



Mega Genomics Limited
美因基因有限公司 *

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 6667

** For identification purpose only*

2025
INTERIM REPORT

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Definitions

“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Company”, “our Company”, or “the Company”	Mega Genomics Limited (美因基因有限公司*), an exempted company with limited liability incorporated under the laws of the Cayman Islands, the shares of which are listed on the Main Board
“COVID-19”	coronavirus disease 2019, a disease caused by a novel virus designated as severe acute respiratory syndrome coronavirus 2
“Director(s)”	the directors of our Company
“Global Offering”	the global offering of the Shares in connection with the Listing
“Group”, “our Group”, “our”, “we” or “us”	the Company and its subsidiaries
“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	the listing of the Shares on the Main Board on the Listing Date
“Listing Date”	22 June 2022, on which dealings in the Shares first commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
“Mega Genomics Beijing”	Mega Genomics (Beijing) Co., Ltd. (美因健康科技(北京)有限公司), a limited liability company established under the laws of the PRC

* For identification purpose only

Definitions

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“China” or “PRC”	the People’s Republic of China, but for the purpose of this report and for geographical reference only and except where the context requires otherwise, references in this report to “China” or the “PRC” do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus of the Company dated 10 June 2022
“Renminbi” or “RMB”	the lawful currency of the PRC
“RSU Scheme”	the restricted share unit scheme approved and adopted by the Board on 19 November 2021, the principal terms of which are set out in the section headed “Statutory and General Information – D. RSU Scheme” in Appendix IV of the Prospectus
“RSU(s)”	restricted share unit(s) awarded to a participant under the RSU Scheme
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares in the share capital of our Company with a par value of US\$0.0001 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$” or “USD”	United States dollars, the lawful currency of the United States
“%”	per cent

In this report, the terms “associate,” “close associate,” “connected person,” “connected transaction,” “continuing connected transaction,” “controlling shareholder,” “core connected person,” “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

Certain amounts and percentage figures included in this report have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Yu Rong
Ms. Lin Lin (*Chairperson*)
Ms. Jiang Jing

Non-executive Director

Ms. Guo Meiling

Independent Non-executive Directors

Dr. Zhang Ying
Mr. Jia Qingfeng
Dr. Xie Dan

AUDIT COMMITTEE

Mr. Jia Qingfeng (*Chairperson*)
Ms. Guo Meiling
Dr. Zhang Ying

REMUNERATION COMMITTEE

Dr. Zhang Ying (*Chairperson*)
Ms. Guo Meiling
Mr. Jia Qingfeng

NOMINATION COMMITTEE

Ms. Lin Lin (*Chairperson*)
Dr. Zhang Ying
Mr. Jia Qingfeng

COMPANY SECRETARY

Mr. Ng Ka Chi

AUTHORIZED REPRESENTATIVES

Ms. Lin Lin
Mr. Ng Ka Chi

HONG KONG LEGAL ADVISORS

Pillsbury Winthrop Shaw Pittman LLP
Suite 1704, 17/F
Alexandra House
18 Chater Road
Central
Hong Kong

AUDITOR

Crowe (HK) CPA Limited
(appointed with effect from 4 August 2025)
Certified Public Accountants
Registered Public Interest Entity Auditor
9/F, Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

REGISTERED OFFICE

Third Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

Corporate Information

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

401 Health Work
North Garden Road
Haidian District
Beijing
PRC

PRINCIPAL BANK

Standard Chartered Bank (HK) Limited
Bank of Communications Co., Ltd., Beijing Branch

STOCK CODE

06667

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1704, 17/F
Alexandra House
18 Chater Road
Central, Hong Kong

COMPANY'S WEBSITE

www.megagenomics.cn

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Services (Cayman) Limited
71 Fort Street
PO Box 500
George Town
Grand Cayman KY1-1106
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
17/F
Far East Finance Centre
16 Harcourt Road
Hong Kong

Business Review and Outlook

Business Review

Overview

As a leading genetic testing platform company in China, we focus on consumer genetic testing services and ancillary services and cancer screening services and ancillary services. As of 30 June 2025, we had performed over 24 million genetic tests in total.

According to Frost & Sullivan, we were the largest consumer genetic testing platform in China in terms of the cumulative number of tests administered as of 31 December 2021. We were the largest genetic testing platform for cancer screening in China as measured by the number of tests administered in 2020. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the prospectus of the Company dated 10 June 2022 (the “**Prospectus**”).

Our Products

Our products are either independently developed by our in-house research and development team or jointly developed via cooperation with our third-party partners.

As of 30 June 2025, we had 114 multi-dimensional commercialized testing solutions for consumer genetic testing and cancer screening that covered a wide range of prices, 94 of which were comprised of our self-developed services. Our current selective testing services that are more well-received by the market include:

GENERAL testing services

- Brain Health Assessment – a service and ancillary service that assesses the risk of developing various related diseases, including Alzheimer’s disease.
- Alimentation Capability Assessment – a service and ancillary service that assesses the risk of developing hyperhomocysteinemia.
- Parkinson’s Disease Risk Assessment – a service and ancillary service that assesses the risk of developing Parkinson’s disease.
- Full-scale Cancer Risk Assessment – a service and ancillary service that assesses the risk of developing cancer of various types.
- Cardiovascular and Cerebrovascular Disease Risk Assessment – a service and ancillary service that assesses the risk of developing seven common cardiovascular and cerebrovascular diseases.
- Myocardial Infarction and Heart Failure Genetic Testing – a service and ancillary service that assesses the genetic risk of developing myocardial infarction and heart failure.

Business Review and Outlook

ADVANCED testing services

- Hereditary Breast Cancer/Ovarian Cancer Genetic Testing – a service and ancillary service that assesses the risk of developing breast cancer and ovarian cancer.
- Septin9 Colorectal Cancer Screening Test – a service and ancillary service that provides preliminary assessment of whether a person has potentially developed colorectal cancer.
- RNF180/Septin9 Gastric Cancer Screening Test – a service and ancillary service that provides preliminary assessment of whether a person has potentially developed gastric cancer.
- Telomere Length Genetic Testing – a service and ancillary service that provides preliminary assessment of cell age and aging rate of a person.
- Cervical Cancer Genetic Methylation Testing – a service and ancillary service that provides preliminary assessment of whether a person has potentially developed cervical cancer.

PREMIUM testing services

- Personal Whole Genome Test Pro – a service and ancillary service that assesses the risk of developing multiple types of diseases and provides interpretation for various individual traits and medication advice for certain common diseases.
- Whole Exome Sequencing Package for Adult – a service and ancillary service that assesses (i) the risk of developing multiple high-risk diseases, hereditary cancers, recessive genetic diseases and types of complex diseases; and (ii) multiple drugs, dietary nutrition items, and exercise and fitness items.

In addition to our existing service portfolio, we have been developing eight in vitro diagnostics (“**IVD**”) pipeline products.

Among which, three products are consumer genetic testing products in our pipeline, including (i) folate metabolic capacity assessment testing kits, which can be used to assess the risk of developing multiple cardiovascular and cerebrovascular diseases. The product has obtained the medical device registration certificate issued by the National Medical Products Administration in 2025; (ii) ApoE gene testing kits, which can be used to assess the risk of developing Alzheimer’s disease. The product has obtained the medical device registration certificate issued by the National Medical Products Administration in 2025; and (iii) BRCA1/BRCA2 gene mutation testing kits, which can be used to assess the risk of developing hereditary breast cancer.

The other five products are disease screening products in our pipeline, including (i) Alzheimer’s disease screening kits; (ii) colorectal cancer screening kits; (iii) gastric cancer screening kits; (iv) lung nodule auxiliary diagnostic kits; and (v) cervical cancer screening kits. Our disease screening pipeline covers major diseases with high prevalence that currently lack effective screening methods.

Business Review and Outlook

ApoE gene testing kits

Our self-developed ApoE gene testing kits use extraction-free blood nucleic acid technology and quantitative polymerase chain reaction (“**qPCR**”) platform to detect ApoE gene mutations and assess the risk of Alzheimer’s disease. We expect this product to generate synergistic effects with our Alzheimer’s disease screening products. The ApoE gene testing kits screen ApoE ϵ 4 carriers, which is the target population that we recommend for periodic testing for Alzheimer’s disease.

Our self-developed extraction-free blood nucleic acid technology can effectively save testing costs (eliminating nucleic acid extraction reagents and equipment) and time costs (eliminating the one-hour nucleic acid extraction process). The product has obtained the medical device registration certificate issued by the National Medical Products Administration in 2025.

Folate metabolic capacity assessment testing kits

Our self-developed folate metabolic capacity assessment testing kits use extraction-free blood nucleic acid technology and qPCR platform to detect the MTHFR gene and assess the metabolic capacity of folate in order to guide pregnant women to supplement folate and prevent neonatal defects, including neural tube defects. It can also assess the risk of hyperhomocysteinemia, stroke and other cardiovascular and cerebrovascular diseases.

Our self-developed extraction-free blood nucleic acid technology can effectively save testing costs (eliminating nucleic acid extraction reagents and equipment) and time costs (eliminating the one-hour nucleic acid extraction process). The product has obtained the medical device registration certificate issued by the National Medical Products Administration in 2025.

Alzheimer’s disease screening kits

Our Alzheimer’s disease screening kits are plasma-based miRNA markers testing. The global genetic testing market does not have any commercialized genetic testing kit registered for screening Alzheimer’s disease, according to Frost & Sullivan. We are developing this product in collaboration with Tiantan Hospital and conducting multi-center clinical validation with multiple hospitals in different regions of China. We are using no less than 1,500 samples and machine learning algorithms to determine the suitability of the selected biomarkers.

We expect to develop two types of testing kits each using the multiplex RT-qPCR and NGS technologies. The NGS kits are expected to include dozens to hundreds of biomarkers and provided as Laboratory Developed Tests (“**LDTs**”).

The RT-qPCR kits are expected to include two to three biomarkers, and it is expected to obtain the registration certificate by 2027.

Business Review and Outlook

Colorectal cancer screening kits

Our product candidates for colorectal cancer screening are plasma-based DNA methylation markers testing.

We are developing this product in collaboration with the 7th Medical Center of Chinese PLA General Hospital. As of 30 June 2025, we have preliminarily finished biomarker candidate selection, and we are conducting multi-center clinical validation with three hospitals in different regions of China and using no less than 1,500 samples to determine the suitability of the selected biomarkers. We have tested thousands of samples, and with the biometric analysis and machine learning algorithms, we have screened markers with favorable sensitivity and specificity.

We expect to develop two types of testing kits each using the qPCR and NGS technologies.

The NGS kits will include dozens to hundreds of biomarkers, and are provided as LDTs with both sensitivity and specificity higher than 90%.

The qPCR kits will include three biomarkers, which has completed late-stage development and is in the IVD registration and filing stage and we expect to obtain the registration certificate by 2027.

Gastric cancer screening kits

Our product candidates for gastric cancer screening are plasma-based DNA methylation markers testing.

We are developing this product in collaboration with the 7th Medical Center of Chinese PLA General Hospital. As of 30 June 2025, we have preliminarily finished biomarker candidate selection, and we are conducting multi-center clinical validation with three hospitals in different regions of China and using no less than 1,500 samples to determine the suitability of the selected biomarkers. We have tested thousands of samples, and with the biometric analysis and machine learning algorithms, we have screened markers with favorable sensitivity and specificity.

We expect to develop two types of testing kits each using the qPCR and NGS technologies.

The NGS kits include more than one hundred biomarkers and are provided as LDTs with both sensitivity and specificity higher than 90%.

The qPCR kits include three biomarkers, which has completed late-stage development and is in the IVD registration and filing stage, and it is expected to obtain the registration certificate by 2027.

Business Review and Outlook

BRCA1/BRCA2 gene mutation testing kits

We have completed the reagent formulation for our self-developed BRCA1/BRCA2 gene mutation testing kits. With the multiplex PCR library preparation sequencing technology, we have achieved a lower cost and initially established a database containing tens of thousands of mutation loci.

Our lung nodule (benign or malignant) auxiliary diagnostic kits and cervical cancer screening kits are at the early development stage.

In addition, we developed colloidal gold-based fecal occult blood testing kits and transferrin testing kits to detect gastrointestinal bleeding for the auxiliary diagnosis of colorectal and gastric cancers. We have obtained the product registration certificates for our fecal occult blood testing kits and transferrin testing kits approved by the Shanghai Medical Products Administration and have achieved mass production.

We have developed cfDNA extraction and sulfide kits to extract cell-free DNA from plasma for use in tumor screening, and have also developed oral swab samplers to non-invasively collect exfoliated cells of the oral mucosa, thereby enabling a convenient, non-invasive and low-cost way of collecting samples, which can improve the accessibility and popularity of genetic testing and are suitable for home self-testing for various groups including children, young and middle-aged people and the elderly. For such products, we have obtained the filing certificates and achieved mass production as of 30 June 2025.

Research and Development (“R&D”)

Our strong R&D capabilities is vital to our business.

Since our founding in 2016, our R&D has been a major force in the expansion of our testing technology platforms and testing services offerings. We use a market-oriented approach to our R&D strategy. Our R&D team contributes to the development of our growth strategies by tracking industry developments, market demand and competition, and by identifying services and products with significant market potential for commercialization.

Intellectual property and qualification

As of 30 June 2025, three invention patents, one utility model patent and two design patents had been granted to us. In addition, we have registered 52 software copyrights and 60 trademarks. We have also been recognized for our innovation, including recognition as a National High-tech Enterprise, Zhongguancun High-tech Enterprise, Beijing Enterprise Technology Center, Beijing “Specialization, Expertise, Distinction, Innovation” small and medium-sized enterprise, and Beijing Natural Science Foundation Trust Unit, and were awarded the Davos Entrepreneur Innovation Award.

In-house R&D team

We have a strong in-house R&D team, which has extensive experience in the genetic testing industry. Approximately 65% of our R&D team members possess a master degree or above in relevant fields from institutions such as the Chinese Academy of Sciences, China Agricultural University and New York University.

Business Review and Outlook

Collaboration with third parties

In addition to our in-house R&D team, we also conduct R&D through collaboration with top physicians and medical experts in China.

Under our collaboration agreements, medical experts work with us during the R&D stage and help with the implementation of clinical trials through recruitment of participating hospitals and trial sample collection. Such collaboration is expected to expedite the process of multi-center clinical trials with large samples and increase the reliability of our products.

Such medical experts would also provide necessary expert opinions during the registration process.

In addition, we expect the authority and reputation of these medical experts to help with the registration and promotion of our products. We have the technical know-how for the co-developed products and have joint ownership over relevant intellectual property rights. We are entitled to submit IVD registration applications for these products and will be the sole registrant of the IVD registration certificates once approved.

We have also established R&D collaborations with industry-leading service providers, mainly contract research organizations (CRO(s)), at different phases of our IVD product registration to ensure our quality management system, manufacturing and clinical trials of IVD product candidates are in line with the National Medical Products Administration of China's regulatory requirements for product registration. Our collaboration with these companies does not grant them any interest in our intellectual property rights. We do not rely on any particular service provider.

As of 30 June 2025, we have established cooperative relationships with the following companies:

Huagang Innovation (Beijing) Technology Service Co., Ltd. ("Huagang")

It is a top-level third-party certification company for the medical device quality management system with experience in product certification and quality management system certification.

Through collaboration with Huagang, we have established a quality management system that satisfies IVD registration standards and received guidance in the product registration process to ensure full compliance with applicable regulations and quality management system assessment.

Guangzhou Osmunda Medical Device Technology, Inc. ("Osmunda")

It is a leading contract development manufacturing organization (CDMO) service provider in China with four domestic CDMO bases, and has production lines for active devices, passive devices, and IVD reagents. It also has independent inspection and testing centers, physics laboratories, chemical laboratories, PCR laboratories, microbiological inspection clean areas and preparation rooms. We collaborate with Osmunda for contract-commissioned production that complies with relevant regulations.

Business Review and Outlook

Beijing Tigermed-Jyton Medical Tech. Co., Ltd. (泰格捷通(北京)醫藥科技有限公司) (“Tigermed-Jyton”)

It is a top clinical trial CRO company in China. Our collaboration with Tigermed-Jyton is designed to ensure clinical trial compliance.

Testing Technology Platforms

Our testing technology platforms and technologies include endpoint fluorescent PCR platform, qPCR platform, NGS platform (multiplex PCR library preparation sequencing, whole exome sequencing and whole genome sequencing technologies), whole genome microarray platform and blood nucleic acid extraction-free technology. We possess the full range of genetic and molecular diagnostics technologies that support our commercialized testing and R&D applications.

Our R&D team has innovated constantly and developed a number of new risk assessment genetic tests covering various specialty areas, including alimentation, brain health, Parkinson’s disease, ankylosing spondylitis, comprehensive assessment of immunity, cancer risk assessment, cardiovascular and cerebrovascular diseases, digestive system diseases, telomere and pharmacogenetic testing and other genetic testing products.

Our R&D efforts focus on the registration of IVD test kits. At present, our fecal occult blood testing kits and transferrin testing kits have obtained the NMPA registration certificates and achieved mass production, and our oral swab samplers and cfDNA extraction and sulfide kits have obtained the NMPA filing certificates and achieved mass production. Our ApoE gene testing kits and folate metabolic capacity assessment testing kits have obtained the medical device registration certificates issued by the National Medical Products Administration in 2025. Our colorectal cancer screening kits and gastric cancer screening kits are in the IVD registration and filing stage. The products under development include Alzheimer’s screening kits and BRCA1/BRCA2 gene mutation testing kits. Two other products are at the early development stage, including benign and malignant lung nodule auxiliary diagnosis kits and cervical cancer screening kits.

Production Capacity

In order to carry out our broad-spectrum testing process and to satisfy our consumers’ needs, we have developed an advanced and integrated system of technology platforms, including endpoint fluorescent PCR platform, qPCR platform, NGS platform (multiplex PCR library preparation sequencing and exome/whole genome sequencing technologies) and whole genome microarray platform. Our tests are conducted in our independent testing laboratory. Our high-throughput testing platform, with an average daily throughput of 50,000 samples, offers the advantages of high throughput and automation, and the ability to deliver multi-scenario genetic testing solutions with cost efficiencies.

Production Facility

We have one laboratory located in Beijing, China, with a gross floor area of approximately 880 sq.m. Our laboratory has obtained the External Quality Assessment Certificate for various testing services as well as the PRC Practice License of Medical Institution. Our laboratory has the required registrations and licenses to perform PCR amplification for clinical use and obtained the laboratory accreditation certificate from the China National Accreditation Service for Conformity Assessment in 2022.

Business Review and Outlook

Business

During the Reporting Period, the Company achieved operating revenue of RMB81.3 million, representing a year-on-year decrease of 24.2%; and net profit of RMB27.3 million, representing a year-on-year decrease of 26.3%. The year-on-year decrease in operating revenue and net profit for the Period was mainly due to the Company's adjustment of its sales strategy, which led to a temporary decrease in operating revenue; while costs such as labor costs, rent and depreciation being relatively fixed, resulting in a reduction in net profit.

As of 30 June 2025, we covered healthcare institutions in more than 340 cities in China. Our sales and marketing network allows us to deliver genetic testing services to a large portion of the Chinese population. In addition, we cooperate with various e-commerce and online healthcare platforms to expand and enhance our sales and marketing network.

Financial Highlights

	For the six months ended 30 June		
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	Year-on-year change
Revenue	81,281	107,291	(24.2%)
Consumer genetic testing services and ancillary services	75,947	104,419	(27.3%)
Cancer screening services and ancillary services	5,334	2,872	85.7%
Gross profit	60,140	69,618	(13.6%)
Gross profit margin	74.0%	64.9%	9.1 percentage points
Net profit	27,261	36,969	(26.3%)
Net profit margin	33.5%	34.5%	(1.0 percentage point)

Revenue

For the six months ended 30 June 2025, we achieved operating revenue of RMB81.3 million, representing a decrease of RMB26.0 million or 24.2% as compared to RMB107.3 million for the same period in 2024. Of which, the revenue generated from consumer genetic testing services and ancillary services and cancer screening services and ancillary services for the six months ended 30 June 2025 amounted to RMB75.9 million and RMB5.3 million, respectively. The year-on-year decrease in operating revenue was mainly due to the Company's adjustment of its sales strategy, which led to a temporary decrease in operating revenue.

Business Review and Outlook

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2025, our consolidated gross profit amounted to RMB60.1 million, representing a year-on-year decrease of 13.6%, of which RMB56.8 million and RMB3.3 million of gross profit were attributable to consumer genetic testing services and ancillary services and cancer screening services and ancillary services, respectively. The year-on-year decrease in consolidated gross profit was driven by a short-term decrease in revenue resulting from the Company's adjustment of its sales strategy, while costs such as labor costs, rent and depreciation being relatively fixed.

For the six months ended 30 June 2025, our consolidated gross profit margin was 74.0%, representing a year-on-year increase of 9.1 percentage points. For the six months ended 30 June 2025, the gross profit margin for our consumer genetic testing services and ancillary services was 74.8%, representing a year-on-year increase of 9.7 percentage points, driven by the optimization of our product and service portfolio and our ability to effectively control costs. The gross profit margin for our cancer screening services and ancillary services was 62.1%, representing a year-on-year increase of 4.6 percentage points, driven by our enrichment of product categories for our cancer screening services and ancillary services, while costs such as labor costs and rent being relatively fixed.

Prospects and Outlook

Further exploiting the consumer genetic testing market in China

According to Frost & Sullivan, the penetration of the consumer genetic testing market in China is expected to grow from 0.8% to 11.6% from 2020 to 2030. During this process, more industry standards regarding the consumer genetic testing industry will be gradually established and the prevention and treatment guidelines or expert consensus for common diseases will be formed gradually. We believe that it is critical to expedite the establishment of industry standards.

We will strengthen our partnerships with industry leaders to establish industry standards through cooperation with key opinion leaders. This includes organizing academic meetings, collaborating with experts in scientific research, and conducting retrospective data analysis, etc. We will also strengthen our efforts to accelerate the education of medical institutions and increase market penetration more quickly by popularizing industry standards.

Meanwhile, in order to continuously consolidate our leading position in the consumer genetic testing market, we constantly upgrade and launch new products to meet the huge domestic consumer genetic market demand.

Business Review and Outlook

Further exploiting the cancer screening test market in China

The current market is basically aware of cancer screening. In particular, in the field of digestive tract tumors, blood methylation screening for intestinal cancer has gradually and widely reached consumers and has achieved good response. We will further strengthen the automation level of production to reduce the production cost and accelerate the R&D and application of blood methylation products for digestive tract tumors to improve the sensitivity and specificity of screening, so as to make the blood methylation screening for intestinal cancer have better socio-economic value.

We will continue diversifying our cancer screening product categories and product lines, such as innovative screening products for esophageal cancer, endometrial cancer, and bladder cancer, building a one-stop early cancer screening product matrix covering multiple cancer types and technological pathways. In the future, the Company will closely follow clinical needs and technological development trends, continuously increase R&D investment, promote the implementation of more cost-effective early cancer screening products, help achieve the public health goal of early detection, early diagnosis, and early treatment of cancer, and contribute to improving the health of the nation.

Expanding our R&D strength and enriching our product matrix

We will vigorously expand our R&D strength. In line with our R&D efforts, we plan to recruit more professionals to strengthen our internal R&D team and supplement our internal R&D strength by collaborating with renowned domestic and international academic and medical institutions.

We plan to develop a wider range of screening products that are low-cost and suitable for in-home testing. We believe that diversifying our product portfolio will help us strengthen our industry leadership position, significantly enhance our operational efficiency and improve our profitability.

Our self-developed fecal occult blood intestinal cancer screening and transferrin screening products have been granted the Registration Certificate for Medical Device and have achieved mass production.

We will continue to develop more screening products that have both social significance and economic value and meet our customers' demand for convenient testing.

Making selective geographic expansion and acquisition opportunities

We plan to build a manufacturing laboratory to enhance geographic coverage, improve reporting cycles and reduce operating costs. We will optimize the production process, adopt a new production system for the new laboratory, and substantially shorten the product reporting time, to further improve customer experience.

We also plan to make prudent investments to complement our internal growth. We plan to acquire product candidates with significant market potential or technological frontiers as and when appropriate, so as to complement our existing product portfolio and create synergies with our R&D, manufacturing and channel systems.

Management Discussion and Analysis

The following table sets forth our unaudited condensed consolidated statement of profit or loss for the periods indicated, together with the changes from the six months ended 30 June 2024 to the same period in 2025, presented as a percentage:

	For the six months ended 30 June		
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	Year-on-year change %
Revenue	81,281	107,291	(24.2%)
Cost of sales	(21,141)	(37,673)	(43.9%)
Gross profit	60,140	69,618	(13.6%)
Other income and gains	4,210	3,438	22.5%
Selling and distribution expenses	(10,426)	(13,609)	(23.4%)
Administrative expenses	(17,987)	(17,511)	2.7%
Impairment (losses)/reversal of impairment on trade receivables, net	(1,263)	2,686	N/A
Other expenses	(1,004)	(643)	56.1%
Finance costs	(528)	(937)	(43.6%)
Profit before tax	33,142	43,042	(23.0%)
Income tax expenses	(5,881)	(6,073)	(3.2%)
Profit for the period	27,261	36,969	(26.3%)

Management Discussion and Analysis

Revenue

We organize our principal business into two segments, namely consumer genetic testing services and ancillary services and cancer screening services and ancillary services.

The table below sets forth our revenue by operating segment for the periods indicated (presented in figures and as a percentage of total revenue).

	For the six months ended 30 June			
	2025		2024	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Consumer genetic testing services and ancillary services	75,947	93.4%	104,419	97.3%
Cancer screening services and ancillary services	5,334	6.6%	2,872	2.7%
Total	81,281	100%	107,291	100.0%

- Consumer genetic testing services and ancillary services. For the six months ended 30 June 2025, our revenue from consumer genetic testing services and ancillary services amounted to RMB75.9 million, representing a year-on-year decrease of 27.3%, which was because of the Company's adjustment of its sales strategy, which led to a temporary decrease in our revenue from consumer genetic testing services and ancillary services during the Reporting Period.
- Cancer screening services and ancillary services. For the six months ended 30 June 2025, our revenue from cancer screening services and ancillary services amounted to RMB5.3 million, representing a year-on-year increase of 85.7%, which was because the Company enriched product categories of cancer screening services and ancillary services, resulting in an increase in revenue from cancer screening services and ancillary services during the Reporting Period.

Management Discussion and Analysis

Cost of Sales

Our cost of sales consists primarily of labor costs and business operation and other costs. Business operation and other costs mainly include the costs of raw materials, testing services, printing, express delivery, clusters, rent, property utilities, etc. The table below sets forth a breakdown of cost of sales by nature for the periods indicated (presented in figures and as a percentage of cost of sales).

	For the six months ended 30 June			
	2025		2024	
	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Labor costs	5,024	23.8%	5,060	13.4%
Business operation and other costs	16,117	76.2%	32,613	86.6%
Total	21,141	100.0%	37,673	100.0%

Our cost of sales decreased by 43.9% from RMB37.7 million for the six months ended 30 June 2024 to RMB21.1 million for the same period in 2025. Such decrease was primarily attributable to the decrease in revenue.

Management Discussion and Analysis

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2024 and 2025, our gross profit amounted to RMB69.6 million and RMB60.1 million, respectively. The gross profit margin was 64.9% and 74.0%, respectively. The table below sets forth a breakdown of gross profit and gross profit margin by operating segment for the periods indicated (presented in figures and as a percentage of total gross profit).

	For the six months ended 30 June			
	2025		2024	
	Segmental gross profit RMB'000 (Unaudited)	%	Segmental gross profit RMB'000 (Unaudited)	%
Consumer genetic testing services and ancillary services	56,827	94.5%	67,966	97.6%
Cancer screening services and ancillary services	3,313	5.5%	1,652	2.4%
Total	60,140	100%	69,618	100.0%

	For the six months ended 30 June	
	2025 Segmental gross profit margin	2024 Segmental gross profit margin
Consumer genetic testing services and ancillary services	74.8%	65.1%
Cancer screening services and ancillary services	62.1%	57.5%
Total	74.0%	64.9%

Management Discussion and Analysis

- Our gross profit from consumer genetic testing services and ancillary services decreased from RMB68.0 million for the six months ended 30 June 2024 to RMB56.8 million for the same period in 2025. The gross profit margin increased from 65.1% for the six months ended 30 June 2024 to 74.8% for the same period in 2025, which was mainly due to the Company's adjustment of its sales strategy, which led to a short-term decrease in revenue, while also optimizing its product structure, as well as costs such as labor costs, rent and depreciation being relatively fixed.
- Our gross profit from cancer screening services and ancillary services increased from RMB1.6 million for the six months ended 30 June 2024 to RMB3.3 million for the same period in 2025, which was mainly due to our enrichment of product categories for our cancer screening services and ancillary services, while costs such as labor costs and rent being relatively fixed.

Other Income and Gains

Our other income and gains increased by 22.5% from RMB3.4 million for the six months ended 30 June 2024 to RMB4.2 million for the same period in 2025. Such increase was mainly due to the increase in interest income.

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 23.4% from RMB13.6 million for the six months ended 30 June 2024 to RMB10.4 million for the same period in 2025, which was mainly due to the decrease in selling expenses as a result of the decline in revenue.

Administrative Expenses

Our administrative expenses remained stable at RMB17.5 million and RMB18.0 million for the six months ended 30 June 2024 and 2025, respectively.

Impairment (Losses)/Reversal of Impairment on Trade Receivables, Net

We had reversal of impairment on trade receivables, net of RMB2.7 million for the six months ended 30 June 2024, and impairment losses on trade receivables of RMB1.3 million for the six months ended 30 June 2025, which was mainly due to the impact of non-recurring items on the reversal of impairment on trade receivables in 2024, while provision for impairment on trade receivables was made normally in accordance with the relevant provisions of the Accounting Standards for Business Enterprises during the Period.

Management Discussion and Analysis

Other Expenses

For the six months ended 30 June 2024 and 2025, our other expenses were RMB0.6 million and RMB1.0 million, respectively. The increase in other expenses was mainly due to the increase in our external donations during the Reporting Period.

Finance Costs

Our finance costs decreased from RMB0.9 million for the six months ended 30 June 2024 to RMB0.5 million for the same period in 2025. Such decrease was mainly due to the decrease in interest expenses on lease liabilities under the new lease standards.

Income Tax Expenses

Our income tax expenses decreased by 3.2% from RMB6.1 million for the six months ended 30 June 2024 to RMB5.9 million for the same period in 2025. Such decrease was mainly due to the reduction in profit as compared with the same period of 2024.

Profit for the Period

As a result of the above, our profit for the period decreased from RMB37.0 million for the six months ended 30 June 2024 to RMB27.3 million for the same period in 2025.

Cash and Cash Equivalents

For the six months ended 30 June 2025, our net cash used in operating activities was RMB1.3 million, primarily attributable to the slowdown in the collection of trade receivables by the Company during the Reporting Period.

For the six months ended 30 June 2025, our net cash flows generated from investing activities was RMB2.3 million, primarily attributable to the receipt of investment income by the Company.

For the six months ended 30 June 2025, our net cash flows used in financing activities was RMB31.9 million, primarily attributable to the repurchase of shares by the Company.

As a result of the above, our cash and cash equivalents, which were mainly held in RMB and HKD, decreased by 6.3% from RMB490.3 million as of 31 December 2024 to RMB459.5 million as of 30 June 2025.

Management Discussion and Analysis

Liquidity and Capital Resources

We have maintained a comprehensive treasury policy, detailing specific functions and internal control measures for capital use. These functions and measures include but are not limited to procedures of capital management and liquidity management.

We manage and maintain our liquidity through the use of internally generated cash flows from operations and proceeds from the Company's initial public offering on the Stock Exchange on 22 June 2022. We regularly review our major funding positions to ensure that we have adequate financial resources in meeting our financial obligations.

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash generated from/(used in) operating activities	(1,293)	14,973
Net cash generated from/(used in) investing activities	2,330	4,236
Net cash used in financing activities	(31,856)	(28,444)
Net (decrease)/increase in cash and cash equivalents	(30,819)	(9,235)
Cash and cash equivalents at the beginning of the period	490,260	518,289
Effect of foreign exchange rate changes, net	10	(122)
Cash and cash equivalents at the end of the period	459,451	508,932

Indebtedness

Lease Liabilities

As of 31 December 2024 and 30 June 2025, we had outstanding aggregate unpaid contractual lease payments (present value of lease payments for the remainder of relevant lease terms) of RMB13.7 million and RMB20.1 million respectively in relation to the corresponding current and non-current lease liabilities.

As of 30 June 2025, the Company had outstanding bank loans of RMB19.7 million (2024: RMB20.7 million). Among which, RMB2.0 million will mature within one year and RMB17.7 million will mature after one year.

Save as disclosed above, we did not have any outstanding loan, capital issued or agreed to be issued, debt securities, mortgages, charges, debentures, bank overdrafts, loans, unutilized banking facilities or other similar indebtedness, liabilities under acceptances or acceptance credits, hire purchase commitments or other contingent liabilities as of 30 June 2025.

Our Directors have also confirmed that, as of 30 June 2025, there was no material change in the Company's indebtedness since 31 December 2024.

Management Discussion and Analysis

Gearing Ratio

The gearing ratio (calculated by total liabilities divided by total assets) of the Group as at 30 June 2025 was 11.1%, representing a decrease of 5.7 percentage points compared to 16.8% as at 31 December 2024.

Foreign Exchange Risk

We have transactional currency exposures. Certain of our demand deposits, bank balances and proceeds are denominated in USD and HKD which are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Key Financial Ratios

	For the six months ended 30 June	
	2025	2024
Gross profit margin ⁽¹⁾	74.0%	64.9%
Net profit margin ⁽²⁾	33.5%	34.5%
Current ratio ⁽³⁾	15.2	5.4

Notes:

- (1) Gross profit margin equals gross profit divided by revenue for the period.
- (2) Net profit margin equals net profit divided by revenue for the period.
- (3) Current ratio equals current assets divided by current liabilities as of the end of the period.

Capital Expenditures

Our principal capital expenditures related primarily to the purchase of equipment and the establishment of an automatic laboratory. The table below sets forth our capital expenditures for the periods indicated.

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchases of property, plant and equipment	106	619
Purchases of other intangible assets	–	14
Total	106	633

Management Discussion and Analysis

Contingent Liabilities

As of 30 June 2025, we had no material contingent liabilities.

Significant Investments and Future Plans for Material Investments or Capital Assets

As of 30 June 2025, we did not hold any significant investment.

In addition, save for the expansion plans as disclosed in the two sections headed “Business” and “Future Plans and Use of Proceeds” in the Prospectus, we have no future plans for material investments or capital assets.

Material Acquisitions and Disposals

For the six months ended 30 June 2025, we did not make any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Pledge of Group Assets

As of 30 June 2025, we pledged certain property, plant and equipment in an amount of approximately RMB32.4 million (30 June 2024: RMB34.7 million) to secure bank loans.

Save as disclosed above, the Company did not have any pledged or charged assets.

Donation

For the six months ended 30 June 2025, Mega Genomics Beijing, a subsidiary of the Group donated RMB1,000,000 to the Beijing Meinian Health Public Welfare Foundation to support the development of public welfare projects.

Interim Dividend

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025.

Employees

As of 30 June 2025, we had 203 employees, most of whom were based in Beijing. We conduct new staff training regularly to guide new employees and help them adapt to the new working environment. In addition, we provide online and in-person formal and comprehensive company-level and department-level training to our employees on a quarterly basis in addition to on-the-job training. Employees are also encouraged to attend external seminars and workshops to enrich their technical knowledge and develop competencies and skills. We also provide training and development programs as well as external training courses to our employees from time to time for the sake of enhancing their technical skills and ensuring that they understand and comply with our policies and procedures.

The compensation of our employees is determined with reference to market conditions and the performance, qualifications and experience of individual employees. We offer competitive compensation packages, including salaries, discretionary bonuses and benefit plans, to retain employees based on the performance of us and individual employees.

Management Discussion and Analysis

The Company adopted a restricted share unit scheme (the “**RSU Scheme**”) on 19 November 2021. On 29 December 2022, the Company granted a total of 27,272,000 RSUs to certain eligible participants of the Company under the RSU Scheme, the principal terms and details of which are set out in the section headed “Appendix IV – Statutory and General Information – D. Restricted Share Unit Scheme” of the Prospectus and the announcement of the Company dated 29 December 2022.

RSU Scheme

The Board of the Company approved and adopted the RSU Scheme on 19 November 2021. On 29 December 2022, the Company granted to certain eligible participants (the “**Grantee(s)**”) of the Company a total of 27,272,000 RSUs pursuant to the RSU Scheme (the “**Grant**”). Please refer to the announcement of the Company dated 29 December 2022 for further details. A summary of the principal terms of the RSU Scheme of the Company is as follows:

Summary of terms

The following is a summary of the principal terms of the RSU Scheme:

(a) Purpose

The purpose of the RSU Scheme is to align the interests of eligible persons with those of our Group through ownership of the shares, dividends and other distributions paid on the shares and/or the increase in value of the shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of our Group.

(b) Scope of the participants

Participants of the RSU Scheme include (i) any full-time and part-time employee, director or officer of any member of our Group including (without limitation) executive, non-executive and independent non-executive directors in the employment of or holding office therein; (ii) any person or entity (including but not limited to consultants engaged by our Group to render consulting or advisory services to us) that provides research, development, consultancy and other technical or operational or administrative support to us; and (iii) any other persons including former employees who, in the sole opinion of the RSU Committee, have contributed or will contribute to any member of our Group.

(c) Term

The RSU Scheme shall be valid and effective for the period of ten years commencing on the Listing Date, after which period no further RSUs will be granted. As of 30 June 2025, the remaining term of the RSU Scheme is 7 years.

(d) The maximum number of the shares

As disclosed in the Prospectus, on 1 June 2022, the Company allotted and issued 27,272,000 Shares, representing all Shares underlying the RSUs that may be delivered under the RSU Scheme, and representing 11.4% of the total issued share capital of the Company as of the date of this report. On 29 December 2022, the Company granted RSUs in an aggregate of 27,272,000 Shares, representing 100% of the RSU Mandate, to certain eligible participants.

(e) Individual limit and exercise period

Subject to the Listing Rules, the RSU Scheme does not specify a maximum limit on the interests granted to each participant or the exercise period.

Management Discussion and Analysis

(f) Vesting schedule of RSUs granted

- (1) one-third of the RSUs granted will become vested immediately upon the Grant;
- (2) one-third of the RSUs granted will become vested on the first anniversary of the date of Grant;
- (3) the remaining one-third of the RSUs granted will become vested on the second anniversary of the date of Grant.

(g) Basis for determining the exercise price of RSUs

The consideration (if any) paid by the selected participant to the trustee for accepting the grant of RSUs to that participant shall be determined at the sole discretion of the RSU committee.

During the Reporting Period, details of the RSU Scheme and the changes are as follows:

Name of Grantee	Grant date	As of 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Number of RSUs		As of 30 June 2025	Vesting period of RSUs	Exercise period of RSUs	Exercise price per share of RSUs (HKD)
					Exercised during the Reporting Period	Lapsed/ cancelled during the Reporting Period				
Lin Lin	29 December 2022	13,636,000	-	-	-	-	13,636,000	29 December 2022 to 29 December 2024 ⁽¹⁾	29 December 2022 to 21 June 2032	9.9
Guo Meiling	29 December 2022	4,545,000	-	-	-	-	4,545,000	29 December 2022 to 29 December 2024 ⁽¹⁾	29 December 2022 to 21 June 2032	9.9
Huang Yufeng	29 December 2022	500,000	-	-	-	-	500,000	29 December 2022 to 29 December 2024 ⁽¹⁾	29 December 2022 to 21 June 2032	9.9
Jiang Jing	29 December 2022	500,000	-	-	-	-	500,000	29 December 2022 to 29 December 2024 ⁽¹⁾	29 December 2022 to 21 June 2032	9.9
Other employees of the Group	29 December 2022	8,091,000	-	-	-	-	8,091,000	29 December 2022 to 29 December 2024 ⁽²⁾	29 December 2022 to 21 June 2032	9.9
Total		27,272,000	-	-	-	-	27,272,000			

Management Discussion and Analysis

Notes:

1. Each Grantee under the RSU Scheme may vest and exercise RSUs in three tranches as follows:
 - (a) one-third of the RSUs granted will become vested immediately upon the date of Grant;
 - (b) one-third of the RSUs granted will become vested on the first anniversary of the date of Grant; and
 - (c) the remaining one-third of the RSUs granted will become vested on the second anniversary of the date of Grant.
2. Other Grantees of RSUs granted under the RSU Scheme (other employees of the Group) may vest and exercise the RSUs in three tranches as follows:
 - (a) one-third of the RSUs granted will become vested immediately upon the date of Grant;
 - (b) one-third of the RSUs granted will become vested on the first anniversary of the date of Grant; and
 - (c) the remaining one-third of the RSUs granted will become vested on the second anniversary of the date of Grant.
3. During the Reporting Period, no RSUs lapsed and expired and the Group did not cancel any RSUs.
4. Save as disclosed above, there is no other information that is required to be disclosed pursuant to Rule 17.07 of the Listing Rules.

The Scheme Rules of the 2022 RSU Scheme has stipulated the lapse and cancellation of the RSU Scheme under different circumstances, and for the purpose of adequately protecting the interests of the Company, the Remuneration Committee of the Company considers that the Grantees are not required to achieve specific performance targets for exercising the RSUs.

According to the RSU Scheme, the Company has fully granted all RSUs and no RSUs will be granted.

Other Material Events

(1) Suspension of trading on the Stock Exchange

Trading in the Shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on 1 April 2025 and will remain suspended until the fulfillment of the resumption guidance as specified by the Stock Exchange.

(2) Resumption guidance

On 23 May 2025, the Company received a letter from the Stock Exchange setting out the guidance for the resumption of trading in the Shares of the Company on the Stock Exchange. The latest resumption guidance (the “**Resumption Guidance**”) as of the date of this report is as follows:

- (i) conduct an appropriate independent forensic investigation into the audit issues, assess the impact on the Company’s business operation and financial position, announce the findings and take appropriate remedial actions;
- (ii) demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the Group’s management and/or any persons with substantial influence over the Company’s management and operations, which may pose a risk to investors and damage market confidence;
- (iii) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet its obligations under the Listing Rules;

Management Discussion and Analysis

- (iv) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (v) demonstrate the Company's operations complying with Rule 13.24 of the Listing Rules; and
- (vi) inform the market of all material information for the Company's Shareholders and other investors to appraise its position.

For details regarding the Resumption Guidance, please refer to the announcement of the Company dated 30 May 2025.

(3) Progress of fulfillment of the Resumption Guidance

For quarterly updates on the status of resumption and the Company's resumption plan in fulfilling the Resumption Guidance, please refer to the announcements of the Company dated 30 June 2025, 30 September 2025 and 31 December 2025.

(4) Appointment of new auditor

The Company has removed Ernst & Young as its auditor and appointed Crowe (HK) CPA Limited as its new auditor with effect from 21 July 2025 until the next annual general meeting of the Company. For details regarding the appointment of new auditor, please refer to the announcements of the Company dated 5 May 2025, 30 June 2025 and 21 July 2025.

(5) Independent forensic investigation

In accordance with the requirements set out in the Resumption Guidance, the Investigation Committee has engaged an independent investigation company to conduct an independent forensic investigation into the audit issues. For the key findings of the investigation report, the opinions of the Investigation Committee and the Board, the recommendations and the status of completion, please refer to the announcement of the Company dated 10 November 2025.

(6) Internal control review

In accordance with the requirements set out in the Resumption Guidance, the Company has engaged an external independent adviser to conduct a review on the Group's internal control systems and procedures and a subsequent review on the remedial measures implemented by the Company. For the key findings of the internal control review, the opinions of the Investigation Committee and the Board, the corrective recommendations and the implementation of remedial actions, please refer to the announcement of the Company dated 12 January 2026.

Material Events After the Reporting Period

Save for the matters disclosed herein, as of the date of this report, there were no material events after 30 June 2025 that might have a material impact on our operations and financial results.

Rounding

Certain amounts and percentage figures included in this report have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

Other Information

CHANGES IN DIRECTORS, SENIOR MANAGEMENT AND COMPANY SECRETARY

Changes in the composition of Directors and Board Committees

During the Reporting Period, there was no change in the composition of our Board Committees.

Changes in Directors' information

During the Reporting Period, there was no change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Changes in Senior Management and Company Secretary

During the Reporting Period, there was no change in our senior management.

DISCLOSURE OF INTERESTS – INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of 30 June 2025, the interests or short positions of the Directors or the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, in each case once the Shares are listed, were as follows:

Interests in the Shares or Underlying Shares of our Company

Name of Director	Nature of interest	Number of interested shares	Approximate percentage of shareholding interest (%)
Dr. Yu Rong	Interest in controlled corporations ⁽¹⁾	18,795,135	8.38%
	Interest of a party to an agreement ⁽²⁾	22,000,000	9.81%
Ms. Guo Meiling	Interest in controlled corporations ⁽²⁾	22,273,970	9.93%
	Beneficial interests ⁽³⁾	4,545,000	2.03%
Ms. Lin Lin	Interest in controlled corporations ⁽⁴⁾	9,975,311	4.45%
	Beneficial interests ⁽³⁾	13,636,000	6.08%
Ms. Jiang Jing	Beneficial interests ⁽³⁾	500,000	0.22%

Other Information

Notes:

- (1) As of 30 June 2025, YURONG TECHNOLOGY LIMITED was held as to 100% by Dr. Yu Rong. Tianjin Hongzhi Kangjian Management Consulting Partnership (LP) was held as to (i) 99% by Zhuhai Zhongwei Yi Jian Equity Investment Fund (Limited Partnership) (珠海中衛易健股權投資基金(有限合夥)), its limited partner, the general partner of which was Shanghai Zhongfu Equity Investment Management Co., Ltd. (上海中鵬創業投資管理有限公司), which was ultimately controlled by Dr. Yu Rong; and (ii) 1% by Shanghai Zhongfu Equity Investment Management Co., Ltd. (上海中鵬創業投資管理有限公司) as its general partner. As such, Dr. Yu Rong is deemed to be interested in the Shares held by each of YURONG TECHNOLOGY LIMITED and Tianjin Hongzhi Kangjian Management Consulting Partnership (LP) under the SFO.
- (2) As of 30 June 2025, Infinite Galaxy Health Limited was wholly owned by Ms. Guo Meiling. As such, Ms. Guo Meiling is deemed to be interested in the Shares in which Infinite Galaxy Health Limited is interested under the SFO. On 11 August 2021, Dr. Yu Rong, Ms. Guo Meiling and Infinite Galaxy Health Limited, among others, entered into a voting rights entrustment deed, pursuant to which Infinite Galaxy Health Limited, a Shareholder wholly owned by Ms. Guo Meiling, irrevocably entrusts Dr. Yu Rong to exercise all voting rights associated with the Shares on behalf of Infinite Galaxy Health Limited. As such, Dr. Yu Rong is deemed to be interested in the Shares in which Ms. Guo Meiling is ultimately interested (through holding 100% interests of Infinite Galaxy Health Limited) under the SFO.
- (3) As of 30 June 2025, among the RSUs, 19,181,000 RSUs have been granted to certain Directors, with details as follows:
- 13,636,000 RSUs have been granted to Ms. Lin Lin.
- 4,545,000 RSUs have been granted to Ms. Guo Meiling.
- 500,000 RSUs have been granted to Ms. Jiang Jing.
- (4) As of 30 June 2025, LINLIN DJK HOLDING LTD. was wholly owned by Ms. Lin Lin. As such, Ms. Lin Lin is deemed to be interested in the Shares held by LINLIN DJK HOLDING LTD. under the SFO.
- (5) As at 30 June 2025, the number of issued shares of the Company was 224,300,200 shares.

Interests in the Shares or Underlying Shares of the Company's Associated Corporations

Mega Genomics Beijing

Name of Director	Capacity/Nature of interest	Approximate percentage	
		Number of shares/ underlying shares	of shareholding interest (%)
Dr. Yu Rong	Interest in controlled corporations ⁽¹⁾	1,383,000	12.73%
Ms. Guo Meiling	Beneficial interests	1,335,048	12.29%

Note:

- (1) As of 30 June 2025, Dr. Yu Rong controlled Zhuhai Zhongwei Yi Jian Equity Investment Fund (Limited Partnership) and Beijing Yinwei Technology Center (LP). As such, Dr. Yu Rong controls the interests in the entities in which Zhuhai Zhongwei Yi Jian Equity Investment Fund (Limited Partnership) and Beijing Yinwei Technology Center (LP) are interested under the SFO.

Other Information

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of 30 June 2025, to the knowledge of our Directors, the following persons/entities (other than the Directors or chief executive of the Company) had an interest or short position in Shares or underlying Shares which will be required to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and kept in the register in shares under section 336 of the SFO:

Name	Nature of interest	Number of interested shares	Approximate percentage of shareholding interest (%)
Mei Nian Investment Limited	Beneficial owner ⁽¹⁾	37,258,932	16.61%
Meinian Onehealth	Interest in controlled corporations ⁽¹⁾	37,258,932	16.61%
Mega Marvelous Limited	Nominee of another person ⁽²⁾	27,272,000	12.16%
KASTLE LIMITED	Trustee ⁽²⁾	27,272,000	12.16%
YURONG TECHNOLOGY LIMITED	Beneficial owner ⁽³⁾	14,555,731	6.49%
Infinite Galaxy Health Limited	Beneficial owner ⁽⁴⁾	22,273,970	9.93%
Tianjin Shiji Yuneng Enterprise Management Partnership (LP)	Beneficial owner ⁽⁵⁾	12,096,203	5.39%
Beijing Hehe Hengye Technology Co., Ltd.	Interest in controlled corporations ⁽⁵⁾	12,096,203	5.39%
Beijing Shiji Yuneng Technology Co., Ltd.	Interest in controlled corporations ⁽⁵⁾	12,096,203	5.39%
Mr. Niu Zhencai	Interest in controlled corporations ⁽⁵⁾	12,096,203	5.39%

Notes:

- (1) As of 30 June 2025, Mei Nian Investment Limited was held as to 100% by Meinian OneHealth. As such, Meinian OneHealth is deemed to be interested in those which Mei Nian Investment Limited is interested under the SFO.
- (2) As of 30 June 2025, Mega Marvelous Limited was held as to 100% by KASTLE LIMITED, an independent trustee appointed under the terms of the RSU Scheme which, through Mega Marvelous Limited, holds the Shares underlying the RSUs for the benefit of eligible participants of the RSU Scheme.
- (3) As of 30 June 2025, YURONG TECHNOLOGY LIMITED was held as to 100% by Dr. Yu Rong. Tianjin Hongzhi Kangjian Management Consulting Partnership (LP) was held as to (i) 99% by Zhuhai Zhongwei Yi Jian Equity Investment Fund (Limited Partnership) (珠海中衛易健股權投資基金(有限合夥)), its limited partner, the general partner of which was Shanghai Zhongfu Equity Investment Management Co., Ltd. (上海中孵創業投資管理有限公司), which was ultimately controlled by Dr. Yu Rong; and (ii) 1% by Shanghai Zhongfu Equity Investment Management Co., Ltd. (上海中孵創業投資管理有限公司) as its general partner. As such, Dr. Yu Rong is deemed to be interested in those which each of YURONG TECHNOLOGY LIMITED and Tianjin Hongzhi Kangjian Management Consulting Partnership (LP) is interested under the SFO.
- (4) As of 30 June 2025, Infinite Galaxy Health Limited was wholly owned by Ms. Guo Meiling. As such, Ms. Guo Meiling is deemed to be interested in those which Infinite Galaxy Health Limited is interested under the SFO. On 11 August 2021, Dr. Yu Rong, Ms. Guo Meiling, Ms. Guo Meiling's son and Infinite Galaxy Health Limited entered into a voting rights entrustment deed, pursuant to which Infinite Galaxy Health Limited, a Shareholder wholly owned by Ms. Guo Meiling, irrevocably entrusts Dr. Yu Rong to exercise all voting rights associated with the Shares on behalf of Infinite Galaxy Health Limited. As such, Dr. Yu Rong is deemed to be interested in those which Ms. Guo Meiling is interested under the SFO.

Other Information

- (5) As of 30 June 2025, Tianjin Shiji Yuneng Enterprise Management Partnership (LP) was held as to (i) 99.90% by Beijing Hehe Hengye Technology Co., Ltd. (北京和合恒業科技有限公司), its limited partner; and (ii) 0.10% by Beijing Shiji Yuneng Technology Co., Ltd. (北京世紀宇能科技有限公司), its general partner. Beijing Hehe Hengye Technology Co., Ltd. was a limited liability company held as to 99.87% by Beijing Shiji Yuneng Technology Co., Ltd., which was held as to 99.90% by Niu Zhencai (牛振才) and 0.10% by Qiu Xiaobing (邱效冰), both of whom are Independent Third Parties. As such, each of Beijing Hehe Hengye Technology Co., Ltd., Beijing Shiji Yuneng Technology Co., Ltd. and Niu Zhencai is deemed to be interested in all of the Shares held by Tianjin Shiji Yuneng Enterprise Management Partnership (LP).
- (6) As at 30 June 2025, the number of issued shares of the Company was 224,300,200 shares.

Save as disclosed above, as of 30 June 2025, our Directors are not aware of any person or corporation who has an interest or short position in the Shares and underlying Shares of the Company which would be recorded in the register of the Company required to be kept under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, the Company has repurchased a total of 3,834,000 shares of the Company on the Stock Exchange for a total consideration of HK\$32,897,016.

Details of the repurchase are set out as follows:

Month	Total number of shares repurchased	Price per share		Total consideration HK\$
		Highest	Lowest	
		HK\$	HK\$	
January 2025	1,098,000	10.30	8.60	10,382,260
February 2025	<u>2,736,000</u>	9.46	7.27	<u>22,514,756</u>
Total	<u>3,834,000</u>			<u>32,897,016</u>

As of 30 June 2025, the Company has cancelled all of shares repurchased above.

The repurchase was effected for enhancing the net assets per share and earnings per share and in accordance with the repurchase mandate granted to the Board in the 2024 annual general meeting of the Company.

Save as disclosed above, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's listed securities as of 30 June 2025.

Other Information

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company was listed on the Main Board on 22 June 2022. The new shares were issued at HK\$18 per share and a total of 11,961,800 ordinary Shares were offered with a total nominal value of HK\$215.3 million. The net proceeds raised during the Global Offering, net of underwriting commissions and other expenses paid and payable by the Company in connection with the Global Offering, amounted to approximately HK\$153.4 million. Since the Listing Date and up to 30 June 2025, save for the extension of timetable as described below, there has been no change or delay in the intended use of the net proceeds previously disclosed in the Prospectus.

The table below sets forth the use of net proceeds from the Global Offering:

Intended use of proceeds	Percentage of intended use of proceeds	Intended use of net proceeds from the Global Offering	Actual amount used as at 30 June 2025	Unutilized net proceeds as at 30 June 2025	Schedule of unutilized balances
	%	HK\$ million	HK\$ million	HK\$ million	
Sales and Marketing	30	46.0	46.0	0	By 30 June 2025
Research and Development	25	38.4	38.4	0	By 30 June 2025
Testing Capability and Capacity	20	30.7	30.7	0	By 30 June 2025
Investment and Acquisitions	15	23.0	–	23.0	By 31 December 2028 ^(Note)
Working Capital and Other Purposes	10	15.3	15.3	0	By 30 June 2025
Total	100	153.4	130.4	23.0	

Note:

REASONS FOR EXTENDING THE EXPECTED TIMETABLE FOR USE OF PROCEEDS

As disclosed in the Company's 2024 Annual Report, the unutilized proceeds raised during the Global Offering were to be used in accordance with the purposes and methods set out in the Company's prospectus dated 22 June 2022, and were expected to be fully utilized by 30 June 2025 (the "Original Timetable"). To date, save for the use of proceeds for "investment and acquisitions", all other proceeds have been fully utilized according to the Original Timetable.

However, in recent years, the genetic testing industry has experienced accelerated technological iteration, continuous optimization and upgrading of market demand structure, and ongoing refinement and improvement of relevant regulatory policies. To ensure that investment and acquisition projects achieve expected returns and avoid investment risks caused by market fluctuations and policy adjustments, the Company has proactively slowed down the pace of "investment and acquisitions" related projects and conducted more prudent and comprehensive evaluation and screening of potential investment targets and acquisition targets, thereby extending the utilization period of the proceeds for the "investment and acquisitions" category. It is expected that the unutilized proceeds will be fully utilized by the end of 2028.

Other Information

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability system of the Board to all shareholders.

The Company has adopted the CG Code contained in Appendix C1 to the Listing Rules as its own code of corporate governance. The Board is of the view that, during the six months ended 30 June 2025 and up to the date of this report, the Company has complied with the code provisions as set out in the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the Model Code during the six months ended 30 June 2025 and up to the date of this report.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Board has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. As of the date of this report, the Audit Committee consists of three members, namely Mr. Jia Qingfeng, Ms. Guo Meiling and Dr. Zhang Ying. Mr. Jia Qingfeng, being the chairman of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, without limitation, assisting the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group and overseeing the audit process.

The Audit Committee has reviewed the Group's unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 and this interim report. Based on such review, the Audit Committee considered that the unaudited interim report was prepared in accordance with HKAS 34, and the Company has made appropriate disclosures thereof.

Unaudited Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
REVENUE	81,281	107,291
Cost of sales	(21,141)	(37,673)
Gross profit	60,140	69,618
Other income and gains	4,210	3,438
Selling and distribution expenses	(10,426)	(13,609)
Administrative expenses	(17,987)	(17,511)
Impairment (losses)/reversal of impairment on trade receivables, net	(1,263)	2,686
Other expenses	(1,004)	(643)
Finance costs	(528)	(937)
PROFIT BEFORE TAX	33,142	43,042
Income tax expense	(5,881)	(6,073)
PROFIT FOR THE PERIOD	27,261	36,969
Attributable to:		
Owners of the parent	27,261	36,969
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT		
Basic	RMB0.13	RMB0.18
Diluted	RMB0.13	RMB0.18

Unaudited Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
NON-CURRENT ASSETS		
Property, plant and equipment	54,544	59,038
Right-of-use assets	21,131	20,222
Intangible assets	689	770
Financial assets at fair value through profit or loss	30,800	30,800
Deferred tax assets	1,604	2,055
Total non-current assets	<u>108,768</u>	<u>112,885</u>
CURRENT ASSETS		
Inventories	5,351	4,609
Trade receivables	91,940	90,056
Prepayments, other receivables and other assets	22,510	40,667
Cash and cash equivalents	459,451	490,260
Total current assets	<u>579,252</u>	<u>625,592</u>
CURRENT LIABILITIES		
Trade payables	25,376	25,433
Other payables and accruals	8,772	60,888
Interest-bearing bank and other borrowings	2,038	1,995
Tax payable	1,365	1,724
Deferred income	600	600
Total current liabilities	<u>38,151</u>	<u>90,640</u>
NET CURRENT ASSETS	<u>541,101</u>	<u>534,952</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>649,869</u>	<u>647,837</u>

Unaudited Interim Condensed Consolidated Statement of Financial Position

30 June 2025

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	17,698	18,728
Lease liabilities	20,121	13,679
Deferred income	450	750
	<hr/>	<hr/>
Total non-current liabilities	38,269	33,157
	<hr/>	<hr/>
Net assets	611,600	614,680
	<hr/>	<hr/>
EQUITY		
Share capital	145	150
Treasury shares	–	(27,979)
Reserves	611,455	642,509
	<hr/>	<hr/>
Total equity	611,600	614,680
	<hr/>	<hr/>

Unaudited Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the parent								
	Share capital	Treasury shares	Share premium	Capital reserve	Share-based payment reserve	Statutory surplus reserve	Share-based payment	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024 (audited)	150	(27,979)	334,366	116,796	-	6,375	14,639	170,333	614,680
Profit and total comprehensive income for the period	-	-	-	-	-	-	-	27,261	27,261
Repurchase of shares	-	(30,341)	-	-	-	-	-	-	(30,341)
Cancellation of treasury shares	(5)	58,320	(58,315)	-	-	-	-	-	-
Share-based payment arrangement	145	-	276,051	116,796	-	6,375	14,639	197,594	611,600
At 30 June 2025 (unaudited)	145	-	276,051	116,796	-	6,375	14,639	197,594	611,600

For the six months ended 30 June 2024

	Attributable to owners of the parent								
	Share capital	Treasury shares	Share premium	Capital reserve	Share-based payment reserve	Statutory surplus reserve	Retained profits	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
At 31 December 2023 (audited)	154	(1,567)	385,565	116,796	12,216	6,375	125,288	644,827	
Profit and total comprehensive income for the period	-	-	-	-	-	-	36,969	36,969	
Repurchase of shares*	-	(20,369)	-	-	-	-	-	(20,369)	
Cancellation of treasury shares*	(1)	15,434	(15,433)	-	-	-	-	-	
Share-based payment arrangement	-	-	-	-	1,212	-	-	1,212	
At 30 June 2024 (unaudited)	153	(6,502)	370,132	116,796	13,428	6,375	162,257	662,639	

* During the reporting period, the Company repurchased 3,834,000 shares on the Hong Kong Stock Exchange for a total consideration of HK\$32,897,016 (equivalent to RMB30,340,735.44). Meanwhile, all of 3,834,000 shares were cancelled during the period.

Unaudited Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	33,142	43,042
Adjustments for:		
Finance costs	528	937
Bank interest income	(1,346)	(653)
Depreciation of property, plant and equipment	4,600	3,808
Depreciation of right-of-use assets	2,800	3,307
Amortisation of intangible assets	81	81
Reversal of impairment losses on trade receivables, net	1,263	(2,686)
Recognition of deferred income	(300)	(300)
Foreign exchange differences, net	(10)	122
Share-based payment expense	–	1,212
Investment income from financial assets at fair value through profit or loss	(2,436)	(1,869)
	38,322	47,001
(Increase)/decrease in trade receivables	(3,147)	(31,822)
Increase in prepayments, other receivables and other assets	(1,704)	(24,209)
Decrease in inventories	(741)	3,202
Increase in trade payables	(57)	8,713
Increase/(decrease) in other payables and accruals	(29,523)	13,797
	3,150	16,682
Cash generated from operations	3,150	16,682
Income tax paid	(5,789)	(2,362)
Interest received	1,346	653
	(1,293)	14,973
Net cash flows from operating activities	(1,293)	14,973
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	(106)	(619)
Purchases of intangible assets	–	(14)
Refund of advance payments for investment to third parties	–	3,000
Purchases of financial assets at fair value through profit or loss	(1,815,000)	(560,000)
Proceeds from disposal of financial assets at fair value through profit or loss	1,817,436	561,869
	2,330	4,236
Net cash flows from/(used in) investing activities	2,330	4,236

Unaudited Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease payments	–	(6,192)
Interest paid	(528)	(937)
Repurchase of shares	(30,341)	(20,369)
Repayment of bank loans	(987)	(946)
	<hr/>	<hr/>
Net cash flows used in financing activities	(31,856)	(28,444)
	<hr/>	<hr/>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(30,819)	(9,235)
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the period	490,260	518,289
Effect of foreign exchange rate changes, net	10	(122)
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	459,451	508,932
	<hr/>	<hr/>

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2. ACCOUNTING POLICIES

2.1 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial information.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2024 and 2025 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

2. ACCOUNTING POLICIES (continued)

2.1 Changes in Accounting Policies and Disclosures (continued)

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the interim condensed consolidated financial information.

2.2 Issued But Not Yet Effective HKFRS Accounting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in the financial statements. The Group intends to apply these new and revised HKFRSs, if applicable, when they become effective.

HKFRS 18 and consequential amendments to other HKFRSs	<i>Presentation and Disclosure in Financial Statements</i> ³
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i> ³
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ²
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ²
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
Amendments to HKAS 21	<i>Lack of Exchangeability</i> ¹
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ²

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

2. ACCOUNTING POLICIES (continued)

2.2 Issued But Not Yet Effective HKFRS Accounting Standards (continued)

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenue from contracts with customers	81,281	107,291

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

4. REVENUE, OTHER INCOME AND GAINS (continued)

Revenue from contracts with customers

(a) Disaggregated revenue information

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Types of goods or services		
Consumer genetic testing services and ancillary services	75,947	104,419
Cancer screening services and ancillary services	5,334	2,872
Total	81,281	107,291
Timing of revenue recognition		
Goods or services transferred at a point in time	81,281	107,291

Geographical markets

All of the Group's revenues were generated from customers located in Mainland China during the reporting periods.

(b) Performance obligation

Information about the Group's performance obligation is summarised below:

Genetic testing services

The performance obligation of genetic testing services is satisfied upon delivery of testing reports and payment is generally due within three to six months from the date of billing, except for certain customers, where payment in advance is required. The performance obligation of sale of relevant medical materials is satisfied upon receipt of materials by customers and payment is generally due within three to six months from the date of billing, except for certain customers, where payment in advance is required.

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

4. REVENUE, OTHER INCOME AND GAINS (continued)

Revenue from contracts with customers (continued)

(b) Performance obligation (continued)

Genetic testing services (continued)

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Other income and gains		
Rental income	–	503
Bank interest income	1,346	653
Government grants	406	349
Investment income from financial assets at fair value through profit or loss	2,436	1,869
Foreign exchange differences, net	10	–
Others	12	64
Total	4,210	3,438

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Cost of services provided	21,141	37,673
Depreciation of property, plant and equipment	4,600	3,808
Depreciation of right-of-use assets	2,800	3,307
Amortisation of intangible assets	81	81
Research and development costs	8,151	9,934
Foreign exchange loss/(gain), net	(10)	122
Reversal of impairment losses on trade receivables, net	1,263	(2,686)

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

6. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in this jurisdiction.

The statutory tax rate for the subsidiary in Hong Kong is 16.5%. No Hong Kong profits tax on the subsidiary has been provided as there was no assessable profit arising in Hong Kong during the reporting periods.

The provision for current income tax in Mainland China is based on a statutory tax rate of 25% of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law, except for Mega Genomics Beijing, a subsidiary of the Group. Mega Genomics Beijing is qualified as a High and New Technology Enterprise and was subject to tax at a preferential income tax rate of 15% during the reporting periods.

The income tax expense of the Group is analysed as follows:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Current tax	5,430	5,004
Deferred tax	451	1,069
Total tax charge for the period	<u>5,881</u>	<u>6,073</u>

7. DIVIDENDS

No dividend has been declared and paid by the Company in respect of the reporting period (six months ended 30 June 2024: Nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 204,428,047 (2024: 209,637,209) in issue during the period. The number of shares for the current period has been arrived at after eliminating the shares held under the restricted share unit scheme.

The calculation of the diluted earnings per share amount presented for the period ended 30 June 2025 is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment has been made to the basic earnings per share amount presented for the period ended 30 June 2025 in respect of a dilution as the impact of the restricted share unit scheme had an anti-dilutive effect on the basic earnings per share amount presented.

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	<u>27,261</u>	<u>36,969</u>
	Number of shares For the six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	<u>204,428,047</u>	209,637,209
Effect of dilution – weighted average number of ordinary shares: Restricted share unit scheme	<u>–</u>	<u>–</u>
Total	<u>204,428,047</u>	<u>209,637,209</u>

9. TRADE AND NOTES RECEIVABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade receivables	<u>109,750</u>	105,371
Impairment	<u>(17,826)</u>	(16,564)
Total	<u>91,924</u>	<u>88,807</u>
Notes receivables	<u>16</u>	<u>1,249</u>

Notes to the Unaudited Interim Condensed Consolidated Financial Information

30 June 2025

9. TRADE AND NOTES RECEIVABLES (continued)

The Group's trading terms with its customers are mainly on credit. The credit terms granted generally ranged from three to six months, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

Included in the Group's trade receivables were amounts due from related parties of RMB50,130,000 as at 30 June 2025 (2024: RMB81,011,000), which are repayable on credit terms similar to those offered to the customers of the Group.

An ageing analysis of the trade receivables as at the end of the reporting periods, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 3 months	10,578	30,226
3 to 6 months	7,689	10,431
6 to 12 months	29,043	9,902
1 to 2 years	39,802	36,906
Over 2 years	4,812	1,342
Total	<u>91,924</u>	<u>88,807</u>
Notes receivables		
Within 3 months	<u>16</u>	<u>1,249</u>

10. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting periods, based on the invoice date, is as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 3 months	7,342	6,407
3 to 6 months	3,724	3,217
6 to 12 months	6,370	11,037
Over 12 months	7,940	4,772
Total	<u>25,376</u>	<u>25,433</u>

The trade payables are non-interest-bearing and are normally settled within six months.

Included in the Group's trade payables were amounts due to related parties of RMB124,000 as at 30 June 2025 (2024: RMB174,000) with credit terms similar to those offered by the related parties to their customers.

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11. COMMITMENTS

As at the end of the reporting period, the Group did not have significant commitments.

12. RELATED PARTY TRANSACTIONS

Details of the Group's related parties are as follows:

Company	Relationship with the Company
Dr. Yu Rong	Shareholder and director
Meinian Onehealth Healthcare Holdings Co., Ltd. ("Meinian Onehealth")	Shareholder

(a) The Group had the following transactions with related parties during the periods:

	For the six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Services provided to:		
Meinian Onehealth and its subsidiaries	64,439	41,542
Companies controlled by Dr. Yu Rong	–	3,834
Total	<u>64,439</u>	<u>45,376</u>
Services provided by:		
Meinian Onehealth and its subsidiaries	–	25
Property management services provided by:		
Companies controlled by Dr. Yu Rong	<u>645</u>	<u>668</u>

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12. RELATED PARTY TRANSACTIONS (continued)

(b) Outstanding balances with related parties:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade receivables		
Meinian Onehealth and its subsidiaries	40,583	44,182
Companies controlled by Dr. Yu Rong	3,713	36,829
Total	44,296	81,011
Other receivables		
Companies controlled by Dr. Yu Rong	4,390	4,390
Prepayments		
Meinian Onehealth and its subsidiaries	820	820
Trade payables		
Meinian Onehealth and its subsidiaries	124	174
Contract liabilities		
Meinian Onehealth and its subsidiaries	15,448	43,361
Companies controlled by Dr. Yu Rong	–	125
Total	15,448	43,486
Lease liabilities		
Companies controlled by Dr. Yu Rong	20,121	13,679

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12. RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Salaries, allowances and benefits in kind	971	1,137
Pension scheme contributions	159	52
Share-based payment expense	–	357
Total compensation paid to key management personnel	1,129	1,546

13. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals and current portion of lease liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair values of the non-current financial liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for lease liabilities as at 30 June 2025 were assessed to be insignificant.

The fair value of the unlisted equity investment at fair value through profit or loss has been estimated using observable inputs such as recently executed transaction prices in securities of the issuer. The valuation requires management to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, which is price to sales ("P/S") multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by a sales measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to measure the fair value of the unlisted equity investment. Management believes that the estimated fair values resulting from the valuation technique, which were recorded in the consolidated statement of financial position, and the related changes in fair values, which were recorded in profit or loss, are reasonable, and that they were the most appropriate value at the end of the reporting period.

Notes to the Unaudited Interim Condensed Consolidated Financial Information

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13. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2025

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	
Financial assets at fair value through profit or loss	–	–	30,800	30,800

As at 31 December 2024

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	
Financial assets at fair value through profit or loss	–	–	30,800	30,800

The Group did not have any financial liabilities measured at fair value as at 30 June 2025 and 31 December 2024.

During the periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (six months ended 30 June 2024: Nil).

14. EVENTS AFTER THE REPORTING PERIOD

No significant events that required additional disclosure or adjustments occurred after the end of the reporting period.