

ANNOUNCEMENT

The Board of Directors of Malaysian Genomics Resource Centre Berhad (hereinafter referred to as "MGRC" or "the Company") and its subsidiaries ("the Group") hereby announce the following unaudited results for the first quarter ended 30 September 2014.

A PRESENTATION OF RESULTS
I CONDENSED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the financial period ended	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.9.2014	30.9.2013	30.9.2014	30.9.2013
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	2,557	605	2,557	605
Interest income from fixed deposits	4	35	4	35
Marketing and distribution	(54)	(69)	(54)	(69)
Employee benefits and expense	(964)	(1,056)	(964)	(1,056)
Depreciation and amortisation	(365)	(683)	(365)	(683)
Lab consumables	(354)	(217)	(354)	(217)
Administrative expenses	(590)	(540)	(590)	(540)
Profit / (loss) from operations	234	(1,925)	234	(1,925)
Share of profits / (loss) of a joint venture	264	197	264	197
Profit / (loss) before tax	498	(1,728)	498	(1,728)
Income tax expenses	(1)	(8)	(1)	(8)
Profit / (loss), net of tax, representing total comprehensive income	497	(1,736)	497	(1,736)
Profit / (loss) attributable to:				
Owners of the parent	497	(1,736)	497	(1,736)
Net profit / (loss) for the period	497	(1,736)	497	(1,736)
Earnings / (Loss) per share (EPS) attributable to the equity holders of the Company (sen)				
Basic EPS	0.53	(1.84)	0.53	(1.84)
Diluted EPS	N/A	N/A	N/A	N/A

The unaudited condensed statement of profit and loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes that form an integral part of the Interim Financial Statements.

Notes:-

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

N/A - Not Applicable

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

as at	30.9.2014 (RM'000)	30.6.2014 (RM'000)
ASSETS		
NON-CURRENT ASSETS		
Plant and equipment	820	1,000
Intangible assets	2,851	3,004
Investment in a joint venture	8,549	7,160
CURRENT ASSETS		
Trade and other receivables	2,224	739
Inventories	802	887
Other current assets	10	53
Tax recoverable	60	44
Cash and bank balances	618	2,442
TOTAL ASSETS	15,934	15,329
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	9,410	9,410
Share premium	14,755	14,755
Other reserve	(1,460)	(1,460)
(Accumulated losses)/Retained earnings	(7,957)	(8,454)
TOTAL EQUITY	14,748	14,251
CURRENT LIABILITIES		
Trade and other payables	1,186	1,078
TOTAL LIABILITIES	1,186	1,078
TOTAL EQUITY AND LIABILITIES	15,934	15,329
Net assets (RM'000)	14,748	14,251
Net assets per share attributable to equity holders of the Company (sen)	15.67	15.14

The unaudited condensed statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 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

	←	Non-Distributable			→	
	Equity, Total	Share Capital	Share Premium	Other reserve		Distributable Retained Earnings / (Accumulated Losses)
	(RM'000)	(RM'000)	(RM'000)	(RM'000)		(RM'000)
for the financial year ended 30 June 2014						
Opening balance at 1 July 2013	20,013	9,410	14,755	-		(4,152)
Total comprehensive income / (loss)	(5,762)	-	-	(1,460)		(4,302)
Closing balance at 30 June 2014	14,251	9,410	14,755	(1,460)		(8,454)
for the financial period ended 30 September 2014						
Opening balance at 1 July 2014	14,251	9,410	14,755	(1,460)		(8,454)
Total comprehensive income / (loss)	497	-	-	-		497
Closing balance at 30 September 2014	14,748	9,410	14,755	(1,460)		(7,957)

The unaudited condensed statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 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
	30.9.2014 (RM'000)	30.9.2013 (RM'000)
Cash flows from operating activities		
Profit / (loss) before tax	498	(1,728)
Adjustments for:		
Share of profits of a joint venture	(264)	(197)
Amortisation of intangible assets	153	153
Depreciation of plant and equipment	212	530
Interest income	(4)	(35)
Operating profit / (loss) before working capital changes	595	(1,277)
(Increase) / decrease in receivables	(1,442)	(141)
(Increase) / decrease in inventories	85	(13)
(Decrease) / increase in payables	108	197
Cash (used in) / generated from operations	(654)	(1,234)
Taxes paid	(17)	(19)
Net cash (used in) / generated from operating activities	(671)	(1,253)
Cash flows from investing activities		
Interest received	4	35
Purchase of plant and equipment	(32)	(24)
Investment in a joint venture	(1,125)	-
Net cash (used in) / generated from investing activities	(1,153)	11
Net (decrease) / increase in cash and cash equivalents	(1,824)	(1,242)
Cash and cash equivalents at beginning of the period	2,442	5,378
Cash and cash equivalents at end of period	618	4,136

The unaudited condensed statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 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 MFRS 134****i Basis of Preparation & Changes in Accounting Policies**

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting, and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

This report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2014.

Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 January 2014 or later are provided in the notes to the audited financial statements of the Group for the financial year ended 30 June 2014.

ii Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the financial year ended 30 June 2014 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 Group as a whole for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group 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 made on any of the Group'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.

B Explanatory Notes Pursuant to MFRS 134 (cont.)
xi Changes in the Composition of the Group

There were no changes in the composition of the Group, 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 statement of financial position date as at 30 June 2014.

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		1st Quarter		Year-to-Date	
		Current Year	Previous Year	Current Year	Previous Year
		30.9.2014	30.9.2013	30.9.2014	30.9.2013
Related Party	Nature of Transaction	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Neuramatix, our ultimate holding company	Management fee payable to Neuramatix pursuant to Shared Services Agreement.	247	271	247	271
# Synamatix, our holding company	Exclusive licence fees payable to Synamatix with respect of software developed by Synamatix pursuant to Software License Agreement.	-	-	-	-
# Synamatix, our holding company	System maintenance fees payable to Synamatix for annual maintenance of licensed software pursuant to Software License Agreement.	-	-	-	-
		247	271	247	271

Synamatix has waived the exclusive license fees and system maintenance fees for this period.

b) Compensation of Key Management Personnel (excluding directors)

	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.9.2014	30.9.2013	30.9.2014	30.9.2013
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Salaries, allowances and bonuses	323	353	323	353
Contributions to defined contribution plan	29	32	29	32
Total short-term employee benefits	352	385	352	385

B Explanatory Notes Pursuant to MFRS 134 (cont.)

xv Cash and Cash Equivalents

as at	Current Year 30.9.2014 (RM'000)	Previous Year 30.9.2013 (RM'000)
Cash on hand and at banks	118	136
Deposits with licensed banks	500	4,000
	618	4,136

xvi Inventories

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

C Explanatory Notes Pursuant to Appendix 9B, of the Listing Requirements

These condensed consolidated interim financial statements, for the financial period ended 30 September 2014, have been prepared in accordance with Rule 9.22 and Appendix 9B of the Listing Requirements.

i Performance of the Group
Current Year 1st Quarter versus Previous Year 1st Quarter

For the first quarter ended 30 September 2014, the Group recorded a revenue of RM2.6 million, which represents an increase of RM2 million as compared to a revenue of RM0.6 million for the first quarter in the preceding year.

For the current quarter, the Group recorded a profit before tax of RM0.5 million as compared to a loss before tax of RM1.7 million in the same quarter of the preceding year.

The profit before tax achieved was mainly due to higher revenue (RM2.6 million for the first quarter ended 30 September 2014 as compared to RM0.6 million for the first quarter in the preceding year).

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

The Group recorded a revenue of RM2.6 million, which represents an increase of RM2 million as compared to a revenue of RM0.6 million in the previous year-to-date.

The Group registered a profit before tax of RM0.5 million as compared to a loss before tax of RM1.7 million in the corresponding period of the preceding year. A profit was achieved mainly due to higher revenue (RM2.6 million versus RM0.6 million).

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 Quarter	Preceding Quarter	Variance
	30.9.2014 (RM'000)	30.6.2014 (RM'000)	(RM'000)
Revenue	2,557	2,000	557
Profit / (loss) before tax	498	237	261

The higher profit before tax was mainly contributed by the higher revenue (RM2.6 million) recognised in the current period as compared to RM2 million in the preceding quarter.

iii Prospects of the Group

The performance of the last two quarters is expected to continue in the foreseeable future as we fulfill contracts in hand and continue to gain traction with consumers locally and regionally.

iv Variance from Profit Forecast

The Group did not publish any profit forecast.

C Explanatory Notes Pursuant to Appendix 9B, of the Listing Requirements (cont.)
v Taxation

MGRC's BioNexus pioneer status accords the Company with tax exemption on its statutory income for qualifying activities. The Group'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	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.9.2014 (RM'000)	30.9.2013 (RM'000)	30.9.2014 (RM'000)	30.9.2013 (RM'000)
Malaysian income tax:				
Current period	1	8	1	8
Prior period	-	-	-	-
Total	1	8	1	8

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 Borrowings

The Group does not have any borrowings as at 30 September 2014.

viii Material Litigations

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

ix Dividends

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

x 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	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.9.2014	30.9.2013	30.9.2014	30.9.2013
Profit / (loss), net of tax, attributable to owners of the parent (RM'000)	497	(1,736)	497	(1,736)
Weighted average number of ordinary shares of RM0.10 each in issue ('000)	94,100	94,100	94,100	94,100
Basic EPS (sen)	0.53	(1.84)	0.53	(1.84)

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

C Explanatory Notes Pursuant to Appendix 9B, of the Listing Requirements (cont.)

xi Disclosure of Realised and Unrealised Profits / (Losses)

as at	30.9.2014 (RM'000)	30.6.2014 (RM'000)
Realised accumulated losses of the Company	(10,026)	(10,260)
Realised accumulated losses of a subsidiary	(22)	(21)
Realised retained profits of a jointly controlled entity	2,091	1,827
Group retained profits accumulated losses	(7,957)	(8,454)

xii Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors of MGRC in accordance with a Resolution of the Directors dated 24 November 2014.