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Mega Genomics Limited

美因基因有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6667)

**FULFILMENT OF ALL RESUMPTION GUIDANCE
AND
RESUMPTION OF TRADING**

Financial Adviser to the Company

Wilson International Capital Limited

INTRODUCTION

This announcement is made by Mega Genomics Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 1 April 2025, 22 April 2025, 30 April 2025, 5 May 2025, 30 May 2025, 30 June 2025, 29 August 2025, 30 September 2025, 10 November 2025, 31 December 2025, 12 January 2026, 30 January 2026, 4 February 2026 and 9 February 2026 (the “**Announcements**”) in relation to, among other matters, (i) delay in publication of the 2024 Annual Results, (ii) postponement of the Board meeting, (iii) delay in publication of the 2024 Annual Report, (iv) proposed change of the auditor, (v) resumption guidance from the Stock Exchange, (vi) quarterly update on resumption guidance, (vii) delay in publication of the 2025 Interim Results; (viii) delay in publication of the 2025 Interim Report; (ix) key findings of the independent forensic investigation; (x) key findings of the internal control review; (xi) 2024 Annual Results Announcement; (xii) 2025 Interim Results Announcement; (xiii) 2024 Annual Report; and (xiv) 2025 Interim Report. Unless otherwise defined or the context otherwise requires, capitalised terms in this announcement shall have the same meanings as defined in the Announcements.

I. BACKGROUND

As disclosed in the relevant announcements, during the audit of the year ended 31 December 2024 (“**2024**”), the Company’s former auditor, Ernst & Young (“**Former Auditor**”), raised certain audit concerns, including those relating to the recognition of revenue from the genetic testing kits business, as well as promotion expense and prepayment. The Company has established an investigation committee to conduct an independent investigation into the audit issues (the “**Investigation**”). Subsequently, as the Company and the Former Auditor were unable to reach a consensus on the additional audit time and cost to complete the audit work of the Group for 2024, the Former Auditor was dismissed as the auditor of the Company. Crowe (HK) CPA Limited (the “**Current Auditor**”) was appointed as the new auditor of the Company with effect from 21 July 2025.

On 1 April 2025, the Company announced, inter alia, that it would be unable to publish its 2024 annual results on or before 31 March 2025 pursuant to Rule 13.49(1) of the Listing Rules. At the request of the Company, trading in the shares of the Company (the “**Shares**”) on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025.

In response to these matters, the Board has implemented remedial measures and appointed professional advisers to conduct a comprehensive investigation and internal control review, the findings of which are discussed in subsequent sections of this announcement.

RESUMPTION GUIDANCE

As disclosed in the announcement of the Company dated 30 May 2025, the Stock Exchange has issued the following resumption guidance:

- (i) conduct an appropriate independent forensic investigation into the audit issues (“**Audit Issue(s)**”) regarding revenue recognition of genetic testing kits business and promotion expense and prepayment as disclosed in the announcements of the Company dated 1 April 2025 and 22 April 2025, assess the impact on the Company’s business operation and financial position, announce the findings and take appropriate remedial actions (“**Resumption Condition 1**”);
- (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 (“**Resumption Condition 2**”);
- (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 (“**Resumption Condition 3**”);
- (iv) publish all outstanding financial results required under the Listing Rules and address any audit modifications (“**Resumption Condition 4**”);
- (v) demonstrate the Company’s compliance with Rule 13.24 of the Listing Rules (“**Resumption Condition 5**”); and
- (vi) inform the market of all material information for the Company’s Shareholders and other investors to appraise its position (“**Resumption Condition 6**”).

II. FULFILMENT OF ALL RESUMPTION GUIDANCE

The Company has satisfied all the resumption guidance. Details are as follows:

Resumption Condition 1 – 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

In accordance with the requirements set out in the Resumption Guidance, and (in any event) to properly address the matters arising in the best interests of Shareholders and potential investors, the investigation committee engaged an independent professional firm, Grant Thornton Advisory Services Limited (the “**Independent Investigation Company**”), on 4 May 2025 to conduct an independent investigation into the Audit Issues (the “**Investigation**”). The Independent Investigation Company issued an investigation report dated 6 November 2025 (the “**Investigation Report**”). The scope and principal procedures of the investigation conducted by the independent adviser are set out in the key findings of the independent investigation announcement dated 11 November 2025.

The key findings of the Investigation are summarised as follows:

(i) Principal Findings Regarding Matter I

Matter I is in relation to the Company’s revenue recognition from receipts in advance for the Genetic Kits.

Meinian Onehealth Healthcare has historically been the largest revenue contribution to the Group as it is one of the largest private health checkup centers in China. According to the findings of the Investigation, regarding the Genetic Kits collected but not submitted for testing in 2024, the Group stated that some Genetic Kits were sold to end customers (i.e., the natural person who actually uses the Genetic Kits to collect and test samples) (“**End Users**”) as promotional gifts or in a bundle of health check packages. Consequently, End Users may choose not to use the Genetic Kits and return them, resulting in the Genetic Kits not undergoing testing. The Independent Investigation Company, taking into account the business model of the Genetic Kits, noted that whether End Users decided to utilise the Genetic Kits is beyond the control of either the Company or its customers, and neither party is able or obligated to remind End Users to initiate testing. Based on interviews conducted by the Independent Investigation Company with the

customers, their downstream customers are primarily groups and institutions. The distribution arrangements for Genetic Kits by these institutions and the lack of proactive testing behavior among non-paying End Users could have contributed to the circumstance of Genetic Kits collected but not submitted for testing in 2024.

For Uncollected Revenue, the Group stated that some customers may have misestimated the sales volume or the popularity of certain type of Genetic Kits, and some End Users have not collected the Genetic Kits from the customers, resulting in the customers decided not to collect all of the Genetic Kits they have ordered from the Group based on their existing inventory and limited storage space, and therefore contributed to the existence of uncollected Genetic Kits. The Group indicated that the collection timing of the Genetic Kits depends on end customers' arrangements, leading to situations where customers have not collected the purchased Genetic Kits by the specified deadline.

The Independent Investigation Company considered that through comprehensive discovery and inquiry procedures, and subject to the limitations set forth in the "Limitations of the Investigation", the evidence and information obtained by the Independent Investigation Company were consistent, and that the Group's explanation regarding Matter I was not evidently unreasonable.

In addition, the independent forensic investigation discovered that the terms of extension contracts for certain customers overlapped with those of newly signed contracts. The Group stated that it understands some customers may negotiate with the Group based on business needs to extend contracts expiring in 2024 until no later than the end of December. In this regard, contract extensions will not affect the financial year in which relevant revenue is recognised.

Contracts for certain customers originally due in July 2024 were extended to the end of December that year. The extension arrangement was in relation to Genetic Kits purchased and delivered during the original contract period and to allow customers to use them continually during the extended period. Concurrently, these customers also signed contracts that are due in 2025 in the second half of 2024, for Genetic Kits to be delivered during the new contract period for their business needs for such period, resulting in overlapping contracts. The overlapping contract for certain customers are sales of similar-category products, primarily differing in product expiration dates. Products under extended contracts expire in December 2024, while new contracts products signed in the second half of 2024 expire in 2025. Contract overlaps led the Group to erroneously reclassified prepayments due in 2025 for certain customers as untested revenue in 2024. However, the relevant prepayments actually pertained to another contract

scheduled to expire in 2025, involving approximately RMB16.5 million. Consequently, the Independent Investigation Company recommended that the Group's revenue for 2024 be adjusted accordingly, this primarily resulting from the Group's finance personnel failing to fully understand the situation with the customers, inadequate communication with sales personnel, and unclear handover procedures during employee turnover. The Board understands that, through comprehensive discovery and inquiry procedures, the evidence and information obtained by the Independent Investigation Company were consistent.

(ii) Key Findings Regarding Matter II

Matter II is in relation to the Company's promotional fees and related prepayments in 2024.

The Independent Investigation Company considered that the root cause of the issue primarily lay in the Group's launch of its new Genetic Kits business in mid-2023. As Genetic Kits were new products, the Group wished to rapidly capture market share and consequently partnered with third-party promoters for Genetic Kits promotion. For these promoters, the Group primarily focused on their promotional effectiveness and outcomes, namely the actual sales performance the promoters generated for the Group.

Increase in the Group's promotional fees in 2024 was due to the increase in sales of Genetic Kits, while promotional fees were calculated as a percentage of the relevant sales. The Group also has protective measure in its contracts with the promoters by way of clauses on requiring refund of the Group's prepayment in the event the promoter fails to meet sales targets, and prepayments have been within the limits as stipulated in the contracts. Regarding the reasonableness of the promotional fees, the Independent Investigation Company understood that the Group calculated promotional fees payable to promoters based on the promoted customer payments or the ratio of revenue (applicable to Genetic Kits promoters) and the corresponding service fee per each actual item purchased by customers (applicable to non-Genetic Kits promoters). Furthermore, according to the analysis of the Independent Investigation Company, the Company's selling expense ratio was lower than that of other comparable companies in the same industry (the Group's selling expense ratio in 2024 was approximately 23%, while the average ratio for other comparable companies ranged from approximately 31% to 56%).

Regarding the advance promotional fees, the Former Auditor raised concerns about the Group's advance promotional fees payments to two major promoters, which were higher than other promoters. The Group stated that it entered into three-year service contracts with these two major promoters, which required higher upfront costs due to their commitment to higher sales targets and broader geographical coverage. Additionally, as Genetic Kits were newly launched products, promoters would incur substantial expenses for communication, design, and labor during the initial promotion phase. Therefore, the Group accepted the terms of prepaying promotional fees to the two major promoters, and the total payment amount was also higher than that paid to other promoters.

Through multiple discoveries and inquiry procedures, and excluding the investigation limitations detailed in the Investigation Report, the evidence and information obtained by the Independent Investigation Company did not reveal any inconsistencies. Consequently, the Independent Investigation Company concluded that the statement concerning the promotion strategy of the Genetic Kits from the Group contained no overt unreasonableness.

In response to the independent investigation's findings, the Investigation Committee proposed the following recommendations and remedial measures, which have been accepted and adopted by the Board:

1) *Audit Assessment*

The Current Auditor has performed relevant audit procedures during the audit period regarding the recognition of the Group's revenue and promotional fees in 2024, and has issued an unqualified audit opinion on the Group's 2024 consolidated financial statements.

2) *Responsibilities of the Group's Management in Audit Matters*

Based on the forensic investigation procedures conducted by the Independent Investigation Company and the evidence currently obtained, the Independent Investigation Company has not identified any evidence of misconduct concerning characters (involving fraud) conducted by the management. The issues identified by the Independent Investigation Company primarily relate to the implementation of internal controls and operational procedures, and corrective actions have been initiated. Therefore, the Investigation Committee and the Board of Directors also believed that, based on the findings from the independent investigation institution and the current evidence, the integrity, competence, and/or

character of the Group's current management and/or persons with significant influence over the Company's current management and operations do not pose a risk to investors and will not undermine market confidence.

3) *Internal Control Review and Ongoing Monitoring*

The Investigation Committee and the Board have reviewed the findings of the Investigation Report and agreed with the investigation results and the internal control recommendations from the Independent Investigation Company. The Group has also implemented remedial actions to address internal control deficiencies, details of which are set out in the key findings of the internal control review announcement dated 12 January 2026 and under the "Resumption Condition 3" below.

Regarding the audit-related issues previously raised by the Former Auditor, the Current Auditor has conducted detailed audit procedures based on actual circumstances, including selecting the Company's customers and promotional service providers to conduct on-site visits and interviews. The Current Auditor visited customers in different provinces and regions (including Beijing, Hebei, Hubei, Heilongjiang, Jilin, Guangdong, and Guangxi). Promotional materials for Genetic Kits such as electronic advertising boards, display areas, and promotional leaflets were present in the stores of the interviewed customers. The Current Auditor also reviewed evidence such as training records and training materials, on a sample basis, and did not identify any product training sessions conducted by promotional service providers at the locations of the Company's customers involved contents regarding products other than those of the Company.

In light of the foregoing, the Company has (i) completed the investigation, (ii) announced the findings of such investigation through the key findings of the independent investigation announcement dated 11 November 2025, and (iii) implemented all recommendations and remedial measures. Therefore, Resumption Condition 1 has been satisfied.

Resumption Condition 2 – Demonstrate that there are no reasonable regulatory concerns regarding the integrity, competence and/or character of the management of the Group or any person exercising significant influence over the management and operation of the Company, such that it may pose a risk to investors and undermine market confidence

Despite the large volume of Genetic Kits not tested by End Users, the Company believes that as a component of health check-up packages offered by health check-up centers, the value of the Genetic Kits is already reflected at time of the purchase of the health check-up packages by End Users. In terms of commercial cooperation, the Company believes that health check-up centers need to continuously introduce innovative products with market competitiveness. The Genetic Kits address customers' innovative demand in early screening for critical illnesses and at-home testing, thereby enhancing the appeal of health check-up packages while expanding the product portfolio and sales channels.

While a majority of the Company's Genetic Kits have been sold to a connected person of the Company, the Company's Genetic Kits customers include both connected person customers and independent third-party customers. Independent third-party customers are primarily medical industry-related institutions such as health check-up centers (including hospital-affiliated health check-up centers) and health management organisations (e.g., health technology companies, medical device companies and pharmacies). The pricing for Genetic Kits is essentially uniform across all the Company's customers. The Company's sale of Genetic Kits to connected person has been, and will continue to be, subject to applicable requirements under the Listing Rules, including the Company's auditors confirming in relation to pricing policies (among other matters to be confirmed pursuant to Listing Rule 14A.56). The pricing policy for the Company's sale to connected person has been set out in the Company's circular dated 8 February 2024. In view of the above, the Company confirms that its Genetic Kits transactions with connected person customers are normal business transactions.

As explained above under “(ii) Key Findings Regarding Matter II”, the Group’s promotional fees in 2024 increased due to the increase in sale of Genetic Kits. Please also refer to the above-mentioned paragraphs on the reasonableness of the promotional fees. Since its listing, the Company has continuously provided training and guidance services to customers. The agreements entered into between the Company and promoters explicitly stipulate that promotional activities conducted by promoters include client development, product promotion, etc. The product training and promotion content involved in the product promotion process are strictly confined to the Company’s product scope. When promoters conduct training at the Company’s customer sites, relevant training records specify the training time, training location, main training content, and attendance sheets. These documents explicitly state that the training pertains solely to the Company’s genetic products and does not involve any other products. The Independent Investigation Company has reviewed over 600 relevant documents in relation to the promoters (which included but were not limited to training-related contents). The Current Auditor has also conducted sample interviews and site visits with relevant customers and reviewed supporting materials such as training records and training materials, and no training content was found to involve products other than those of the Company. Based on the circumstances known to and reviewed by the Company, as well as the results of the review conducted by the Independent Investigation Company and the Current Auditor, the Company confirms that none of the promoters have been found to have participated in any promotional activity not related to the Group’s genetic testing during the promotional activities conducted by the promoters.

The Investigation Committee and the Board considered that, based on the above and after taking into account of the investigation results disclosed in the key findings of the independent investigation announcement dated 11 November 2025 and the key findings of the internal control review announcement dated 12 January 2026, no matters have been identified which give rise to concerns that the integrity, competence or character of the Company’s directors or senior management may pose a risk to investors and undermine market confidence.

In light of the foregoing, Resumption Condition 2 has been satisfied.

Resumption Condition 3 – Conduct an independent internal control review to demonstrate that the Company has established adequate internal controls and procedures to fulfil its obligations under the Listing Rules

As disclosed in the key findings of the internal control review announcement of the Company dated 12 January 2026, all remedial measures recommended by the External Independent Adviser were completed on or before 1 December 2025. The External Independent Adviser has issued an internal control review report (the “**Internal Control Review Report**”) on 7 January 2026 after a follow-up assessment on the remedial measures implemented by the Group. The Report concluded that all findings from the Internal Control Review had been rectified, and the External Independent Adviser did not identify any material weaknesses or deficiencies in the Group’s internal control system during the follow-up assessment. As part of the recommendations of the Internal Control Review, the Company has implemented comprehensive enhancement measures for its internal controls, including but not limited to:

- (i) The “Management Measures on Review and Approval of Management Systems” has been established to standardise the periodic review mechanism for corporate management systems and the approval procedures for their formulation and revision;
- (ii) (a) Having communicated with the Current Auditor regarding the updated accounting policies for revenue recognition of the Genetic Kits business (including the revenue recognition criteria and relevant accounting treatments). The Current Auditor has reviewed the above accounting policies and confirmed that they are, in principle, in compliance with the applicable accounting standards and are sufficient to support the Current Auditor in completing the relevant audit procedures; (b) Having updated the “Financial Management System” to explicitly outline the revenue recognition criteria and accounting treatment procedures for the Genetic Kits testing business. This system has been approved by the Group’s directors and relevant management and become effective, and has been issued to relevant employees; and (c) Having amended the “Information and Communication Policy”, which incorporated new principles to standardise consultation and communication between new business units and the Current Auditor. When discussing relevant accounting treatments with the Current Auditor, meeting minutes must be retained and reviewed by the Chief Financial Officer to ensure compliance and accuracy in accounting, thereby mitigating the risk of accounting treatment disputes;

- (iii) An internal meeting has been convened to clarify revenue recognition principles for the Genetic Kits. It was resolved that finance and commercial personnel shall conduct a comprehensive contract review periodically, focusing on clients with due payments, to verify client payments and contract status and recognise revenue periodically;
- (iv) The “Contract Management System” has been revised, which explicitly stipulated that written contracts must be executed for all corporate business matters. No individual may commence actual performance of a contract prior to its commencement, nor accept performance from the counterparty. Any contravention shall render the actor liable for all resulting consequences. Should delays occur, the Group shall issue extension letters as appropriate. The External Independent Adviser has obtained the extension letters issued by the Group and the relevant approval records, and has confirmed that, in respect of contract extensions, upon completion of the internal approval procedures, the Group has handled contract extensions with customers by way of issuing extension letters;
- (v) Department heads have been notified that when conducting initial reviews of new customers, company background information and equity details from Tianyancha/Qichacha must be uploaded during the approval process. The External Independent Adviser has obtained relevant communication records confirming department heads’ awareness of this requirement;
- (vi) The “Procurement Management Procedures” and “Sales Promotional Service Management System” have been revised, incorporating new provisions regarding supplier entry criteria and service provider selection processes;
- (vii) Department heads has been notified that during initial reviews for promoters, company background information and equity details from Tianyancha/Qichacha must be uploaded during the approval process;

(viii) The “Promotional Service Management System” has been revised. This system standardises procedures for evaluating promotional effectiveness and settling fees, while detailing requirements for promotion execution, monitoring of promotional outcomes, and assessment of promotional effectiveness alongside fee settlement. Specifically, promotion execution and promotional effectiveness stipulate that meetings with promoters must be held periodically. These meetings primarily involve reporting work progress by the promoter and discussing promotional progress and planned initiatives. Promotional effectiveness evaluation and fee settlement involve assessments based on the service provider’s work reports and the promoter’s sales data. Both parties jointly evaluate promotional outcomes and prior payment status. After confirming payment amounts based on the above factors, the payment request is submitted for financial approval.

Based on the work completed by the External Independent Adviser, the relevant information and data provided by the Group, the recommended measures implemented by the Group, and an understanding of the relevant matters through communicating with the Current Auditor, the External Independent Adviser is of the view that the Group’s current internal control systems are adequate to effectively identify and prevent the internal control deficiencies identified in the independent forensic investigation and the Internal Control Review, and complies with the requirements of the Listing Rules.

The Board and the Investigation Committee have reviewed the contents, findings and results of the Internal Control Review Report and the follow-up review, and considered that (a) all internal control deficiencies identified in the Investigation Report and the Internal Control Review Report have been adequately addressed through appropriate corrective recommendations; (b) the remedial measures taken by the Company are adequate and sufficient; (c) the Company has established adequate and reliable governance, internal control and financial reporting systems to fulfil its obligations under the Listing Rules; and (d) based on the work completed by the External Independent Adviser, the Group’s current internal control systems are sufficient and effective in identifying and preventing the internal control deficiencies identified in the forensic investigation report and the Internal Control Review Report, and complies with the requirements of the Listing Rules.

In light of the foregoing, Resumption Condition 3 has been satisfied.

Resumption Condition 4 – publish all outstanding financial results required under the Listing Rules and address any audit modifications

The Company has (i) published the 2024 Annual Results on 30 January 2026, (ii) published the 2024 Annual Report and 2025 Interim Results on 4 February 2026, and (iii) published the 2025 Interim Report on 9 February 2026. As at the date of this announcement, all outstanding financial results required to be published by the Company under the Listing Rules have been published. The Current Auditor has expressed an unqualified opinion on the consolidated financial statements for the financial year ended 31 December 2024. The Current Auditor has also performed the relevant audit procedures, implemented relevant audit procedures during the audit period regarding the recognition of the Group's revenue and promotional fees in 2024, and reviewed the findings made by the Independent Investigation Company in respect of the Audit Issues at the relevant time. Based on the foregoing, the Current Auditor concluded that the consolidated financial statements as contained in the 2024 Annual Report give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the financial year ended 31 December 2024 in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance, with no material misstatement or exception being noted.

In light of the foregoing, Resumption Condition 4 has been satisfied.

Resumption Condition 5 –demonstrate the Company's compliance with Rule 13.24 of the Listing Rules

As a leading genetic testing platform in China, the Group focuses on consumer genetic testing and cancer screening services. Since the suspension of trading in the Shares of the Company on 1 April 2025 and up to the date of this announcement, the Group has continued its normal business operations as usual and there has been no major change in the business model of the Group. After considering the following factors, the Board considers that the Group has:

(i) Sufficient level of operations

- (a) The Group's profitability has steadily improved throughout 2024; cash flow position remains robust, with sufficient cash flow providing solid support for the Company's sustained development. The Group consistently regards research and development (R&D) as the core driver of corporate growth, optimising allocation of R&D resources to significantly enhance its R&D capabilities. Multiple R&D achievements have been efficiently transformed, injecting new vitality into the Company's product innovation and business expansion. As of 31 December 2024, the Group had 114 multi-dimensional commercialised testing solutions for consumer genetic testing and cancer screening, spanning a broad price range. The Group will continue to adopt a market-oriented R&D strategy. By tracking industry developments, market demands, and competition, and by identifying services and products with significant market potential for commercialization, the R&D team contributes to the formulation of the Group's development strategy. The Group's 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.
- (b) According to the 2024 Annual Report, the Group recorded revenue of approximately RMB164.2 million for the financial year ended 31 December 2024 (the "FY2024") (for the financial year ended 31 December 2023 (the "FY2023"): approximately RMB151.3 million), representing a year-on-year increase of 8.5%. Revenue generated from consumer genetic testing services and packages and cancer screening services and packages during FY2024 amounted to RMB159.6 million and RMB4.6 million, respectively. The year-on-year increase in revenue was primarily driven by the Company's commitment to product innovation, ongoing enrichment of its product portfolio, and optimisation of product structure. By actively expanding sales channels and building a diversified sales network, the Company has achieved steady revenue growth.

For FY2024, consolidated gross profit amounted to RMB119.3 million, representing a year-on-year increase of 35.2%. Within this, gross profit generated from consumer genetic testing services and packages and cancer screening services and packages amounted to RMB116.5 million and RMB2.8 million respectively, driven by the Group's continuous enrichment of the product portfolio, optimisation of product structure, and effective cost control capabilities.

For FY2024, the Group achieved a net profit of RMB45.0 million, with a net profit margin of 27.4%. This compares with a net profit of RMB30.0 million and a net profit margin of 19.9% for the corresponding period in 2023. The net profit for 2024 increased by RMB15.0 million, primarily attributable to the Company's implementation of a more proactive market strategy during the reporting period. This included accelerating the expansion of sales channels, enriching the product portfolio, continuously optimising the product structure, and simultaneously strengthening cost control, resulting in a significant increase in net profit.

- (c) According to the 2025 Interim Report, the Group achieved operating revenue of RMB81.3 million, representing a decrease of RMB26.0 million, or 24.2%, compared to RMB107.3 million for the same period in 2024. This was primarily attributable to a temporary decline in operating revenue resulting from the Company's adjustment to its sales strategy.

In the first half of 2025, the Group's consolidated gross profit amounted to RMB60.1 million, representing a year-on-year decrease of 13.6%. This decline resulted from the Company's adjustment to its sales strategy, which led to a short-term reduction in revenue, coupled with relatively fixed costs such as labor, rent, and depreciation.

In the first half of 2025, the Group's net profit amounted to RMB27.3 million, representing a year-on-year decrease of 26.3%. This decline resulted from the reduction of the Group's revenue coupled with relatively fixed costs such as labor, rent, and depreciation, as well as the decrease in net profit.

For further details of the financial information and business performance of the Group, please refer to the 2024 Annual Report and the 2025 Interim Report.

(ii) *Sufficient assets*

As of 2024, the Group's total assets amounted to RMB738.5 million. For the six months ended 30 June 2025, the Group's total assets amounted to RMB688.0 million.

As of 2024, the Group's net assets amounted to RMB614.7 million. For the six months ended 30 June 2025, the Group's net assets amounted to RMB611.6 million. The Board considers that the level of assets of the Group has remained relatively stable and sufficient for the purpose of supporting the Group's business operation.

In light of the foregoing, Resumption Condition 5 has been satisfied.

Resumption Condition 6 – inform the market of all material information for the Company's Shareholders and other investors to appraise its position

Since the suspension of trading in the Shares of the Company on 1 April 2025, the Company has been updating the Shareholders and potential investors on a regular basis and publishing all material information on a timely basis to keep the Shareholders and the market informed of the Group's status and latest developments, including but not limited to the progress in fulfilling the Resumption Guidance, the key findings of the Investigation, the Internal Control Review, and their respective updates. The Company considers that it has announced all material information necessary and appropriate for the Shareholders and investors to appraise the Company's position.

The Company expects to issue its annual results announcement for the year ended 31 December 2025 on or before 31 March 2026 in compliance with the requirements under the Listing Rules.

In light of the foregoing, Resumption Condition 6 has been satisfied.

III. THE PERFORMANCE OF THE GENETIC KITS BUSINESS

The Company's management continuously reviews the business performance of Genetic Kits. During the initial launch phase of the Genetic Kits, customers had limited familiarity with related products. At that time, the Company intensified marketing and training efforts to accelerate market education, enhance the competitiveness of the products and services, and secure a share of the relevant testing market. As a complementary solution to on-site blood collection testing, the advantages of the Genetic Kits have gradually gained recognition and acceptance among customers. However, affected by changes in the broader economic environment, certain end consumers are increasingly inclined toward lower-cost service such as on-site blood collection testing at health check-up centers. Therefore, the Company gradually shifted its business focus to the previous practice of sample collection at health check-up centers or other healthcare institutions since the third quarter of 2025. Moving forward, the Company will allocate resources primarily to on-site blood collection testing and packages business, with the scale and proportion of Genetic Kits business expected to gradually decrease. In the period from January to November 2025, the proportion of the Company's Genetic Kits revenue to total revenue decreased.

During the initial launch of the Genetic Kits, considering customers' limited familiarity with the product, the Company intensified promotional training efforts to rapidly educate the market, enhance the competitiveness of its products and services, and capture a larger share of testing within the package offerings. As stated above, the Company anticipates that the scale and proportion of its Genetic Kits business will gradually decrease, and consequently, the proportion of related promotional fees will also correspondingly decline. For Genetic Kits promoters whose contracts have expired, the Company will not renew cooperation agreements. For those with unexpired contracts, the Company will also refrain from signing new cooperation agreements upon expiration. As disclosed in the Company's announcement dated 10 November 2025, the Group advanced part of promotional fees payments to two major promoters. Such promoters' contracts will not be renewed upon expiration, and the contracts contain a refund clause to govern the disposal of prepayment in the event the two promoters do not reach their respective sales targets. The Company's future Genetic Kits related promotional activities (not limited to training) will primarily be conducted by the Company's own staff.

The Company's internal control procedures include the review of promoter contracts, which clearly define the scope of work for promoters. Internal control procedures also cover training records. Additionally, the Company has established rules and regulations to ensure that the purpose, recipients, content, and settlement of promotional fees are not subject to weakened control standards or reduced implementation requirements due to changes in fee scale. In the corporate governance report to be issued by the Company in relation to the year ended 31 December 2025 and subsequent years, the internal control review will cover the above internal control procedures (including that the promotional activities are all pertaining to the Company's products and that the review will include but not be limited to review of contracts) and confirm their validity and that they have been implemented.

IV. RESUMPTION OF TRADING

At the request of the Company, trading in the Shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2025. Application has been made by the Company for the resumption of trading in the Shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 27 February 2026.

Shareholders and potential investors of the Company are advised to exercise due caution when dealing in the securities of the Company. When in doubt, Shareholders and potential investors of the Company are advised to seek advice from their own professional or financial advisers.

By order of the Board
Mega Genomics Limited
LIN Lin
Executive Director and Chairperson

Hong Kong, 26 February 2026

As at the date of this announcement, the executive Directors are Dr. Yu Rong, Ms. Lin Lin and Ms. Jiang Jing; the non-executive Director is Ms. Guo Meiling; and the independent non-executive Directors are Dr. Zhang Ying, Mr. Jia Qingfeng and Dr. Xie Dan.

* *For identification purpose only*