

**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 2011.

**A PRESENTATION OF RESULTS**
**I CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

for the financial period ended	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.09.2011 (RM'000)	30.09.2010 (RM'000)	30.09.2011 (RM'000)	30.09.2010 (RM'000)
Revenue	3,730	1,475	3,730	1,475
Interest income from fixed deposits	153	63	153	63
Marketing and distribution	(235)	(123)	(235)	(123)
Depreciation and amortisation	(452)	(211)	(452)	(211)
Lab consumables	(273)	-	(273)	-
Exclusive license fee	(62)	(62)	(62)	(62)
System maintenance cost	(301)	(301)	(301)	(301)
Administrative expenses	(1,579)	(1,274)	(1,579)	(1,274)
Research collaboration costs	(500)	-	(500)	-
Foreign exchange gain / (loss)	(5)	(23)	(5)	(23)
<b>Profit / (loss) from operations</b>	<b>476</b>	<b>(456)</b>	<b>476</b>	<b>(456)</b>
Finance costs	-	-	-	-
<b>Profit / (loss) before tax</b>	<b>476</b>	<b>(456)</b>	<b>476</b>	<b>(456)</b>
Income tax expenses	(38)	(16)	(38)	(16)
<b>Profit / (loss), net of tax, representing total comprehensive income</b>	<b>438</b>	<b>(472)</b>	<b>438</b>	<b>(472)</b>
<b>Earnings per share (EPS) attributable to the equity holders of the Company (sen)</b>				
Basic EPS	0.47	(0.61)	0.47	(0.61)
Diluted EPS	N/A	N/A	N/A	N/A

The unaudited condensed statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

30 September 2011

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

as at	30.09.2011 (RM'000)	30.06.2011 (RM'000)
<b>ASSETS</b>		
NON-CURRENT ASSETS		
Plant and equipment	5,274	5,356
Intangible asset	4,684	4,837
CURRENT ASSETS		
Inventories	1,219	623
Trade and other receivables	4,301	3,020
Other current assets	1,003	1,427
Cash and bank balances	18,904	22,369
<b>TOTAL ASSETS</b>	<b>35,385</b>	<b>37,632</b>
<b>EQUITY AND LIABILITIES</b>		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	9,410	9,410
Share premium	14,755	14,755
Retained earnings	8,950	8,512
<b>TOTAL EQUITY</b>	<b>33,115</b>	<b>32,677</b>
CURRENT LIABILITIES		
Trade and other payables	2,218	4,903
Income tax payable	52	52
<b>TOTAL LIABILITIES</b>	<b>2,270</b>	<b>4,955</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>35,385</b>	<b>37,632</b>
Net assets (RM'000)	33,115	32,677
Net assets per share attributable to equity holders of the Company (sen)	35.19	34.73

The unaudited condensed statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2011 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, Total (RM'000)	Non-Distributable		Distributable Retained Earnings (RM'000)
		Share Capital (RM'000)	Share Premium (RM'000)	
<b>for the financial period ended 30 September 2011</b>				
Opening balance at 1 July 2011	32,677	9,410	14,755	8,512
Total comprehensive income / (loss)	438	-	-	438
<b>Closing balance at 30 September 2011</b>	<b>33,115</b>	<b>9,410</b>	<b>14,755</b>	<b>8,950</b>
<b>for the financial period ended 30 September 2010</b>				
Opening balance at 1 July 2010	14,751	7,700	1,175	5,876
Total comprehensive income / (loss)	(472)	-	-	(472)
Share-based payment compensation	110	-	-	110
<b>Closing balance at 30 September 2010</b>	<b>14,389</b>	<b>7,700</b>	<b>1,175</b>	<b>5,514</b>

The unaudited condensed statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

30 September 2011

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

for the financial period ended	1st Quarter	
	Current Year	Previous Year
	30.09.2011 (RM'000)	30.09.2010 (RM'000)
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	476	(456)
Adjustments for:		
Amortisation of intangible assets	153	153
Depreciation of plant and equipment	299	58
Share-based payment compensation	-	110
Unrealised foreign exchange loss	-	23
Interest income	(153)	(63)
Operating profit / (loss) before working capital changes	775	(175)
(Increase) / decrease in receivables	(857)	(1,752)
(Increase) / decrease in inventories	(596)	-
(Decrease) / increase in payables	(2,685)	(54)
Cash used in operations	(3,363)	(1,981)
Taxes paid	(38)	(5)
Net cash used in operating activities	<b>(3,401)</b>	<b>(1,986)</b>
<b>Cash flows from investing activities</b>		
Interest received	153	63
Purchase of plant and equipment	(217)	(36)
Net cash (used in) / from investing activities	<b>(64)</b>	<b>27</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(3,465)</b>	<b>(1,959)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>22,369</b>	<b>9,637</b>
<b>Cash and cash equivalents at end of the period</b>	<b>18,904</b>	<b>7,678</b>

The unaudited condensed statement of cash flows should be read in conjunction with the audited financial statements for the year ended 30 June 2011 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.

This report should be read in conjunction with the audited financial statements for the year ended 30 June 2011 and the accompanying explanatory notes. The explanatory notes provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Company since the year ended 30 June 2011.

Statement on changes in accounting policies arising from the adoption of new/revised Financial Reporting Standards ("FRS")

The significant accounting policies and methods of computation adopted for these interim financial statements are consistent with those adopted for the audited financial statement for the financial year ended 30 June 2011 except for the adoption of new and revised FRSs, Amendments to FRSs and Interpretations as listed in the audited financial statements for the financial year ended 30 June 2011 which were effective for the financial periods beginning on or after 1 January 2011.

The adoption of the new FRSs, Amendments to FRSs and Interpretations have no significant impact on the financial statements of the Company other than for the application of FRS 7, which will entail the additional disclosures in the 2012 annual financial statements.

**ii Auditors' Report on Preceding Annual Financial Statements**

The audited financial statements for the year ended 30 June 2011 were 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**

There were no material and unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period.

**v Material Changes in Estimates**

There were no material changes in the estimates that had effect(s) on the financial period.

**vi Debt and Equity Securities**

There were no issues, repurchases and repayments of debt and equity securities for the financial period to date.

**vii Dividends Paid**

There were no dividends paid for the financial period.

**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.

**B Explanatory Notes Pursuant to FRS 134 (cont.)**
**ix Valuation of Plant and Equipment**

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

**x Subsequent Events**

There were no material events subsequent to the end of the current financial period under review that have not been reflected.

**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 financial period to date.

**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 2011.

**xiii Capital Commitments**

There were no material capital commitments for the purchase of property, plant and equipment that were not provided for in the interim financial statements as at the end of the financial period.

**xiv Related Party Transactions**

Save as disclosed below, there were no significant related party transactions during the financial period to date:-

**a) Significant Related Party Transactions**

for the financial period ended	Related Party	Nature of Transaction	1st Quarter		Year-to-Date	
			Current Year	Previous Year	Current Year	Previous Year
			30.09.2011	30.09.2010	30.09.2011	30.09.2010
			(RM'000)	(RM'000)	(RM'000)	(RM'000)
	Neuramatix, our ultimate holding company.	Management fee payable to Neuramatix pursuant to Shared Services Agreement.	233	202	233	202
	Synamatix, our holding company.	Exclusive licence fees payable to Synamatix with respect of software developed by Synamatix pursuant to Software License Agreement.	62	62	62	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	301	301	301
			<b>596</b>	<b>565</b>	<b>596</b>	<b>565</b>

**B Explanatory Notes Pursuant to FRS 134 (cont.)**
**xiv Related Party Transactions (cont.)**

## b) Compensation of Key Management Personnel (excluding directors)

	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Salaries, allowances and bonuses	326	128	326	128
Contributions to defined contribution plan	14	15	14	15
Estimated money value of benefits-in-kind	-	56	-	56
<b>Total short-term employee benefits</b>	<b>340</b>	<b>199</b>	<b>340</b>	<b>199</b>

**xv Cash and Cash Equivalents**

as at	1st Quarter	
	Current Year	Previous Year
	30.09.2011	30.09.2010
	(RM'000)	(RM'000)
Cash on hand and at banks	104	878
Deposits with licensed banks	18,800	6,800
	<b>18,904</b>	<b>7,678</b>

**xvi Inventories**

There was no write-down of inventories during the financial period to date.

**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 RM3.7 million and a profit before taxation of RM0.5 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 having progressed with the MyGenome and Proboscis projects.

**ii Comparison with Preceding Quarter's Results**

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

	Current Quarter	Preceding Quarter	Variance
for the financial period ended	30.09.2011 (RM'000)	30.06.2011 (RM'000)	(RM'000)
Revenue	3,730	4,766	(1,036)
Profit / (loss) before tax	476	1,386	(910)

The variance can be attributed to shifts in the completion of interim milestones for the projects disclosed under Note C(i) above. In addition, the Company incurred an expense of RM500,000 paid to Universiti Malaysia Sarawak (UNIMAS) for collaborative research.

**iii Prospects of the Company**

The service agreement with Malaysian Biotechnology Corporation Sdn. Bhd. (BiotechCorp), entered into in January 2007 for the provision of online services, will end on 31 December 2011.

The MYGenome Project and the Proboscis Monkey Genome Project with the Ministry of Science, Technology and Innovation is ongoing. Despite delays in securing samples for the Proboscis project, the Company expects both projects will be completed in the 4th quarter ending 30 June 2012.

The Company is developing new products and services and is optimistic about the potential to commercialise these in new markets.

**iv Variance from Profit Forecast**

The Company did not publish any profit forecast.

**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	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
for the financial period ended	30.09.2011 (RM'000)	30.09.2010 (RM'000)	30.09.2011 (RM'000)	30.09.2010 (RM'000)
Malaysian income tax:				
Current period	38	16	38	16
Prior period	-	-	-	-
<b>Total</b>	<b>38</b>	<b>16</b>	<b>38</b>	<b>16</b>

The above tax has arisen in relation to interest income.



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

**vii Quoted Securities**

There were no purchases or disposals of any quoted securities for the current financial period to date. The Company did not hold any investment in quoted securities as at 30 September 2011.

**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**

The Company was listed on the ACE Market of Bursa on 5 October 2010 ("Date of Listing"). The Company raised RM18.5 million from its Initial Public Offering ("IPO") and the details of utilisation of such proceeds as at 30 September 2011 is as follows:

Purpose	Initial Timeframe for Utilisation	Proposed Utilisation	Actual Utilisation	Balance of Amount Allocated		Explanation
		(RM'000)	(RM'000)	(RM'000)	(%)	
Capital expenditure	Within two (2) years from the Date of Listing	6,000	4,582	1,418	24%	
Laboratory equipment		900	643	257	29%	
Computer hardware & software						
R&D expenditure	Within two (2) years from the Date of Listing	1,510	127	1,383	92%	
Marketing expenditure	Within three (3) years from the Date of Listing	2,000	698	1,302	65%	
Working capital	Within two (2) years from the Date of Listing	4,568	4,880	(312)	-7%	
Listing expenses	Within one (1) month from the Date of Listing	3,490	3,178	312	9%	#
<b>Total utilisation of funds</b>		<b>18,468</b>	<b>14,108</b>	<b>4,360</b>	<b>24%</b>	

# The under utilisation of listing expenses will be adjusted to working capital.

**x Company Borrowings**

The Company does not have any borrowings as at 30 September 2011.

**xi Off Balance Sheet Financial Instruments**

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

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

**xiv EPS**

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

Basic EPS for the financial period ended	1st Quarter		Year-to-Date	
	Current Year 30.09.2011	Previous Year 30.09.2010	Current Year 30.09.2011	Previous Year 30.09.2010
Profit / (loss), net of tax, attributable to owners of the parent (RM'000)	438	(472)	438	(472)
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	94,100	77,000	94,100	77,000
<b>Basic EPS (sen)</b>	<b>0.47</b>	<b>(0.61)</b>	<b>0.47</b>	<b>(0.61)</b>

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

**xv Disclosure of Realised and Unrealised Profits / (Losses)**

as at	30.09.2011 (RM'000)	30.06.2011 (RM'000)
Realised	8,950	8,512
Unrealised	-	-
<b>Retained profit / (loss)</b>	<b>8,950</b>	<b>8,512</b>

**xvi 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 16 November 2011.