

**MGRC To Raise RM18.5 Million From IPO**

KUALA LUMPUR, Sept 1 (Bernama) -- Malaysian Genomics Resource Centre Bhd (MGRC), the country's leading contract genomics services provider, expects to raise RM18.468 million from its initial public offer.

The exercise entails a public issue of 17.1 million new shares of 10 sen each and an offer for sale of two million existing MGRC shares at an offer price of RM1.08 per share.

Of the public issue, two million new shares are for public subscription while 14.5 million new shares are allocated for private placement to selected investors, MGRC said in a statement Wednesday.

Another 0.6 million new shares are allocated for subscription by eligible company directors.

MGRC said 37.4 per cent of the proceeds would be set aside for capital expenditure, which included the purchase of next-generation sequencing machines.

It would also allocate 24.7 per cent for working capital, 10.8 per cent for marketing expenditure, 8.2 per cent for research and development expenditure and, the balance for listing expenses.

"The lion's share of the funds raised will go towards capital expenditure to support the growing demand for genome sequencing and analysis services," MGRC's Executive Director Munirah Abdul Hamid was quoted as saying in the statement.

She said the purchase of the sequencing machines would provide the company better control of its delivery timeline and increase capacity to work on more projects.

Catering to the increased demand for genome sequencing and analysis projects, MGRC would expand its existing capital infrastructure with the purchase of sequencing machines, computer hardware and related equipment.

Established in 2004, MGRC is a leading provider of cutting-edge bioinformatics solutions and analysis services in the area of genomics (the study of genomes).

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