

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 third quarter ended 31 March 2012.

A PRESENTATION OF RESULTS
I CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the financial period ended	3rd Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	2,330	3,295	8,775	7,380
Interest income from fixed deposits	111	128	399	376
Marketing and distribution	(98)	(123)	(503)	(478)
Employee benefits and expense	(1,207)	(914)	(3,326)	(2,229)
Depreciation and amortisation	(484)	(241)	(1,401)	(656)
Lab consumables	(710)	(66)	(1,968)	(66)
Research collaboration costs	-	-	(1,000)	-
Exclusive license fee	(62)	(63)	(186)	(188)
System maintenance cost	(301)	(301)	(903)	(903)
Administrative expenses	(633)	(730)	(1,845)	(1,810)
Foreign exchange gain / (loss)	(1)	(11)	(5)	(34)
Profit / (loss) from operations	(1,055)	974	(1,963)	1,392
Finance costs	-	-	-	-
Profit / (loss) before tax	(1,055)	974	(1,963)	1,392
Income tax expenses	(22)	(32)	(94)	(103)
Profit / (loss), net of tax, representing total comprehensive income	(1,077)	942	(2,057)	1,289
Profit / (loss) attributable to:				
Shareholders of the Company	(1,077)	942	(2,057)	1,289
Minority interest	-	-	-	-
Net profit / (loss) for the period	(1,077)	942	(2,057)	1,289
Earnings per share (EPS) attributable to the equity holders of the Company (sen)				
Basic EPS	(1.14)	1.00	(2.19)	1.46
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.

Note:-

There is no income/expense in relation to other income including investment income, provision for/write-off of receivables, provision for/write-off of inventories, gain/loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain/loss on derivatives, or exceptional items.

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

as at	31.3.2012 (RM'000)	30.6.2011 (RM'000)
ASSETS		
NON-CURRENT ASSETS		
Plant and equipment	5,953	5,356
Intangible asset	4,379	4,837
CURRENT ASSETS		
Inventories	727	623
Trade and other receivables	6,097	3,020
Other current assets	1,257	1,427
Cash and bank balances	14,305	22,369
TOTAL ASSETS	32,718	37,632
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	9,410	9,410
Share premium	14,755	14,755
Retained earnings	6,455	8,512
TOTAL EQUITY	30,620	32,677
CURRENT LIABILITIES		
Trade and other payables	2,066	4,903
Income tax payable	32	52
TOTAL LIABILITIES	2,098	4,955
TOTAL EQUITY AND LIABILITIES	32,718	37,632
Net assets (RM'000)	30,620	32,677
Net assets per share attributable to equity holders of the Company (sen)	32.54	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)	
for the financial year ended 30 June 2011				
Opening balance at 1 July 2010	14,751	7,700	1,175	5,876
Total comprehensive income / (loss)	2,636	-	-	2,636
Transaction with owners				
Issuance of new shares	18,468	1,710	16,758	-
Share issuance expense	(3,178)	-	(3,178)	-
Total transaction with owners	15,290	1,710	13,580	-
Closing balance at 30 June 2011	32,677	9,410	14,755	8,512
for the financial period ended 31 March 2012				
Opening balance at 1 July 2011	32,677	9,410	14,755	8,512
Total comprehensive income / (loss)	(2,057)	-	-	(2,057)
Closing balance at 31 March 2012	30,620	9,410	14,755	6,455

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.

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

for the financial period ended	Year-to-Date	
	Current Year	Previous Year
	31.3.2012 (RM'000)	31.3.2011 (RM'000)
Cash flows from operating activities		
Profit / (loss) before tax	(1,963)	1,392
Adjustments for:		
Amortisation of intangible assets	458	458
Depreciation of plant and equipment	943	198
Interest income	(399)	(376)
Operating profit / (loss) before working capital changes	(961)	1,672
(Increase) / decrease in receivables	(2,907)	1,189
(Increase) / decrease in inventories	(104)	(453)
(Decrease) / increase in payables	(3,537)	(921)
Changes in related company balance	-	63
Cash used in operations	(7,509)	1,550
Taxes paid	(114)	(27)
Net cash (used in) / from operating activities	(7,623)	1,523
Cash flows from investing activities		
Interest received	399	376
Purchase of plant and equipment	(840)	(2,214)
Net cash (used in) / from investing activities	(441)	(1,838)
Cash flows from financing activities		
Proceeds from issuance of shares	-	18,468
Share issuance expenses	-	(3,178)
Net cash from / (used in) financing activities	-	15,290
Net (decrease) / increase in cash and cash equivalents	(8,064)	14,975
Cash and cash equivalents at beginning of the period	22,369	9,637
Cash and cash equivalents at end of period	14,305	24,612

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 STATEMENTS**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 ("MGRC"), including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations for the financial period to date, other than the following:

- a) On 25 April 2012, MGRC subscribed one (1) ordinary share of RM1.00 each, representing 50% equity interest in MGRC International Sdn. Bhd. ("MGRCI") for a cash consideration of RM1.00. Subsequently, MGRC had also on the same day, acquired the remaining one (1) subscriber's share, representing 50% equity interest in MGRCI for a cash consideration of RM1.00. As a consequence thereto, MGRCI became a wholly-owned subsidiary of MGRC.
- b) On 11 May 2012, acquired one (1) ordinary share of RM1.00, representing 50% equity interest in MPath Sdn Bhd ("MPATH") for a cash consideration of RM1.00.

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		3rd Quarter		Year-to-Date	
		Current Year	Previous Year	Current Year	Previous Year
Related Party	Nature of Transaction	31.3.2012 (RM'000)	31.3.2011 (RM'000)	31.3.2012 (RM'000)	31.3.2011 (RM'000)
Neuramatix, our ultimate holding company.	Management fee payable to Neuramatix pursuant to Shared Services Agreement.	246	215	723	574
Synamatix, our holding company.	Exclusive licence fees payable to Synamatix with respect of software developed by Synamatix pursuant to Software License Agreement.	62	63	186	188
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	903	903
		609	579	1,812	1,665

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

b) Compensation of Key Management Personnel (excluding directors)

	3rd Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Salaries, allowances and bonuses	366	268	1,081	628
Contributions to defined contribution plan	22	15	50	42
Social security contributions	-	-	1	-
Estimated money value of benefits-in-kind	-	-	-	56
Total short-term employee benefits	388	283	1,132	726

xv Cash and Cash Equivalents

as at	Current Year	Previous Year
	31.3.2012	31.3.2011
	(RM'000)	(RM'000)
Cash on hand and at banks	105	5,312
Deposits with licensed banks	14,200	19,300
	14,305	24,612

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
Current Year 3rd Quarter versus Previous Year 3rd Quarter

For the third quarter ended 31 March 2012, the Company recorded a revenue of RM2.3 million, which represents a reduction of RM1 million as compared to a revenue of RM3.3 million for the third quarter in the preceding year.

For the current quarter, the Company recorded a loss before taxation of RM1.1 million as compared to a profit before taxation of RM0.9 million in the same quarter of the preceding year.

The loss before taxation was mainly due to lower revenue (RM2.3 million versus RM3.3 million), increased costs for lab consumables associated with the MOSTI Projects (RM0.7 million versus RM0.1 million), higher depreciation (RM0.5 million versus RM0.3 million), and the hiring of key scientific research and development personnel (RM1.2 million versus RM0.9 million).

Current Year-to-Date versus Previous Year-to-Date

The Company recorded a revenue of RM8.8 million, which represents an increase of RM1.4 million as compared to a revenue of RM7.4 million in the previous year-to-date.

The increase was mainly due to the Ministry of Science, Technology and Innovation ("MOSTI") projects for which revenue recognition has been higher in the current financial period.

Despite the increase in revenue, the Company registered a loss before taxation of RM2.0 million as compared to a profit before taxation of RM1.4 million in the corresponding period of the previous year. This was mainly due to increased costs for lab consumables (RM2.0 million versus RM0.1 million), research collaboration costs of RM1.0 million, the hiring of key research and development personnel (RM3.3 million versus RM2.2 million), as well as higher depreciation and amortisation expenses (RM1.4 million versus RM0.7 million).

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	31.3.2012	31.12.2011	(RM'000)
	(RM'000)	(RM'000)	(RM'000)
Revenue	2,330	2,715	(385)
Profit / (loss) before tax	(1,055)	(1,384)	329

The variance in revenue can be attributed to a deferment of interim milestones for the MOSTI projects. In addition, the Company incurred lower expenses on lab consumables (RM0.7 million versus RM1.0 million) and lower research collaborative costs of RM0.5 million.

iii Prospects of the Company

The MyGenome Project and the Proboscis Monkey Genome Project with MOSTI have been completed as at end-April 2012. The Company is continuously working towards making the cost of its recently launched genetic screening services more affordable to consumers. As part of this, it has developed products aimed at specific market segments and expects these to be commercially available in the near future. Other than releasing products for the screening of non-communicable diseases, new products in the pipeline will also screen for an array of communicable and infectious diseases.

In addition, the Company is also exploring investment opportunities in related businesses both in Malaysia and overseas via its recently announced entities, MGRC International Sdn Bhd and MPath Sdn Bhd.

iv Variance from Profit Forecast

The Company did not publish any profit forecast.

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 for the financial period ended	3rd Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	31.3.2012 (RM'000)	31.3.2011 (RM'000)	31.3.2012 (RM'000)	31.3.2011 (RM'000)
Malaysian income tax:				
Current period	22	32	94	103
Prior period	-	-	-	-
Total	22	32	94	103

The above tax has arisen in relation to interest income.

vi Status of Corporate Proposal

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

vii 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 31 March 2012 is as follows:

Utilisation of Proceeds Purpose Details (if available)	Initial Timeframe for Utilisation	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance of Amount Allocated		Explanation
				(RM'000)	(%)	
Capital expenditure	Within two (2)					
Laboratory equipment	years from the	6,000	5,675	325	5%	
Computer hardware & software	Date of Listing	900	835	65	7%	
R&D expenditure	Within two (2)	1,510	528	982	65%	
	years from the					
	Date of Listing					
Marketing expenditure	Within three (3)	2,000	966	1,034	52%	
	years from the					
	Date of Listing					
Working capital	Within two (2)	4,568	4,880	(312)	-7%	#
	years from the					
	Date of Listing					
Listing expenses	Within one (1)	3,490	3,178	312	9%	#
	month from the					
	Date of Listing					
Total utilisation of funds		18,468	16,062	2,406	13%	

The under utilisation of listing expenses is adjusted to working capital.

viii Company Borrowings

The Company does not have any borrowings as at 31 March 2012.

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

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

x Dividends

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

xi EPS

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

Basic EPS for the financial period ended	3rd Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
Profit / (loss), net of tax, attributable to owners of the parent (RM'000)	(1,077)	942	(2,057)	1,289
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	94,100	94,100	94,100	88,400
Basic EPS (sen)	(1.14)	1.00	(2.19)	1.46

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

xii Disclosure of Realised and Unrealised Profits / (Losses)

as at	31.3.2012 (RM'000)	31.12.2011 (RM'000)
Realised	6,455	7,532
Unrealised	-	-
Retained profit / (loss)	6,455	7,532

xiii 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 21 May 2012.