

**ANNOUNCEMENT**

The Board of Directors of Malaysian Genomics Resource Centre Berhad (hereinafter referred to as "MGRC" or "the Company") and its subsidiary ("the Group") hereby announce the following unaudited results for the first quarter ended 30 September 2021.

**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
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Continuing operations</b>				
Revenue	9,316	87	9,316	87
Cost of Sales	(7,378)	(77)	(7,378)	(77)
Gross profit	1,938	10	1,938	10
Other Income	34	60	34	60
Marketing and distribution	(122)	(43)	(122)	(43)
Finance cost	(28)	(1)	(28)	(1)
Administrative expenses	(1,583)	(859)	(1,583)	(859)
<b>Profit / (loss) before tax</b>	<b>239</b>	<b>(833)</b>	<b>239</b>	<b>(833)</b>
Taxation	-	-	-	-
<b>Profit / (loss), net of tax, from continuing operations</b>	<b>239</b>	<b>(833)</b>	<b>239</b>	<b>(833)</b>
Profit / (loss), net of tax, from discontinued operations	-	-	-	-
<b>Profit/(loss), for the period</b>	<b>239</b>	<b>(833)</b>	<b>239</b>	<b>(833)</b>
				0
<b>Profit / (loss) attributable to:</b>				0
Owners of the parent	239	(833)	239	(833)
<b>Net profit / (loss) for the period</b>	<b>239</b>	<b>(833)</b>	<b>239</b>	<b>(833)</b>
<b>Earnings / (Loss) per share ("EPS/(LPS)") attributable to the equity holders of the Company (sen)</b>				
Basic EPS/(LPS)	0.20	(0.80)	0.20	(0.80)
Diluted EPS/(LPS)	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 2021 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, 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, except for as disclosed on the cashflow statement.

N/A - Not Applicable

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

as at	30.9.2021 (RM'000)	30.6.2021 (RM'000)
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	3,862	3,822
Intangible assets	1,729	1,752
Right-of-use assets	1,455	1,547
	<u>7,046</u>	<u>7,121</u>
<b>CURRENT ASSETS</b>		
Trade and other receivables	6,775	3,953
Inventories	639	307
Other current assets	31	40
Tax recoverable	60	54
Cash and bank balances	21,477	11,308
	<u>28,982</u>	<u>15,662</u>
<b>TOTAL ASSETS</b>	<b><u>36,028</u></b>	<b><u>22,783</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>		
Share capital	52,684	40,714
Accumulated losses	(22,609)	(22,784)
<b>TOTAL EQUITY</b>	<u>30,075</u>	<u>17,930</u>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	1,233	1,301
	<u>1,233</u>	<u>1,301</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	4,387	3,204
Lease liabilities	333	348
	<u>4,720</u>	<u>3,552</u>
<b>TOTAL LIABILITIES</b>	<u>5,953</u>	<u>4,853</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>36,028</u></b>	<b><u>22,783</u></b>
Net assets (RM'000)	30,075	17,930
Net assets per share attributable to equity holders of the Company (sen)	24.21	15.13

The unaudited condensed statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 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	Non Distributable Share Capital	Accumulated Losses
	(RM'000)	(RM'000)	(RM'000)
<b>for the financial year ended 30 June 2021</b>			
<b>Opening balance at 1 July 2020</b>	<b>10,258</b>	<b>28,489</b>	<b>(18,231)</b>
Total comprehensive income / (loss)	(4,293)	-	(4,293)
Issuance of shares	12,225	12,225	-
Share issuance expenses	(260)	-	(260)
<b>Closing balance at 30 June 2021</b>	<b>17,930</b>	<b>40,714</b>	<b>(22,784)</b>
<b>for the financial period ended 30 September 2021</b>			
<b>Opening balance at 1 July 2021</b>	<b>17,930</b>	<b>40,714</b>	<b>(22,784)</b>
Total comprehensive income / (loss)	239	-	239
Issuance of new shares	11,970	11,970	-
Share issuance expenses	(64)	-	(64)
<b>Closing balance at 30 September 2021</b>	<b>30,075</b>	<b>52,684</b>	<b>(22,609)</b>

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 2021 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
	30.9.2021 (RM'000)	30.9.2020 (RM'000)
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	239	(833)
Adjustments for:		
Amortisation of intangible assets	23	23
Depreciation	244	9
Plant and equipment written off	-	2
Interest income	(34)	-
Interest expenses	28	1
Operating profit / (loss) before working capital changes	500	(798)
(Increase) / decrease in receivables	(2,813)	1,961
(Increase) / decrease in inventories	(332)	16
(Decrease) / increase in payables	1,100	(383)
Cash (used in) / generated from operations	(1,545)	796
Tax refund/(paid)	(6)	(6)
Interest paid	(28)	(1)
<b>Net cash (used in) / generated from operating activities</b>	<b>(1,579)</b>	<b>789</b>
<b>Cash flows from investing activities</b>		
Interest received	34	-
Purchase of plant and equipment	(192)	(60)
<b>Net cash (used in) / generated from investing activities</b>	<b>(158)</b>	<b>(60)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	11,906	-
<b>Net cash generated from / (used in) financing activities</b>	<b>11,906</b>	<b>-</b>
Net (decrease) / increase in cash and cash equivalents	10,169	729
Cash and cash equivalents at beginning of the period	11,308	6,082
<b>Cash and cash equivalents at end of period</b>	<b>21,477</b>	<b>6,811</b>

The unaudited condensed statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 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 2021 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 2021.

Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Company with effect from 1 January 2021 or later are provided in the notes to the audited financial statements of the Group for the financial year ended 30 June 2021. The adoption of these MFRSs does not have any material impact on the Group's results and financial position.

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

The audited financial statements for the financial year ended 30 June 2021 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, except for the issuance of the 2nd and final tranche of 5,700,000 ordinary shares in MGRC issued at RM2.10 each on 14 September 2021 pursuant to the private placement of new ordinary shares in MGRC ("Placement Shares"), representing not more than 20% of the enlarged number of issued shares in MGRC (excluding any treasury shares) pursuant to Sections 75 and 76 of the Companies Act 2016, which was announced on 24 February 2021 ("Private Placement"). The said Placement Shares were listed on 15 September 2021.

**B Explanatory Notes Pursuant to MFRS 134 (cont.)**

**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 Executive Directors 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.

**xi Changes in the Composition of the Group**

There were no changes to the composition of the Group in the current quarter.

**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 2021.

**xiii Capital Commitments**

Capital commitments amounted to RM678,400 for the purchase of property, plant and equipment at the end of the financial period.

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

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

Significant Related Party Transactions for the financial period ended		1st Quarter		Year-to-Date	
		Current Year 30.9.2021 (RM'000)	Previous Year 30.9.2020 (RM'000)	Current Year 30.9.2021 (RM'000)	Previous Year 30.9.2020 (RM'000)
Related Party	Nature of Transaction				
Neuramatix, former ultimate holding company	Management fee paid to Neuramatix pursuant to Shared Services Agreement	-	60	-	60
		<u>-</u>	<u>60</u>	<u>-</u>	<u>60</u>

**xv Cash and Cash Equivalents**

as at	Current Year	Previous Year
	30.9.2021 (RM'000)	30.9.2020 (RM'000)
Cash on hand and at banks	2,477	6,811
Deposits with licensed banks	19,000	-
	<u>21,477</u>	<u>6,811</u>

**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 2021, 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 2021, the Group recorded a revenue of RM9.32 million, which represents an increase of RM9.23 million as compared to a revenue of RM0.09 million for the first quarter in the preceding year, mainly due to revenues from vaccines.

For the current quarter, the Group recorded a profit before tax of RM0.24 million as compared to a loss before tax of RM0.83 million in the same quarter of the preceding year, mainly due to revenues from vaccines.

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

The Group recorded a revenue of RM9.32 million, which represents an increase of RM9.23 million as compared to a revenue of RM0.09 million in the previous year-to-date, mainly due to revenues from vaccines.

The Group registered a profit before tax of RM0.24 million as compared to a loss before tax of RM0.83 million in the corresponding period of the preceding year. The profits were mainly due to revenues from vaccines.

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

	Current Quarter	Preceding Quarter	Variance
for the financial period ended	30.9.2021	30.6.2021	
	(RM'000)	(RM'000)	(RM'000)
Revenue	9,316	(69)	9,385
Profit / (loss) before tax	239	(2,106)	2,345

A higher revenue (RM9.32 million) was achieved in the current period as compared to the preceding quarter's negative revenue of RM0.07 million, mainly due to revenues from vaccines. Consequently, a profit was achieved compared to a loss in the preceding quarter.

**iii Prospects of the Group**

MGRC Group has diversified its business to include the business of biopharmaceutical and healthcare products and services ("Biopharma and Healthcare Business"). Planning and design work on the Biopharma and Healthcare Business cell laboratory commenced in September 2020 and the approval of the floor plan layout had been obtained from the National Pharmaceutical Regulatory Agency ("NPRA") in December 2020. The cell lab is expected to be ready and equipped for operations in the first quarter of 2022 subject to MGRC obtaining NPRA accreditation for cell development / cell engineering through the Current Good Manufacturing Practice ("cGMP") certification. Having its cGMP cell laboratory will add value to MGRC's capabilities, and its portfolio of products and services. Since this cell laboratory would be located in Malaysia, it would also mitigate the risk of supply chain disruptions due to border closures or freight delays caused by unexpected events such as the current COVID-19 pandemic. Premised on the above, the Board believes that despite the current challenging economic environment in view of the recent outbreak of the COVID-19 pandemic and the positive outlook for the biopharmaceutical and healthcare industry, MGRC Group will have ample opportunity to grow its Biopharma and Healthcare Business which is expected to contribute positively to MGRC Group's future earnings due to potential demand for Chimeric Antigen Receptor T-cell immunotherapy.



**C Explanatory Notes Pursuant to Appendix 9B, of the Listing Requirements (cont.)**
**iv Variance from Profit Forecast**

The Group did not publish any profit forecast.

**v Taxation**

Taxation for the financial period ended	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.9.2021 (RM'000)	30.9.2020 (RM'000)	30.9.2021 (RM'000)	30.9.2020 (RM'000)
Malaysian income tax: Current period	-	-	-	-

**vi Status of Corporate Proposal**

There is no corporate proposal announced but pending completion as at the date of this announcement. The Private Placement was deemed completed on 15 September 2021 with the listing of the 2nd and final tranche of the Placement Shares on the ACE Market of Bursa Securities.

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

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

**viii Dividends**

There were no dividends paid for the financial period.

**ix Trade receivables**

The ageing analysis of the Group's trade receivables is as follows:-

	<b>30.9.2021</b> <b>(RM'000)</b>
Not past due	1,487
Past due	
- 1 to 30 days	34
- 31 to 60 days	1,271
- 61 to 90 days	1,266
- more than 90 days	1,129
	3,700
Impaired	(68)
	<b>5,119</b>

Receivables that are past due but not impaired

The Group believes that no further impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

**x EPS/(LPS)**

- a) **Basic EPS/(LPS)** 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/(LPS) for the financial period ended	1st Quarter		Year-to-Date	
	Current Year	Previous Year	Current Year	Previous Year
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Profit/(loss), net of tax, attributable to owners of the parent (RM'000)	239	(833)	239	(833)
Weighted average number of ordinary shares in issue ('000)	121,550	103,510	121,550	103,510
<b>Basic EPS/(LPS) (sen)</b>	<b>0.20</b>	<b>(0.80)</b>	<b>0.20</b>	<b>(0.80)</b>

- b) **Diluted EPS/(LPS)** The Company 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 Status of Utilisation of Proceeds**

Proposed utilisation of proceeds from private placement	Proposed utilisation timeframe from receipt of proceeds	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance of Amount Allocated (RM'000)
Expenses for the private placement	Immediate	553	361	192
Working capital	Within 24 months	23,642	3,121	20,521
		24,195	3,482	20,713

**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 30 November 2021.