



Monday, September 21 2015

HOME CORPORATE ENTERPRISE PERSONAL WEALTH THE EDGE TV OTHERS 新闻 THE

05 ARMADA 0.970 -0.01 HSI-CP 0.175 -0.075 FBMKLCI-HK 0.240 -0.005 FBMKLCI

Support those who seek the truth
subscribe.theedgemarkets.com SUBSCRIBE NOW
#isupporttheedge

LATEST NEWS, CORPORATE FROM THE EDGE

Malaysian Genomics sees another profitable year ahead

Translated by Google Translator:

Select Language |

By Meena Lakshana / digitaledge Daily | September 21, 2015 : 9:58 AM MYT

KUALA LUMPUR: [Malaysian Genomics Resource Centre Bhd](#) (Valuation: 0.00, Fundamental: 2.10), which returned to the black in the financial year ended June 30, 2015 (FY15) after three loss-making years, expects to retain its profitability in FY16 with increased revenue from its analysis and pathology services.

The firm, which provides services that revolve around the analysis and screening of genomes or DNA, is now gearing up to ensure its genetics analysis and pathology services, its largest revenue drivers, are delivered to the market fast.

Its chief operating officer Sasha Nordin said it is looking to tie up with one of the largest laboratories in the world offering interpretational services for genetic tests by end-2015, but declined to name it.

“Running the test is one thing; generating the results is another. To be able to say your results are based on the same levels of interpretation as provided in hospitals in the US, Canada, New Zealand or Europe is a separate matter. It [is about making] it even easier for doctors to use genetic tests,” he said last Monday.

Besides healthcare, Sasha said the company had also ventured into the relatively uncharted area of environmental analysis.

“The technology exists now whereby if a problem occurs, scientists can go in, study the whole environment, look at the species that exist in that environment and understand how all the species interact with each other to allow that problem to occur.

“That was not something available two years ago,” he added.

Sasha said the company, publicly listed on Bursa Malaysia’s ACE Market in October 2010, was in the red from FY12 to FY14, due largely to its capital-intensive research and development then to devise ways of generating recurring income.

“We did it after the listing because when we [were] listed, one of the responses from the market was [that] they wanted to see regular recurring revenue,” he said.

So, the company began devising genetic tests for the mass market.

In FY15, it started reaping the fruit of its labour when it brought in a net profit of RM3.62 million, compared to a net loss of RM4.3 million in FY14, as its revenue tripled to RM13.9 million from RM4.41 million.

As at June 30, it did not have any borrowings, while its accumulated losses stood at RM4.83 million.

One of the main growth areas the company has identified is pathology — the study of the causes and effects of diseases — a segment which Sasha said it had a market share of just under 10%.

“When we started [our business], we played a very big role in laying down the foundation of bioinformatics (the science of collecting and analysing complex biological data such as genetic codes) in Malaysia. We see ourselves needing to play a similar role again, but in the areas of genetic testing, molecular diagnostics and genetic screening, specifically for healthcare providers,” he added.

Although developments in genomics research can greatly contribute to the diagnostics and prognoses of medical health practitioners in Malaysia, Sasha said pathology companies had yet to capitalise on it.

“There has been a lot of interest as to how genetic tests can be used to diagnose diseases. A lot of this is happening in the area of oncology (the study and treatment of tumours).

“But today, Malaysian Genomics can supply over a thousand tests in the area ranging from screening to diagnostics and pharmacogenetics (the study of inherited genetic differences in drug metabolic pathways which can affect individual responses to drugs), which are very specific tests that doctors can use to test for adverse drug reactions,” he added.

Its fastest-growing source of revenue now is Dtect — a test that screens the human DNA for risks associated with various diseases.

He said interest in the test is due to lifestyle diseases such as obesity that plague the Malaysian population, and a growing awareness of ways genetic tests can provide specific information to an individual to remain healthy.

“We have a lot of doctors using Dtect and our other genetic screening services to help patients identify risks before a disease manifests,” he said.

Malaysian Genomics shares rose three sen or 5.36% to close at 59 sen last Friday, with a market capitalisation of RM55.52 million. Year to date, the counter has risen about 28.26% from 46 sen.

This article first appeared in *digitaledge Daily*, on September 21, 2015.