad.

iv Variance from Profit Forecast

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

C Explanatory Notes Pursuant to Appendix 9B, ACE Market Listing Requirements (cont.)

v 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	Current Year
for the financial period ended	1st Quarter
	30.09.2010
	(RM'000)
	unaudited
Malaysian income tax:	
Current period	16

vi 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.

vii 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.

viii Status of Corporate Proposal

There is no corporate proposal announced but not completed as at the date of this announcement.

ix Status of Utilisation of Proceeds from Issue of Shares

As at the end of the financial quarter under review, proceeds from our initial public offering as set out in Note B(x) have not been received. As such there has been no utilisation of proceeds for the quarter under review.

x Company Borrowings

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

xi Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments entered into by the Company as at 19 November 2010 being the date of this report.

xii Material Litigations

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

xiii Dividends

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

C Explanatory Notes Pursuant to Appendix 9B, ACE Market Listing Requirements (cont.)

xiv EPS

- a) **Basic** The basic EPS is computed by dividing the net profit / (loss) attributable to the equity holders of the Company for the financial quarter by the weighted average of the number of ordinary shares in issue during the period.

Basic EPS	Current Year
for the financial period ended	1st Quarter
	30.09.2010
	unaudited
Net profit / (loss) attributable to ordinary shareholders (RM'000)	(472)
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	77,000
Basic EPS (sen)	(0.61)

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

xv 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 29 November 2010.