





Leading Life Science Innovation



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01

Sustainable Development Transform

Leading Life Science

Advancing Life Science Tools for Future Healthcare Leader in Compliance Governance

Message From Chairman

In this era filled with both challenges and opportunities, MGI Tech firmly believes that technology has the power to transform the world and drive progress in the life sciences. Driven by our shared vision of promoting "health, longevity, beauty, wisdom, and happiness" for all humanity, we are dedicated to becoming a global leader in developing and promoting advanced life science tools for future healthcare.

About MGI Tech

We continuously advance R&D and industrial applications of underlying technologies in life sciences, dedicated to delivering innovative solutions for global scientific research and real-world needs. Thanks to our technological accumulation and ongoing innovation, we have become the world's first company to offer large-scale commercial mass production of both "short read length" and "long read length" sequencing products, achieving significant advancements in accuracy and sequencing throughput. StandardMPS 2.0, our next-generation high-throughput sequencing reagent, has elevated sequencing quality to an ultra-high accuracy level of Q40, marking another milestone achievement for the Company in the field of excited luminous, sequencing. This advancement positions the Company as the world's first leading enterprise to deliver precise quality upgrades across its entire product line.

By combining the strengths of both short-read and long-read sequencing products—like twin swords working in unison—the Company has built a matrix of tools covering the entire workflow with the goal of "full read lengths" (SEQ ALL). Additionally, we make an active layout on building the Generative Lab Intelligence (GLI) business for intelligent laboratory automation, and expanding omics applications across the life cycle based on the central dogma, forming three major business segments. embracing AI technology, we have launched the DNBSEQ-E25 Flash sequencer and fully integrated AI into the field of life science tools, and upgraded the lab automation business to GLI. thereby promoting the progress of life sciences through intelligent means. We promote collaboration in scientific research and accelerated the translation of research findings. Since 2015, over 10,000 articles have been published using the DNBSEQ sequencing platform, offering crucial technical support for scientific research, precision medicine, agricultural breeding, and testing and inspection. This has significantly contributed to breakthroughs in cutting-edge life sciences and industrial innovation.

When it comes to sustainable development, MGI Tech is committed to embedding the vision of green growth into every stage of product design and manufacturing. By using biodegradable materials and energy-saving technologies, we answer the global call for environmental protection and work to help preserve our planet. We fully recognize that sustainable development is a long-term undertaking. We will keep investing in and advancing this endeavor by driving green innovation, fulfilling our social responsibilities, and enhancing corporate governance. In 2024, we won the Evergreen Award "Sustainable Development Inclusive Award", which not only recognizes our efforts but also reinforces our commitment to keep moving forward.

Looking ahead, innovations in life sciences will keep transforming our world. MGI Tech will firmly stand at the forefront of technological innovation, collaborate openly with global partners, push the boundaries of technology, and together create a new chapter in human health and sustainable development.

Wang Jian Chairman of the Board MGI Tech Co., Ltd



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N1 About MGI Tech

Company Profile

MGI Tech Co., Ltd. (referred to as "MGI", stock code: 688114.SH) was established in 2016, with a vision to "Leading Life Science Innovation". We are committed to developing and promoting advanced life science tools for future healthcare. Our primary focus lies in the R&D, production, and sale of instruments, reagents, and consumables in the sectors of life sciences and biotechnology. By offering real-time, multi-omics, and full spectrum of digital equipment and systems, we provide invaluable support to industries such as precision medicine, precision agriculture, and precision healthcare.

The Company's main business covers three major segments: genetic sequencers, laboratory automation, and new business. Leveraging core technology, we provide customers with core tools for life science research and applications, committed to building an open, cooperative, and win-win industrial ecosystem. We advocate for collaborative innovation with partners to expand the industrial value of life science. The Company is headquartered in Shenzhen, China, with branches and subsidiaries in Wuhan, Qingdao, Changchun, Hong Kong, as well as the United States, Latvia, Japan and other places. Its business layout covers more than 110 countries and regions on six continents, and it has served over 3,300 users worldwide.



2016 Founding of MGI



covers 6 continents

promoting localized development

production bases worldwide

Guardian of Our Environment

Appendices

The Global Reach of MGI

About MGI Tech

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2023

Company Milestones

2018

- The gene sequencer BGISEQ-50 and robotic ultrasound system MGIUS-R3 won the iF Design Award
- Launch of the ultra-high-throughput genetic sequencer DNBSEQ-T7
- · Launch of the high-throughput automated sample preparation system MGISP-960

2019

- Launch of the Global Sequencer User Program
- Release of DNBelab C Cellomics, digital sample preparation system DNBelab D series, portable sequencer DNBSEQ E series, and other products
- Official launch of the Latvia production base

2021

- DNBSEQ-T7 genetic sequencer, DNBelab D & DNBSEQ E "benchtop" sequencing laboratory, won the German iF Industrial Design Award
- Release of the high-throughput automated nucleic acid extraction system MGISP-NE384
- Release of the automated sample preparation system MGISP-Smart 8 and MGICLab-LT series of ultra-low temperature automated biobank
- · Launch of the reagent production line at the Qingdao production base
- Launch of MGI CEC Australia

- systems
- Program

2016

- Official founding of MGI Tech
- Launch of genetic sequencer BGISEQ-50

2017

- ISO 13485 certification for medical device quality management system
- Launch of the high-throughput gene sequencers DNBSEQ-G400 and DNSBEQ-G50
- Launch of the automated sample preparation system MGISP-100
- Launch of the robotic ultrasound system MGIUS-R3

2020

- The ultra-high-throughput genetic sequencer DNBSEQ-T7 passed the emergency approval procedure of China's National Medical Products Administration ("NMPA") and became one of the first medical devices officially approved to be marketed for public health prevention and control
- Genetic sequencers, the high-through- put automated virus nucleic acid extraction kit and robotic ultrasound systems all assisted the frontline of domestic and international public health prevention and control efforts.
- The automated sample transfer processing system MGISTP-7000 received the Medical Device Registration Certificate from NMPA
- Launched the DNBSEQ-Tx large-scale genomics one-stop platform
- The MGI Wuhan "Intelligent Manufacturing and R&D Base" broke ground

2022

- Launch of HotMPS high-throughput sequencing reagents in the European market
- . Launch of TQ01, our independently developed magnetic bead product that has successfully achieved mass production
- · Release of the first digital sample preparation system DNBelab-D4 that adopts the innovative digital microfluidic technology
- Launch of the new generation miniaturized genetic sequencer DNBSEQ-E25
- · Release of the medium-to-low throughput genetic sequencer DNBSEQ-G99
- Launch of genetic sequencers compatible with HotMPS sequencing reagents in the UK market
- Reached a settlement with Illumina for all lawsuits in the United States, and received compensation of US\$334 million, marking the official commencement of "Global Access Mode"t
- Opening of the first Customer Experience Centers (CECs) in the UK, Germany, Latvia, Japan and other locations
- Listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange with the stock code 688114.SH

2013 Acquisition of US-based Complete Genomics

- DNBSEQ-G99 genetic sequencer obtained the Medical Device Registration Certificate from NMPA
- MGI was awarded the 24th China Patent Gold Award, the first gold award in the gene sequencing industry.
- Release of the DNBSEQ-T20×2, an ultra-high-throughput sequencer that sets new records for throughput and per-sample cost
- Release of MGICLab-LN series automated liquid nitrogen storage
- Release of DNBelab C-TaiM 4 single-cell droplet generator
- The European Patent Office declared the Illumina patent invalid, enabling MGI sequencers to be sold in multiple countries.
- Launched the DCS Lab2023 Global Research Empowerment
- Launch of the first CEC in South Korea
- Establishment of the first Lab in Hong Kong (China)
- MGI's subsidiary Complete Genomics announced the construction of a production base in the United States.

2024

- Introduced the next generation of sequencing reagents, StandardMPS 2.0, which inaugurates the era of Q40 quality in genetic sequencing
- Launched the Brazil Customer Experience Center
- Released the new multi-omics product 2000RS FluoXpert
- MGI Tech's California Base in the United States was officially completed
- Launched the new European headquarters in Berlin, Germany
- 1,000 DNBSEQ-G99 gene sequencers rolled off the production line
- MGI Tech secured the global market distribution rights for nanopore sequencing products, along with t the intellectual property authorization and global market distribution rights for spatiotemporal omics products, and embarked on the 6D era of life sciences
- MGI Tech General Testing Laboratory was accredited by CNAS





Sustainable Development Transform Leading Life Science Innovation Advancing Life Science Tools for Future Healthcare Leader in Compliance Governance



Value Growth Partner Guardian of Our Environment Appendices

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Message From Chairman About MGI Tech Sustainable Development

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N Sustainable Development Transform

As a leading high-end medical device company in China, MGI has always integrated the vision of "To Develop and Promote Advanced Life Science Tools for Future Healthcare" into its corporate DNA. With the vision of "Leading Life Science Innovation", we firmly support the United Nations' *2030 Agenda for Sustainable Development*. By integrating the concept of sustainable development into our corporate strategy and operations, we aim to comprehensively enhance the Company's sustainable development capabilities and business resilience, thereby contributing to the realization of long-term value creation. At the same time, the Company is dedicated to meeting the needs of its stakeholders in the ecosystem, including employees, supply chain partners, customers, as well as the local community and institutions, promoting sustainable development of the ecosystem and society.

MGI's short-term roadmap, spanning from 3 to 5 years, is centered around an evaluation process for material topics that involves both internal and external stakeholders. This is complemented by the establishment and improvement of a special internal governance framework that encompasses the sustainable development team, employees, in-house experts, and the Board of Directors.

Moving towards the midterm (5 to 10 years) and long-term (10 to 30 years) strategies, MGI will focus on the critical issues highlighted in the United Nations Sustainable Development Goals (SDGs) and pertinent global climate scenarios, ensuring alignment with its business model and global presence.

This comprehensive approach to sustainable development enables MGI to significantly reduce risks, and generates tangible value by appealing to customers, new talents, and investors, while fostering innovation.





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Sustainable Development Management

Sustainable development has become a global focal point and a shared pursuit among governments, businesses, and the public. In 1987, the theme report *Our Common Future*, submitted by the World Commission on Environment and Development to the United Nations General Assembly, first systematically expounded the concept of sustainable development and derived from it the "three principles of sustainable development" – sustainability, fairness, and commonality. In 2015, the United Nations proposed 17 Sustainable Development Goals (SDGs), fostering a global consensus on sustainable development that can be universally embraced.

We firmly believe that a complete ESG (Environmental, Social, and Governance) management mechanism is of great significance for the top-down implementation of sustainable development strategies throughout all levels of the organization. In alignment with pertinent laws, regulations, and requirements for listed companies' governance, the Company will constantly improve its corporate governance structure, optimizing internal management, establishing a comprehensive risk control mechanisms, and proactively fostering the construction of a responsible business ecosystem.

Sustainable Development Strategy

While striving to balance commercial success with sustainable development, the Company dedicates itself to ensuring that the concept of sustainable development is deeply embedded throughout every stage of its business value chain. By integrating its business operations closely with the United Nations Sustainable Development Goals, the Company is committed to making a lasting impact on the future of life sciences and technology.

Stakeholder Communication

MGI Tech places a high priority on addressing the diverse needs of stakeholders. By establishing multiple communication channels, we actively listen to a range of perspectives on the Company's sustainable development. These channels serve as a crucial foundation for refining our operational policies and sustainable development strategies. Our approach to meeting the expectations and requirements of all stakeholders is outlined as follows:

Board of Directors and Senior Management		• L e a
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Sustainable Development Working Group	Å.	ں ۱ • ء
		• R
		e
Execution Level	пÔ	• A
	口心	• A



Main Stakeholders	Shareholders and investors	Customers	Employees	Supplier	Governments and regulatory agencies	Partners
Expectations and Demands	Value creation Steady operations Standardized governance Sustainable Development	Product quality Innovative R&D Customer service Stable supply	Protection of rights and interests Occupational Health and Safety Training and promotion Remuneration and welfare	Honest fulfillment of contracts Open, fair and just procurement	Compliant operations Tax Compliance Adherence to business ethics Economic development and employment	Honest fulfillment of contracts Business ethics and transparency Innovative R&D Occupational Health and Safety
Company's Response Approaches	Drive business growth Improve corporate governance Ensure timely information disclosure Develop sustainable business strategies	Test product quality Increase R&D investment Optimize customer service Sign long-term agreements	Sign labor contracts Ensure safe production Enhance training systems and promotion mechanisms Improve compensation incentives and welfare systems	Perform contracts in accordance with the law Establish standard management systems Build a responsible supply chain	Abide by laws and regulations Pay taxes honestly Strengthen supervision Hire locally	Conduct project cooperation Focus on building business ethics Increase R&D and collaborative efforts Enhance occupational health and safety management

Lead and supervise the Company's sustainable development efforts, including the approval of ESG-related plans, objectives, and systems

Review the annual ESG report

- Drive and monitor the implementation of ESG-related tasks, coordinating with the executive team
- Verify the accuracy of content and performance data in the annual ESG report
- Regularly report the progress of sustainable development efforts to the Board of Directors

Advance the implementation and execution of ESG initiatives Advance the implementation and execution of ESG initiatives

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for Future Healthcare

Governance



Topics identification

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Topics assessment Topics

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Topics review

Material Topics Identification

To clarify the focus areas of our ESG initiatives at MGI, we have identified relevant ESG topics by integrating global sustainable development trends, the current development stage of MGI, material topics within the medical device sector, and insights from research on potential topics gathered from both internal and external stakeholders.

About MGI Tech

Identification, Assessment, and Review Process of Material Topics

- · Analyze the sustainable development context in which the Company operates;
- Align stakeholder expectations and demands with the Company's business development;
- Refer to standards and guidelines such as MSCI (Morgan Stanley Capital International), SASB (Sustainability Accounting Standards Board), and the United Nations Sustainable Development Goals (SDGs); and
- Examine the sustainable development/corporate social responsibility strategies, management, and material topics reflected in the reports of peer companies.

• Develop the MGI Material Topics Questionnaire and conduct opinion surveys among the seven internal and external stakeholder groups, including shareholders, investors, customers, employees, and others; and

- Select core topics through questionnaire results analysis, interview with internal and external stakeholders, and expert assessments, rank their importance, and provide detailed disclosure in the Report.
- The Company's leadership reviews the assessment results of the topics in line with the Company's development strategy, while functional departments review them based on management practices. Together, they ultimately confirm the core topics and their significance for MGI, taking into account external expert advice.



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Continuous monitoring and learning • Track Industry Trends and Policy Changes:

- Changes in industry trends, policies, and regulations will continuously affect ESG risks and opportunities;
- Training and Education: Improve internal awareness and response capabilities regarding ESG issues through ongoing training and education.

Through the procedures outlined above, we have delineated eight principal categories of ESG risks and five principal categories of ESG opportunities, which are to be detailed below:

strategy; Materiality Assessment: Determine the most critical

scenarios to assess how potential future trends might impact the Company's ESG performance and

Scenario Analysis: Use different assumptions and

ESG topics for our business and stakeholders through

Risk and opportunity assessment tools SWOT Analysis: Conduct an analysis of strengths, weaknesses, opportunities, and threats;

• Employee and Management Surveys: Conduct • Customer Feedback: Collect opinions and needs surveys or interviews with employees at various from customers;

S R S

Suppliers and Partners: Strengthen supply chain

Stakeholder engagement

- management and communication with partners.

materiality assessment.

Key ESG Risks and Opportunities

Identifying key ESG risks and opportunities is essential not only for managing current business risks but also for seizing future development opportunities, fostering continuous innovation, and enhancing competitiveness. MGI Tech conducted a comprehensive analysis of the Company's entire value chain and its stakeholders, utilizing a range of internal and external tools. Following the "dual importance" principle, the Company evaluated major risks based on their likelihood of occurrence and impact level to meet stakeholder expectations as much as possible.



Tools for Identifying Key ESG Risks and Opportunities

Internal assessment

environmental, social, and go

Company.

• Organizational Self-Review: Review the potential

levels and functional departments within the

• Industry Comparison: Analyze the ESG reports

• Standards and Frameworks: Refer to international

and industry-specific ESG standards, guidelines,

and frameworks, such as GRI (Global Reporting

Legal and Regulatory Requirements: Compliance

Initiative) standards and SASB (Sustainability

• with relevant laws and regulations is a funda-

mental requirement for businesses.

Accounting Standards Board) standards;

and practices of peers and competitors;

External research and benchmarking



Macro-environmental Risks **Business Conduct Corporate Governance** Data privacy and information security **Green Operations ESG Risk Product Reliability**

Ethical Workplace Talent Development and Proficiency

Elaboration of Risks and Their Impacts	Policies
	Macro-enviro
	Supply Chair
 Logistics risks arising from the multiregional distribution of suppliers, such as transport delays and cost fluctuations. Geopolitical risks (e.g., trade barriers, policy changes, tensioned international relations) 	Supplier Manag Procedure
	Overseas Busin
 The rise of international trade protectionism has led to uncertainties in laws and regulations, trade restrictions in the life science industry, increased costs, and greater difficulty in market access. Geopolitical conflicts may reduce customer trust, affect cooperative relationships, and pose potential risks to the Company's overseas operations and brand building. 	Develop the Risk Implementation ment Standards regular commu with regulatory a in all places to e clear understan compliance req in local markets

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Elaboration of Risks and Their Impacts	Policies	Main Actions	Elaboration of Risks and Their Impact	rs Policies	Main Actions	
	Business Conduct		Da	ita privacy and informatio	n security	
Competition Law				Operational Security	,	
Non-competitive behaviors MGI's products are sold worldwide and are subject to national and supranational competition laws and anti-monopoly rules. Non-compliance can lead to fines and affect the Company's reputa- tion.	viorsd worldwide ional and ition laws les.ead to fines ny's reputa-my's reputa-By having compliance officers provide advance warnings for market monopo- listic behaviors, as well as conducting mid-process and post-event reviews, and offering employees compliance advice and guidance on anti-unfair competition, ensure that all corporate operations, decisions, external coopera- tion, and development plans comply with anti-unfair competition laws.Balancing the confidentiality, integrity, and availability of information assets to ensure security and business efficiency.	Information Asset Information Asset Identification and Risk Assessment Guide, Information Security operations and Mainte-	Continuously refine the information security organizational structure and management system, and perform routine security audits to ensure that all measures adhere to industry standards; Conduct comprehensive information asset identification, risk assessments and mitigation across all business units, processes, and personnel; Bolster employees' information security			
Corruption is defined as the	Corruption and Bribery	Establish an integrity portal to strength- en a culture of integrity: enhance		Procedures	training and assessment programs, and fortify the security team's operational readiness through periodic phishing exercises and simulated attack scenarios.	
misuse of authority for personal benefit. It may manifest through		internal communication and training;		Product Security		
the actions of third parties, including partners, suppliers, agents, and customers, and can exert a range of detrimental effects on the Company: • Reputation • Law • Finance • Employer brand	 ird parties, brs, suppliers, tomers, and can detrimental ompany: Company evelopment Employer brand 	Participate in organizations such as the Anti-fraud Alliance and the Trust and Integrity Enterprise Alliance, among others, and establish a comprehensive blacklist system; Regularly communicate with stakehold- ers such as agents, customers, inves- tors, and suppliers, and sign integrity commitment letters.	Ensuring the protection of data subjects' rights and upholding the legality, fairness, and transparency in the management of privacy data throughout the data processing	Established procedures for product data and privacy protection, processes for responding to data subjects' rights, confiden- tiality systems, and comprehensive privacy policies	In the product design process, MGI Tech strictly adheres to the Guiding Principles for the Registration Review of Medical Device Cybersecurity in China, EU GDPR requirements, and pertinent regional laws and regulations; In terms of product development, MGI Tech prioritizes the integration of informa- tion security to guarantee the security and reliability of its products; Engage third-party organizations to conduct security capability assessments,	
	Corporate Governanc Transparency	e			vulnerability scans, and to award certifications for product security, ensuring that multiple products meet the standards required for registration review and GDPR compliance	
Information disclosure		Establish a sound information disclosure system and process to ensure the		Green Operations		
disclosure directly affects investors' confidence in the	A sound information disclosure system and	authenticity, accuracy, and timeliness of information;		Waste Management		
Company, as well as the Compa- ny's market image and stock price performance.	y, as well as the Compa- ret image and stock formance. Strengthen commu and potential invest means.	Strengthen communication with investors and potential investors through various means.	Improper handling of "three		Allocate fund and technology to introduce cutting-edge waste treatment equipment and technologies;	
	Compliance Operations		wastes" (i.e., wastewater, emissions, and solid residues)	A stringent waste management system	Engage third-party organizations for	
Referring to the process of a company complying with all relevant laws, regulations, industry standards, company policies, and ethical guidelines in its daily operations.	Internal Control Manage- ment ProceduresImplement a multi-stage internal control management process, including preven- tion, auditing, rectification, and reporting, with the aim of progressively improving compliance standards;dustry s, andDaily Internal Control Inspection and Reporting StandardsImplement a multi-stage internal control management process, including preven- tion, auditing, rectification, and reporting, with the aim of progressively improving compliance standards;	can result in substantial environ- mental harm, impact neighboring communities, and endanger public health.	that oversees waste generation, handling, and disposal at every stage	services; Ensure a comprehensive and efficient waste disposal system by entrusting the recycling and disposal of waste to qualified environmental companies, adhering to rigorous standards.		



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Elaboration of Risks and Their Impacts	Policies	Main Actions
	Resource Utilization	
Resource Scarcity	Sumalian Management	Establish clear performance indicators
 Price fluctuations, availability of materials and resources Price fluctuations, availability of materials and resources Increase in raw material and energy costs Supply interruptions 	Supplier Management Procedure Supplier Material Change Management Specification Supplier Quality Manage- ment Specification	suppliers to continuously improve their delivery quality; and Conduct quarterly performance evaluations of suppliers, with assess- ment criteria including, but not limited to, quality, delivery time, service, and cost.
Energy Consumption The impact of energy consump- tion on businesses is primarily reflected in cost, competitiveness, environmental impact, and	Improved systems and processes for managing energy consumption	Actively implement systematic monitoring, control, and optimization of energy consumption to conserve energy and lower energy costs; Develop energy-saving and consump- tion reduction plans, introduce
sustainable development. It is crucial to emphasize energy	g,	high-efficiency benchmarks and
conservation and emission reduction, enhance the efficiency of energy use, and reduce overall energy consumption.		adopt measures such as renewable energy and photovoltaic power to support the carbon verification process and help achieve the dual carbon goals.
	Product Reliability	
Sa Malfunctions or failures in products	afety Issues with Defective Pr	oducts Establish a well-defined and efficient
may lead to:	Medical Device Product	structure with the CEO as the primary
LIADILITY FOR DOTA TANGIDIE ANA intangible damages to partners and individuals:	Management Procedure, Production Management	safety, the Executive Management Team (EMT) as the operational
 Costs associated with product recalls, new development expenditures, and the utilization of technical and economic resources; and Expenses related to new or more stringent quality and safety control standards or regulations, which may require 	Procedure, Customer Service Management Procedure Quality Control Procedure, Nonconforming Product Control Procedure and Recall Management Procedure	decision-making body, and the Global Quality System VP as the coordinator; Promote continuous improvement and lean production by establishing the MBS MGI Lean System, which focuses on enhancing and innovating in lean research and development, logistics, production, quality, assembly, and supply chain; and Design and implement a series of specialized quality management

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Elaboration of Opportunities and Their Impacts

Main Actions

Opportunities in Clean Technology

Low-carbon Products

Increased global attention to climate change has led to a growing demand for low-carbon, environmentally friendly products from consumers and businesses. The opportunities brought by MGI in the development and production of low-carbon products include:

- Meeting market demand and seizing growth opportunities
- · Accessing funding and technical support
- Enhancing the image in sustainable development and corporate social responsibility

Design and manufacture low-carbon, environmentally genetic products, and conduct carbon footprint assessments on certain gene sequencers;

Integrate the concept of green innovation into product development, striving to make positive contributions to environmental protection at every stage of realizing product value;

Establish the "eDNA metabarcoding" technology associated with high-throughput sequencing and eDNA sequences, and release environmental eDNA metabarcoding sequencing combination products based on the ATOPlex multiplex PCR technology and the DNBSEQ sequencing platform. These products will offer a comprehensive, end-to-end monitoring platform for environmental DNA, encompassing the entire workflow from sample collection to the delivery of final analysis results.

Contributions to Health and Wellness

Precision Medicine

Precision medicine has brought revolutionary changes to the healthcare industry, and realized more individualized and efficient medical services. By integrating patients' genetic information and lifestyle data, precision medicine can tailor treatment plans to patients. This approach not only improves treatment effectiveness, but also reduces side effects, and promotes treatment process optimization and cost reduction, thereby enhancing health management and disease prevention capabilities for patients.

Develop and extend technologies such as whole genome sequencing, targeted sequencing, and metagenomic sequencing based on DNBSEQ technology actively in order to improve the accuracy of medical testing and treatment. Moreover, the Company aspires to advance precision medicine projects and promote the application of genomics research in cooperation with medical institutions to achieve better patient health outcomes.

Public Health Prevention and Control

Public health prevention and control is facing increasing challenges, especially in the context of major infectious disease outbreaks and emerging pandemics. Through effective monitoring and response mechanisms, public health prevention and control can reduce disease transmission significantly, enhance the overall anti-pandemic capacity of society, and ensure public health and safety.

The Company has launched a series of automated and convenient core tools, such as pathogen metagenomic sequencing, targeted sequencing, and whole genome sequencing technologies. These tools support the monitoring, early warning and diagnosis of public health events, help healthcare workers identify pathogens quickly, enhance the capacity to respond to sudden pandemic outbreaks, and strengthen national and regional public health systems.

Elaboration of Opportunities and Their Impacts

With the growing public awareness of health management, personal health management is becoming an integral part of medical services. Through multi-omics tools, portable test equipment, and various technological applications, individuals can obtain comprehensive health data that helps to achieve early disease prevention, individualized health management, and lifestyle adjustment. This not only improves the overall health level, but also reduces medical costs and disease incidences effectively.

Comprehensive Support for Life Sciences Big Data Infrastructure

Deepening Innovations in Genetic Sequencing Technology

As its application expands and technological breakthroughs occur, the market for genetic sequencers and consumables continues to experience rapid growth. This brings MGI Tech increased market demand, opportunities for technological innovation and research and development, advancements in data analysis and bioinformatics, as well as opportunities for collaborations in the medical and health fields.

A Comprehensive Strategy for Digital Equipment and Systems in Life Sciences

Through independent research and development and strategic partnerships, we provide one-stop equipment and system platform for the digitization of life, which can bring more market opportunities and higher brand value to MGI Tech.

Main Actions

Personal Health Management

Based on the 133111i strategy, the Company is developing multi-omics tools to promote low-cost data generation for genomics, radiomics and wearable devices. In the field of genomics, the Company is committed to reducing monitoring costs and promoting the application of early screening and individualized medication. In the field of imaging, the Company deploys remote and intelligent ultrasound, and improves the efficiency of image analysis and remote consultation through AI algorithms with focus on ultrasound technology.

Relying on core technology and closely following the trends of "miniaturization" and "ultra-high throughput" in genetic sequencers, MGI has laid out its sequencing instrument products into three major series: the T series, G series, and E series. This is to build a high/medium/low throughput comprehensive ecosystem that covers multiple scenarios, meeting users' diverse needs in various application scenarios.

Continuously advance our laboratory automation business, with a strategic focus on developing a comprehensive suite of digital equipment and systems for digitization of life. This includes the introduction of innovative products such as the BIT products, cello mics technology platform, remote ultrasound robot, and ultra-low temperature automated biological sample libraries.

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Elaboration of Opportunities and Their Impacts Main Actions **Diversification of Industrial Applications Diverse Application Scenarios** The development of genetic sequencing technology Beyond the relatively mature healthcare sector, we has provided deeper and more comprehensive have introduced the "New Ten-Ten" research and genetic information, bringing forth greater possibilidevelopment initiative, aiming to develop ten ties and opportunities in fields such as personalized specific segments and create ten exemplary medicine, novel drug development, crop improveapplications, thereby expanding the scope of new ment, disease prevention and control, as well as industrial applications. environmental protection and ecological research. **Development and Application of Omics Research** Omics research offers a novel research perspective To meet diverse customer demands, a comprehensive sequencing product line has been developed, and technological means, providing extensive opportunities to delve deeper into the fundamental covering a range from low-throughput to units and regulatory mechanisms of life. It serves as ultra-high-throughput data production capabilities. a scientific foundation for sustainable societal This comprehensive line supports the research and development. development of omics. **Collaborative Ecosystems and Empowerment** Industry Ecological Construction We are committed to fostering an environment of open collaboration, empowering the downstream This approach presents opportunities across ecosystem, and championing partnerships with multiple dimensions, including partnership, market innovative enterprises both domestically and prospects, technological innovation, service internationally. Our efforts are directed towards enhancement, and resource integration, contributdriving industry technological innovation, facilitating ing to the enhanced competitiveness and brand the application of research findings, ensuring reputation. compliance with qualifications, and advancing educational outreach **Global Research Empowerment Program** We are launching the DCS Lab 2023 Scientific Research Empowerment Program, aimed at global top-tier scientific experiments; This initiative presents opportunities for technology and introducing the next generation of sequencing introduction, international collaboration, talent reagents, StandardMPS 2.0, which inaugurates the acquisition, market expansion, and financial era of Q40 quality in genetic sequencing; support, collectively contributing to strengthening

> Integrate four major life technology product lines, including high-throughput nanoball sequencing, nanopore sequencing, cell omics and spatiotemporal omics, and usher in the 6D era of life sciences.

Tools for Measuring Sustainable Development

During the reporting period, we undertook a thorough review of our company's ESG efforts. We utilized two complementary tools for this assessment: the Sustainable Development Impact Index and the Sustainable Development Basic Element Index. These tools helped us establish a baseline for our company's sustainable development, providing a foundation for the comprehensive development of quantifiable performance indicators and for tracking the progress of our sustainable development strategies. The Sustainable Development Impact Index operates on the dual principles of financial and impact importance. It integrates a range of indicators and assessment methods to gauge the extent of a company's influence on environmental, social, and governance (ESG) issues. Meanwhile, the Sustainable Development Basic Element Index places greater emphasis on foundational aspects, pinpointing key indicators that measure the Company's performance in these crucial areas. Moreover, our tools are designed to align with the SDGs, facilitating the tracking of sustainability performance and the disclosure of reporting. MGI remains dedicated to upholding its sustainable development goals, reinforcing the implementation of corporate social responsibility.



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developing talents research capabilities, broaden-

ing market reach, developing talents and acceler-

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About MGI Tech

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Sustainable Development Strategy

Leading Life Science Innovation

Leading life technology with innovative and intelligent manufacturing

2024 Development Highlights:

Users from **75** countries and regions around the world have published over 10,000 high-quality articles and studied over 5,406 species based on the DNBSEQ sequencing platform.

Keep promoting the application of sequencers to fields such as disease control, customs, microbiology, justice, and animal pandemic education

Initiate the "Spatiotemporal and Single-cell Big Science Support Program" alongside over **30** DCS ecosystem partners officially.



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Promoting green operations and low-carbon development

2024 Development Highlights:

All global research and production bases maintained a 100% environmental compliance rate.

ISO 14067 carbon footprint verification was completed for nine new core products.

In 2024, carbon emissions of pilot laboratories were reduced by 18% and reagent loss rate dropped by 22%;

Certified as a "demonstration base for green technology application" by the National Development and Reform Commission.



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Advancing Life Science Tools for Future Healthcare

Invest continually in core technology R&D, and provide globally leading technology products and services

2024 Development Highlights:

23 DCS Labs have been established worldwide, which have joined by the Shanghai Center for Brain Science and Brain-Inspired Technology, the Haihe Laboratory of Cell Ecosystem, the National Cancer Centre Singapore, the Peking University Institute of Advanced Agricultural Sciences, Fujian Medical University, the National Model Animal Science Center of China Agricultural University, and the Institute of Health and Medicine at Hefei Comprehensive National Science Center, etc.

The Company has passed 65 audits by regulatory authorities successfully. 0 adverse reaction incident and 0 product recall

Customer service satisfaction: 98.3 points 100% auditing on supply chain manufacturers

입 입 **Value Growth Partner**

Embracing diversity and inclusiveness, and practicing social responsibility -----

2024 Development Highlights:

The Company created job opportunities for 2,604 people, including 519 overseas employees and 1,122 female employees.

Established the "MGI Tech Technology Innovation Fund"

No global major workplace accidents occurred

The global occupational disease incidence rate is O



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Operating responsibly and improving the business environment

2024 Development Highlights:

Passed ISO 27001 Information Security Management System and ISO 27701 Privacy Information Management System certification

11 internal control inspections were organized in total.

Organized 2 risk management training sessions

A total of 2,233 employees received integrity training

No cases like administrative penalties or violations of laws and regulations

Leader in Compliance Governance



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Message From Chairman About MGI Tech

Sustainable Development Transform Leading Life Science

Advancing Life Science Tools for Future Healthcare Leader in Compliance Governance

N Leading Life Science Innovation

MGI Tech consistently upholds the vision of "Leading Life Science Innovation", and continuously optimizes gene sequencing and bioinformatics tools, thereby offering efficient and precise research support to scientists globally. We assist researchers in batch processing and systematically studying samples across multiple dimensions, including DNA, cells, and tissues, to deeply explore the complexity and heterogeneity of cellular stemness and the mechanisms underlying cell fate editing. Meanwhile, we are dedicated to offering cutting-edge tools that boast ultra-high throughput, ultra-low cost, and intelligent integration to global users. This empowers the advancement of the life sciences field through technological innovation, enhances scientific research capabilities comprehensively, and leads life sciences and technology to new heights.

2035 Plan

- Participate in the early initiation and execution of 60 global large population cohort projects.
- Create 10 typical applications.
- Cooperate with 1,500 medical institutions.
- Launch an information sharing platform for the cohesive development of industry ecosystem.
- Sign contracts with 100 strategic partners.
- Support the "Million Microbiome" research program with over 200,000 sample sequencing.
- Keep improving the coverage of primary public health testing, reach a coverage rate of 80%, and further reduce food safety testing costs by 20% by 2025.

This chapter responds to SDG goals





Guardian of Our Environment Appendices



Spatial Omics

Spatiotemporal omics technology can elucidate the specific functions of the genes and cells in individual development and disease progression from both temporal and spatial dimensions, thereby achieving high-throughput and high-precision multi-omics information capture, meeting the needs of modern pathology for morphology, as well as qualitative, quantitative, and localized identification of key biomarkers.

The development of single-cell sequencing technology has empowered researchers to analyze information such as gene expression, epigenetic modifications, and genetic variations at the single-cell level, significantly enhancing our understanding of

MGI has facilitated the initial launch and execution of 49 large population cohort

projects worldwide. Internationally, the Company has contributed to the initiation of

Indonesia's first National Genome Program, Thailand's Genomics - Thailand

Integrated Action Plan and Brazil's national genome program. In China, MGI has

supported several large-scale cohort studies involving tens of thousands of partic-

ipants, including the China Metabolic Analytics Project (ChinaMAP) and the

pioneering STROMICS Genome Study, which involves deep whole-genome

sequencing and analysis of 10,000 Chinese patients with ischemic stroke.

cellular heterogeneity and providing crucial tools for cell atlas research.

The DNBelab C4, single-cell library preparation sequencing platform independently developed by MGI Tech, has the advantages such as high-throughput capabilities, broad sample compatibility, and cost-effectiveness. It enables million-scale single-cell transcriptomics library sequencing as well as data analysis and mining.

The platform has been extensively applied in various research fields, including tissue

regeneration, neuroscience, mammalian mapping, and studies on tumor genesis

MGI Tech leverages technological innovation to promote the popularization of genomics, illuminating life sciences across diverse fields. By lowering costs, expanding across regions, and adapting to extreme environments, we are turning genomics from a resource limited to a few institutions into a fundamental tool that serves the public-especially in spatiotemporal and cellular genomics-offering new hope for health and environmental protection.

By the end of 2024, users from 75 countries and regions in six continents of the world had published over 10,000 high-quality articles based on the MGI Tech DNBSEQ sequencing platform, involving 5,406 species under research. In 2024 alone, 3,398 articles were generated based on the MGI Tech sequencing platform.

Enhancing the Accessibility of Genomics

Population

Genomics

Cell Omics

mechanisms.

Message From Chairman

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Case Organoid Research and Technology have Opened a New Window into Medicine

In November 2024, Tsinghua University adopted the spatiotemporal transcriptomics FF product scheme, launched LOSRT based on DNBSEQ-Tx sequencer and Stereo-seq technology, and constructed the world's first organoid-spatiotemporal combined atlas. This pioneering study elucidates the spatial distribution and interactions of diverse cell types within laminated pulmonary organoids, offering crucial quantitative metrics for organoid research and having significant implications for precision medicine and pharmaceutical development. As a leader in life science innovation, we have supported the generation of scientific research achievements, and helped our partners to publish research findings in the prestigious journal PNAS, thereby sharing this significant discovery with the global research community and paving the way for new avenues in disease research and pharmaceutical development.

Protect Ecological Diversity

Research in the Mt. Everest region is vital for understanding global climate change and conserving biodiversity. However, the harsh conditions-such as high altitude and low air pressure-present significant challenges to scientific studies in the region. In May 2024, MGI Tech participated in and supported the project of scientific investigations on Mt. Everest and established the "Mt. Everest Laboratory" at an altitude of 5,200 meters on the northern slope, exploring the mysteries of high-altitude life with the power of technology. The team deployed the

DNBSEQ-G99 and DNBSEQ-E25 gene sequencers and successfully completed testing, confirming their capability to quickly and efficiently analyze sample information at high-altitude locations. This means that in the future, scientific research teams will be able to decode information from relevant samples directly on-site in the shortest possible time, minimizing the effects of factors like sample degradation. This will speed up research on critical scientific issues such as adaptation mechanisms of plateau organisms and paleoenvironmental changes, while also providing vital support for biodiversity conservation and studies on human adaptability. This not only enhances the accessibility of scientific research, but also pushes the boundaries of human understanding of life and the environment on Earth.

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Conducting Scientific Investigations on Mt. Everest, Spatiotemporal Omics Can Help



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Empowering a Healthy Future

MGI Tech is dedicated to advancing science and technology to benefit more people, bridging gaps between laboratory innovations in genomics and real-world applications, and empowering a healthy future. We provide efficient and accurate technical support for disease diagnosis, monitoring, and medical transformation through a comprehensive layout of precision medicine, public health prevention and control, and personal health protection, and promote sustained innovation in the medical field. Moreover, we are committed to training future talents in the field of life sciences, and contributing to accelerated full health coverage from prevention to treatment.

Promoting Precision Diagnosis and Treatment

With the rapid advancement of human genome sequencing technology, the swift development of biomedical analysis techniques, and the increasing sophistication of big data analysis tools, we are entering a new era of healthcare known as precision medicine. Leveraging the advantages of DNBSEQ technology, MGI Tech is always committed to meeting needs of various applications, including whole genome sequencing, targeted sequencing, and metagenomic sequencing. This commitment provides more automated, convenient, and efficient core tools for the monitoring, early warning, diagnosis, and management of public health events.

Science and Technology Foster Health, Building a Community of Life: Case MGI Tech Supports Brazil's Medical Upgrading

MGI Tech is committed to its corporate mission of "benefiting the people and enhancing global health through technology", and it partners with the Sabin Group in Brazil to play a pivotal role in the country's healthcare development. This collaboration aims to harness technological innovation to enhance local healthcare standards and build a shared future for human life. Through strategic collaboration, MGI Tech not only equips Sabin Group with cutting-edge gene sequencing technology and equipment, thereby substantially enhancing its testing capabilities and laboratory operational efficiency, but also assists Sabin Group in expanding the application of advanced gene sequencing technology. This enables the provision of personalized and precise diagnostic and treatment plans for Brazilian patients.

Strengthening localized service capabilities to ensure steady development. MGI Tech has launched a Customer Experience Center in Brazil to enhance its localized service capabilities, and has also formed strategic partnerships with leading industry players like Dasa to collaboratively advance precision medicine in Brazil, particularly in areas such as cancer and rare diseases. This collaboration aims to provide more precise diagnostic means and effectively improve patients' well-being. MGI Tech leverages technological innovation to enhance health, while actively fulfilling corporate social responsibility. The Company assists in upgrading Brazil's healthcare infrastructure, contributes Chinese expertise to the global health sector, and harmoniously aligns commercial value with social value.



MGI sequencer and automation equipment have been installed in Sabin laboratory



On January 10, 2025, the National Medical Products Administration (NMPA) granted the Medical Device Registration (Guo Xie Zhu Zhun 20253220056) to the MGI Gene Sequencer DNBSEQ-E25 (hereinafter referred to as "E25"), the world's first gene sequencer based on the principle of self-luminescent sequencing biochemistry. This approval enables the E25 to be used in clinical settings within the domestic market. The DNBSEQ-E25 is a compact gene sequencer that utilizes MGI Tech's DNBSEQ core sequencing technology, employing a novel self-luminescent biochemistry principle. It occupies only 0.1m2 of table area and is compatible with sequencing consumables of different read lengths. Sequencing data can be generated within 5 to 20 hours. Furthermore, the DNBelab-D4, a totally-enclosed automated library preparation platform that pairs well with the DNBSEQ-E25, has been approved by the NMPA and is now being used in several hospitals. The "minimalist combination" of DNBelab-D4 paired with DNBSEQ-E25 enables one-stop solution for automating library preparation and sequencing. This setup simplifies the detection process and reduces operational complexity, making it ideal for clinical testing with an "out-of-the-box" approach.

Case Improving the Capacity of Primary Medical Services

The MGI Tech remote ultrasound robot MGIUS-R3 is the world's first ultrasound device that does not have to be operated by a professional physician on the patient side, and has real-time diagnostic capabilities. Its high-sensitivity probe and robotic arm design with six degrees of freedom can simulate expert gestures and achieve precise ultrasound examinations. The successful application of this technology not only provides timely medical services to patients in remote areas, but also opens up a new direction for the development of ultrasound medicine.



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Xiong Yi, Executive President of Luohu District People's Hospital, operated the remote ultrasound robot MGIUS-R3 developed independently by MGI Tech personally, and established remote ultrasound connections with Indonesia and Aba Tibetan-Qiang Autonomous Prefecture in Sichuan Province to conduct ultrasound examinations for local practical demonstration volunteers.

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Case Coping with Medical Challenges in Extreme Environments

Personal medical care can hardly be realized in extreme environments such as Mount Everest exploration, polar scientific research, and seabed exploration. The wireless intelligent handheld ultrasound system developed by MGI Tech (portable, weighing 300g only) can monitor the carotid artery, thyroid gland, breasts, abdomen and other parts in real time, and transmit data to mobile phones or PCs through Bluetooth communication for Al-assisted diagnosis.

In 2024, mountaineers at an 8,300-meter-high campsite away established online connection with the head of the ultrasound department of a hospital 4,000 kilometers away in Beijing, a clinical physician in Aba, Sichuan 2,500 kilometers away, and a specialist in Shenzhen 4,000 kilometers away. Under the joint guidance of remote experts, a real-time ultrasound scan of the carotid artery was performed, and consultation was realized successfully in order to explore impacts of carotid hemodynamics in extreme high-altitude areas jointly.

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Case The World's Largest Multi-omics Study on Colorectal Cancer

Based on MGI Tech's DNBSEQ sequencing platform, Sweden's Uppsala University and other institutions performed a whole genome and transcriptome sequencing analysis on 1,063 colorectal cancer samples (including 782 ones of colon cancer and 281 ones of rectal cancer, of which 21% (223 cases) had microsatellite unstable tumors (a specific type of colorectal cancer)) from the well-known Swedish cancer sample and database U-CAN cohort. 96 significant mutant genes were identified, in which 24 were newly discovered potential driver genes, and the driver genes related to the WNT, EGFR and TGF- pathways were correlated significantly with colorectal cancer survival.



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Case

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Public Health Prevention and Control

In face of challenges in the field of global public health prevention and control, pandemics of major infectious diseases such as tuberculosis, COVID-19, monkey pox, and AIDS pose serious threats to public health and safety. In addition, safety emergencies such as mass diseases of unknown causes, food poisoning, and occupational poisoning also threaten public health. Genomic research provides important information for the prevention and monitoring of pandemics, and is an important basis for public health decision-making, and an important tool for public health workers to identify new pathogens and monitor pandemics. It is also applied extensively to drug resistance mechanisms of pathogenic microorganisms, vaccine development, and other directions. In the field of public health, MGI Tech has created a full-process product portfolio for applications such as pathogen metagenomic sequencing, targeted sequencing, and whole genome sequencing. Based on the ATOPlex multiplex PCR database building platform, the Company has launched ready-to-use full-process sequencing combination products for COVID-19, influenza A/B, monkey pox, dengue fever and many other infectious diseases. Two recently launched combined products for targeted amplification and sequencing targeting the HIV virus and Mycobacterium tuberculosis cover the whole process of database building, sequencing and analysis for the HIV virus, Mycobacterium tuberculosis, and their drug-resistant gene testing, and contribute to public health prevention and control.

About MGI Tech

HIV Drug Resistance Monitoring Serves as a Technological Safeguard for the Line of Defense for Health

In 2024, the Chinese Center for Disease Control and Prevention utilized DNBSEO-G400 and CvcloneSEO-WT02 to sequence the near full-length genome (NFLG) of HIV, and identified a novel branch CRFI72_0755.By combining the CycloneSEQ nanopore sequencer with the DNBSEQ high-throughput sequencer, the research team assembled a complete near full-length genome (NFLG) of HIV, providing reliable methodological support for identifying HIV super-infections or novel recombinant viruses.

As of now, the HIV-1 drug-resistance sequencing combination product related equipment manufactured by MGI Tech has been gradually introduced into the Chinese Center for Disease Control and Prevention as well as multiple local centers for disease control and prevention in Guangdong, Guangxi, Sichuan, Guizhou, Shanghai, and other regions. As a leader in life science innovation, the Company has initiated the development of HIV full-length genome sequencing combination products utilizing the CycloneSEQ platform. This approach leverages the "long read length" advantages of nanopore gene sequencers to enhance the accurate identification of diverse subtypes and quasi-species, offering a deeper insight into HIV genetic diversity and viral variation. Consequently, it provides a more sensitive, accurate, and comprehensive tool for identifying highly reactive HIV strains.





In 2024, the Technical Center of the Zhongshan Port Customs identified one male fly in a submitted sample as Neomyia indica using the morphological identification method and the DNA barcode technology based on DNBSEQ-G99.It is reported that flies are among important targets for vector organism monitoring and control at customs ports. Neomyia indica identified this time is a species in Genus Neomyia of Subfamily Muscinae, and is found mainly in East and Southeast Asia. After being contaminated in feces, this species may carry various viruses, bacteria, and parasites to contaminate food, thereby resulting in human infection and posing a threat to human health.

Based on its port supervision functions, the Zhongshan Port Customs strengthens risk analysis and judgment actively, carries out targeted health quarantine and inspection, and further deepens the onsite joint monitoring mode of "port customs + laboratory experts" to prevent risks of cross-border transmission of vector-borne infectious diseases and pandemics effectively. In 2024, the customs intercepted 145 batches of imported vector organisms such as rodents, cockroaches and flies, totaling 2,132 individuals.



This standard specifies the general technical requirements for SARS-CoV-2 variant monitoring in wastewater samples based on high-throughput sequencing technology, and is applicable to the whole process of SARS-CoV-2 enrichment and concentration, nucleic acid extraction, high-throughput sequencing and data analysis in wastewater samples. This method can master the dynamic distribution and epidemic characteristics of SARS-CoV-2 variants in urban population quickly and effectively. MGI Tech participated in the formulation of this standard in order to provide scientific and normative technical guidance for SARS-CoV-2 variant monitoring in wastewater samples through high-throughput sequencing technology, thereby mastering virus variation dynamics quickly and precisely, and providing strong support for public health prevention and control.

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Monitoring SARS-CoV-2 Variants from Wastewater Based on High-throughput Sequencing

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Protecting Personal Health

MGI Tech develop multi-omics tools for personal health, boost the high-quality and low-cost generation of multidimensional data such as genomics, radiomics, metabolomics, brain omics, and wearable devices, promote the further popularization of omics technology, and support individualized health management.

About MGI Tech

For genomic tools, MGI Tech adheres to the concept of universal access to genetic technology, and keeps reducing costs of personal genomic monitoring, and promoting clinical use and health monitoring. By focusing on the early screening of genetic testing, genetic risk prediction, individualized medication guidance, and other fields, MGI Tech provides users with more accurate and comprehensive genetic health solutions through advanced sequencing technologies and big data analysis.

For radiomic tools, MGI Tech has developed innovative technologies such as remote ultrasound, intelligent ultrasound, and handheld ultrasound with focus on ultrasound equipment to improve the convenience and accuracy of medical imaging diagnosis. Through AI algorithms and cloud collaboration, MGI Tech realizes the intelligent analysis and remote consultation of ultrasound images, and provides more efficient imaging diagnosis solutions for primary healthcare and personal health management.

Case Bloomics[®] Disposable Peripheral Blood Sampling System

In 2024, the Company officially released the Bloomics® disposable peripheral blood sampling system - the first autonomous painless blood sampling system in China, and opened booking applications along. Based on the self-developed patented micro-needle (MN) array technology, Bloomics® revolutionizes blood sampling experiences, and makes blood sampling comfortable, convenient and friendly.



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Innovation revolution

The micro-needle array technology overturns conventional blood sampling methods.

Authoritative certification

 $|\underline{0}|$ Granted an NMPA Class II medical device registration certificate

blood sampling anytime and anywhere

Ease of operation

Safety and comfort

Reducing cross infection risks, with over 90% of users reporting almost no pain

Breaking traditions, and realizing enjoyable

6 Introduction

Dr. Yang Meng, Vice President of MGI Tech, said, "Bloomics® is inspired by Mr. Wang (Wang Jian, Chairman of MGI Tech) who observed blood-sucking leeches outdoors over a decade ago. Convenient and painless blood sampling is the first step in scientific research and health management. This product is almost painless as it utilizes a complex mechanical structure for the rapid insertion and rebound of the metal micro-needle array, and revolutionizes blood sampling experiences by applying negative pressure to extract peripheral blood independently using commercialized vacuum blood sampling tubes without the need for professional medical personnel. MGI Tech is always committed to creating core tools for life sciences, and will continue to develop innovative sampling methods to meet sampling needs of frequent multi-omics testing for everyone."



Driving Sustainable Practices

Sustainable Agricultural Practices

Faced with challenges of global food safety and sustainable food systems, MGI Tech promotes the extensive application of gene sequencing technology to agriculture actively, and drives global agricultural innovation and sustainability. We improve the stress resistance, breeding efficiency, and yield of crops and livestock through high-throughput sequencing and synthetic biology technologies, thereby supporting the transformation and sustainable development of modern agriculture, and providing technological support for global food accessibility and safety.

Case MGI Tech and Brazilian GDM Partner to Boost Crop Yields through Innovative Technology

In 2024, MGI Tech partnered with Brazilian GDM to utilize the DNBSEQ-T7 sequencer to support soybean breeding, thereby speeding up genetic analysis and reducing the breeding cycle. As a leader in life science tools, we bring genomics from the laboratory to the field, helping the world's top soybean cultivator develop high-yielding and stress-resistant varieties. This not only boosts crop efficiency but also lays the groundwork for sustainable development of Brazil's tropical ecosystems. Technology is like a well-timed rain, nurturing farmers' hopes and bolstering global food security. We work closely alongside GDM to cultivate the seeds of science across South America. The growth of each soybean plant is a testament to the power of life sciences and technology. This effort has brought fresh harvests across borders, warming the dining tables of countless families.

Case Empowering Assembly of the African Wild Rice Genome

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Rice is an important global food crop and crucial for food security. As a wild relative of rice growing in the tropical regions of West Africa, Oryza longistaminata (also known as "African wild rice") offers valuable genetic resources. MGI Research Institute and Yunnan University have successfully assembled a 343 Mb telomere-to-telomere (T2T) genome using the CycloneSEQ nanopore sequencing platform. This genome spans the telomeres and centromeres of all chromosomes, achieving significantly enhanced accuracy and completeness.

This study has revealed structural variations between cultivated rice and Oryza longistaminata, laying the foundation for future breeding and research into genes linked to rice phenotype traits. By pinpointing coding genes, repetitive sequences, and transcription factors, new genomic resources offer crucial support for African rice research and evolution, helping tackle global food security challenges.

Case Low-depth Sequencing Technology Supports Innovation in Livestock and Poultry Breeding

Prof. Hu Xiaoxiang's team from China Agricultural University developed a full set of low-depth sequencing analysis processes for livestock and poultry based on the MGI Tech DNBSEQ-G400 sequencing platform, and analyzed the genetic structure of important economic traits in Duroc pigs successfully. The research findings were published in the international journal Gigascience (impact factor: 11.8).

This study established a BaseVar-Stitch genotyping process suitable for low-depth sequencing for the first time, and obtained a high-density SNP marker set (11.7M) of the largest population of Duroc pigs (2,869) at extremely low costs, with typing accuracy of over 99%. Compared to traditional methods, this process improves efficiency and accuracy significantly through a large-sample non-parametric self-filling strategy.

According to Prof. Hu, low-depth resequencing technology has broad applicability, not only for livestock and poultry, but also for the breeding of various species such as crops and aquatic animals, and is expected to play a key role in the process of agricultural modernization.

This study provides technical support for the development goals of the modern seed industry in the 14th Five-Year Plan. Through the high-throughput sequencing and whole genome selection technology platform, it promotes basic research on breeding and the industrialization of biological breeding, and lays a solid foundation for cultivating excellent varieties with independent intellectual property rights.

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Environmental Monitoring and Protection

MGI Tech's genomics technology is increasingly crucial in ecological conservation and environmental monitoring. By leveraging environmental DNA (eDNA) analysis technology, we monitor biodiversity changes in ecosystems, supporting the conservation of endangered species and controlling environmental pollution. For instance, in several nature reserves across China, our sequencing technology enables scientists to track changes in microbial water communities, pinpoint potential pollution sources, and create targeted ecological restoration plans. Furthermore, our gene sequencing platform is utilized to investigate the effects of climate change on marine ecosystems, which aids in the development of more effective conservation strategies. By promoting the application of genetic technology in environmental science, we support green and low-carbon development, providing a scientific foundation for the sustainable management of global ecosystems.

About MGI Tech



Case Fish Diversity in River Basins

Fish diversity is an important health indicator for aquatic ecosystems, but due to factors such as water pollution, overfishing, climate change, and invasive species, global fish biodiversity is declining sharply. Effective investigation and monitoring methods are required to conserve fish diversity. Traditional fish monitoring methods have draw-backs such as habitat destruction, damage to target individuals, and low capture rates for rare and endangered species. Therefore, a new nondestructive and efficient biological investigation method has been developed, namely the environmental DNA (eDNA) meta-barcoding technology. This technology involves PCR-amplifying eDNA using specific DNA barcode primers, sequencing PCR products using a high-throughput sequencing platform, and obtaining operational taxonomic units (OTUs) through bioinformatics analysis, which are then compared with the DNA barcode database to monitor target organisms.

This study was conducted in the Danjiang River Basin in Shaanxi Province, China, and identified 59 fish species from eight orders, 19 families and 40 genera. Orders Cypriniformes and Perciformes are the main fish populations, in which Family Cyprinidae accounted for 50.85% of all fish species. Eight rare and two alien fish species were also discovered in this study. Through analysis and comparison with historical data, it was found that the fish richness identified using the eDNA meta-barcoding technology based on the DNBSEQ-G99 platform was significantly higher than that of fish captured in traditional cages. Temperature, pH and redox potential are the main environmental factors affecting the spatial distribution of fish communities.



Fig. 6. Map of sampling points. Sampling areas in Danjiang River (line blue), with a total of 4 points. At each sampling point (red dot), 1 L of water was used for eDNA while ground cages were used to capture fish. This

Case Biodiversity Conservation of Mangrove Forests in Thailand

Thailand's mangrove ecosystem is under severe threat, with over 60% of its mangroves having been lost to human activities and climate change. Mangroves serve as a vital natural barrier for coastal communities, while also supporting the livelihoods of fishermen and maintaining crucial biodiversity and carbon storage functions. To address this crisis, Thailand and China have established a joint mangrove protection demonstration area and are conducting conservation efforts through genomic research.

The National Center for Genetic Engineering and Biotechnology (BIOTEC) in Thailand has collaborated with MGI Tech to conduct in-depth research on the genetic diversity of mangroves using DNBSEQ-G400RS sequencer and RAD-seq technology. This technology enables rapid identification of genetic markers and the creation of a reference genome database for various species. Currently, a database has been successfully established for 15 mangrove species.

The research team pointed out that understanding the genetic differences among mangroves can help develop more effective conservation strategies, ensuring the long-term sustainability of these ecosystems. The study also shed light on how mangroves adapt to environmental challenges like sea level rise and changes in salinity, offering a crucial theoretical foundation for protecting and restoring biodiversity.

Amidst the escalating global ecological challenges, this study serves as a model for advancing mangrove conservation efforts in Southeast Asia, highlighting the crucial role of genetic technology in environmental protection and contributing to the attainment of global sustainable development goals.



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Leading Life Science Innovation

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Case Marine Microbial Metagenomic Database

A joint research team was formed by institutions such as Shandong University, University of East Anglia in the UK, Ocean University of China, Xiamen University, and University of Copenhagen in Denmark. After five years of work, this joint research team conducted sequencing based on the DNBSEQ platform and reanalyzed nearly 240 Tb of publicly available marine microbiome metagenomic data and created the Global Ocean Microbiome Catalog (GOMC). This database contains over 43,100 marine microbiome genomes and 2.458 billion gene sequences. It covers a wide variety of marine ecosystems, ranging from Antarctica to the Arctic, from nearshore to offshore and deep-sea, and from the surface down to hadal zones tens of thousands of meters deep. This method overcomes the challenging issue that most environmental microorganisms cannot be cultured artificially. Like unlocking the "blind box" of metagenomics, it lays the groundwork for exploring and harnessing the functional potential of marine microbial "dark matter". This study significantly broadens our understanding of marine microbial diversity, and refreshes our understanding of the upper limit of the genome size of marine prokaryotic microorganisms. It also reveals that the hypoxic marine environment provides selection pressure for the adaptive evolution of large genome bacteria. Additionally, this study analyzes the biogeographical distribution patterns of global marine microbial communities, and provides a new perspective for understanding the genetic connectivity of microorganisms in different marine environments.

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In this study, the research team identified 36 novel CRISPR-Cas9 gene editing systems, and discovered a novel Cas9 editing system (Om1Cas9) with potential application value, which will help China have greater independence and more options in utilizing gene editing tools. Meanwhile, the research team also identified 117 novel antimicrobial peptides, and found through biosynthesis and experimental verification that 10 of them exhibit strong antimicrobial activity and broad-spectrum antimicrobial effects. In addition, researchers discovered highly active novel halophilic PET plastic degrading enzymes from three deep-sea sources, which achieved a PET film degradation rate of 83% within three days, 44 times higher than the reported IsPETase plastic degrading enzyme activity. The use of PET biocatalysis to degrade, regenerate, and upgrade PET plastics can effectively solve plastic pollution, and improve environmental and ecological benefits. This has become a hot topic in global scientific research and industrial applications. The new PET plastic degrading enzyme discovered in this study may help China achieve green, low-carbon, and sustainable utilization of PET plastic, reducing the plastic manufacturing industry's dependence on petroleum and carbon emissions.

Case Study on Microbial Ecosystems and Their Ecological Driving Forces in Deep-sea Sediments

The research team from Shanghai Jiao Tong University explored the Mariana Trench, the Yap Trench, and the Philippine Sea Basin at depths ranging from 6,000 to 11,000 meters, within the hadal extreme environment where pressures reach up to 1,100 atmospheres. The expedition marked the first human exploration of the deepest point in the Yap Trench, among others. During the mission, the researchers collected over a thousand samples, including water, sediments, macroorganisms, and rocks, and then they performed metagenomic sequencing on the collected sediment samples and identified 7,564 prokaryotic microbial species, 89.4% of which were previously unreported new species. This study found that environmental selection pressures like high hydrostatic pressure, low temperatures, and limited nutrients play a crucial role in shaping deep-sea microbial communities. This study also revealed multiple mechanisms by which deep-sea microorganisms adapt to extreme environments, such as enhanced antioxidant mechanisms and accumulation of intracellular compatible solutes. These mechanisms are common across various biological domains, indicating a universal physiological response to ultra-high pressure condi-马来西亚 tions. The database created by this study offers valuable resourc-印度尼西亚 es for future research on the adaptation of deep-sea microorganisms and holds promising applications in biotechnology and environmental science. This project used 16S rRNA gene amplicon sequencing and metagenome sequencing based on the DNBSEQ platform.

Study on the Evolutionary and Genetic Adaptability of Fish to Deep-sea Environments

The team of the Institute of Deep-sea Science and Engineering (IDSSE) of the Chinese Academy of Sciences carried out extensive sampling across the vast ocean area stretching from the Western Pacific to the Central Indian Ocean. They sequenced and analyzed the collected deep-sea fish specimens, and generated genome assemblies for 12 species, including 11 deep-sea fish species. Using comparative genomics, they analyzed the genetic variation and community structure of fish hosts and photosynthetic symbionts across different environmental gradients, and revealed multiple mechanisms by which deep-sea fish adapt to extreme environments. For example, the research team found a highly conserved convergent mutation in the rtfl gene of most deep-sea fish living below 3,000 meters. In vitro experiments have shown that this mutation can improve transcription efficiency, which could be an advantageous adaptation to deep-sea environments. The research team also challenged the previous hypothesis that TMAO content is linearly correlated with depth. While fish TMAO levels rise with increasing water depth from 0 to 6,000 meters, this trend does not continue at water depths exceeding 6,000 meters. Additionally, the research team detected high concentrations of persistent organic pollutants such as polychlorinated biphenyls (PCBs) in fish from the Mariana Trench, indicating that these synthetic pollutants have penetrated into the deepest trenches on Earth. This study not only reshapes our understanding of the limits of deep-sea life but also sets a new benchmark for extreme environmental biology by integrating interdisciplinary technologies. The findings of this study provide key scientific basis for deep-sea ecological conservation, biomedicine (including the use of high-pressure adaptive genes), and climate change research. This project used DNA barcode sequencing and transcriptome sequencing based on the DNBSEQ-G400 platform.

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Case Sediment DNA Reveals Adelie Penguin Population and Ecology in the Ross Sea in Antarctica

This study analyzed 156 sediment samples from six active and four abandoned Adelie penguin habitats along Ross Island and the East Victoria coastline, which spanned 6,000 years. These sediment samples were subjected to metagenomic sequencing based on the DNBSEQ platform using the least common ancestor (LCA) analysis method to identify DNA sequences of animals, plants, fungi and microorganisms. This study revealed population changes of Adelie penguins, including their distribution and population in different historical periods. In addition, the presence of other local species was also detected, including various birds, seals and invertebrates. For example, DNAs from southern elephant seals were discovered in Cape Hallett, indicating that this place was once their breeding ground. This study opens a window into the evolution of Antarctic ecosystems for tens of thousands of years through sedimentary DNA technology. Thus, it not only deepens our understanding of adaptation strategies of Adelie penguins, but also emphasizes the great potential of interdisciplinary methods in analyzing the complex relationship of "climate - ecology - evolution". This achievement provides a key scientific basis for biodiversity conservation in Antarctica and global change biology.

Case MGI Tech and BRIN Jointly Build an Intelligent Laboratory

On September 6, 2024, MGI Tech and Indonesia's National Research and Innovation Agency (BRIN) entered into a collaborative agreement at the International Tropical Seaweed Research Center. This partnership aims to establish a Joint Intelligent Laboratory (iLab), which will focus on advancing seaweed research and conserving marine resources. The seaweed economy plays a vital role in Indonesia's ecological and economic systems, and preserving seaweed diversity has become a cornerstone of sustainable development. This collaboration will take place on Lombok Island, with the goal of boosting the storage, digitization, and R&D capabilities for seaweed resources.



By introducing advanced gene sequencing technology, MGI Tech has provided strong support for seaweed research. This initiative underscores the Company's enduring commitment to scientific research and development, supports the advancement of marine biodiversity conservation in Indonesia, and helps drive progress toward achieving global sustainable development goals.

Genetic Education and Tech-driven Archaeology

Thanks to the rapid development of life sciences, young people now have more opportunities than ever to explore science. Popularizing genetic science is not only crucial for spreading scientific knowledge but also plays a key role in inspiring young people's enthusiasm for science and nurturing the next generation of researchers. MGI Tech is dedicated to advancing innovation in life science education and actively partners with universities to integrate state-of-the-art gene sequencing technology into their teaching programs, creating a more engaging and interactive science education ecosystem.

In 2024, MGI Tech further strengthened its partnerships with domestic universities and advanced innovation in genomics education by offering cutting-edge gene sequencing platforms and technical support. We have supported numerous universities, including Shanghai Jiao Tong University, Southern University of Science and Technology, X-Institute, Donghua University, Guizhou Medical University, Tsinghua University, University of Chinese Academy of Sciences, University of Science and Technology of China, Fudan University, and Dalian University of Technology, and partnered with them to offer genomics-related courses at various levels-from undergraduate to graduate-covering fields such as bioinformatics, gene sequencing experiments, and environmental DNA research. The launch of these collaborative courses brings state-of-the-art genetic technology into the classrooms, strengthens students' hands-on skills, and establishes a strong foundation for nurturing future talent in the life sciences, fully reflecting the positive role of MGI Tech in promoting the popularization and development of genomics education in China.







University of Science and Technology of China



University-wide elective course Decoding Life Information

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列 Supporting Life Science Education at the Tsinghua Shenzhen International Graduate School

In September 2024, a course named the Interdisciplinary *Innovation Practice Course - The Digital Logic of Life at the Tsinghua* Shenzhen International Graduate School was launched. MGI Tech provided the DNBSEQ-E25 sequencer along with technical support for this course. Starting from obtaining their own samples, such support enabled students to comprehensively apply molecular biology experimental skills such as DNA extraction, library construction, and sequencing.With the support of solutions provided by MGI Tech, students can efficiently conduct quality assessments on sequencing data, detect variants, perform big data association analyses and mining, carry out traceability analyses, calculate genetic distances, assess multi-gene risks, and construct evolutionary trees. They can interpret the data and unravel the numerous genetic codes hidden in genes that make human individuals unique. Additionally, they are guided to flexibly apply what they have learned in the course to cutting-edge, real-world research projects of their own choice.This course has been included in the student training program of the Tsinghua Shenzhen International Graduate School.



In addition to promoting genomics education at the university level, MGI Tech also actively participates in and supports life science popularization and talent training programs for young people. MGI Tech is supporting the Mammoth International Contest on Omics Sciences (MICOS), which will introduce a youth science popularization sub-contest in 2025. Leveraging advanced technologies from MGI Tech, including the DNBSEQ-E25 gene sequencer, this new contest will feature environmental DNA sequencing, encouraging young participants to apply cutting-edge technologies to solve real-world problems.

MGI Tech inspires young people's interest in life sciences and nurtures their scientific curiosity and innovative spirit by engaging in and supporting activities like MICOS. Through these efforts, the Company brings cutting-edge gene sequencing technology and scientific concepts to a broader youth audience. MGI Tech is dedicated to giving young people greater opportunities to learn and apply genomics technology, supporting them in making steady progress on their journey of scientific discovery.



MGI Tech is dedicated to advancing innovation in life science education and nurturing talents with expertise in applying cutting-edge technologies. The growth of these talents and the popularization of cutting-edge technologies are also opening up new territories for scientific research. Among numerous emerging interdisciplinary fields, tech-driven archae-ology is increasingly demonstrating its unique value.

Using cutting-edge technologies like genome sequencing and skull CT scanning, scientists can not only recreate the appearances of historical figures but also uncover the intricate historical processes of integration among different ethnic groups. This interdisciplinary research approach is gaining widespread attention from the global academic community, with an increasing number of international institutions adopting similar diverse interdisciplinary research models to explore the origins and evolution of human civilization. MGI Tech supports tech-driven archaeology with the language of science, telling long forgotten historical stories and contributing China's strength to global humanities research.

Case Tech-driven Archaeology and Facial Reconstruction of an Ancient Figure

Fudan University conducted a study on tech-driven archaeology by extracting ancient DNA from the remains of Emperor Wu of the Northern Zhou Dynasty. Based on a probe capture scheme, the research team created a database. Employing sequencing platforms like the MGI DNBSEQ-G99, they successfully obtained low-coverage whole-genome data of Emperor Wu, including information on numerous SNP loci across his genome. By integrating knowledge from multiple disciplines such as history and archaeology, as well as craniofacial reconstruction techniques, they provided compelling evidence revealing Emperor Wu's facial features, possible health conditions during his lifetime, and insights into his ethnic origin.

The research team used skull CT scanning technology to perform a preliminary facial reconstruction of Emperor Wu. They also analyzed gene loci related to his hair, skin, and eye pigmentation, creating a "facial reconstruction" of Emperor Wu more than 1,000 years after his death. The reconstruction results show that Yuwen Yong, Emperor Wu of the Northern Zhou Dynasty, had black hair, yellow skin, and brown eyes, typical of Northeast and East Asian features.



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Science Support Program". The "Spatiotemporal and Single-cell Big Science Support Program" includes the "Spatiotemporal Pathology Big Science Support Program" and the "Single-cell Atlas Big Science Support Program". Among them, the "Spatiotemporal Pathology Big Science Support Program" will use spatiotemporal omics technology to conduct in-depth research on solid tumors and hematological tumors. The "Single-cell Atlas Big Science Support Program" will use single-cell technology to conduct research on human organs, natural populations, and disease cohorts, and promote the establishment of a reference atlas that includes all cells of healthy Chinese individuals. The Spatiotemporal Pathology Big Science Support Program and initiate big science research projects.

ecological integration and innovation-driven approach.





At the conference, MGI Tech collaborated with over 30 DCS ecosystem partners to initiate the "Spatiotemporal and Single-cell Big Science Support Program".

Message From About MGI Tech Chairman

Jointly Building an Industrial Ecosystem

Case China's Intelligent Manufacturing Goes Beyond Just Reliability"

"Spatiotemporal and Single-cell Big Science Support Program"

As a pioneer in the upstream of China's gene sequencing industry, MGI Tech has established robust and diverse industrial

ecological cooperation with its three core product lines, spanning the entire industrial chain from upstream to down-

stream. This cooperation promotes the application of genomics across various fields and the transformation of research

achievements. The Company consistently empowers partners in scientific research, clinical settings, and emerging fields,

driving breakthroughs in basic research, the development of new clinical diagnostic technologies and products, and the

continuous expansion into new areas. In collaboration with the IDG Innovation and Investment Research Institute and

Shenzhen Rainbow Technology Co., Ltd., MGI Tech provides comprehensive support for startups through a model that

includes incubation, industrial empowerment, and investment. By actively participating in industry academic conferences,

China's life sciences industry is currently at a crucial stage of development, undergoing a significant transformation from a focus on scale to one on intelligence, and from bio-manufacturing to bio-intelligent manufactur-

ing. MGI Tech, as a leading industry player, has consistently driven research in frontier areas and industrial upgrading, from genomics to multi-omics research, accelerating the industry's leapfrog development through

Recently, MGI Tech spearheaded the launch of the "Reliability" initiative in collaboration with industry partners,

underscoring their confidence and commitment to "Working Together to Create China's Intelligent Manufacturing that Goes Beyond Just Reliability". Currently, 20 companies and institutions from various life sciences fields have joined, including MGI Tech, Gene+, Smart Biotech, and Zhonghe Gene (listed alphabetically, not in any

particular order). On the road of exploring the mysteries of life, MGI Tech will pool the strength of the industry to

provide users with safer, higher-guality and easier-to-use services, and promote the realization of the dream of making life measurable and accessible to everyone. At the same time, as an industry leader, MGI Tech is committed to jointly creating a fairer industry environment, a more open industry ecosystem, and a new world of

At the 2024 DCS Ecological Partner Conference themed "Three Arrows Shot Together • Born from Innovation", MGI

Tech, alongside over 30 DCS ecosystem partners, officially initiated the "Spatiotemporal and Single-cell Big

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MGI Tech places great emphasis on synchronizing research with standardization efforts. To this end, it has established a "Standardization Management Committee" to develop robust management systems and processes for standardization, thereby advancing the construction of a globally leading standardization framework. Addressing the lack of standards in various areas, the Company has filled the standard gaps across multiple industries, including sequencers, test reagents, sample storage systems, and tele-ultrasound technology. It has collaborated with partners throughout the industry chain, both upstream and downstream, to explore international markets. Moreover, the Company has actively participated in standard-setting activities to provide crucial support for the standardization, regularization, and high-quality development of the life sciences industry.

Standard Name Genomics informatics - Description rules for genomic data for genetic detection products and services Biotechnology – Massively parallel DNA sequencing – General requirements for data processing of shotgun metagenomic sequences Information technology-Biometric sample quality-Part 14: DNA data General Principles for Performance Evaluation of Real-time Fluorescent Quantitative PCR Instrument Information technology-Biometric-Specification for High-throughput Sequencing Genotyping System Blockchain and Distributed Ledger Technology-Reference Architecture





within the industry.

multi-omics integration.



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Message From Chairman

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Π4 **Advancing Life Science Tools for Future Healthcare**

In the long journey of exploring life sciences and biotechnology, MGI Tech has been make pioneering efforts. Driven by our mission of "Leading Life Science Innovation" We are committed to developing and promoting advanced life science tools for future healthcare. The Company focuses on precision medicine, precision agriculture and precision health, and is committed to providing customers with real-time, whole-picture, and life-long digital life science solutions.

Our pursuit extends beyond continuous R&D innovation and intellectual property protection. More importantly, it is also demonstrated through a comprehensive, systematic approach that fosters industry-academia-research collaboration -- along with lean manufacturing, global service excellence, rigorous quality management, and a sustainable supply chain, etc. By continually pushing the boundaries of technology, MGI Tech partners with global leaders to unlock the vast potential of life sciences and technology, drive innovation, enhance human health, and tirelessly work towards creating a more robust life technology ecosystem.

2035 Plan

To build a core technology system that is independent and controllable at its source

To continuously advance the establishment of DCS Labs, state-of-the-art omics laboratories, worldwide

To secure more than 200 patents authorized and software copyright registrations that year

To ensure that the sequencing data quality on the DNBSEQ platform reaches Q40 (99.99%) >85%*

To have served over 3,800 users in total

To add over 50 new strategic partners that year

To obtain more than 500 qualification certificates globally

To offer open-source AI models for environmental health to research institutions worldwide, fostering international collaboration in ecological governance

To ensure that AI can address all environmental monitoring scenarios and that big data platforms can support 80% of prefecture-level cities across China by 2025







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R&D Innovation

MGI Tech is committed to fostering a culture of innovation rooted in originality and self-reliance. We champion breakthroughs in pivotal core technologies and seamless integration of interdisciplinary systems. Our approach encompasses the full spectrum of industry-academia-research-application collaboration, driving the creation of innovative new models. This commitment has shaped a robust system of technological innovation, propelling the manufacturing industry's innovation strategy forward. We lead and support innovation and research across the board, cultivating an open, interoperable, inclusive, and equitable R&D environment. MGI Tech is building a supportive R&D framework that champions extreme thinking, fosters innovative breakthroughs, and encourages bold advances in cutting-edge territories.

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R&D Management System

MGI Tech has developed and continuously optimized a technology assessment and planning system tailored to its unique needs. We have crafted a distinctive "four-level R&D hierarchical management model" aligned with our various developmental phases. This model encompasses X-Exploratory Research, R-Technical Research, D-Product Development, and P-Online Upgrades. This structured approach ensures that our technological innovation and core competencies remain dynamic, positioning us as industry leaders.



MGI Four-level R&D Hierarchical Management Model

The Company has established a model for enhancing autonomous innovation capabilities, focusing on four key areas: products, disciplines, talent, and evaluation. This model is designed to help the Company develop a distinct innovation advantage and drive progress within the industry. Product development is guided by a scientific and technological orientation, with a focus on addressing specific issues in customer applications. This is achieved by identifying and prioritizing technical improvements that directly address major application needs. In the realm of disciplines, the Company follows a problem-driven approach, extracting common scientific issues from real-world problems. This approach spans across various fields, including physics, chemistry, mathematics, and optics. Regarding talent development, the Company has implemented a "mentorship model" for talent training, which aims to strengthen the innovative capacity of the team and ensure a sustainable pipeline of innovation. The evaluation process is tailored to the different stages of achievement, with a particular focus on the practical application of those achievements and customer satisfaction.



Integrated model for building independent innovation capabilities

Ethical Safeguards

The ethical safeguards related to research and development are the core value coordinates of MGI Tech's technological innovation. MGI Tech adheres to international ethical standards, including the Declaration of Helsinki, the Biosecurity Law, and the Guidelines for the Collection, Access, Use, and Sharing of Human Genome Data. The Company also strictly complies with China's laws and regulations, such as the Human Genetic Resources Administrative Regulations, and the Personal Information Protection Law of the People's Republic of China. This commitment ensures that its technology research, development, and applications align with both ethical and legal requirements. We adhere to the fundamental principles of valuing life and maintaining scientific impartiality, striving to balance technological progress with social responsibility. By establishing strict ethical review mechanisms and safeguarding the security of personal biometric data, we ensure informed consent and mitigate potential risks. We are dedicated to creating an open and inclusive system of ethical governance, balancing technological innovation and ethical boundaries, and fostering scientific and technological advancements that uphold human dignity and benefit society as a whole.

MGI Tech took part in the specialized training and assessment for the Scientific Research Integrity Month. The training covered various topics, including technology management, ethics, biological resources, data security, the management of scientific research findings, and maintaining scientific research integrity. The coverage rate of technology personnel training reached 100%, and the pass rate of assessment reached 100%.

The Company also tasked its research and development project leaders with participating in the "Project Leader Full-Cycle Management Training". This training included topics such as an introduction to technology ethics, as well as technology ethics management and declaration. During the training session, the R&D leader from MGI Tech was invited to give a special lecture titled "Introduction to Ethics Declaration", who provided on-site guidance to attendees, helping them review relevant issues and offer practical suggestions and solutions to ensure effective project control in terms of compliance and ethical standards. Through such training and interaction, the Company is dedicated to raising ethical awareness among R&D project leaders, improving compliance management, and fostering the integration of technological innovation with code of ethics.



🙊 Performance Highlights



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2024 Data

812People

31.18%

R&D investment

90,998.3 million yuan

R&D staffing number

R&D personnel ratio

Percentage of R&D

personnel holding

higher60.47%

Master's Degrees or

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R&D Resources

MGI Tech has established specialized R&D departments to promote technological progress, which include the Instrument General Technology R&D Center, Instrument Product R&D Center, Sequencing Biochemistry R&D Center, Application R&D Center, BIT Product R&D Center, Qingdao R&D Center, Changguang R&D Center, CG R&D Center, and IMABOT R&D Center. These R&D departments are based in various locations, including Shenzhen, Wuhan, Qingdao, Changchun, Kunshan, and the United States. The R&D organizations are structured with clearly defined roles and collaborative efforts, encompassing all stages from scientific research and exploration to product development and online upgrading, involving multiple fields such as sequencers, laboratory automation, and new businesses.

MGI Tech consistently emphasizes the significance of independent and controllable procurement of upstream core raw materials. The Company is dedicated to achieving in-house production and supply of critical core materials, including sequencing enzymes and sequencing dNTPs. We have developed a range of proprietary technological platforms and is equipped with state-of-the-art biotechnology instruments. And we have recruited internationally renowned scientists and technical experts who are specialized in genomics, bioinformatics, molecular biology, and related fields, continuously promoting pioneering research within the life sciences sector.

To boost innovation capabilities, the Company has developed the MGI-IPD integrated product development model. This model combines the ISO 13485 international standard with the leading R&D practice model IPD, closely integrating industry quality requirements with integrated development tools. Furthermore, we incorporate risk management throughout the entire lifecycle of technological innovation, tailored to the industry's characteristics and our control requirements. To ensure effective risk control, we develop customized processes for each project and utilize evaluation mechanisms, including "five decision risk reviews, fifteen technical risk reviews, and three types of quality risk assessments". This comprehensive approach provides robust support for technological innovation by ensuring the controllability of decision-making as well as technical and quality risks.



Intellectual Property Protection

MGI Tech strictly adheres to the legal frameworks governing its operations, including the *Patent Law of the People's Republic of China,* and the *Trademark Law of the People's Republic of China,* as well as *Enterprise Intellectual Property Management Standards* in the relevant countries and regions. To enforce this commitment, the Company has established a dedicated intellectual property department and implemented comprehensive internal systems. These systems, such as the *Intellectual Property Incentive Management Procedure, Patent Management Procedure,* and *Technology Secret Management Procedure,* cover the entire lifecycle of intellectual property management, from project inception and development to product launch and withdrawal from the market.

Relying on an independent and controllable advanced international core technology system, the Company is dedicated to building a comprehensive "full-chain protection mechanism" for key technologies like gene sequencing and laboratory automation. It simultaneously carries out high-value patent development projects, strategically selects and cultivates patent portfolios through priority examinations, invalidations, and other methods, and accelerates the commercialization of intellectual property to enhance the efficiency for applying research results to production and the capability to achieve value.



326 Pieces 139 Pieces Number of patent Number of patents applications granted 40 Pieces 32 Pieces Number of design Number of design patent applications patents granted Joint Innovation

Through joint innovation with partners across various fields, MGI Tech has not only enhanced its R&D capabilities in specific areas but also fostered interdisciplinary and inter-sectoral technological integration and innovation, yielding a positive impact on societal innovation. As technology continues to advance and our collaboration network expands, we anticipate even more significant breakthroughs and achievements in our joint innovation endeavors.

Case Strategic Cooperation with Hong Kong Science & Technology Parks Corporation

On September 10, 2024, Hong Kong Science & Technology Parks Corporation (HKSTP) and MGI Tech officially signed a strategic partnership agreement to jointly develop a world-class life science innovation platform in Hong Kong. As part of the collaboration, MGI Tech has also launched joint innovation initiatives with six research institutions and companies, including InnoHK's Hong Kong Center for Neurodegenerative Diseases (HKCeND), InnoHK's Hong Kong Institute of Science & Innovation at the Chinese Academy of Sciences, Quantum Life, Asia Molecular Diagnostic Laboratory (AMDL), Codex Genetics Limited, and GemVCare Limited. This move has not only significantly boosted the R&D and innovation capabilities of MGI Tech and its partners in their respective fields, but also broken down interdisciplinary and cross-realm barriers, fostered the integration of technology and ideas, and injected new vitality into the global life sciences sector and social innovation.



Against this backdrop, MGI's α Lab has been officially established at HKSTP, focusing on AI research and development, commercialization, and building incubation platforms. Leveraging Hong Kong's unique strengths in technological innovation and international connectivity, along with the strategic position of the Guangdong-Hong Kong-Macao Greater Bay Area, α Lab will expand its global R&D footprint, speed up international collaboration, and empower the high-quality development of the life sciences industry.

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73 Pieces Number of utility model patent applications

77 Pieces Number of software copyright applications 41 Pieces Number of utility model patents granted

84 Pieces Number of software copyrights registered About MGI Tech

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Comprehensive Support for Life Sciences Big Data Infrastructure

With the rapid advancements in biotechnology and information technology, particularly the breakthroughs in gene sequencing and enhancements in data processing capabilities, the establishment of big data for life sciences has become feasible. MGI Tech is dedicated to the independent research and development of advanced life science tools, driven by a spirit of innovation. The Company has established a platform that integrates "reading, writing, and storage" functions for core life science and technology tools, offering comprehensive support for the development of big data for life sciences.



Deepening Innovations in Genetic Sequencing Technology

With the advent of the era of "full read lengths", life can be measured more accurately. Leveraging its core technology, the Company has taken an industrial leading position in the R&D and production of the tools for "reading" life - the gene sequencer. As a provider of advanced life science tools, MGI Tech is not only capable of independently developing and mass-producing clinical-grade gene sequencers with different throughputs from Gb level to Tb level, but also the only institution in the world that simultaneously possesses three gene sequencing technologies and products: "excitation luminescence, self-luminescence, and non-luminescence".

Building on continuous innovation and technological advancements, the Company has pioneered the deep integration of "short read length" (DNBSEQ high-throughput sequencing platform) and "long read length" (CycloneSEQ nanopore sequencing platform) sequencing technologies, creating a whole-process tool matrix with the goal of "full read lengths" (SEQ ALL). This innovative breakthrough has made the Company the first Chinese enterprise to integrate both "short read length" and "long read length" technology platforms. By combining the strengths of both "short read length" and "long read length" sequencing technologies-like twin swords working in unison-the Company has successfully broken down barriers between different sequencing technologies, providing more accurate and comprehensive solutions for scientific research and clinical applications, and effectively promoting technological iteration and industry transformation in the field of gene sequencing.



Al-enabled Full-throughput Products

The Company has extensively developed a range of AI-based algorithms to boost the competitiveness of its products. By leveraging AI models to understand the biochemical, optical, and physical processes behind signal generation in sequencing, we have optimized the sequencer's base calling algorithm, cutting the error rate on conventional libraries by more than 30%. Additionally, by integrating 4-bit ultra-low precision quantization compression technology, the Company's AI model has been successfully applied to the T-level ultra-high throughput sequencing platform, enabling full coverage across the entire range-from E-series low throughput products to T-series ultra-high throughput products.

During the reporting period, the EvoPlay protein design AI agent at the Company's R&D center, supported by an automated high-throughput protein screening platform, independently designed a flash-type luciferase with high fluorescence intensity and thermal stability, which can accurately distinguish four types of bases using just a single signal acquisition, overcoming the limitations of traditional two-color labeling technology. Based on this technological achievement, the Company has introduced flash fluorescence labeling technology, upgraded its flagship DNBSEQ-E25 gene sequencer, and launched the DNBSEQ-E25 Flash Sequencer, significantly reducing sequencing time. By combining an AI-based base calling algorithm with the powerful performance of the high-computing power edge computing device, the DNBSEQ-E25 Flash Sequencer can now complete the SE50 sequencing process in as little as 2 hours. This further meets the need for ultra-fast turnaround times in public health, infectious disease diagnosis, and other fields, while also expanding the application scenarios of compact gene sequencers.

In terms of bioinformatics analysis technology, the Company uses machine learning algorithms to enhance the detection and analysis of genetic variations. By leveraging gene sequencers to generate large volumes of sequencing data, the Company builds and trains AI models that can distinguish between high- and low-quality variations. This approach significantly boosts the accuracy and efficiency of variation detection, providing more accurate basic data for scientific research and clinical medical applications.



During the reporting period, the Company launched the CycloneSEQ-WT02 (Chinese name: "Wutong"), a medium-throughput nanopore gene sequencer, and the G400-ER, a high-throughput nanopore sequencer. These additions not only expanded the Company's product lineup in nanopore gene sequencing, but also offered researchers a complete solution covering both medium and high-throughput needs, helping to accelerate advancements in genomics research.

The "Wutong" CycloneSEQ-WT02 is a medium-throughput nanopore gene sequencer with a maximum throughput of 50G. Its run time can be flexibly set anywhere from 10 minutes to 72 hours, accommodating a wide range of sequencing requirements. Its applications are diverse and include amplicon sequencing, metagenomic sequencing, whole-genome sequencing of small genomes, low-coverage whole-genome sequencing, and whole transcriptome sequencing. This product is especially well-suited for scientific research institutions and small to medium-sized laboratories offering an affordable and efficient sequencing solution while also making gene sequencing more accessible.



G400-ER is a high-throughput nanopore gene sequencer with a throughput of up to 400G. Its single run time is flexible and adjustable, ranging from as short as 1 minute to as long as 72 hours. The core advantage of this product is its ability to support larger and more complex genomics research applications, such as whole genome resequencing, de novo genome assembly, full-length transcriptome sequencing, epigenome sequencing, and chromosome interaction analysis. The launch of "Wuyue" offers robust technical support for large-scale genomics research and precision medicine, particularly excelling in studies that involve complex samples and high data requirements.





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A Comprehensive Strategy for Digital Equipment and Systems in Life Sciences

Focusing on the strategic vision of "whole-process automation, scenario diversification, and platform-based technology", MGI Tech is actively building the foundation for an intelligent digital life ecosystem. By embracing digitalization, the Company keeps advancing the miniaturization, smart features, and remote management of its products. Through independent R&D and strategic cooperation, the Company has built a comprehensive technological and ecological reserve, providing efficient and accurate intelligent device and system solutions, supporting cutting-edge scientific progress and technological innovation in the field of life sciences, and meeting diverse customer needs.

Business Segments	Product Type	Product introduction	Main Product Models
	Automated sample	Sample pre-processing workstation, transferring samples from sampling tubes to standard microplate wells	MGISTP-7000 series
	processing systems	High-throughput automated sample processing by pipetting, for library preparation and nucleic acid extraction	MGISP-960 series and MGISP-100 series
		One-stop modular sequencing workstation, providing a full process automation platform from sample preparation to sequencing report issuance	MGIFLP series
Laboratory Automation	Automated platform	Fully automatic plasma membrane separation production line, offering a full process automation platform from whole blood to plasma mem- brane layer	MGIGLab-S series
		Fully automatic library preparation production line, offering a full process automation platform for ultra-high-throughput library preparation with intelligent customi- zation	MGIGLab-L series
	Universal testing platform	Reagents for sample processing and consumables compatible with automation equipment	Reagents for DNA and RNA extraction, consumables for automation, and reagents for sample collection and storage, etc.



MGI Tech is actively advancing the integration of artificial intelligence with its existing products and technologies to comprehensively improve the intelligence and efficiency of the overall solution. The Company constantly iterates and upgrades its bioinformatics computing and storage products, offering a wide range of solutions—from basic stand-alone and clusters to multi-node elastic resource pools and compute-storage convergence. By seamlessly integrating multiple large language models with biological AI models, the Company has created a hybrid inference engine that enables intelligent computing power scheduling, significantly enhancing resource utilization and boosting overall system intelligence. Based on a micro-service architecture, the Company supports modular combination and cross-architecture container scheduling, optimizing the system's resilience and customization capabilities.

In the field of laboratory management, the Company is dedicated to creating a cutting-edge intelligent management platform that combines AI large models with automation technology. By leveraging smart decision-making and dynamic scheduling, it enables digital, intelligent, and unmanned management of life sciences experiments, significantly improving scientific research efficiency and accuracy. Additionally, the Company consistently enhances data governance, security compliance, and ecosystem collaboration, creating standardized, end-to-end, one-stop solutions that enable research-ers to focus on innovation and discovery while making laboratory management smarter, more efficient, and more secure.

luct introduction	Main Product Models	
~	~	
library building	DNBelab C-series, MGIEasy, and MGIDS-1000, etc.	
ine	MGIUS-R3, 5G ultrasound robot mobile vehicle, and handheld wireless color Doppler ultrasound diagnostic device	
ensive management or gene sequencing cle management of , including both and software	ZTRON, and ZLIMS, etc.	
ated biological sample brary that is safe, efficient, and covers all re zones	MGICLab series, and sample management system ZSM pro, etc.	
n utilizes modular auto- ols to flexibly customize n products, ensuring high n and stable performance. quipped with intelligent creating an efficient and ive operation system.	"Smart Lab" System	

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Breakthroughs and Achievements of DNBSEQ

Since the Company launched its first domestically produced gene sequencer DNBSEQ platform BGISEQ-500 in 2015, this technology has quickly advanced and become a key pillar of life science research. After ten years of development, DNBSEQ has been adopted in 75 countries and regions worldwide. Its users have published over 10,000 high-impact scientific articles covering more than 5,406 biological species, showcasing its exceptional performance in data quality and research applications.

The Evolution of Technology

With ongoing advancements in DNBSEQ technology, its core advantages—high throughput, low cost, and exceptional accuracy—have completely changed the paradigm of basic research in life sciences. Thanks to this platform, researchers have been able to analyze genomes, transcriptomes, and epigenomes like never before, leading to major advances across various fields. By the end of 2024, there were 3,398 research articles published using the DNBSEQ platform, includ-ing papers in top academic journals like *Cell, Nature*, and *Science*. These studies not only reveal the dynamic changes in gene expression, but also explore the diversity of microbial communities and their interactions with hosts, providing important data support for precision medicine.





The contribution of the DNBSEQ platform in promoting the development of precision medicine cannot be underestimated. Through applications such as non-invasive prenatal testing and whole genome sequencing, this technology provides new opportunities for early disease screening and personalized treatment. For example, liquid biopsy technology based on DNBSEQ can detect circulating tumor DNA, opening up a new path for early diagnosis of lung cancer and colorectal cancer. This not only enables researchers to better understand the mechanisms of cancer, but also effectively guides the development of personalized treatment plans.

Going Deep into Emerging Fields

Building on foundational scientific research, DNBSEQ technology has also been actively extended into emerging fields like agricultural genomics, ancient DNA studies, and synthetic biology. For example, in agricultural genomics, researchers have used this technology to analyze the genetic structure of important economic traits in pigs, successfully published relevant research results, and promoted the progress of agricultural breeding. Additionally, MGI Tech's single-cell sequencing platform and spatiotemporal omics technology are advancing the precision and sophistication of research. These technologies have enabled new breakthroughs in biology, such as high-precision developmental panoramic atlas construction of model organisms like mice and zebrafish, and in-depth analysis of the early pregnancy microenvironment.

After ten years of continuous development, MGI Tech's DNBSEQ sequencing platform has not only provided robust technical support for life sciences research but has also opened new avenues for investigation in fields such as biology, medicine, and agriculture worldwide. This platform lays a strong foundation for future scientific discovery and human health advancements, highlighting the limitless potential of technological innovation to propel progress in the life sciences. As more high-quality research emerges, DNBSEQ will remain at the forefront of life sciences and technology, uncovering the mysteries of life and driving the progress and prosperity of human technology.



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research in the field of modern life sciences.



On September 11, 2023, MGI Tech officially announced the initiation of the DCS Lab 2023 Scientific Research Empowerment Program, targeting top global scientific research endeavors. This program marks MGI Tech's inaugural effort in empowering laboratories within cutting-edge research domains, focusing on population genomics, cell omics, and spatiotemporal omics (aligning with the "DNA Sequencers", "Cell Omics", and "Spatial Omics" sections of the DCS Lab). It aims to accelerate research progress by enabling scientific endeavors in these emerging technologies. The ultimate goal is to assist leading global researchers in establishing internationally recognized, large-scale, and standardized multi-omics cutting-edge laboratories, thereby fostering the advancement of frontier research and industry growth in life sciences.

Up to now, 23 DCS Labs have been established worldwide, which have joined by the Shanghai Center for Brain Science and Brain-Inspired Technology, the Haihe Laboratory of Cell Ecosystem, the National Cancer Centre Singapore, the Peking University Institute of Advanced Agricultural Sciences, Fujian Medical University, the National Model Animal Science Center of China Agricultural University, and the Institute of Health and Medicine at Hefei Comprehensive National Science Center, etc.



Promoting Cutting-Edge Research in Modern Life Sciences



MGI Tech is dedicated to its mission as the "To Develop and Promote Advanced Life Science Tools for Future Healthcare" and embraces the vision of "Leading Life Science Innovation". By launching initiatives like the Global Research Empowerment Program and continuously enhancing our product technological capabilities, we strive to propel cutting-edge Case PKU-IAAS - MGI Tech Cutting-edge DCS Lab

On July 25, 2024, the Peking University Institute of Advanced Agricultural Sciences (hereinafter referred to as the "PKU-IAAS") announced a strategic partnership with MGI Tech, officially unveiling the "PKU-IAAS - MGI Tech Cutting-edge DCS Lab". This collaboration seeks to leverage the strengths of both parties to foster comprehensive cooperation across high-throughput sequencing, cell omics, spatiotemporal omics, and nanopore sequencing, etc. The goal is to advance the application of cutting-edge technologies in agricultural research and address key scientific challenges in plant life sciences.

The DCS Lab is equipped with MGI high-throughput gene sequencer DNBSEQ-G400, DNBelab C-TaiM 4 single-cell droplet generator, and CycloneSEQ nanopore sequencing product, providing core support for the exploration of plant life processes. The relevant instruments can enable laboratories to carry out large-scale and standardized single-cell multi-omics research, and will subsequently help PKU-IAAS to further enhance its scientific research capabilities in the single-cell field.

Embarking on the 6D Era of Life Sciences

MGI Tech has embraced the concept of "scientific research empowerment" to deliver comprehensive technical support to the world's leading scientific research teams. This strategic approach has broadened its presence in the life sciences field and marked the beginning of a new "6D era". The 6D Era is more than just a technological term; it represents a completely new perspective-spanning genes, cells, tissues, organs, individuals, and both internal and external environments. It extends to deep analysis involving thought and consciousness, aiming to create a whole-picture, multi-dimensional system for understanding life. This approach enables scientific research to explore development, disease, regeneration, and other challenges from a more comprehensive perspective.

In this context, MGI Tech has expanded the range and application of scientific research tools by integrating four major life science product lines: high-throughput nanosphere sequencing, nanopore sequencing, cell omics, and spatiotemporal genomics. This integration enriches both the types of tools available and their application scenarios. MGI Tech, following the resolution passed at the 2023 Annual Shareholders' Meeting, has entered into a cooperation agreement with relevant BGI business entities. Through this agreement, MGI Tech has secured the global market distribution rights for nanopore sequencing products, as well as intellectual property authorization and worldwide distribution rights for STOmics products. These measures not only strengthen the complementarity between product lines, but also provide stable and reliable core technology support for global scientific research teams.

Through such integration of multidimensional technologies and a global collaborative network, MGI Tech is taking practical and solid steps to promote the leapfrog development of life sciences, laying a solid foundation. The opening of the 6D Era not only builds upon the existing efforts in scientific research empowerment but also introduces new tools and ideas for exploring life in greater complexity and depth in the future. This milestone highlights MGI Tech's continuous dedication and concrete actions to advance modern life sciences and technology.

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Quality Management

MGI Tech upholds the principle that quality management is its core competitiveness, champions the "Five Synchronization" quality management model, and establishes a comprehensive and integrated quality management system. The Company is committed to covering all business processes and value chains, strictly meeting domestic and international compliance requirements, and achieving integrated management through digital empowerment. MGI Tech has established a robust quality and safety assurance mechanism that extends throughout the entire product lifecycle, upholding the philosophy of "excellence in intelligent manufacturing, quality first". The Company consistently strives for excellence in quality across multiple areas, including product research and development, production, testing, and delivery. By leveraging quality to drive technological innovation and enhance competitiveness, quality management becomes a crucial strategic pillar supporting the sustainable development of the Company.

Quality Concept First

MGI Tech adopts the "Five Synchronization" quality management model, integrating science, technology, quality, standards, and intellectual property rights. Upholding the philosophy of "excellence in intelligent manufacturing, quality first", we implement a quality policy that emphasizes "adherence to standards, pursuit of excellence, commitment to innovation, and continuous improvement". Our quality management structure is robust, with the CEO as the chief responsible officer for quality and safety, the EMT as the operational decision-making body, and the Global Quality System VP overseeing overall management, ensuring clear roles and an efficient operation. We have established detailed procedures, including the Medical Device Product Design and Development Management Procedure, Production Management Procedure, Customer Service Management Procedure, Quality Control Procedure, and others to fully execute quality responsibilities, establish a quality integrity mechanism, and build a governance system safeguarding product quality.



MGI Quality Philosophy

To prevent the unintended use or distribution of substandard products, MGI Tech has established and strictly adheres to a series of internal protocols, including the Nonconforming Product Control Procedure, and the Recall Management Procedure. Additionally, we have implemented a comprehensive system for the identification, documentation, containment, reporting, investigation, disposal, and monitoring of non-conforming products, ensuring the safety and efficacy of medical devices and safeguarding human health.



The Company prioritized quality and compliance, and further upgraded its quality management training system in 2024. The training content focused on medical device regulations, information security laws, international and domestic standards, as well as knowledge and tools related to quality management.

In 2024, the Company revamped its quality training program for new employees, aiming to train 40,900 people across 210 positions and offer 848 professional course sessions. This update substantially expanded both the scope and depth of training compared to the previous year. Additionally, the Company used the "Quality Lecture" platform to host monthly talks by both internal and external experts for all employees. In 2024, the Company delivered 42 quality-related courses, totaling 2,560 hours of training, which reached 3,400 employees. This ongoing effort enhanced compliance awareness and professional skills of all employees.

Through systematic and comprehensive quality training, the Company has deeply ingrained a quality culture into every employee's professional practice, fostering a continuous iteration of quality management that seamlessly translates from concept to action.

continuous optimization of the compliance system and strengthening of risk management, the Company has effectively prevented and controlled product quality and safety risks. Since its establishment, the Company has consistently maintained a good quality and safety record, with no post-market product adverse reaction incidents, product recalls, or failed product spot checks at either the national or provincial level.

MGI Tech constantly makes efforts in establishing a certification system, committed to establishing a comprehensive and high standard management system to ensure outstanding performance in product quality, information security, environmental protection, and occupational health and safety, etc. The Company actively pursues and maintains a wide range of authoritative certifications globally, continually reinforcing its compliance foundation:

Leveraging a robust risk management and prevention mechanism, and through

..... Follow the requirements of ISO 14971 risk management standard

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Adhering to risk management standards like ISO 14971, the Company has established a quality and safety risk management system. It carries out full lifecycle risk management from risk identification, risk analysis, risk assessment, and risk control, etc., utilizing various risk analysis tools such as Preliminary Hazard Analysis (PHA) and Failure Mode and Effects Analysis (FMEA). By integrating these tools with information systems, the Company implements continuous and dynamic risk manaaement.



the Company successfully

In 2024

cleared 65 audits conducted by regulatory authorities

Compliance Policy

Laboratory Automation: MGISTP-3000, MGISTP-7000, MGISP-NE32, MGISP-NE384, MGISP-100, and MGISP-960, etc.;

machine, etc.

laving 395 qualification

QC08000 hazardous substance process management system





full range

Complete

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Gene Sequencers: DNBSEQ-T20 × 2, DNBSEQ-T10 × 4, DNBSEQ-T7, MGISD-NBSEQ-G400, MGISEQ-200, DNBSEQ-G99, and DNBSEQ-E25, etc.;

New Business: MGIUS-R3, MGICLab-LN55K Pro, and ZTRON all-in-one

Multiple certifications such as NMPA, CE, CB, cTUVus, and EAC, cover registration certifications in more than 20 countries or regions including China, the European Union, Japan, South Korea, Australia, Saudi Arabia, Brazil, and Malaysia, and cover more than 90 market access qualifications in the Asia Pacific, European Union, North America, and Central Asia regions.

ISO 13485: Medical Device Single Audit Program quality management system

ISO/IEC 27001: Information security management system

ISO/IEC 27701: Privacy information management system

ISO/IEC 20000: Information technology service management system

ISO 14001: Environmental management system ISO 45001: Occupational health and safety management system

By the end of the reporting period

the Company had secured a total of 258 medical device qualification certificates globally. This includes

38 domestic certificates and 220 international certificates, covering multiple countries across Asia Pacific, the Americas, Europe, and Africa.

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In terms of ISO 9001 quality management system certification, Wuhan MGI Tech Co., Ltd. has completed the certification, fundamentally ensuring the standardization and normalization of organizational management. In the field of ISO 13485 Medical Device Single Audit Program quality management system certification, the Company continues to expand its certification scope, currently covering Wuhan MGI Tech Co., Ltd., Shenzhen MGI Tech Co., Ltd., Latvia MGI, Japan MGI Tech Co., Ltd., and Germany's Intelligent Manufacturing MGI Tech GmbH, comprehensively enhancing the Company's quality governance capabilities in the medical device field. By continuously promoting quality system certifications from external authoritative institutions, the Company not only ensures high-quality standards for products and services, but also provides solid support for its internationalization strategy.

Case Accredited by CNAS

MGI Tech General Testing Laboratory has successfully passed the on-site laboratory evaluation by the China National Accreditation Service for Conformity Assessment (CNAS), and officially obtained CNAS accreditation (registration number: CNASL22241) on December 31, 2024, becoming MGI Tech's first laboratory accredited by CNAS. CNAS is an accreditation body approved and established by the Certification and Accreditation Administration of China (CNCA), which uniformly implements accreditation work for accreditation bodies, laboratories, and inspection agencies, etc. CNAS is the most authoritative laboratory accreditation body in China, with its accreditation results enjoying widespread international recognition and mutual acceptance.



Lean Intelligent Manufacturing

MGI Tech has responded to the intensifying competition in modern manufacturing by fully embracing lean production philosophy and smart manufacturing technologies, building a robust system to enhance organizational capabilities. The Company adheres to the core management philosophy of "people-oriented and continuous improvement". It has put in place the MBS lean system, and transformed the value streams across research and development, logistics, production, quality, assembly, and the supply chain using systematic innovation methods, addressing evolving market challenges.

The essence of lean transformation is effectively cutting waste, boosting efficiency, managing costs, and improving product quality. To drive manufacturing transformation, the Company has set up the Lean Committee to develop strategic management plans and oversee the progress of lean initiatives. Through standardized processes and continuous improvement, the Company has significantly reduced production hours and overall costs while ensuring production stability. Currently, MGI Tech's lean transformation has entered the stage of value-driven and empowerment improvement, steadily advancing toward a new stage of business integration and intelligent manufacturing.

In 2024, the Company will continue to drive lean management initiatives, foster employees' creativity, and enhance on-site operations. To date, the total revenue generated for the year has surpassed 4 million yuan, which is generated from 764 proposals submitted, with 676 deemed effective, resulting in an effectiveness rate of 88%. Of these, 601 proposals have been implemented, achieving an implementation rate of 89%-a 34% increase from 2023.

In terms of quality management, the Company has always adhered to the principle of "adhering to standards, maintaining meticulous records, ensuring vigilant monitoring, and enabling full traceability of all actions", and it has incorporated this philosophy throughout the entire production process. From production management and manufacturing technology to frontline operations, the Company has achieved effective full lifecycle equipment management through standardization and precise control. Additionally, in terms of IoT-enabled materials and process standardization, the Company further strengthens source control to ensure stable and reliable quality throughout the whole process from raw materials to final delivery

In order to better support the improvement of quality and efficiency, the Company is continuously stepping up its application of information technology. The Company has achieved transparent and visual management of the whole processfrom order receipt to product delivery-by integrating and implementing the SRM supplier management system alongside the MES manufacturing execution system. This not only streamlines business processes but also greatly improves quality traceability and production process control, laying a strong foundation for the ongoing advancement of lean management.

Building on this foundation, the Company continually advances automation upgrades by deeply integrating mechanical intelligence with automated tooling equipment, thereby improving production efficiency and precision. Currently, the intelligence level of our sorting and material preparation processes continues to improve. We have independently developed or adopted 69 core automation devices, which are now widely used across various production stages. This has greatly reduced our delivery times and has led to stable production processes and consistent product quality.

Looking ahead, the Company plans to further enhance its existing intelligent manufacturing capabilities by deeply integrating cutting-edge technologies like 5G, AI, and industrial robots. The goal is to significantly improve resource allocation efficiency and strengthen process quality control across the board. The Company's ultimate goal is to achieve whole-process data tracking and production transparency, build a truly intelligent manufacturing ecosystem, accelerate the development of smart lighthouse factories, and continuously strengthen its core quality competitiveness.

🙊 Performance Highlights
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Global Services

MGI Tech is continuously refining its global network and localizing its global marketing efforts. The Company has established local sales teams for the China, Asia-Pacific, Europe-Africa, and Americas regions. Additionally, it has established subsidiaries in San Jose (USA), São Paulo (Brazil), London (UK), Paris (France), Shenzhen (China) and other locations to support local business growth. At the same time, we have established customer experience centers in thirteen locations including Beijing (China), Boston (USA), São Paulo (Brazil), London (UK), Riga (Latvia), Berlin (Germany), and Tokyo (Japan). Our aim is to enable local researchers and partners to engage with MGI Tech's advanced technologies and innovative platforms. These centers provide comprehensive technical support and application guidance for diverse requirements, such as training, technical testing, and project validation.

MGI Tech actively cultivates comprehensive customer relationships by employing a refined customer satisfaction measurement system and improvement mechanism. Regular customer surveys are conducted, and improvement measures are formulated based on the feedback received. The Company places great importance on customer feedback and complaints and has established an efficient system for managing and monitoring them through its CRM system. A comprehensive customer service management system covering pre-sales, in-sales, and after-sales phases ensures swift and effective responses to and effective resolution of customer concerns. Additionally, the Company has established a series of service standards, including the Customer Information Feedback Management Procedure, Top Customer Service Management Procedure, Pre-sales Technical Support Service Instruction, Customer Training Service Management Instruction, After-sales Remote Service Management Instruction, Warranty Service Implementation Management Instruction, and Complaint Management Procedures, aiming to enhance service quality and operational efficiency.





Customer Service Management



In the process of establishing a customer satisfaction survey mechanism and forming the Customer Satisfaction Survey Procedure, we are committed to integrating environmental, social, and governance (ESG) concepts into our business practices. Through regular surveys, we promptly capture customer sentiments regarding our products, delivery, and service quality. Simultaneously, we optimize survey tools to improve customer completion experience, and follow a closed-loop process to ensure accurate responses to customer needs. Moreover, we take customer satisfaction and privacy seriously. To ensure customers' rights and data are secure, we have established a customer privacy policy. Through these measures, we demonstrate our social responsibility and commitment to sustainable development, while also ensuring the continuous improvement of customer satisfaction.



This year, R&D technicians are arranged to conduct high-quality special visits to both current and prospective customers, in addition to routine customer visit. These efforts are aimed at deepening our understanding of customers' genuine requirements, collecting feedback on product utilization, and facilitating swift resolution and product optimization.

Online seminar videos and training platforms

The official website features online seminar videos and training platforms, offering webinars and instructional content covering the performance and technical operation of our products. These resources serve as valuable platforms for both potential and existing customers to seek product guidance, participate in technical discussions, adhere to standardized operations, and engage in remote training sessions.

Customer complaint acceptance channels and processing procedures

MGI Tech offers customers a range of ways to submit complaints, including through our official website, email, and phone. Once a customer complaint is accepted, the Customer Service Center and Quality Center will promptly respond and establish a dedicated team to investigate the issue. The team will promptly identify and address customer issues while thoroughly investigating their underlying causes. Following this, the team will develop and implement corrective and preventive measures, which may include product upgrades and changes where necessary. After implementing these measures, MGI Tech will assess and monitor their effectiveness to ensure that the problems are fully resolved. Finally, the Company will provide customers with feedback on the handling results, and implement follow-up and complaint tracking to ensure customer satisfaction and continuous service quality improvement.





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Quality improvement initiatives to enhance customer service



This year, the Company hosted a total of 267 professional training sessions, which drew 1,519 participants and spanned over 3,000 hours. We carefully designed multidimensional learning paths from professional technical training (FSE) to functional training (FAS&FBS). Among these, there were 137 FSE training sessions, which covered 519 individuals and totaled 2,616 hours of training. Additionally, there were 130 FAS&FBS training sessions, benefiting 1,000 employees with a total training duration of more than 390 hours.

Our training system adheres to the open philosophy of collaborative growth with upstream and downstream partners, focusing on empowering the partner ecosystem. To support our global service network, we have established a global knowledge-sharing network comprised of 92 in-house lecturers from Asia Pacific, China, Europe, Africa, and the Americas. Leveraging this lecturer resource, we provide diverse training to agents and partners, effectively enhancing their product and service capabilities and jointly promoting business growth.

Case Upgrading the Customer Experience Center's Capabilities

In June 2024, MGI Tech officially inaugurated its new European headquarters in Berlin, Germany. The headquarters covers an area of more than 600 square meters and is equipped with MGI Tech's most advanced technologies and products. It includes a dedicated Customer Experience Center (CEC) and a cutting-edge DCS Lab, and its functions will be further expanded in the future. Additionally, this new headquarters will serve as an early experience and testing base for MGI Tech's new technologies and products, providing enhanced support and service to European partners and customers.

The Customer Experience Center at this new headquarters features MGI Tech's most cutting-edge technology platform and product portfolio, serving as a dedicated hub for European researchers and scientists to explore and experience the Company's groundbreaking life science innovations. The Center is equipped to support DNA Omics, Cell Omics, and Spatial Omics, offering tailored response support that aligns with the specific research project needs of our customers and partners. The Center will offer both internal and external training, while also providing support for application development projects undertaken by MGI Tech's partners and research institutions. Through tailored training, demonstrations, and hands-on experiences, visitors can unlock the limitless possibilities of developing personalized multi-omics tools powered by DNBSEQ[™] technology.

The Company regularly conducts satisfaction surveys and loyalty assessments tailored to the specific needs of different customer segments. Utilizing a five-point scale, these surveys are conducted quarterly or semi-annually. The results are analyzed, shared with pertinent departments, and used collaboratively to devise improvement strategies. The customer service center continuously monitors the progress of these improvements and their implementation.

MGI Tech's Customer Service Center continuously promotes customer satisfaction surveys to objectively assess satisfaction across services. This highlights our focus on feedback and is key to optimizing services and enhancing customer experience. Regular surveys gather feedback and suggestions, relayed to R&D, production, and marketing, aiding continuous service quality improvement. Additionally, a self-service window on the official website provides convenient online support, FAQs, and self-service options, allowing anytime, anywhere access to information and support. This significantly boosts accessibility and response speed, further enhancing the customer service experience.



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Sustainable Supply Chain

MGI Tech prioritizes the sustainable supply chain by developing a 'Trinity' management system that seamlessly integrates compliant procurement, eco-friendly construction, and reliable supply operations. Through digital empowerment, the Company ensures transparency and efficient management across the full lifecycle of the supplier, while strictly adhering to both domestic and international compliance requirements. MGI Tech continually optimizes resource utilization across procurement, production, logistics, and other areas, fostering areen and low-carbon development. It views the sustainable supply chain as a strategic cornerstone for driving its technological innovation and long-term growth.

Compliance Procurement Management

MGI Tech is committed to ethical procurement practices, embracing the principles of legality, compliance, and integrity. The Company has established independent supplier management structures at both its headquarters and regional/factory levels to streamline supply chain operations.

To regulate supplier management and ensure supply chain sustainability, MGI Tech has instituted protocols such as the Supplier Management Procedure, Supplier Material Change Management Specification, and Supplier Quality Management Specification, which assess suppliers based on criteria including product quality, safety practices, and procurement management. In addition, suppliers are required to complete documents such as the Supplier Survey Form, sign the Supplier Supply Chain Security Letter, and the MGI Anti-Commercial Bribery Commitment. Ethical conduct reminders are issued during significant holidays, emphasizing adherence to business ethics. Furthermore, MGI Tech expects all its procurement staff to strictly adhere to the Procurement Code of Conduct.

Supply Chain Management



During the admission stage, the supplied materials are categorized by importance as A, B, and C, based on MGI Tech's needs. MGI Tech conducts evaluations and audits of suppliers to assess their qualifications, systems, delivery capabilities, compliance with laws, and safety standards, etc., ensuring that their delivery capabilities meet MGI Tech's requirements. MGI Tech also performs annual on-site audits of its A-level suppliers, as well as B-level suppliers involving large cooperation fund amounts, to ensure the reliability of their production processes. Moreover, MGI Tech performs quarterly supplier performance reviews, tracks their supply performance, and oversees any necessary corrective actions.

During the reporting period, MGI Tech reported a 98.34% pass rate for incoming materials, with reagents at 98.58% and chips at 97.34%. Overall, 97.3% of deliveries were on time. Domestic logistics reached 92.8%; spare parts logistics led the pack with a 99.1% timeliness rate.

In 2024

Number of manufacturers reviewed 275 Manufacturers

Number of suppliers with ISO 9001 quality management system certification 220 Manufacturers

Number of suppliers with ISO 14001 Environmental Management System Certification 27 Manufacturers

Building a Sustainable Ecosystem

MGI Tech wholeheartedly pursues sustainable development, incorporating environmental protection, energy conservation, and emission reduction across all aspects of its business operation through comprehensive green supply chain management. The Company is dedicated to creating a smart, efficient, and eco-friendly supply chain ecosystem.

In terms of localized procurement, the Company consistently promotes the development of regional localized resources. In 2024, over 84% of its production procurement came from local suppliers. In 2025, the Company will continue to drive its supply chain localization strategy, aiming to achieve a localization rate of over 90% for its production procurement. In Wuhan and Qingdao, the Company has established a 4-hour procurement cycle for major materials, covering key materials such as packing boxes, sheet metal, foam boxes, instruction manuals, dry ice, and nitrogen. This has resulted in substantial enhancements to guality, delivery timeliness, and cost control. In addition, the Company has established nine international warehouses in Singapore and in cities like Shenzhen, Wuhan, Hong Kong, Frankfurt, Riga, San Jose, and Melbourne to cater to customers' occasional and ad-hoc purchasing needs, as well as their spare parts storage needs, further improving the sustainability and responsiveness of our supply chain.

In 2024, the Company achieved that over 84% of its production procurement came from regionalized suppliers. In 2025, the Company will continue to drive its supply chain localization strategy, aiming to achieve a localization rate of over 90% for its production procurement.

Additionally, the Company is actively driving green transformation in both packaging and transportation. For the cold chain in China, the Company has fully embraced the use of reusable insulated boxes. In international transportation, the Company has innovatively introduced compact insulated boxes to minimize resource waste and strongly support sustainable operations. Green transportation is also a key driver of the Company's sustainable development. The Company has fully adopted new energy vehicles for all its cold chain less-than-truckload business in China, and prioritized the shift to rail transportation, with high-speed and conventional rail freight accounting for 70% of the total freight. In international transportation, the Company prioritizes direct flights to enhance efficiency and minimize carbon emissions.

In 2024, the Company actively promoted the development of IT systems, including the implementation of electronic signatures and further realizing paperless ordering. Training was also provided to suppliers on the use of electronic signatures and SRM systems. Furthermore, at the beginning of the year, the Company held a supplier conference, delivering presentations to suppliers on various aspects such as procurement, quality, delivery, and integrity. Tailored training was also provided based on supplier

In 2024, MGI Tech trained 680 people across 20 sessions, focusing on supply chain management and strategic procurement, with the goal of building a learning-driven procurement organization. In addition, the Company held 24 meetings on supplier communication and evaluation to strengthen strategic collaboration, drive quality improvement and sustainable development, and comprehensively enhance procurement management capabilities.

Looking ahead, MGI Tech will implement an open and forward-thinking supply chain strategy, coordinate localized resources and its overseas layout, enhance its global information platform, advance the development of SRM, WMS, TMS systems, and drive digital transformation. The Company will regularly host Supplier Communication Conference to share its strategic goals with suppliers and deepen mutual trust and cooperation. The Company will collaborate with suppliers to build a sustainable supply chain and achieve synergy and win-win outcomes through localization, informatization, and global layout.

Audit completion rate 100%

Total number of suppliers 745 Manufacturers

Number of suppliers with ISO 13485 quality management system certification 53 Manufacturers

Number of suppliers with ISO 45001 quality management system certification 7 Manufacturers

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h Leader in Compliance Governance

Sound corporate governance is not only crucial for MGI Tech's robust operational performance, but also provides a solid foundation for comprehensively preventing and controlling compliance risks. MGI Tech consistently adheres to the laws, regulations, and requirements stipulated by the China Securities Regulatory Commission and the Shanghai Stock Exchange. Guided by a strong commitment to business ethics, the Company upholds higher standards for it standardized business operation, and makes every effort to maintain its excellent reputation and image. Through unremitting efforts, MGI Tech is dedicated to collaborating with shareholders to share the fruits of corporate development and achieve steady and sustained growth.

2035 Plan

- To proactively apply for management system certifications such as ISO 27001, ISO 27701, and ISO 37301
- To organize annual internal control inspections and special risk mitigation activities
- To establish a sustainable, stable, and scientific return mechanism for investors
- To pay taxes in accordance with the law and eliminate any tax violations
- To streamline operations, and to develop industry-leading management and risk prevention capabilities
- To train all employees on anti-corruption and corruption-free business practices







Number of institutional investor visits 730 People

"E-SSE" platform 100%

Corporate Governance

MGI Tech rigorously complies with laws and regulations, including the Company Law of the People's Republic of China and the Securities Law of the People's Republic of China, as well as regulatory requirements such as the Code of Corporate Governance for Listed Companies in China and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange. The Company has established a robust corporate governance framework and optimized its information disclosure and investor management practices, with the goal of standardizing business operations and laying a solid foundation for sustainable growth.

Governance Structure

In strict accordance with the laws and regulations, the Company has established a corporate governance structure. This structure features the Shareholders' Meeting as the supreme authority, the Board of Directors as the central decision-making body, and the Board of Supervisors as the supervisory safeguard. Under the Board of Directors, specialized committees for strategy and investment, audit, compensation and evaluation, and nomination work together to provide robust support for the Company's sustainable development.



Each institution has clear and defined responsibilities. The Shareholders' Meeting holds significant decision-making authority, while the Board of Directors is responsible for strategic decision-making and overseeing the Company's daily operations. The Board of Supervisors independently carries out its supervisory duties. Specialized committees provide professional support for the decision-making of the Board of Directors. Powers and responsibilities are exercised in a statutory and transparent manner. This setup promotes coordinated operations across different departments of the Company, ultimately forming an effective and balanced governance structure.

Shareholders' Meetina

Board of Directors

The Shareholders' Meeting shall be convened and held in strict compliance with the Rules for Shareholders' Meetings of Listed Companies and the Company's Articles of Association. On the basis of ensuring the legal and effective operation of the Shareholders' Meeting, the Company shall attach great importance to the equality of shareholders' rights and interests, especially giving full attention to minority shareholders, and ensuring their equal standing with major shareholders. The Company shall respect and value the inputs of all shareholders and be committed to fostering a fair, just, and transparent decision-making environment

The Board of Directors shall adhere to the laws and regulations such as the Company Law of the People's Republic of China, as well as the Company's Rules of Procedures of the Board of Directors, and perform its duties rigorously.

The Board of Directors is composed of 10 members, including 4 independent directors and 2 female directors. These directors have expertise across multiple industry sectors, combining deep professional knowledge with extensive experience in enterprise management. Their diverse knowledge and experience complement each other, providing solid support for the Company's strategic decision-making and effectively promoting the stable and long-term development of the Company.

Investor Relations Management

Number of meetings held for the Remuneration

MGI Tech attaches great importance to compliant operation and information exchange, strictly abides by the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and the Measures for the Administration of Information Disclosure, and builds and continuously improves its internal information disclosure system and process system. The Company's audit mechanism ensures that information is of the highest quality from the source, guaranteeing that publicly disclosed information is authentic, accurate, complete, timely, fair, concise, clear, and easy to understand. This fully meets the information needs of both the market and investors

In investor relations management, MGI Tech actively innovates communication models by leveraging the convenience of "E-SSE" platform. On the one hand, the Company takes into account the depth of in-person research events, the intuitiveness of virtual roadshows, and the professionalism of broker strategy sessions. On the other hand, the Company integrates multiple channels such as phone, its own official website, and email. Through these combined measures, the Company constructs a comprehensive and multi-level communication bridge, and fosters ongoing interaction and communication with both current and prospective investors, ultimately enhancing understanding and trust in the Company across all stakeholders. In 2024, the Company had maintained a record of accurate disclosures with no instances requiring correction.

2024 Data





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for Future Healthcare

Board of Supervisors

Number of board meetings held

and Assessment Committee

2024 Data

7 Session

4 Session

Leader in Compliance

Governance

Message From Chairman

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The composition and size of the Board of Supervisors shall adhere to all applicable laws and regulations. In daily performance of duties, the Board of Supervisors shall convene and hold meetings in accordance with regulations to ensure the effective exercise of supervisory functions. In addition, the Company's supervisors shall actively participate in the corporate governance process. Regarding the Shareholders' Meeting and the meeting of the Board of Directors, the supervisors shall attend on time and supervise the Company's major decisions and operations with a rigorous and responsible attitude, providing safeguards for the standardized operation of the Company.

> Number of meetings held for the Audit Committee 6 Session Number of meetings held for the Special Committee of Independent Directors

4 Session

Query resolution rate on

Total number of institutes visits 455 Institutes

Number of public disclosures issued 155 Pieces



Transform

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Operational Compliance

MGI Tech is fully aware that compliance and responsibility are the cornerstone of achieving steady and sustainable company growth. We not only strictly abide by laws, regulations, and industry standards to ensure that every business activity is compliant and legal, but also regard compliance as the key to safeguarding our corporate reputation and winning the trust of all parties. This is not only for self-protection, but also a responsibility and commitment to customers, partners, and all stakeholders.

Compliance Management System

To realize operational compliance, MGI Tech integrates internal control with compliance requirements closely, and identifies and manages business risks systematically using the five factors of the COSO internal control framework. In order to improve management efficiency and ensure operational compliance comprehensively, the Company has formulated a series of management policies to integrate internal control with compliance requirements deeply, including the Internal Control Management Procedure, and the Daily Internal Control Inspection and Reporting Standards. This provides substantial institutional support for business operations, and ensures the achievement of business goals, and the effective implementation of policies and guidelines.

Using the COSO internal control framework, we comprehensively manage corporate operational risks by focusing on five key elements: control environment, risk assessment, control activities, information and communication, and monitoring.

Specific Content of Five Key Elements of Internal Control in MGI Tech

Internal Control

Improve governance structure, and formulate rules of procedure and detailed working rules

Strengthen the development of corporate culture, and cultivate values and risk awareness

Develop human resources policies that cover all aspects of employee management

Strengthen internal auditing, and ensure the independence of personnel and work

Control Activities

Use a combination of control measures to mitigate risks

Covering all operational processes, establish management systems and procedures

Strengthen control over subsidiaries and key activities

Create an Internal Control Manual to facilitate internal control management and evaluation

Monitoring

Set up relevant systems, and implement a checks and balances framework to ensure effective oversight

The Audit and Risk Control Department conducts audit work and issues reports

Organize annual internal control self-assessment, and disclose the evaluation report

MGI Tech actively expands overseas markets and strictly abides by local laws and regulations. In response to critical areas like export control, personal privacy protection, and anti-commercial bribery, the Company has formulated a comprehensive set of rigorous internal system documents. By implementing clear code of conduct and stringent review processes, the Company effectively mitigates potential risks and losses, providing solid guarantees for the sustainable development of overseas markets. In the meantime, MGI Tech maintains regular communication with regulatory authorities in different places to ensure that we are well aware of compliance requirements of local markets.

In addition, we have established a multi-channel communication and reporting mechanism in our cooperation with local suppliers and partners. This mechanism not only defines our compliance requirements and responsibilities in local markets clearly, but also ensures that everyone from grassroots employees to executives can deeply understand and strictly comply with the compliance requirements through training and policy publicity. In this way, MGI Tech has established a good corporate image of being credible and responsible, creating favorable conditions for further expanding overseas businesses and deepening international market presence.

We are committed to evaluating the effectiveness of compliance management regularly, monitoring participation in compliance training, and collecting employee feedback on the compliance reporting mechanism regularly. These qualitative evaluation methods ensure the smooth operation of every aspect under compliance management, while multidimensional evaluation methods improve the transparency of compliance management, and help to identify and solve potential problems timely, thereby optimizing our compliance system continually.





reporting system, and collect internal and external information Standardize information disclosure

Establish an information transmission and

management, and ensure information quality

Build a risk assessment system, and

respond to risks, and develop a risk

Collect information, identify, analyze and

Choose response strategies based on the

Information and Communication

risk situation and adjust them in a timely

monitor various risks

control matrix

manner

Clarify the norms of anti-fraud work, and prevent fraudulent behavior

Establish a dedicated reporting line, and protect and encourage whistleblowers



Chairman

About MGI Tech

Sustainable Development

Risk assessment

Advancing Life Science Tools for Future Healthcare



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Anti-commercial Bribery and Anti-corruption

MGI Tech has put in place a series of systems such as the Anti-commercial Bribery Management Procedure, the Internal Supervision Management Procedures, the Red Line Management Regulations, and the Integrity Incentive and Rewarding Measures, which clarify the code of conduct from multiple dimensions, making internal supervision management, reporting, and case investigation procedures rules-based, and greatly reducing business risks. On this basis, the Company has established a dedicated Integrity Portal as a distinctive platform, which helps employees thoroughly understand business ethics and compliance requirements through internal publicity and professional training, and let the sense of integrity gain broader support.

In 2024, the Company conducted integrity education in an innovative manner and an annual integrity examination to promote learning, and test and strengthen employees' mastery of integrity knowledge.

To ensure smooth supervision channels, we have put in place a robust internal complaint and reporting mechanism, providing employees with a safe and anonymous reporting channel, encouraging everyone to boldly say "no" to improper behavior, and weaving a dense protective net for internal supervision of the enterprise.

In addition, MGI Tech actively participates in advancing industry self-discipline, and joins organizations such as the Anti-Fraud Alliance and the Trust and Integrity Enterprise Alliance. The Company strictly implements the blacklist system, and shares information on violators with industry partners and external associations in a timely manner, working together to elevate ethical standards across the entire industry. The Company also engages in regular dialogues with stakeholders such as agents, customers, investors and suppliers. By signing integrity commitments with these stakeholders, the Company demonstrates its firm determination in business ethics, incorruptibility and self-discipline through practical actions.

2024 Data

81

Number of employees participating in the annual integrity examination 2,233 People

Integrity training employee coverage rate 85%

Reporting Management Process

Reporting methods	Email Report: 19537955110@mgi-tech.com
	Phone Report (same number for WeChat):
	Reporting via Letter or In-Person: Address: Yantian District, Shenzhen, China.
	Reporters may choose to report in-person suitable.
	Reporters must provide accurate and valid about the individual involved.
Reporting	Reporters must provide accurate and valid about the individual involved. Confirmation of receipt will be given within notified of the receipt of their report.
Reporting procedure	Reporters must provide accurate and valid about the individual involved. Confirmation of receipt will be given within notified of the receipt of their report. Internal investigations will be conducted in <i>Investigation Standards</i> and other relevant tion results will be provided within 3 months

information remains confidential.. Whistblower

provided, following a tiered system.





Leader in Compliance

Governance

About MGI Tech

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Combat Unfair Competition

MGI Tech strictly adheres to the Anti-Monopoly Law of the People's Republic of China and other relevant legal regulations to ensure compliant business operations. The Company is dedicated to developing and continuously improving its competition compliance management system. This involves creating a professional compliance team, employing advanced risk assessment techniques, and implementing whole-process controls to prevent market monopoly practices, for the purpose of ensuring that all actions of the Company never cross the legal red line. Additionally, we place a strong emphasis on fostering employees' awareness of compliance. To achieve this, we regularly conduct professional training sessions, offer detailed guidance and advice on anti-unfair competition practices, and work to deeply embed compliance principles into the mindset of every employee. This proactive approach helps us prevent unfair competition at its root. By the end of 2024, the Company had not been involved in any anti-monopoly legal proceedings or engaged in any unfair competitive practices. It has built a highly compliant business operation model within the industry, effectively promoting the healthy and orderly development of the industry.

Anti-monopoly Measures Taken by the Company

Compliance management personnel evaluate investment transactions to determine if they meet the criteria for concentration of undertakings as defined by the Anti-Monopoly Law. This assessment considers various factors, including the transaction structure, post-transaction shareholding, voting rights, and board appointments. They also ascertain whether the transaction qualifies for an exemption. Should a declaration be necessary, the Company will submit it to the anti-monopoly enforcement agency before proceeding with the investment activities upon receiving approval.

General business contracts

 \checkmark

 \checkmark

External

investment

Compliance officers scrutinize contracts to ensure they do not lead to the exclusion or restriction of competition, thereby preventing the formation of horizontal or vertical monopolistic agreements. Contractual product prices must align with the Company's established pricing system. In instances of low pricing, an explanation citing special circumstances is required, along with obtaining approval from the relevant company authority. This process is designed to prevent market dumping and protect the legitimate rights and interests of both operators and consumers.

Signing agree ments with upstream suppliers and downstream customers

Compliance officers pay close attention to reviewing agreements with suppliers and customers to ensure they do not contain provisions that fix resale prices to third parties or set minimum resale prices. This vigilance helps safeguard consumer rights and uphold fair competition in the marketplace. Additionally, the Company performs regular internal audits to identify and address any issues related to the internal operations of the business, further reinforcing the commitment to fair competition and legal compliance.

Responsible Marketing

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MGI Tech adheres strictly to pertinent laws and regulations governing marketing activities. To ensure compliance, we have established internal systems such as the Management Standards for Marketing Promotion Methods and Content, the Guidelines for Legal Risk Warning of External Communication, and the Guidelines for Compliance Risk Warning of Marketing Promotion Activities. The Legal Department shall review all promotional content in external communication materials, ensuring it complies with advertising laws and doesn't risk infringing on intellectual property, to meet publicity regulations. Furthermore, in order to effectively enhance employees' awareness of responsible marketing, we conduct irregular responsible marketing training for our marketing personnel, so that they can consciously integrate compliance concepts into every marketing activity and communication with customers in their daily work. In 2024, the Company was free of any violation concerning the branding of products and services.



Tax Compliance

MGI Tech strictly adheres to domestic laws and regulations such as the Law of the People's Republic of China on the Administration of Tax Collection, the Provisional Regulations of the People's Republic of China on Value-Added Tax, the Law of the People's Republic of China on Enterprise Income Tax, and the Law of the People's Republic of China on Individual Income Tax, as well as relevant tax policies in various countries and regions, and has established a sound tax management system. Within the Company, specialized departments implement whole-process and refined monitoring and management of tax affairs. By regularly conducting tax risk assessments and audits, and identifying potential risks in a timely manner, the Company ensures the standardization and compliance of tax management. Moreover, the Company attaches great importance to internal tax education and publicity, continuously strengthens employees' tax awareness and compliance awareness, integrates tax compliance awareness into corporate culture, and makes every employee a firm practitioner of paying taxes in accordance with the law.

MGI Tech actively complies with the regulatory requirements of national and regional tax authorities, proactively and accurately reports various tax information, and strictly adheres to the principles of timely and accurate tax reporting. At every step of handling tax matters, we adhere strictly to regulations, demonstrating strong self-discipline and a deep sense of responsibility. We are committed to eliminating any violations of tax laws and regulations, establishing a good corporate image of paying taxes in accordance with the law, and contributing solid strength to the stable development of national and local tax undertakings.

2024 Data

Total amount of taxes paid by the Company 291.4 million yuan





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Marketing Activity Training Photo



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Risk Management

Risk Management Structure



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In response to potential risk events, the Company rigorously implements a comprehensive risk management procedure. This procedure encompasses risk identification and assessment, risk response and governance, risk monitoring and reporting, and other key areas. It is implemented through close collaboration among multiple functional departments, including the risk control team, various departments and subsidiaries, and the director of the audit and risk control center. To address identified major risks, the Company develops tailored risk control strategies and utilizes risk lists and control matrices to systematically manage risks within business processes. This approach effectively enhances the Company's ability to respond to risks, ensuring its sustainable and healthy development.

Risk Control Management Procedure



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About MGI Tech

MGI Tech has always adhered to the philosophy of forward-looking risk management, established a systematic risk identi-

fication and control framework, and promoted holistic risk prevention and control. By investigating and evaluating the

potential risks in business cooperation and investment decisions, the Company continuously standardizes its business

practices, enhances employees' risk awareness and capabilities, and fosters its sustainable, stable, and healthy growth.

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Risk management training 2 Sessions

External Cyberattacks

Unauthorized

access

12

ıl.

Risks of Data

Breaches

Third-party

Risks

- Regularly conduct data security au potential risks of data breaches
- O Develop emergency plans for data emergency response procedures a bilities
- Establish a comprehensive supplie and monitoring mechanism, and c security review on third-party supp
- O Sign a clear security agreement du the security responsibilities and ob and continuously monitor their sec

Data Security and Privacy Protection

Information security and product data security are the core cornerstones for the Company to move forward steadily in the digital age, and they are vital for building customer trust and fostering sustainable business development. MGI Tech seamlessly integrates regulatory compliance with security management, and strictly adheres to both domestic and international laws and regulations regarding information security and privacy protection. The Company utilizes advanced management frameworks and cutting-edge technological means to comprehensively safeguard data security. In terms of information security, the Company has developed a sound system that encompasses building a management structure, establishing a certification system, responding to risks, and cultivating a culture focused on information security, for the purpose of thoroughly mitigating information security risks. In terms of product data security, the Company starts from the design source, enhances its security capabilities, develops sophisticated risk prevention measures, engages authoritative third-parties for testing and certification, and builds a solid defense line for product security, ensuring reliable products and services for users in complex security environments.

Information Security

In order "To Develop and Promote Advanced Life Science Tools for Future Healthcare", MGI Tech shoulders a significant mission and responsibility in the field of information security. The Company strictly adheres to the Cybersecurity Law of the People's Republic of China, Personal Information Protection Law, Data Security Law, EU GDPR requirements, and other pertinent laws and regulations across various jurisdictions. MGI Tech has instituted internal management systems, including the Information Asset Identification and Risk Assessment Guide and Information Security Operations and Maintenance Management Procedures, for the purpose of effectively safeguarding digital assets throughout their entire life cycle, from source to end, and eliminating any potential security risks.

In terms of building management structure, MGI Tech has established the Information Security Committee, with the Company's general manager serving as the director of the Information Security Management Committee, responsible for coordinating information security strategic direction and major decisions. The Company has established a cross-departmental collaborative mechanism to promote the implementation of information security from headquarters to system/region at all levels. Through scientific organizational design and division of responsibilities, we achieve vertical management and efficient collaboration of information security work, ensuring that information security strategies can be accurately and quickly implemented.

In terms of certification system construction, MGI Tech actively aligns with advanced international and domestic standards, and has obtained multiple certifications, such as the ISO/IEC 27701:2019 for Privacy Information Management Systems, ISO/IEC 27001:2013 for Information Security Management Systems, and GB/T 22239-2019 for Information security technology - Baseline for classified protection of cybersecurity. The Company uses regular security audits as an effective means to dynamically evaluate and calibrate information security measures, ensuring that the Company's information security management system always conforms to and even leads the industry's highest standards. By the end of 2024, MGI Tech's information security management system had successfully passed the SGS security and privacy certification surveillance audit.

External Certifications Obtained

ISO 27001 Information Security Management System Certification for various sites, including SHENZHEN (MGI, IMABOT), Wuhan MGI, Qingdao (MGI, EGI, Hua'ao, DGI), IMABOT KUNSHAN, and Latvia MGI

SO 27701 Privacy Information Management System Certification for Latvia MGI



MGI security & privacy system certifications



Information Assurance and Risk Management _____

MGI Tech adopts a multi-pronged approach in privacy protection, considerations of information security elements, and data protection for product iteration. The Company has established a robust foundation for information security by developing stringent, locally tailored privacy protection procedures, clarifying the concept of biometric information security in line with regulations, actively tackling product certification challenges, and exploring innovative data security solutions. However, information security challenges are relentless, with constant threats from unauthorized access, external cyberattacks, risks of data breaches, and third-party risks always lurking. To effectively safeguard information security, MGI Tech is proactively addressing these risks with unwavering resolve and expert strategies.



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Response Measures	Results
 Adopt strict access control mechanisms, conduct unique identity identification and strong complexity authentication for users, and regularly updating authentication information Set up rules for account lockouts after multiple failed login attempts, establish a comprehensive account permission management system, standardize account full life cycle management, and regularly review permissions 	Effectively reduced the probability of unauthorized access, improved access security, and ensured that information assets were not illegally obtained
 Comprehensively deploy firewalls, intrusion detection systems (IDS), intrusion prevention systems (IPS), and antivirus software to build a multi-level defense system Continuously conduct vulnerability scanning and repair management, and update system patches in a timely manner 	Significantly reduced the success rate of cyberattacks, enhanced proactive aware- ness of potential vulnerabilities and threats, achieved rapid response and handling of security incidents, and reduced the impact of security incidents
 Encrypt sensitive data for storage and transmission, and set strict data access permissions Regularly conduct data security audits to promptly identify potential risks of data breaches Develop emergency plans for data breaches, and define emergency response procedures and division of responsibilities 	Reduced the possibility of data breaches, responded quickly in the event of a data breach, minimized losses caused by data breaches, and protected user privacy and corporate reputation
 Establish a comprehensive supplier security assessment and monitoring mechanism, and conduct a comprehensive security review on third-party suppliers before cooperation Sign a clear security agreement during cooperation, define the security responsibilities and obligations of both parties, and continuously monitor their security practices 	Standardized supplier management processes, effectively reduced security risks caused by third parties, enhanced security control over third-party partners, and ensured supply chain information security

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Product Data Security

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In the field of product security, MGI Tech strictly adheres to the Guiding Principles for the Registration Review of Medical Device Cybersecurity in China, EU GDPR requirements, and pertinent regional laws and regulations, comprehensively ensures product security, and safeguards the rights and interests of data subjects. To implement these high-standard regulatory requirements, MGI Tech has established a sound and comprehensive product data and privacy protection system from the source of product design, covering multiple aspects such as management procedures for product data and privacy protection, processes for responding to data subject rights, confidentiality systems, and privacy policies, ensuring that data strictly follows the principles of legality, fairness, and transparency throughout the entire lifecycle of its collection, transmission, storage, and destruction.

Product Security Capability Building

MGI Tech always complies with regulatory requirements and is committed to delivering reliable and safe products to its users. During the R&D process of a product, the Company has carefully developed network research materials in strict accordance with the Guiding Principles for the Registration Review of Medical Device Cybersecurity, and conducted a comprehensive evaluation on the product, covering multiple aspects such as network security capabilities, network security patches and vulnerabilities, and security protection software.

interface diagrams;

for inapplicability.

Safety management software

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9

Shipment of the product with antivirus software activated by default in its initial configuration;

Comparison of the operational status of the deployed software with and without the antivirus feature enabled to verify compatibility;

Routine maintenance and updating of the anti-malware client version, engine version, antivirus library, and anti-spyware library to maintain optimal security performance.

Information Security Culture Development

MGI Tech has developed clear, concise, and easy-to-follow information security policies and procedures, ensuring that all employees grasp key points of operation. At the same time, the Company vigorously promotes the development of information security culture and adopts various methods to enhance employees' safety awareness and team response capabilities.

In terms of employee training, MGI Tech conducts annual online information security training and examinations, covering all employees. The training content is rich and practical, including basic information security knowledge, internal security regulations of the Company, key points on daily office security, software authorization and security usage methods, etc., aiming to enhance employees' awareness of information security, reduce security risks caused by human negligence, and enhance overall information security literacy.

To enhance the practical capabilities of the security team, the Company regularly organizes phishing drills and invites professional third-party security service agencies to simulate cyberattacks every year. Through these drills in real-life scenarios, security personnel can better respond to actual cyberattacks and also verify the effectiveness of the Company's existing security measures for timely improvement.

In 2024, the Company completed drafts of important industry documents such as the Guidelines for the Network Security Risk Assessment and Testing of Gene Sequencers, and the Research Report on Gene Sequencing Data Security by working closely with authoritative organizations such as the China Academy of Information and Communications Technology, the National Center of Standards Evaluation (Standards Evaluation Center), and the Center for Medical Device Evaluation, NMPA (Device Evaluation Center).

In particular, the Guidelines for the Network Security Risk Assessment and Testing of Gene Sequencers will become an important reference document for the network security registration and review of sequencers. The formulation of these documents establishes a clear network security guidance framework for the industry. While participating actively in joint standard building, and contributing its expertise, the Company internalizes high industry standards to improve its own security capabilities, and works together with all parties to promote the progress of industry security.

In the future, the Company will continue to deepen collaborative innovation with regulatory authorities, drive global business expansion through technological compliance, and strive to provide customers with safe and reliable life technology core tools constantly.

2024 Data

This year, the Company did not receive any confirmed complaint related to infringement on customer privacy.









Message From Chairman

About MGI Tech Sustainable Development Transform

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Network security capability

- Defined information about product software, including its name, model specifications, release version, and security level;
- Identified usage scenarios, and organized data flow diagrams and network
- Analysis of the product's applicability to 22 network security capabilities, detailing implementation methods for applicable capabilities and reasons

Network security patches and vulnerability management

- Identified the required environment and the list of hardware and software necessary for running the software, and assessed the security status of the current version;
- Employed automated tools or engaged third-party organizations to identify available patches and existing vulnerabilities of the product;
- Definition of procedures for deploying patches and addressing vulnerabilities, determination of the severity of vulnerabilities using the Common Vulnerability Scoring System (CVSS) and the business model, documentation of the status of repaired and unrepaired vulnerabilities, and explanations for any unresolved vulnerabilities.

Head of Certification Auth

Asstish 14500

GDPR-EuroPrise Certification: MGI ZTRON Appliance/Robotic Ultrasound System

28,4.77

European

The European Privacy Seal No FP-P-OA3A7K valid till Jan 31 2024 is awarded to Latvia MGI Tech, SIA ov., Mārupes pag., "Lidostas parks", LV-2167

for the IT product

MGI ZTRON Appliance

Version 1.2.0

by the EuroPriSe Certification Authority npeter-Allee 25, 53227 Bonn, German

Bonn, January 28, 2022

Sebastian Meissner

Privacy Seal

-QA3AZK / Valid till 2024-01

Third-Party Testing Products





Data Processing Compliance Management

Product Design

Security

Enhancement

Comprehensively organize and optimize the full life cycle of data collection, transmission, storage, and destruction, strictly comply with domestic and international regulatory requirements, ensure high compliance throughout every stage, and eliminate any illegal operations in the data-processing process.

Business Department Security Control

Conduct in-depth interviews with core business departments and support departments involved in data processing, comprehensively evaluate the current status of information protection, and accurately identify potential risks and optimization opportunities. Based on the evaluation results, develop and implement tailored compliance measures to ensure that all departments strictly adhere to security standards during data processing.

Additionally, MGI actively engages professional third-party organizations to conduct comprehensive, multi-level testing and certification to ensure product security. Through rigorous testing processes and high-standard audit mechanisms, many of the Company's products have successfully passed the registration review, with some even earning GDPR-Euro-Prise certification. This international certification not only serves as a strong testament to the security and reliability of our products, but also showcases MGI Tech's extensive expertise in global life sciences and product security assurance



Leader in Compliance Governance



Product Data Security Risk Defense Line

To further ensure the security of product data, the Company has developed a series of rigorous implementation measures around multiple key aspects such as product design, data processing, and business control. This ensures that regulatory requirements are seamlessly integrated into every stage of the product process, building a strong data security defense line for users.

Specific Measures for Product Data Security

Thoroughly optimize the product design process, and fully and accurately embed GDPR and regional cybersecurity regulations requirements in key links such as design input, testing, and verification:

O Clear data ownership: Clearly define the rights to control, process and own genetic data, to ensure that MGI Tech does not involve in the ownership of related rights and interests, thus avoiding potential data risks;

O Operate independently in a local environment: The gene sequencer adopts a completely local operation mode, eliminating the need for a network connection. This setup physically prevents unauthorized external access to data via the internet, significantly reducing the risk of data breaches;

O Multiple security protections: The gene sequencer is not equipped with a wireless data transmission module or card, and its wired LAN port is limited to internal network configuration. The USB port is dedicated to emergency data backups, creating a robust hardware security system that protects against data loss due to network failures or other disruptions.

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Message From Chairman

About MGI Tech Sustainable Development Transform





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FUROP	EP-P-NSM0B1 / Valid till 2025-11 - Criteria Catalogue v201701 -
	The European Privacy Seal
N	lo. EP-P-NSM0B1 valid till Nov 30, 2025
App	alied version of the Certification Criteria: v201701
	is awarded to
	LATVIA MGI Tech, SIA
Lidostas P	Parks A ieeja, Mārupe, Mārupes novads, LV-2167
	for the IT product
	Robotic Ultrasound System
	by EuroPriSe Cert GmbH
Joseph	-Schumpeter-Allee 25, 53227 Bonn, Germany
	Bonn, November 29, 2023
_	Schustiz Misson
	Sebastian Meissner Head of Certification Authority

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Message From Chairman

About MGI Tech

Sustainable Development Transform Leading Life Science Innovation Advancing Life Science Tools for Future Healthcare Leader in Compliance Governance

N7 Value Growth Partner

MGI Tech firmly believes that employees are its most valuable asset and is committed to becoming their value growth partner. We uphold the "Three Good" Culture of "Stay Healthy, Study Well and Work Hard", which serves as our foundation. From equal and inclusive employment management to a comprehensive compensation and benefits system, every initiative reflects our respect and care for employees' rights and interests. We are fully aware that the growth and development of our employees are crucial, so we have created a promotion ladder and a learning platform to help them advance steadily in their careers. Meanwhile, the health and safety of our employees are always our top concern, so we have put in place comprehensive security measures to provide them with a strong line of defense. We are always striving for diversity and inclusiveness here. We firmly reject discrimination and prejudice, ensuring every employee can make the most of their abilities in a fair and welcoming environment. Most importantly, fulfilling social responsibilities is a shared mission for the Company and its employees. Together, we strive to become value growth partners and steadily advance towards our common goal of pursuing development and enabling each other to succeed.

2035 Plan

Train 100,000 genetic technology application talents in the next three years, with focus on rural revitalization areas.

Employees will receive over 100,000 hours of training annually.

- Eliminate all forms of discrimination and prejudice to ensure fair and unbiased recruitment.
- Carry out caring activities for overseas and female employees every year.

Make social insurance contributions timely and fully for all employees.

0 recordable case of occupational disease or Level III or above liability accident.

Conduct universal gene sequencing to benefit at least 10,000 people annually.

Carry out rural revitalization or public welfare donation activities every year.



This chapter responds to SDGs









We strongly believe that every employee is a unique individual who deserves respect and care. Through such environmental shaping, we have assembled a team of talented individuals brimming with energy and innovative spirit. This not only celebrates the intrinsic value of each person's life, but also serves as a powerful testament to our unwavering commitment and

ity and initiative.

dedication to advancing the field of life sciences.

MGI's "Three Good" Philosophy

Stay Healthy

Self-discipline: Maintain self-awareness, proactivity, and resilience; control your diet and stay active; maintain passion and drive,

and uphold a positive \bigotimes

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attitude even in adversity.

Total number of employees 2,604 People Unit People

Sorting by areă ackgroun Chinese Mainland, Hong Kong, 835 Bachelor's Degree or higher 2,391 • 30 years old and below 2,085 Macao and Taiwar 1,380 Higher Vocational Education • 31 to 40 years old 199 Americas region

(HVE) Diploma 177 198 • Europe-Africa region Vocational secondary education and below 36 122 Asia-Pacific region

Number of female employees

1,122 People

MGI Tech has established a comprehensive talent introduction and training system to ensure the sustainable development of its talent pipeline. In terms of talent introduction, the Company has established a stable pipeline for recruiting talent through two key channels: campus recruitment and social recruitment. In terms of campus recruitment, the Company has formed strategic partnerships with prestigious institutions like Tsinghua University and the University of the Chinese Academy of Sciences. These collaborations enable early talent identification and reserve through joint training programs, internships, professional competitions, and other initiatives. In terms of social recruitment, the Company leverages a variety of recruitment channels to pinpoint and attract professional talents from diverse backgrounds. Furthermore, the Company has established a standardized recruitment process and evaluation system to guarantee fairness and professionalism in its talent selection process. This systematic talent introduction mechanism continuously supplies the Company with high-quality talents, supporting the long-term development of its business.







Fair Recruitment

2024 Data

offering employees a stable platform for career development.

298

Number of male employees

1,482 People

• 41 to 50 years old

95

• 51 years old and above 91

Message From Chairman

About MGI Tech

Employee Employment and Management

MGI Tech adheres to the principle of fair recruitment, and prioritizes competencies, ensuring fairness for all job applicants. The

Company promotes the Three Good Culture of "Stay Healthy, Study Well and Work Hard", focusing on the development of

employees' integrity, competencies, and performance, while fostering a diverse and inclusive working environment free from all

forms of discrimination. We have established a seamless communication mechanism that empowers employees to express their opinions and suggestions through multiple channels, ensuring that each employee's voice is heard and addressed. MGI

Tech continually enhances its talent management system, attracting and nurturing exceptional talent while offering employees

MGI Tech is fully aware that talent is the core engine of innovative development. The Company strictly adheres to the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and the Employment Promotion Law of the People's Republic of China, as well as the labor and employment legislation applicable within the jurisdictions where

it operates. And it has established multiple management systems, including the Recruitment Management Process, the Talent Introduction Management Procedure, and the Internal Recommendation and Reward Management Standards, and has signed labor contracts with all its employees. Its overseas subsidiaries have also signed collective agreements with their employees in accordance with local regulations. The Company strictly prohibits workplace discrimination, child labor, and

forced labor, and embeds the protection of employees' rights and interests within its normative documents, such as the Employee Handbook. Furthermore, the Company is dedicated to fostering a fair and inclusive working environment and

a robust career development platform. This collaborative effort drives the Company's sustainable development.

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Guided by the "Three Good" Culture of "Stay Healthy, Study Well and Work Hard", MGI Tech is committed to fostering a vibrant and dynamic work environment. Here, employees can showcase their sense of responsibility while fully unleashing their creativ-

The training in Japan focuses on the specific needs of employees at different stages of development. On the one hand, the Company has set up an online training platform to help employees with less than three years of service better understand Japanese workplace culture and business practices. The platform focuses on enhancing employees' communication skills and helping new employees quickly integrate into the local working environment. On the other hand, the Company has launched a "Self-health Care Training" program. This program covers stress management, teaches stress relief techniques, and includes practical activities designed to enhance employees' physical and mental health, as well as their self-management skills, focusing on their well-rounded personal development.

In Australia, the Company conducts internal cross-training sessions throughout the year. These sessions aim to deepen team members' understanding and integration of cross-system knowledge, foster a strong workplace culture, and enhance employees' professional competencies. In 2024, the training combined the strengths of both internal and external teams, focusing on key areas like workplace skills, market analysis, professional technology, and product knowledge, thereby comprehensively broadening employees' knowledge horizons, and enhancing team collaboration and business expansion capabilities.

environment 2024 Data Number of female senior Proportion of female senior management members management members

28 People

Case Overseas Employees Training

29.8%



Sustainable Development

Transform

Leading Life Science

Innovation

MGI Tech adheres to the principle of putting people first, fostering a harmonious work environment and developing a diverse communication system. The Company has established a systematic employee communication and complaint mechanism to ensure fair and transparent management. Employees can express their opinions through multiple channels, including discussions with their direct supervisors, filing written complaints, or submitting disputes to the human resources department or trade union. The Company rigorously scrutinizes decisions on rewards and punishments, giving employees sufficient opportunities to explain and defend themselves. If there are any objections to the disciplinary outcome, employees may submit a written complaint within the specified timeframe. The relevant departments shall handle the matter in accordance with the law and regulations and provide feedback in a timely manner. This mechanism not only upholds the integrity of the management system, but also protects the rights and interests of employees, embodying the Company's people-oriented philosophy.

MGI Tech consistently prioritizes fostering a diverse, equitable, and inclusive workplace. The Company firmly commits to eliminating discrimination based on gender, age, nationality, religion, disability, and other factors in both recruitment and daily operations. This ensures that all employees can work and flourish in a fair and respectful environment free from discrimination. Through these measures, the Company has not only enhanced the fairness and effectiveness of its internal management, but also fostered common development with its employees.

Supporting the Integration of Diverse Cultures

Currently, MGI Tech's workforce are spread across various overseas countries, including France, Germany, Latvia, the United Kingdom, Singapore, Japan, India, Indonesia, South Korea, and the United States. As MGI Tech pursues its goal of going global, it embraces an open and inclusive approach, eagerly incorporating the distinct cultural traditions of different regions, and fostering a blend of diverse cultures within the Company. Furthermore, in order to promote the internationalization and innovative development of the Company, we have developed a diverse training system tailored to the needs and cultural differences of various countries around the world. This approach enables us to unlock their full potential, while enhancing the Company's ability to perceive and adapt to different markets and cultures.

Case Team-Building Activities for Overseas Staff

In 2024, some overseas companies of MGI Tech hosted employee events like the Double Ninth Health Festival. MGI Tech Anniversary Celebration, Family Day Team Building, New Office Relocation Celebration, Japan Cherry Blossom Festival, and Free Meditation sessions. These events showcased the Company's commitment to embracing diverse cultures and demonstrating care and respect for employees from varied backgrounds.

2024 Data Total number of overseas staff

519 People









Leader in Compliance Governance



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MGI Tech strictly implements anti-gender discrimination policies in talent management. In the recruitment process, the Company ensures equal job opportunities for male and female candidates, and provides equal career development platforms for all employees by establishing fair career advancement mechanisms and mechanism and career development channels. We will continue to improve relevant systems, promote gender equality in the workplace, and build an inclusive working





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Employee Compensation and Benefits

MGI Tech has developed a compensation and benefits system with genuine care and attention. The compensation structure is thoughtfully designed to reflect job differences, offering a diverse and reasonable structure. Honor awards and incentive plans recognize and reward employees for their exceptional performance. The performance evaluation is impartial, and communication and complaint channels are streamlined, ensuring that employees' efforts are reflected in their earnings. In terms of benefits, the Company adheres to regulations to ensure employees' vacation rights, fully covers their social security, and makes concerted efforts in healthcare, living facilities, and cultural and sports activities to provide comprehensive support for employees. In particular, the "MGI Mutual Aid" program offers employees confidence and support during challenging times. Here, employees are always surrounded by a warm and supportive environment, and they work together with the Company to create a brighter future.

Employee Compensation



MGI Tech aligns closely with business development needs and has developed internal standard documents, including the Compensation and Performance Management Process and Compensation Management Procedures, to establish a comprehensive and systematic compensation system. The Company conducts a thorough analysis of its current business situation and benchmarks it against cutting-edge industry standards. Based on the characteristics of different positions, it tailors a reasonable compensation scheme that offers competitive remuneration packages comprising base pay, allowances, year-end bonuses, sales incentives, and special awards.

Performance Evaluation and Complaint

The performance evaluation and complaint mechanism of MGI Tech is an important tool to promote the achievement of the Company's strategic goals and foster the common development of employees. The Remuneration and Assessment Committee of the Board of Directors is responsible for developing scientific evaluation standards. It comprehensively assesses the performance, management skills, and team-building abilities of department and subsidiary company leaders. Additionally, it ties compensation to performance to incentivize these leaders to create greater value for the Company. The Company has established an effective performance communication system that facilitates interaction between employees and management, leading to joint improvements in performance.



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The Company respects the rights and interests of its employees. Employees who disagree with their performance evaluation results can file a complaint by completing the Performance Complaint Form and submitting it to their skip-level managers within five working days. The skip-level managers shall promptly investigate and provide feedback on the results. If the employees remain unsatisfied, they have the option to file a complaint with the Human Resources Center within five working days. The Human Resources Center shall conduct a fair and impartial investigation and provide a clear response. This mechanism protects the rights and interests of employees, fosters fairness and efficiency in corporate management, and promotes mutual growth between the Company and its employees.



MGI Tech has put in place diversified incentive mechanisms, implemented regional policies tailored to local conditions, and provided differentiated incentives based on employees' performance and development potential. This approach aims to consistently boost employees' sense of mission, honor, and internal motivation, and foster a culture of high performance.

In terms of honor incentives, the Company has established an honor award system that includes both team and individual awards to acknowledge and commend teams and individuals who have excelled in their work.

MGI Most Valuable Award (team award)

We commend teams which are guided by ambitious goals, and which have achieved forward-looking breakthroughs through organizational synergy and effective communication, created outstanding performance, brought significant value returns, and effectively helped MGI Tech achieve significant events or special projects of "Blue Ocean Guiding and Red Ocean Revolution"

The 2024 MGI Most Valuable Award (team award) focus on four major areas:

- cost-efficiency optimization, and risk management, guided by overarching objectives.
- DCS Lab Powers Global Cutting-Edge Life Science Research Initiatives. Rooted in localization, we empower global Labs worldwide.
- installations of sequencers and maintaining China's No.1 market share in single-cell omics.
- Driven by the big science paradigm, major life science initiatives have achieved key breakthroughs across the chronic disease research and validated MGI's sequencing solution.

MGI Superstar Pioneer Award (individual award)

We recognize individuals who uphold "MGI Three Good" philosophy through their actions, who have created fresh perspectives and directions for achieving ambitious goals, made outstanding contributions to organizational development in research and development, production, marketing, and support, brought significant value returns, and served as exemplary role models.

In 2024, the company bestowed the MGI Superstar Pioneer Award upon four employees, recognizing their outstanding contributions to the company's develop ment through exceptional technological innovation, efficient market expansion, high-quality customer service, and proactive exploration of cutting-edge technol gies. These four "Superstar Pioneers" have embodied the company's developm philosophy through their practical actions, infusing new vitality into the company's sustainable growth.

To improve the Company's long-term incentive and restraint mechanism, and to attract and retain top talent, the Company introduced a restricted stock incentive plan and an employee stock ownership plan in 2024. This move closely aligns the interests of shareholders, the Company, and employees. The Company's talent incentive mechanism addresses both spiritual and material aspects, effectively inspiring employees' sense of mission, honor, and intrinsic motivation. While employees appreciate the Company's recognition of their contributions, they also feel a strong connection to the Company's arowth and actively dedicate themselves to their work, continuously energizing the Company's innovation and development.

• Continuously strengthen the core capabilities of functional departments to empower high-quality business development. All functional teams achieved significant progress in strategic support, business empowerment,

scientific research and public welfare, foster collaborative ecosystems across disciplines, and implement end-to-end global practices integrating industry, academia, and research. MGI's global footprint now includes 35 established DCS

• CycloneSEQ Launched Globally, Kicking Off the SEQALL Initiative with Powerful New Momentum. Guided by the SEQALL sequencing philosophy, we have spearheaded industry innovation breakthroughs, achieving record-high new

field. Technological innovation drove advancements, with DNBSEQ-E25 achieving NMPA certification and the launch of the Flash Rapid Sequencing Solution. These innovations, combined with the CKB Project's integrated workflow, supported





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Employee Benefits



Inclusive Benefits

MGI Tech strictly adheres to national laws and regulations and is dedicated to building a comprehensive and compassionate employee welfare system. In terms of rest and vacation rights, the Company offers a comprehensive range of statutory holidays, paid annual leave, and sick leave, ensuring that employees have ample opportunities to rest and recharge amidst their busy schedules. In terms of social security payments, the Company demonstrates a strong commitment to responsibility, and makes timely and full payments for all employees. Additionally, it purchases commercial insurance for employees in specialized positions, further strengthening the line of defense for their living security. Furthermore, MGI Tech is committed to providing holistic support for its employees' physical and mental well-being, as well as their overall quality of life. This support encompasses multiple aspects, including health management, welfare benefits, cultural and sports activities, and special assistance for those facing difficulties.

Employee Assistance Program



MGI actively promotes early detection of diseases such as birth defects, cardiovascular and cerebrovascular diseases, and malignant tumors within the Company. The Company offers annual physical fitness assessment and personal medical examination services for employees across different regions. Based on the test results, it provides tailored advice to help employees manage and overcome the "three highs" (high blood pressure, high cholesterol, and high blood sugar). Leveraging its own platform and employees' physical examination results, the Company arranges tailored activities like targeted exercise and nutrition counseling, pairing employees with fitness coaches and nutritionists for personalized guidance to comprehensively protect employees' health.



The Company offers employees amenities like canteens, dormitories, and gyms to help them unwind and rest after work. And it shows its appreciation to employees and their families through various gestures, including birthday gifts, wedding gifts, hospitalization nutrition expenses, funeral expenses for immediate family members, member death condolence money, and special hardship allowances, among other benefits.

Organizing Diversified Cultural and **Sports Activities**



Special hardship support

The "MGI Mutual Aid" program offers support to employees facing hardships, promotes involvement in fundraising efforts, and provides essential aid to colleagues, reflecting a spirit of compassion and unity.





Health Management Support

Guardian of Our Environment

Since 2016, hiking has become the signature activity of MGI every year, and the Company's birthday celebration has evolved into the Double Ninth Health Festival. Additionally, MGI hosts two major sports events annually, provides fitness classes and educational lectures on science, and organizes activities such as hiking, mountaineering, cycling, ball games, and other sports. In 2024, the Company regularly hosted the Active Health series of events, including activities like the "Step Count Challenge", "Shenzhen's Ten Peaks Challenge", and the "Flash Mob Challenge". Challenge winners earned cultural bonus points, books, and peripheral gifts, etc. Additionally, individuals who conquered all ten peaks were honored as "Ten Peaks Warriors".



Diversified Cultural and Sports Activities

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Benefits for Women

MGI Tech is committed to creating a gender-neutral work setting, promoting flexible schedules, helping women balance work and life, and comprehensively advancing their career empowerment and development. We have specially launched the "Female Employee Care and Support Program" designed to provide full support for women's career advancement opportunities, thoughtful vacation and subsidy policies, and a strong focus on their physical and mental health. As part of this program, we regularly arrange health check-ups, host educational seminars on health, and continuously improve the workplace environment. Our commitment to care women is reflected in every detail. Moreover, we maintain a zero-tolerance policy against workplace sexual harassment, ensuring a safe and respectful environment where female employees can thrive and excel with confidence.

of outstanding female employees, shining a spotlight on their accomplishments and exemplary power.



Value Growth Partner

Guardian of Our Environment

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The Company's respect and inclusiveness for women are integrated into every detail. Every year on the International Women's Day, the Company not only generously gives female employees a special day off, but also meticulously organizes a range of vibrant celebration activities. We present beautiful flowers to our female colleagues and extend warm wishes; set up DIY workshops where women can unwind and express themselves creatively; and actively highlight the achievements





Sail" Program is implemented for cultivating recent graduates, helping new employees achieve role transition and cultural integration. The "Piloting" Program is implemented for key personnel of various departments to strengthen their team management capabilities. The "Navigating" Program is implemented for core employees of various departments to strengthen their strategic understanding and execution capabilities, and enhance their

They include the "Underwater Navigating"

"Piloting" Program, and the "Guiding" Program:

implemented for new employees. The "Setting

Program, the "Setting Sail" Program, the

The "Underwater Navigating" Program is

MGI Tech launched the "Naviaatina" Proaram in June 2024, with a total of 54 trainees from various directions including research and development, manufacturing, quality, marketing, and functional. Under the guidance of 13 EMT members, they successfully completed the seminar and learning of the courses of this Program over a period of six months.

Eagle Program

Employee Career Development and Training

MGI Tech is wholeheartedly dedicated to fostering career development and growth opportunities for its employees. In terms of career development mechanism, the Company has provided employees with dual career advancement channels (management and professional tracks). It conducts regular talent assessments, designs tailored development programs for employees, and provides them with opportunities for training, promotions, and job rotations. Additionally, it offers personalized training for key personnel to strengthen its talent foundation. In addition, the Company aims to establish a diversified training system, and offers a broad curriculum that includes general skills, professional knowledge, and leadership management via online and offline lectures by adhering to the "One Core, Two Drives and Four Forces" philosophy. At MGI Tech, the established employee career development and training system not only provides strong support for personal growth, but also creates a good foundation for overall team development.

Employee Career Advancement Mechanism

MGI Tech upholds the principles of fairness, impartiality, and openness, and has established clear criteria for employee career advancement. The Company quantifies competencies and performance indicators, to ensure that the selection process is standardized and transparent. The Company clearly outlines career advancement paths, providing employees with a detailed understanding of the requirements and development directions at each stage. The promotion process strictly adheres to established procedures, from submitting the application to making the final decision, ensuring that promotions are based on true abilities and meaningful contributions. The Company has implemented a "dual-channel career development" system that focuses on nurturing both management and professional expertise. This approach encourages the rational flow of professionals, and enables talented people to unleash their full potential. Employees can flexibly choose their development direction based on their career plans.

Employee Career Advancement Path



MGI adheres to the philosophy of "placing business success at the core and putting people first", elevates talent cultivation and training to a strategic level, and builds a systematic talent development system. According to its internal rules and regulations, the Company conducts regular talent assessments, and tailors development plans for employees. In particular, tailored training plans are established for key personnel, high-potential employees, and international talents to unlock their potential, thereby laying a solid talent foundation.

The Company has developed a distinctive "One Core, Two Drives, Four Forces" training system. This system offers a wide range of courses covering culture, skills, and management through diversified models such as online and offline combination and practical experience. It comprehensively enhances employees' practical abilities, boosts the organization's core competitiveness, and helps employees realize their personal value.

A program for identifying and nurturing managerial talent from promising employees through a project-based, long-term training approach that integrates industry, academia, and research.

"Sailing" Programs •

business and financial integration thinking.

2024 Data

Percentage of

administrative

143,297 Hours

personnel

Average duration of employee training 55.03 Hours

Number of training participants 4,426 Person-times

Leader in Compliance

Governance





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Wing Program

A short-term initiative to support newly-promoted staff at all levels with rapid role adaptation and understanding of their new responsibilities.

Full Participation Culture

Focusing on cultural integration and understanding, and guided by MGI's ambitious goals, we convey core values through classroom training, cultural lectures, on-site observation and other methods, to strengthen strategic focus and build team consensus.

R&D Innovation Camp

The R&D Innovation Camp is designed to help employees across different R&D departments gain a deeper understanding of MGI's strategies and culture. It also aims to enhance their systematic learning of the latest trends and technologies in life sciences, while fostering their comprehensive grasp and practical application of interdisciplinary knowledge.

In 2024, MGI Tech conducted two sessions of its R&D Innovation Camp training program, which significantly enhanced employees' innovative approaches to problem analysis and resolution. The comprehensive training combined theoretical instruction, hands-on experience, production line observations, and specialized seminars, benefiting a total of 79 employees.

Total number of training hours received by male employees 81,554 Hours

Number of male employees receiving training 2,519 Person-times

Total number of training hours received by female employees 61,743 Hours

> Number of female employees receiving training 1.907 Person-times



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Occupational Health and Safety

MGI Tech attaches great importance to employees' occupational health and safety, complies strictly with laws and regulations such as the Work Safety Law, and the Law on the Prevention and Control of Occupational Diseases, and has formulated internal documents such as the Management Procedure for the EHS Committee and the EHS Target Management Procedure to provide institutional support for employee rights and interests. The Company has set up the MGI-EHS committee, which is led by the CEO, supported by the COO and the Vice President of Quality Systems, and overseen by the Safety Director. This structure ensures comprehensive coverage across all business processes, ensuring efficient identification of hidden dangers, providing training, mitigating risks, and fostering a safe and healthy work environment.





Training Activity Photos

In addition to regular talent development programs, MGI Tech actively expands its resources to support the well-rounded personal development of its personnel. This includes offering on-the-job continuing education platforms, hosting academic exchange lectures, conducting professional title evaluations, and facilitating applications for government talent benefits. MGI Tech has laid a solid foundation for employees' growth through comprehensive layout, promoting their steady progress in career development and achieving a deep integration of personal value and enterprise development.



The Company also enhances employees' safety literacy and awareness through whole-process management including EHS training, inspections, hazard rectification, and emergency drills. This approach aims to minimize accident risk and provide robust support for sustainable development.





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In management practice, the Company mandates that employees identify potential job hazards, eliminate any illegal operations, and effectively manage accident levels; and strictly enforces environmental emission standards to prevent pollution. Additionally, the Company ensures that the physical examination rate of employees in occupational hazard positions reaches 100%. Furthermore, the Company standardizes the use of protective equipment, and provides reasonable accommodation for employees with occupational restrictions. The renovation and expansion of new materials, new positions, and new equipment strictly adhere to the "three simultaneous" principle, achieving a compliance rate of 100%.

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R Performance Highlights

- 🙊 Our subsidiaries in Shenzhen, Wuhan, and Qingdao have achieved certifications for both the ISO 45001 Occupational Health and Safety Management System and the ISO 14001 Environmental Management System.
- 🙊 In February 2024, our Wuhan subsidiary won the title of "Excellent Enterprise in Work Safety of Donghu High-tech Zone" for 2023
- There was zero recorded cases of occupational diseases or accidents of Level III and above involving accountability.



Photos of Occupational Health and Safety Inspections and Training

The Company has formulated the Hazard Identification, Risk Assessment and Control Procedure, and keeps updating and improving the list of hazards to ensure the timely identification and assessment of potential risks, and enhance workplace safety and employees' occupational health through systematic risk management.

To realize the intelligent and visualized management of occupational health and safety, MGI Tech has established an occupational health and safety management system platform. This platform integrates multiple modules such as a basic safety information bank, potential accident screening and correction, an accident risk database, ticket management, and a regulatory repository. Such systematic integration improves the efficiency of occupational health and safety management, and enables managers to access and process relevant information quickly, thereby identifying, assessing and controlling accident risks more effectively.

Through this platform, the Company's occupational health and safety management measures are standardized and automated, priority areas of management are highlighted, and the efficiency of resource inputs is enhanced. This data-driven approach not only helps to enhance employees' safety awareness, but also supports continual improvement and compliance management.



On the basis of robust accident risk management, we also make active efforts to improve occupational health conditions with all stakeholders. Drawing on the EU's concerns about occupational health and safety, we give comprehensive consideration to occupational health and safety needs of workers in labor employment, external partners, technical briefing on safety, labor protection, safe operations, tool improvement, emergency material allocation, etc. Moreover, we also constantly improve the safety literacy and awareness of employees, carry out activities such as work safety month, fire safety month and online safety training regularly, and give publicity to safety knowledge through the official WeChat official account and video platform to create a good safety atmosphere. According to the Emergency Preparedness and Response Control Procedure, the Company organizes regular fire drills, chemical emergency drills, and biological leakage drills every year to enhance employees' emergency awareness and protection skills, and ensure the safety of the Company's properties and employees' lives, and the compliance of production and operation activities.

2024 Data

Number of newly added employees with occupational diseases 0 People

0 People

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Number of work-related Investment in work safety deaths of employees 2.837 million yuan





Fulfilling Social Responsibility

MGI Tech always cares about social needs, and participates actively in public welfare programs by donating materials, providing public welfare services, and supporting scientific research. In various fields such as healthcare, humanitarian assistance, and public welfare education, the Company carries out diversified practical activities to create more value for society through practical actions.

Social Welfare

Always dedicated to public welfare as its original intention, the Company carries out diversified public welfare actions, and promotes social progress and harmonious development through practical actions based on needs of different social groups.

The Company cares about international public welfare. It donated resources to relevant organizations in Vietnam to support social welfare and poverty alleviation projects, and supported scientific research and educational promotion, and injected more innovation impetus into the global community by cooperating with world-renowned public welfare and charity organizations such as Cold Spring Harbor Laboratory.

In terms of women's healthcare, the Company launched the "Corporate Pink Bus" event, which was organized jointly by Imabot Kunshan Medical Co., Ltd. and Kunshan First People's Hospital to provide door-to-door breast screening service for 2,101 women of the right age from 39 entities, protecting women's health with scientific and technological strength. The Company also organized the "Life Relay" MGI special public welfare blood donation activity together with the Shenzhen Blood Center, and employees participated actively to convey social care. These activities not only demonstrate the corporate spirit of public welfare, but also enhance employees' senses of belonging and social responsibility.



Shouldering Responsibility

MGI Tech always adheres to the mission of promoting the development of life sciences, fostering scientific research, and driving innovation through a variety of partnerships. The Company places a high value on nurturing young scientists, helping them grow and achieve breakthroughs by launching incentive programs and providing scientific research support, thereby injecting fresh talent into the development of various disciplines. MGI Tech collaborates extensively with both domestic and international scientific research institutions. Leveraging its advantages in high-end tool R&D and manufacturing in life sciences and technology, it provides advanced equipment and technical support, enhancing the efficient output and commercialization of scientific research findings.

The Company is committed to promoting the intensive development of higher education through educational donations, laying particular stress on frontier discipline building and high-level talent training. During the reporting period, the Company provided funding and advanced equipment support to universities such as University of Chinese Academy of Sciences and Guanaxi Medical University mainly in order to improve their scientific research strength and teaching level in key fields such as life sciences and artificial intelligence. These inputs are used directly to support discipline building, introduce and reward excellent teachers and researchers, and provide students with better research and training conditions, thereby helping these universities train top innovation talents needed by society faster.

While supporting top-level research and talents, the Company also attaches great importance to the improvement of basic educational conditions and the creation of an innovation atmosphere at campuses. For example, the Company has supported the construction of basic teaching facilities (e.g., basic industrial training centers) at universities such as Tsinghua University, laying a solid practice foundation for students. In addition, by establishing special innovation funds together with University of Chinese Academy of Sciences and other institutions, the Company encourages universities to carry out diversified educational and teaching activities, inspire students' innovative thinking and exploration spirit, promote the innovation and development of educational models, and contribute to the long-term sustainable development of education.



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N8 Guardian of Our Environment

MGI Tech incorporates green development into its corporate strategy and everyday operations. By assessing climate risks and opportunities, developing low-carbon and eco-friendly products, prioritizing biodiversity conservation, optimizing resource usage, minimizing waste, and implementing green operations, MGI actively shoulders its environmental responsibilities. These efforts propel sustainable development and foster a harmonious relationship between humanity and nature.

2035 Plan

- Carry out carbon peak path planning by 2025 and achieve carbon neutrality by 2060.
- Over 5,500 complete DNA sequence studies on the human genome, and other animal, plant and microbial species have been supported in total.
- Overall production energy consumption is reduced by 10% year on year.
- Certified to the ISO 14001 Environmental Management System.
- Pollution sources such as wastewater, waste gases, noise, and waste discharge are below the local emission standards.







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Environmental Management

MGI Tech adheres to the *Environmental Protection Law of the People's Republic of China* and relevant environmental regulations in its operating regions, and has put in place high standard environmental management systems such as the *EHS Management Manual*, the *Environmental Factor Identification, Assessment and Control Management Procedure*, the *EHS Monitoring and Measurement Management Procedure*, the *Emergency Preparedness and Response Control Procedure*, the *EHS Accident Investigation and Handling Management Procedure*, and the *Environmental Sustainability Management Process*. We are committed to reducing energy consumption and environmental pollution through scientific management practices while strictly adhering to the "three simultaneous" principle of environmental protection to ensure the pollution control capabilities of projects, the level of environmental risk management, and the coordinated development of project construction and operations.

We place a high priority on creating and sustaining EHS governance frameworks and environmental management systems, undergoing evaluation system certifications to ensure the effectiveness of our environmental stewardship and construct robust environmental protection measures. Professional EHS management teams have been established at headquarters and all facilities, tasked with implementing EHS guidance policies, achieving goals, adhering to management regulations, and ensuring consistency in environmental management actions. These teams also rigorously monitor environmental risk points in production and operations, identify and assess potential environmental impacts, and enhance employee awareness and capabilities in environmental risk prevention through environmental protection training.



EHS Training

Government Compliance Collaboration

Subsidiaries in Shenzhen, Kunshan, Wuhan, Qingdao, and Latvia actively collaborate with government inspections, working closely with various departments such as sub-district work safety administrations, district emergency management bureaus, environmental protection bureaus, science and technology innovation bureaus, and fire emergency rescue teams. The inspection encompasses environmental protection facility management, fire safety, regular safety inspections, and special inspections both prior to and following holidays. In 2024, each base averaged four inspections per month and rigorously enforced compliance requirements

EHS Culture Development

1. We release bilingual EHS tips monthly. For example, in April 2024, we highlighted the Earth Day theme by promoting the environmental protection knowledge of "Earth Day 2024: Planet vs. Plastics".

2. Each month, we conduct a variety of EHS training sessions covering topics like safety and environmental protection. We also maintain thorough training records and video documentation

Prevention and Control of Environmental Risks

Based on the *Risk Assessment Report on Sudden Environmental Incidents*, the Company's environmental risk level is classified as "Ordinary" [Ordinary – Atmospheric (Q0) + Ordinary – Water (Q0)], with overall risks being controllable. In response to the risk of leakage in the storage and use of hazardous waste and harmful substances, the Company regularly conducts environmental hidden danger investigation, and organizes interdepartmental coordination emergency drills on hazardous chemicals. This ensures the safety of employees and protects the ecological security of the Yantian River Basin

Management System Certification

All three major production bases in Shenzhen, Wuhan, and Qingdao have achieved ISO 14001:2015 certification for their environmental management systems. We foster standardized environmental management by implementing a standardized management framework, continually enhancing environmental governance efficiency

Responding to Climate Change

The World Health Organization's *Special Report on Climate Change and Health* emphasizes that climate change poses the greatest threat to human health. Adhering to the vision of "Leading Life Science Innovation", MGI Tech attaches great importance to climate change issues and incorporates them into the core of its sustainable development strategy.

Building on its existing Environment, Health, and Safety (EHS) management system, the Company is actively refining its climate governance framework. It is also advancing systematic assessment of environmental risks and opportunities to strengthen climate resilience and drive long-term sustainable development. During this process, the Company is undertaking preliminary research and planning for optimizing its governance system, managing climate risks, implementing low-carbon operations, and accounting for greenhouse gas emissions. It will gradually establish a scientific and systematic climate management framework.

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Appendices

2024 Data

Investment in environmental protection 2.249 million yuan

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Climate-related Governance

The Company is improving its climate-related governance structure to ensure systematic and effective management of climate risks and opportunities. Currently, the Company is conducting preliminary research and setting up management systems to address climate-related issues. It is also assessing sophisticated governance models to support strategic implementation in the future.

Management Structure	The Company is exploring the establishment of a climate change management mechanism to further clarify governance functions, division of responsibilities, and cross-departmental collaboration models. This aims to effectively align climate issues with the Company's overall business operation
Supervision and decision-making mechanism	Based on industry practice, the Company is exploring ways to systematically incorporate climate risks into its risk management framework, while assessing the feasibility of establishing a senior management mechanism (such as a climate-related working group or committee)
Data management and information acquisition	The Company plans to gradually establish a climate-related data monitoring and management mechanism, aiming to increase the transparency and comparability of climate data. This will provide valuable support for future management decision-making

Climate-related Risk and Opportunity Management

The Company is systematically reviewing the potential risks and opportunities arising from climate change, and assessing their impact on operations, supply chains, and markets in light of its business characteristics, with the goal of developing adaptive management strategies.

Climate-related Risks





Climate-related Opportunities



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Appendices

<s< th=""><th></th><th>Response measures</th></s<>		Response measures
iission mate	>	Establish a policy tracking mechanism, optimize the compliance management system, proactively respond to carbon emission control and climate disclosure requirements, and ensure that opera- tions comply with policy orientation
ally products, sed	>	Increase investment in low-carbon product research and development, promote technological iteration and upgrading, develop medical equipment that meets market low-carbon preferences, and enhance product market competitiveness
crease	>	Make the layout of energy technology innovation, introduce energy-saving equipment and digital management tools, reduce energy consumption in the produc- tion process, and cope with cost pressure caused by technological backwardness
-envi- has	>	Incorporate environmental protection concepts into the full life cycle of products, strengthen communication with stake- holders, proactively disclose green practices, and enhance the Company's eco-friendly brand image

unities		Measures to Address Opportunities
		 Enhance water resource utilization efficiency by employing recycled water systems
fficiency,		Utilize renewable materials
peration		 Implement efficient transportation strategies
		 Streamline production and distribution processes
d costs		 Establish plans for energy conserva- tion and emission reduction
	>	 Engage in carbon trading markets
		 Expand the proportion of clean energy usage

华大智造 『IGI	Message From About MGI Teo Chairman	ch Sustainable Development Leading Life Science Transform Innovation	Advancing Life Science Tools Leader in Compliance Va for Future Healthcare Governance
Opportunity Category Products and services	Potential Impact of Opportunities Developing low-carbon products tha align with the carbon peaking and carbon neutrality goals, and reap the dividends of low-carbon developme	At e e e e e e e t t t of low-carbon product market, and accelerate the commercialization and implementa- tion of low-carbon technologies	Production We promote the effective tion and transportation by
Market	Meet the green demands of the market, explore new market space, and create new opportunities for	 Embrace government green incentive policies Deepen school-enterprise collaborative innovation 	Green packaging We procure more packag white cardboard (for oute (polyethylene foam for inter-
	business growth and profitability	Promote the green upgrading of the supply chain	We have comprehensively operating costs, global ret that supply chain transpo
Adaptability	Enhance the resilience of the Compo to climate risks, and ensure operatio stability	any onal Promote diversified layout of energy/resources, and enhance the ability to optimize bundle of resources and resources fit	

Low-carbon Operation and Climate Adaptability

Based on climate risk and opportunity assessment, the Company is progressively refining its management strategies for core business processes and exploring low-carbon operational pathways tailored to its business model.

Following an initial qualitative assessment of the risks and opportunities presented by climate change, MGI Tech has refined and enhanced its response strategies across critical areas such as R&D design, raw material procurement, production, green packaging, and transportation. This effort aims to mitigate risks, capitalize on opportunities, and bolster both enterprise resilience and sustainable development capabilities.



Greenhouse Gas Emission Management and Goal-setting

To enhance our measurement and management of environmental performance, we are incorporating quantitative greenhouse gas emission data as a critical management indicator. The Company is currently working to collect and analyze greenhouse gas emission data, aiming to establish a robust carbon management system that will underpin future goal-setting efforts. By constantly monitoring, analyzing, and enhancing its greenhouse gas emission data, MGI Tech is dedicated to minimizing the environmental impact of its operations.

Carbon emission data management

The Company is currently organizing data for Scope 1 (direct emissions) and Scope 2 (indirect emissions related to electricity purchase), while studying the applicability of Scope 3 (supply chain and product full life cycle emissions) accounting.

2024 Data Greenhouse Gas Emissions

Scope 1: Greenhouse Scope 2: Greenhouse Scope 1: Greenhouse gas gas emissions 118.51 tCO₂e

gas emissions



Appendices

reduction of greenhouse gas emissions in both producutilizing new processes, materials, and technologies

ing materials that incorporate recycled materials, such as r boxes), fluted paper (for outer boxes and cases), EPE ner padding), and wooden crates (for outer cases)

evaluated the impact of transportation methods on source utilization, and environmental factors, and found rtation primarily relies on sea freight rather than air freight

Goal-setting plan

The Company plans to assess the feasibility of establishing short-term (2030), medium-term (2040), and long-term (2050) carbon management goals once it has finalized the baseline data calculations. This will ensure that the goal-setting aligns with both business development plans and industry trends

emission intensity **25,446.84** tCO₂e **0.0004** tCO₂e/10,000 yuan

Scope 2: Greenhouse gas emission intensity 0.0845 tCO₂e/10,000 yuan

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Biodiversity Conservation

MGI Tech is actively involved in biodiversity conservation, leveraging the power of technology to safeguard ecosystems. The Company is actively revolutionizing methods for discovering and monitoring biodiversity by establishing "eDNA metabarcoding" technology, which links high-throughput sequencing with eDNA sequences. MGI Tech has also introduced an environmental DNA metabarcoding product based on the ATOPlex platform and DNBSEQ sequencing platform. This product empowers researchers to detect and quantify biodiversity and its changes at high throughput, offering a comprehensive one-stop environmental DNA monitoring platform from sample collection to analysis. The product is capable of identifying microorganisms, plants, algae, and animals in environmental samples such as water, soil, and sediment. It features several advantages, including no harm to living organisms, no developmental stage restrictions, high sensitivity, broad species coverage, and robust analytical functions. It serves as a powerful tool for biodiversity monitoring in ecosystems and provides a more effective approach for assessing the risks of environmental pollution on ecosystems.

Case MGI Tech and Chengdu Giant Panda Base Jointly Build a Smart Protection Laboratory

MGI Tech has entered into a strategic collaboration with the Chengdu Research Base of Giant Panda Breeding. Through the joint laboratory of the "Endangered Wildlife Smart Protection Research Center", they aim to enhance the conservation of endangered species, including giant pandas, by leveraging sequencing technology and the "Smart Lab" platform. The "Smart Lab" is a life digital platform system launched by MGI Tech, which is growable, perceivable, self-deciding, and self executing. It can provide digital management and environmental element monitoring for the laboratory from samples to data, significantly improving the digitalization level of the Giant Panda Base. In the future, the two parties will work together to advance new methods and technologies for biodiversity conservation, including efforts like conserving the genetic diversity of giant pandas and conducting precise field studies. Their efforts will elevate the conservation of rare wildlife, such as giant pandas, to new heights.



Panda Breeding and the representaives from MGI Tech sign the contract

MGI Tech and E-genomics Jointly Build an Environmental DNA Technology Innovation Ecosystem

Under the auspices of the Yangtze River Ecological Civilization Innovation Center in Nanjing, MGI Tech and Nanjing E-genomics Technology Co. Ltd. (hereinafter referred to as "E-genomics") have formed a strategic partnership. Moving forward, they will focus on innovating and setting standards for environmental DNA biological monitoring technology, developing specialized solutions for biodiversity conservation and ecological governance across various applications, promoting the innovative verification and application forward-lead of domestic sequencers and other core life science tools in ecological monitoring, and achieving mutual benefit and win-win results.

The DNBSEQ-G99ARS sequencer used in E-genomics this time is among the fastest small- and medium-throughput sequencers globally. The PEI50 only takes 12 hours, while the PE300 mode sequencing only takes 30 hours. Additionally, computing modules can be built in to achieve sequencing bioinformatics integration and meet the research needs of the eDNA field. In the future, E-genomics and MGI Tech will continue collaborating to promote environmental DNA biodiversity solutions across China, supporting biodiversity conservation efforts.



MGI Tech's DNBSEQ-G99 Sequencer Aids in Monitoring Fish Species in Wuhan's Donghu Lake

The DNBSEQ-G99 sequencer from MGI Tech has played a vital role in collaborative research between the Institute of Hydrobiology at the Chinese Academy of Sciences and the Hubei Provincial Ecological Environment Monitoring Center. The research team collected water samples from six locations in Wuhan's Donghu Lake, and analyzed these samples by using environmental DNA (eDNA) technology, for the purpose of monitoring the diversity of local fish species.

In this study, the team used the MGIEasy kit to extract eDNA from water samples, rapidly completed sequencing with the DNBSEQ-G99 sequencer, and gathered extensive biological data in just 12 hours. The results show that a total of 51 fish species were detected, involving 16 families and 36 genera, including economic fish such as carp and silver carp, as well as invasive species such as mosquitofish. This research finding provides important data support for understanding the ecological health status of Donghu Lake.

The efficient sequencing capabilities of the DNBSEQ-G99 sequencer not only enhance the speed and accuracy of fish diversity monitoring, but also help pave the way for the standardization of biodiversity conservation efforts. MGI Tech's technologies will continue to aid ecological monitoring and contribute to achieving the strate-gic goal of biodiversity conservation.



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Resource Utilization

Within the framework of its sustainable development strategy, MGI has developed the Energy and Resource Management Procedure. This procedure prioritizes efficient resource utilization and thoroughly incorporates the principles of green development into every aspect of production and operations. Driven by two wheels including technological innovation and management upgrades, we continually enhance the efficiency of using resources such as water and energy, explore circular economy models, and while fostering business growth, effectively reduce resource consumption intensity per unit of output value. This sets a benchmark for sustainable resource use in the life sciences and technology sector, and helps build an ecosystem where resource conservation and industrial development thrive together.

Energy Management

The Company highly values energy management, strictly complies with relevant laws and regulations on energy management, and implements effective measures for energy conservation and consumption reduction, while raising energy conservation and environmental protection awareness among all staff. By the end of 2024, electricity, particularly for air conditioning and other public infrastructure, had been the predominant energy source consumed. To address this, we systematically pursued lean manufacturing to enhance production efficiency and focused on two areas: reducing energy consumption and optimizing energy structure.

In terms of reducing energy consumption, the Company has established an energy saving and consumption reduction plan, introduced high energy efficiency indicators and energy management platforms, monitored key indicators such as total electricity consumption, energy intensity, reduction in production energy consumption, and the proportion of clean energy/green electricity usage, and actively carried out systematic monitoring, control, and optimization, starting from equipment upgrades, process improvements and other aspects, effectively reducing energy consumption.

Case Construction of Efficient and Energy-saving Equipment Rooms

The Company's Wuhan base focuses on optimizing energy management and promoting the construction of efficient and energy-saving equipment rooms. The equipment rooms improve energy efficiency through multi-dimensional technological innovation: On the one hand, by simulating annual energy consumption, calculating the required hours for each load rate, and comparing multiple cooler matching schemes, the optimal unit matching scheme is selected. On the other hand, based on intuitive data reports, the number of devices that are turned on under different operating loads is generated, and the underlying logic of the equipment room control is established; the COP curves of fixed-frequency centrifugal units, variable-frequency centrifugal units, and magnetic levitation units at different cooling water temperatures are compared, the operating status of air conditioning units, valves, and water pumps is dynamically simulated, to reduce system resistance, optimize pipeline systems, and ensure that the equipment operates on the optimal operating curve.

According to professional calculations, the total cooling load of the project design is 4683RT (16470KW). Calculated based on a full-load production scenario, with an annual hot season of 2 months, a sub-hot season of 3 months, and an industrial electricity price of 0.7377 yuan/kWh, it is estimated that the annual electricity cost savings will reach 5.13 million yuan. The Project provides guarantees from six major dimensions: safety and durability, functional comfort, aesthetic refinement, easy maintenance, durability, and energy conservation and environmental protection, achieving dual improvements of energy-saving effect and comprehensive performance, and creating a benchmark example for efficient energy management in industrial scenarios.

In terms of optimizing the energy structure, the Company vigorously promotes the utilization of solar energy. We lay photovoltaic panels on the roofs of buildings, construct energy storage facilities, increase the proportion of clean and green energy use, and promote the implementation of the carbon verification process and the achievement of our carbon peaking and neutrality goals.

Case Application of the Solar Hot Water System

In addition to that 9,723 square meters of photovol Space-Time Center at the Company's Shenzhen headq Wuhan base pioneered the use of solar hot water sys energy used while meeting hot water use demands.

The system absorbs solar radiation heat through the he tion pump to transport the heated hot water to the hot water tanks and pumped to the constant temperature professional evaluation, compared to fully using electri ty per year. Calculated at an industrial electricity price reach 295,000 yuan.

2024 Data Energy Consumption Management

Total consumption of electricity Total consumpti 48,228,146.59 kW·h diesel563 Liters

.

Comprehensive energy consumption 5,987.99 Tons of standard coal

Water Resource Management

MGI Tech adheres to the principle of "use as needed", rigorously controlling water usage in production and life processes to eliminate waste.

In terms of water use in production, through the implementation of stringent water management practices, we retrofit production equipment and processes for water conservation and regularly maintain the water supply system, significantly reducing water consumption. By promoting water-saving concepts through training and publicity campaigns, we have successfully raised employees' water-saving consciousness. We have also implemented various water-saving initiatives, such as wastewater recycling and improving equipment recycling rates, to enhance water resource efficiency. We systematically monitor and analyze total water consumption and intensity, and adjust our water strategies in a timely manner to maintain optimal water management.

In terms of domestic water use, we integrate the concept of water conservation into the daily routines of our employees, emphasizing its environmental and social significance. While ensuring product quality and meeting employees' everyday needs, we continually strive to enhance water resource utilization efficiency. Specific measures include using water-saving faucets, water-saving toilets, and posting water-saving signs.

2024 Data Water Resource Management

Total water consumption 218,313.54 Cubic meters

ue Growth	Guardian of Our Environment	Appendices	-
Paitiei			
m			
ltaic panel Juarters and stems in 2	ls were installed on the d connected to the power 024, further boosting the	rooftop of the MGI grid, the Company's proportion of clean	
eat collecti water tank re water ta c heaters, t e of 0.7377	on tube, and uses the sola . Then, the hot water is circ ank to maintain the water his system can save 400,0 yuan/kWh, the annual elec	r-powered circula- ulated between the temperature. After 00 kWh of electrici- ctricity cost savings	
)	
on of	Total consumption of gasoline 4,200.00 Liters	Natural gas 50,455.00 Cubic meters	
Com yuan	prehensive energy com output value	sumption per 10,000	
0.02	2 Tons of standard coa	I/10,000 yuan	

Water consumption intensity 0.72 Cubic meters/10,000 yuan

Chairman

Message From About MGI Tech

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Waste Management

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Mismanagement of the "three wastes"-wastewater, waste gases, and solid waste-can severely affect the environment and human health. Therefore, our company places a high priority on their management and has implemented a series of specific measures. We have formulated management measures such as the Wastewater Discharge Management Procedure, the Waste Management Procedure, the Exhaust Gas Discharge Management Procedure, and the Hazardous Noise Prevention Procedure. And we have established a rigorous waste management system that monitors the generation, treatment, and discharge of these wastes throughout the entire process. By investing substantial funds and adopting cutting-edge waste treatment equipment and technologies, we ensure that our waste management practices meet national and local standards.

Wastewater Treatment

MGI Tech assumes environmental responsibility for the wastewater and waste liquids generated during the manufacturing process, which includes laboratory cleaning wastewater, tail water from pure water preparation, backwash water, and domestic sewage. We strictly adhere to wastewater discharge regulations and standard. And we issue monitoring reports that cover typical indicators (such as wastewater flow rate, COD, TN, ammonia nitrogen, etc.), regularly monitoring and upgrading our facilities to prevent any negative impacts on the environment or neighboring communities. In addition, we regularly evaluate the test cycles of our equipment and the performance of our treatment processes, so as to ensure the effective treatment of all wastewater segments.

In 2024, a temporary sewage treatment facility was installed at the Company's Wuhan base to ensure that wastewater from MGI's intelligent manufacturing and R&D base would be effectively treated before being released into the environment.

Wastewater Management and Treatment Flowchart





Temporary Sewage Treatment Facilities •--

as follows:

Names of key and characteristic pollutants	Dischar ge mode	Numb er of discha rge outlets	Distribution of discharge outlets	Unit	Discharge concentration	Pollutant discharg e standard impleme nted	Total dischar ge	Approv ed total dischar ge	Over- stand ard disch arge	
Suspended matter				mg/L	8	400				
Total dissolved solids			Enzyme engineer-	mg/L	0.00174	2000	Total waste- water	The design daily waste- water treat- ment capacity		
Ammonia nitrogen (NH3-N)		^p ipe dis- 1 charge		mg/L	2.41	45				
BOD5				mg/L	11.8	350				
рН	dis- charge		harge 1 ing harge 1 outdoor wastewa- 0 ter station	ing outdoor	-	7.61	6.5-9.5	charge (during	of the for enzyme ir	form- ing
COD				mg/L	20.4	500	the reporting period):	neering waste-	_	
Total phosphorus (as P)				Ч		mg/L	1.745	8	15,152m ³ wate trea	water treat- ment
Fecal coliform count				MPN/L	115	500		station is 45m ³		
Total nitrogen (as N)				mg/L	2.922	15	,			

Waste Gases Treatment

We consistently strive to minimize waste gas emissions during production, ensuring compliance with environmental standards and fulfilling our environmental responsibilities. We have implemented rigorous waste gas treatment procedures, utilizing advanced technologies and equipment to effectively remove harmful substances and ensure emissions meet safety standards.

The Company categorizes waste gases into organic and acidic types and treats them accordingly. Organic waste gases are treated with ventilation cabinet filters and activated carbon adsorption in waste gas towers, while acidic waste gases are subjected to alkaline scrubbing and activated carbon adsorption in waste gas towers. For example, in the chip production facility, organic gas emissions from processes such as coating and cleaning are extracted through ventilation cabinets and then treated by rooftop devices, resulting in ultra-low emissions of pollutants through activated carbon adsorption.

Sustainable Development Transform

During the reporting period, the Company had only one key pollutant discharging unit, namely DGI TECH (QING DAO) CO., LIMITED, which is a key pollutant discharging unit for the water environment. The wastewater discharge of Qingdao DGI is

Total amount of general solid waste 73.20 Tons Total amount of recyclable waste **4.20** Tons

Total amount of wastewater discharge 179,630,072.00 Cubic meters

2024 Data "Three Wastes" Management

Total amount of hazardous waste 323.97 Tons

Total amount of waste gas emissions 21,071.62 Cubic meters

Green Operations

MGI Tech adheres to the concept of sustainable development, dedicated to reducing environmental impact throughout its production and operational processes, and takes concrete actions to safeguard ecological balance.

Sustainable Practices for Green Operations

Green Office -

Implementing paperless office practices, transitioning daily applications and approvals to online systems, thereby saving a significant amount of paper resources. For example, in terms of logistics management, the Company uses information systems such as WMS and TMS to achieve paperless ordering, automated tracking, and online meetings, thus reducing paper usage.

Green Energy

Photovoltaic power generation equipment has been installed on the roof top of the headquarters building of the Shenzhen base, with plans to utilize photovoltaic power for self-consumption in the future.

Case Construction of Green Coating Production Line at Changguang Factory

As of 2024, the coating production line at Changguang Factory had been fully constructed and was operating normally. The coating machines used in Changguang Factory are evaporative coating machines and sputtering coating machines, the principle of both of which are physical deposition. During the coating process, only oxygen and inert gas argon need to be supplemented, and no harmful gases are emitted. The coating materials are also all oxides, which only undergo oxidation reactions. The entire coating process is non-toxic and harmless, and will not have an impact on the environment.

Industrial Solid Waste Treatment

MGI Tech takes the management, storage, and subsequent treatment of hazardous waste very seriously. In order to prevent leakage incidents, we have established corresponding rules and regulations for different categories of waste to ensure standardized, regulated, and systematic waste management. The Company classifies industrial solid waste into hazardous waste and general industrial solid waste, and strictly monitors data indicators such as total hazardous waste generation, total general waste generation, hazardous waste generation density, and laboratory waste generation.

For general industrial solid waste, MGI Tech implements effective management by entrusting it to local waste management companies for recycling and disposal, with valuable parts being disposed of for a fee. Recognizing the specificity of hazardous waste, the Company has established hazardous waste temporary storage rooms in various production units, with dedicated personnel responsible for collecting hazardous waste generated during the production process. These waste materials are regularly collected and disposed of by third-party environmental companies with the appropriate qualifications according to strict standards, ensuring the formation of a complete and effective disposal loop. This has established a virtuous cycle of hazardous waste generation, collection, and disposal, providing crucial support to prevent hazardous waste leakage. As of the end of 2024, no hazardous waste leakage incidents had occurred

In 2024, the Company built new hazardous waste storage facilities at its Shenzhen Base Space-time Center and Wuhan Base, respectively, enhancing its storage and management capabilities while ensuring safe and standardized temporary storage of hazardous waste.

> Newly Built Hazardous Waste Warehouse at the Space-time Center

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Message From About MGI Tech Chairman

Sustainable Development Transform Leading Life Science Innovation







Green Building

Prioritizing office spaces located in buildings that have won green energy-saving awards; and fully considering green and energy-saving factors in construction projects. For example, all the buildings at the Wuhan base, including production plants, dormitories, canteens, and warehouses, have been issued the *Building Energy Efficiency Design Reports.*

• Green Transportation

For domestic transportation, priority should be given to environmentally friendly and low-carbon methods, such as public transportation and new energy vehicles. When it comes to international transportation, priority should be given to direct flights whenever possible to minimize flight distances. A multimodal green transportation system shall be developed.

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Case Construction of Green Transportation System

MGI Tech is committed to its energy management goals and drives green upgrading in the transportation sector. In China, new energy vehicles are fully utilized for collecting and delivering goods in cold chain less-than-truckload services, resulting in zero exhaust emissions. For mainline transportation, railway transportation is prioritized, with high-speed and standard rail freight making up 70% of the domestic cold chain less-than-truckload volume. For international transportation, direct flights are prioritized to minimize trans-shipments, enhancing efficiency while reducing the reliance on dry ice. By constructing a green transportation system based on multimodal transportation, the Company optimizes energy utilization structure while ensuring logistics efficiency.

Case Green Upgrading of Reagent Packaging

The Company incorporates environmental protection concepts into packaging design, actively promotes the action of de-plasticizing packaging, replaces petrochemical-based EPE with plant-based all-paper materials, and increases the use of recycled materials. In 2024, we specially optimized the inner packaging of reagents, transitioning the G400 reagent packaging from pearl cotton to cardboard materials. This change enabled us to achieve a fully paper-based and environmentally friendly structure for both the inner and outer packaging of our reagent kits.

Case Paper Box Recycling Project

The Warehouse Department has taken measures to reduce the significant loss and cost associated using new cardboard boxes for packing and transportation at the Second Office of Goods Delivery in Anliang. These measures involve sorting and returning cardboard boxes to the Anliang warehouse for reuse after goods delivery, collecting undamaged boxes from production disassembly, and screening, cleaning, and recycling boxes to achieve their secondary use. Following the improvement, the monthly usage of new cardboard boxes can be reduced by approximately 110, which not only lowers packaging costs but also enhances resource recycling in the warehousing and logistics process, achieving dual benefits of cost savings and environmental benefits.





Creating a Clean Laboratory Environment

A clean laboratory environment is crucial for improving work efficiency, minimizing cross-contamination risks, and ensuring the accuracy of experimental results. MGI Tech effectively maintains laboratory cleanliness and safety through the establishment of well-defined protocols, regular training, and diligent supervision.



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Guardian of Our Environment

O Develop detailed laboratory cleaning protocols, including daily, weekly, and

O Protocols should detail cleaning guidance and frequencies for various lab areas (e.g., workbenches, equipment surfaces, floors).

O Clearly define the roles and responsibilities for lab cleaning tasks;

- O Encourage lab members to provide feedback on cleaning processes for
- O Regularly inspect lab cleanliness to ensure adherence to protocols.

Use appropriate cleaning agents and tools

O Select suitable cleaning agents based on the lab's specific needs, such as residue-free disinfectants for work surfaces;

O Prepare adequate cleaning tools (e.g. paper towels, spray bottles, brushes, protective gloves) and ensure they are suitable for the lab environment.

© Enact an effective waste management plan to promptly clean up waste generated in the lab, including chemical, biohazardous, and general waste;

O Ensure waste is correctly categorized, stored, and disposed of.

Provide training and educational programs

Regularly conduct cleaning and safety training for lab personnel to emphasize the key role of cleanliness in ensuring experimental accuracy and safety;

Encourage lab members to monitor each other to ensure effective implemen-



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Corporate laboratory site photos

Case

Broadening the Range of Carbon Footprint Certification Products and Creating a Green Product Ecosystem

In 2024, we continued to focus on green and low-carbon development, integrating carbon footprint management into the full product lifecycle. In 2024, the Company expanded its carbon footprint product certifications from DNBSEQ-G400 to other sequencing equipment such as DNBSEQ-T7 and DNBSEQ-G99, and to supporting products such as DNBSEQ-G99 high-throughput sequencing kit, DNBSEQ-G400 high-throughput sequencing kit, DNBSEQ-T7RS high-throughput sequencing kit, MGIEasy saliva sample collection kit, MGIEasy fecal genome, and DNA (Meta) extraction kit.

By conducting a systematical analysis of the carbon emissions associated with our products — spanning raw material procurement, production, transportation, use, and waste disposal — and accurately quantifying carbon footprint data, we will continue to enhance product carbon performance and develop a more sustainable, low-carbon ecosystem for life sciences and technology products.





Innovative Green Cold Chain Transportation Uses Circular Insulation Boxes to Support Low-Carbon Logistics Practices

Focusing on the low-carbon goal of cold chain transportation, the Company is driving innovation. In China's domestic less-than-truckload cold chain sector, we utilize circular insulated boxes for all packaging, maintaining temperature control from start to finish. This move not only completely eliminates the need for refrigerants like ice packs and dry ice, but also does away with the necessity of buying extra insulation boxes and thermometers, while establishing a recycling system. We introduce miniaturized insulated boxes for international transportation to cater to the needs of low-volume business shipping and reduce dry ice consumption. From January to October 2024, the Company's cold chain less-than-truckload business in China utilized a cumulative total of 18,691 incubators across various models. If we calculate based on the traditional "dry ice + foam box" method, which consumes 30 kilograms of dry ice per use, the cumulative reduction in dry ice usage exceeded 560 tons. This significant reduction in dry ice consumption substantially lowered carbon emissions, establishing a benchmark for the industry's green transformation in cold chain transportation through innovative packaging practices.





About MGI Tech Sustainable Development Transform Leading Life Science Innovation

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Appendices

Appendix I: About the Report

Overview

This is the second Environmental, Social, and Governance (ESG) report issued by MGI Tech Co., Ltd., also known as "MGI Tech", "MGI", "the Company", or "we". The Report is designed to communicate our strategies, management practices, and achievements in environmental protection, social responsibility, and corporate governance to our stakeholders.

Reporting Period

This annual report covers the period from January 1 to December 31, 2024. Some content may extend beyond this timeframe, and explanations will be provided where necessary.

Corporate Entities Covered in This Report

MGI Tech, MGI, the Company, We	refers to	MGI Tech Co., Ltd.
Wuhan MGI	refers to	Wuhan MGI Tech Co.,Ltd.
Software Company	refers to	MGI Shenzhen Software Tech Co., Ltd.
IMABOT SHENZHEN	refers to	IMABOT SHENZHEN MEDICAL CO., LTD
IMABOT KUNSHAN	refers to	IMABOT KUNSHAN MEDICAL CO., LTD
Qingdao MGI	refers to	Qingdao MGI Tech Co.,Ltd.
Qingdao DGI	refers to	DGI TECH (QING DAO) CO., LIMITED
EGI TECH (SHEN ZHEN)	refers to	Egi Tech (Shen Zhen) Co., Limited
EGI TECH (QING DAO)	refers to	Egi Tech (Qing Dao) Co., Limited
IMABOT HAINAN	refers to	IMABOT HAINAN SOFTWARE TECH CO., LTD
Yiyang MGI	refers to	Hunan Yiyang MGI Tech Co.,Ltd
Hainan MGI	refers to	Hainan MGI Tech Co., Ltd.
MGI Sales	refers to	Shenzhen MGI Sales Co.,Ltd
Shanghai MGI	refers to	Shanghai MGI Tech Co.,Ltd
Shenzhen MGI Biotech	refers to	Shenzhen MGI Bioelectronics Tech Co., Ltd.

HK Co.	refers to	CGI HONGI
MGI Tech	refers to	MGI Tech F
MGI International Sales	refers to	MGI INTERN
MGI Innovation	refers to	MGI Innova
EGI HK	refers to	EGI HONG I
EGI US	refers to	EGI USA Inc
CG US	refers to	Complete
ССШС	refers to	Complete
MGI HK	refers to	MGI Tech H
MGI Latvia	refers to	Latvia MGI
MGI Japan	refers to	MGI Tech J
MGI Americas	refers to	MGI Ameri
MGI Dubai	refers to	MGI Tech N
MGI Singapore	refers to	MGI TECH S
MGI TECH KOREA CO., LTD.	refers to	MGI TECH K
MGI AUSTRALIA PTY LTD	refers to	MGI AUSTR
MGI Tech GmbH	refers to	MGI Tech (
MGI TECH UK LTD	refers to	MGI TECH U
MGI Tech FR, SARL	refers to	MGI Tech F
Mgi Brasil Ltda	refers to	MGI BRASIL
MGI TECH NEW ZEALAND LIMITED	refers to	MGI TECH I

Guardian of Our Environment

NGKONG CO.LIMITED
h R&D HONG KONG CO., LIMITED
ernational sales co., limited
ovation Co., Limited
ig Kong Co.,Limited
Inc.
te Genomics, Inc.
te Genomics LLC
h HONG KONG CO.,LIMITED
IGI Tech SIA
h Japan Co., Ltd.
ericas Inc
h Middle East DMCC
:H SINGAPORE PTE.LTD.
:H KOREA CO., LTD.
STRALIA PTY LTD
h GmbH
:H UK LTD
h FR, SARL
ISIL LTDA
H NEW ZEALAND LIMITED

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Message From Chairman

About MGI Tech Sustainable Development

Transform

Leading Life Science Innovation

Advancing Life Science Tools for Future Healthcare

Leader in Compliance Governance

Basis of Preparation

This report was prepared under the guidance of the Guidelines No.14 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies-Sustainability Report (Trial), and by reference to the GRI Standards issued by the Global Sustainability Standards Board (GSSB), industry standards issued by the Sustainability Accounting Standards Board (SASB), the International Financial Reporting Standards issued by the International Sustainability Standards Board (ISSB), the European Sustainability Reporting Standards (ESRSs) issued by the European Commission, and the United Nations' Sustainable Development Goals (SDGs): A Corporate Action Guide.

Data Source and Reliability Statement

The Report utilizes data from various sources, including public data from government departments, internal statistical reports, third-party survey questionnaires, administrative documents and reports, and third-party evaluation interviews. All content and data disclosed in this report have been reviewed and approved by the Board of Directors of MGI Tech Co., Ltd. All content and data disclosed in this report have been reviewed and approved by the Board of Directors of MGI Tech Co., Ltd.

MGI Tech commits that there are no false records, misleading statements, or significant omissions in the content of this report. The Board of Directors of the Company assumes individual and joint responsibility for the truthfulness, accuracy, and completeness of its content.

Forward-Looking Statements

The forward-looking statements in this report are founded on the Company and its subsidiaries' forecasts, assumptions, and expectations concerning current production and operational conditions. Actual outcomes may vary from those projected in this report, as they may be influenced by risk factors and force majeure events that could impact the implementation process.

Report Access

This report is published in both printed and electronic forms, with printed copies available in the Company's securities department.

The electronic version can be accessed and downloaded on the Company's official website at https://www.mgi-tech.com/

Contact information

MGI Tech encourages all stakeholders to provide suggestions or feedback on the Company's sustainable development and social responsibility management. For any related matters, please contact MGI_IR@mgi-tech.com.

	Indicators	Unit	2024 Data
Financial Performance	Revenue	yuan	3,012,531,769.09
	Net profit attributable to shareholders	yuan	-600,827,020.56
	Basic earnings per share	yuan	-1.46
	Total assets	yuan	10,314,855,725.90
	Net assets attributable to shareholders	yuan	7,890,161,750.38
	Debt-to-asset ratio	%	23.51
	Total amount of taxes and fees paid in the year	10 thousand yuan	a 29,140.64

	Indicators	Unit	2024 Data
	Corporate Governance		
	Number of shareholders' meetings held	Times	3
	Number of board meetings held	Times	7
	Number of meetings held for the Audit Committee	Times	6
	Number of meetings held for the Remuneration Committee	Times	4
Corporata	Number of meetings held for the Special Commit- tee of Independent Directors	Times	4
overnance Performance	Number of board members	People	10
	Male directors	People	8
	Female directors	People	2
	Independent directors	People	4
	Non-independent directors	People	6

Appendix II: Sustainability Performance

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Sustainable Development Transform About MGI Tech

Leading Life Science Innovation

Advancing Life Science Tools for Future Healthcare

Leader in Compliance Governance

	Indicators	Unit	2024 Data
	Investor Relations		
Corporate overnance Performance	Number of investor communication events hosted	Sessions	83
	Number of institutional investor visits	People	730
	Total number of institutes visits	Institutes	455
	Number of inquiries addressed on "E-SSE" platform	Inquiries	28
	Query resolution rate on "E-SSE" platform	%	100
	Number of public disclosures issued	Pieces	155
	Number of internal control inspections	Times	11

	Indicators	Unit	2024 Data	
	R&D Innovation			
	R&D investment	10,000 yuan	81,101.35	
	R&D staffing number	People	812	
	R&D personnel ratio	%	31.18	
	Percentage of R&D personnel holding Master's Degrees or higher	%	60.47	
	Number of patent applications	Inquiries	326	
	Number of patents granted	Inquiries	139	
	Number of utility model patent applications	Inquiries	73	
<u>HHTHA</u>	Number of utility model patents granted	Inquiries	41	
Social	Number of design patent applications	Inquiries	40	
Performance	Number of design patents granted	Inquiries	32	
	Number of software copyright applications	Inquiries	77	
	Number of software copyrights registered	Inquiries	84	
	Product quality and customer service			
	Quality training coverage rate	%	100	
	Total hours of quality training	Hours	2,560	
	Number of product recalls	Times	0	
	Complaints on customer privacy violation received	Complaints	0	



Social Performance

Indicators	Unit	2024 Data			
Supply Chain Management					
Number of manufacturers reviewed	Suppliers	275			
Audit completion rate	%	100			
Total number of suppliers	Suppliers	745			
Suppliers in Chinese Mainland	Suppliers	674			
Suppliers from Hong Kong, Macao, Taiwan, and overseas	Suppliers	71			
Number of local suppliers (within Guangdong Province)	Suppliers	329			
Number of suppliers with ISO 13485 quality system certification	Suppliers	53			
Number of suppliers with ISO 14001 environmental management system certification	Suppliers	27			
Number of suppliers with ISO 45001 occupational health and safety system certifications	Suppliers	7			
Number of suppliers with ISO 9001 quality system certification	Suppliers	220			
Employment					
Total number of employees	People	2,604			
Number of male employees	People	1,482			
Number of female employees	People	1,122			
Employees under labor contract	People	2,603			
Other employees (rehired retirees)	People	1			
Chinese Mainland, Hong Kong, Macao and Taiwan	People	2,085			
Total number of overseas staff	People	519			
Americas region	People	199			
Europe-Africa region	People	198			
Asia-Pacific region	People	122			
30 years old and below	People	835			
31 to 40 years old	People	1,380			
41 to 50 years old	People	298			
51 years old and above	People	91			
Bachelor's Degree or higher	People	2,391			
Higher Vocational Education (HVE) Diploma	People	177			
Vocational secondary education and below	People	36			



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Leading Life Science Innovation

Advancing Life Science Tools for Future Healthcare

Leader in Compliance Governance

	Indicators	Unit	2024 Data
	Total number of grassroots employees	People	1,413
	Total number of key employees	People	992
	Total number of core employees	People	178
	Total number of employees at the core management level	People	73
	Total number of female employees at the core manage- ment level	People	24
	Total number of strategic employees	People	21
	Total number of employees at the strategic manage- ment level	People	21
	Total number of female employees at the strategic management level	People	4
	Proportion of production personnel	%	20.31
	Proportion of sales personnel	%	34.41
	Proportion of technical personnel	%	31.18
_	Proportion of financial personnel	%	2.53
	Proportion of administrative personnel	%	11.56
<u> </u>	Total employee separations	People	442
Social	Employee turnover rate	%	13.36
Performance	Employee training		
	Total duration of training received by employees	Hours	143,297.00
c	Average duration of employee training	Hours	55.03
C. C	Total number of training hours received by male employees	Hours	81,553.82
ç	Total number of training hours received by female employees	Hours	61,743.18
	Number of training participants	Person-times	4,426
	Number of male employees receiving training	Person-times	2,519
	Number of female employees receiving training	Person-times	1,907
c	Occupational Health and	Safety	
	Safety production investment	10,000 yuan	283.7
	Number of employees in occupational disease risk positions	People	280
	Number of employees screened for occupational diseases	People	280
ç	Number of employees diagnosed with occupational disease	People	0

People

0

	Indicators	Unit	2024 Data
	Investment in environmental protection	10,000 yuan	224.9
	Total investment in energy conservation and emissions reduction	10,000 yuan	44.43
	Environmental protection training sessions conduct	ed Times	12
	Number of participants in environmental protection training	Person-times	3,162
	Total consumption of electricity	kW∙h	48,228,146.59
	Diesel	Liters	563.00
	Gasoline	Liters	4,200.00
	Natural gas	Cubic meters	50,455.00
_	Comprehensive energy consumption	Tons of standard coal	5,987.99
_ Y	Comprehensive energy consumption per 10,000 yuan output value	ons of standard coal/10,000 yu	uan 0.02
	Scope 1: Greenhouse gas emissions	tCO ₂ e	118.51
Environmental	Scope 2: Greenhouse gas emissions	tCO₂e	25,446.84
Performance	Total greenhouse gas emissions (Scope 1+Scope 2)) tCO2e	25,565.35
	Greenhouse gas emission intensity	tCO₂e/10,000 yuan	0.08
	Total water consumption	Cubic meters	218,313.54
	Water consumption intensity	Cubic meters/10,000 yuan	0.72
	Packaging Material Used: Lumber	Tons	147.34
	Total amount of general solid waste	Tons	73.20
	Total amount of recyclable waste	Tons	4.20
	Total amount of hazardous waste	Tons	323.97
	Total amount of wastewater discharge	Cubic meters	21,071.62
	Total amount of waste gas emissions	Cubic meters	179,630,072.00
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Appendixes

Leader in Compliance Governance

Appendix III: Index of Indicators

Report Framework	ISSB Guidelines	ESRS Guidelines	GRI Standard 2021	SASB	Guidelines No.14 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)
Message From Chairman	S1, S2	ESRS 1	2-13		
About MGI Tech					
Company Profile	S1	ESRS 2	2-1, 2-6		
Company Development Milestones			2-1		
Company Awards			2-1		
Sustainable Development Transformation					
Sustainable Development Management	S1	ESRS 1	2-9, 2-22, 2-29 , 3-1, 3-2, 3-3		Article 53
Key ESG Risks and Opportunities	S1, S2		2-6, 2-25		Article 52
Sustainable Development Process in 2024	S1, S2		2-4		
Tools for Measuring Sustainable Development	S1		3-3		
Leading Life Science Inno	vation				
Enhancing the Accessibility of Genomics	S1		203-1, 203-2, 2-6	HC-MS-240	a.1
Empowering a Healthy Future	S1		203-1, 203-2, 2-6		
Driving Sustainable Practices	S1		203-1, 203-2, 2-6		
Jointly Building an Industrial Ecosystem	S1		203-1, 203-2, 2-6		Article 46
Advancing Life Science Tools for Future Healthcare					
R&D Innovation			201-1, 203-1, 203-2	HC-MS-410a	.1. Article 42
Quality Management	S1	ESRS S4	201-1, 418-1, 416-1 , 416-2	HC-MS-250a HC-MS-250a HC-MS-250a	.1., .2., Article 47 .3.
Global Services	S1	ESRS S4	418-1		Article 47
Sustainable Supply Chain	S1		201-1, 403-8, 418-1, 416-1, 416-2	HC-MS-430a HC-MS-430a HC-MS-430a	.1., .2., Article 45 .3.

Report Framework	ISSB Guidelines	ESRS Guidelines	GRI St
Leader in Compliance Go	overnance		
Corporate Governance	S1	ESRS G1	2-9, 2- 2-16, 2
Compliance Operations	S1	ESRS G1	2-27
Risk Management	S1	ESRS G1	2-27
Data Security and Privacy Protection	S1		201-1
Responsible Business Operations	S1	ESRS G1	2-15, 2 205-3
Value Growth Partner			
Employee Employment and Management	S1	ESRS S1	401-1, 4 406-1, 409-1
Employee Compensation and Benefits	S1	ESRS S1	402-1,
Employee Career Development and Training	S1	ESRS S3	404-1,
Occupational Health and Safety	S1	ESRS S1	403-1, 403-4 403-7,
Fulfilling Social Responsibility	S1	ESRS S3	413-1
Guardian of Our Environr	nent		
Addressing Climate Change	S2	ESRS E1, ESRS E3, ESRS E4	201-2, 304-3, 305-3,
Environmental Management	S1		203-1
Resource Utilization	S2	ESRS E5	301-1, 3
Waste Management	S1		2-27, 2 306-1,
Green Operations	S1		203-1

S1, S2

ESRS 1

Value Growth Partner	Guardian o Environm	f Our ent Appendices	
DI Stopdard 2021	CACD	Guidelines No.14 of the Shanghai Sto	ick
RI Standard 2021	SASB	Companies—Sustainability Report (Ti	rial)
-9, 2-10, 2-11, -16, 2-27			
-27			
-27			
 D1-1		Article 48	
-15, 2-27, 205-1, 05-3, 206-1, 417-1	HC-MS-240a.2., HC-MS-270a.2., HC-MS-510a.1.	Articles 55 and 56	
01-1, 401-2, 401-3, 06-1, 407-1, 408-1, 09-1			
02-1, 402-2, 405-1		Article 50	
04-1, 404-2, 404-3			
03-1, 403-2, 403-3, 03-4, 403-5, 403-6, 03-7, 403-8			
3-1	HC-MS-410a.2.	Articles 39 and 40	
01-2, 304-1, 304-2, 04-3, 305-1, 305-2, 05-3, 305-4	HC-MS-410a.1.	Articles 21 to 28, Article 32	
)3-1		Article 33	
01-1, 303-1, 303-5			
-27, 2-28, 303-2 06-1, 306-2		Articles 30 and 31	

Articles 36 and 37

2-2, 2-3, 2-4

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Appendix IV: List of Laws and Regulations

Laws and Regulations of China	Corresponding Chapters	Key Overseas Laws and Regulations
Company Law of the People's Republic of China		U.S. Foreign Corrupt Practices Act (FCPA)
Securities Law of the People's Republic of China		U.S. Federal Trade Commission Act
Criminal Law of the People's Republic of China		U.K. The Bribery Act 2010
Rules Governing the Listing of Stocks on the Shanghai Stock Exchange		EU the General Data Protection Regulation (GDPR)
Administrative Measures on Information Disclosure by Listed Companies	Leader in Compliance Governance	UK General Data Protection Regulation (UK GDPR)
Anti-Monopoly Law of the People's Republic of China	Governance	U.S. the Data Protection Act
Anti-Unfair Competition Law of the People's Republic of China		U.S. Export Administration Regulations
Basic Standards for Enterprise Internal Control		U.S. California Consumer Privacy Act
Data Security Law of the People's Republic of China		Singapore COMMODITY TRADING ACT 1992
Guidelines for the Establishment of Ethical Review Committees for Clinical Research Involving Humans	Leading Life Science Innovation	U.S. the Animal Welfare Act
Measures for the Ethical Review of Biomedical Research Involving Humans	Advancing Life Science Tools	U.S. the Energy Policy Act of 2005
Labor Contract Law of the People's Republic of China	for Future Healthcare	U.S. the Clean Water Act
Employment Promotion Law of the People's Republic of China		U.S. the Clean Air Act
Special Provisions on Labor Protection of Female Employees	Value Crowth Partner	U.S. the Solid Waste Disposal Act
Law of the People's Republic of China on the Protection of Minors	value Growth Partner	U.S. Uniformed Services Employment and Reemployment Rights Act (USERRA)
Public Welfare Donations Law of the People's Republic of China		
Energy Conservation Law of the People's Republic of China		U.S. Employee Rights for Workers with Disabilities Paid at Specia Minimum Wages, EPPA
Environmental Protection Law of the People's Republic of China		U.S. Pay Transparency Non-discrimination Provision
Law of the People's Republic of China on the Prevention and Control of Water Pollution		
Law of the People's Republic of China on the Prevention and Control of Air Pollution	Guardian of Our Environment	
Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste		
Law of the People's Republic of China on the Prevention and Control of Soil Pollution		
Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution		

Guardian of Our Environment

	Corresponding Chapters
	Leader in Compliance
	Governance
	Guardian of Our
	Environment
's	
al	Value Growth Partner

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Chairman

Message From A

About MGI Tech

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Appendix V: Key Annotations

1. The environmental performance scope encompasses six major R&D and production bases, including the bases in Shenzhen, Wuhan, Qingdao, Kunshan, Changchun, and Latvia. Energy consumption is calculated in accordance with the General Principles for Calculation of Total Production Energy Consumption (GB2589-2020) issued by China's State Administration for Market Regulation and National Standardization Administration.

2. Direct emissions (Scope 1) refer to the greenhouse gas emissions generated from the consumption of natural gas, diesel, and gasoline. Greenhouse gas emissions under Scope 1 are accounted for in accordance with the Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Industrial and Other Industry Enterprises (Trial) issued by China's National Development and Reform Commission, as well as the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC).

3. Indirect emissions (Scope 2) refer to the greenhouse gas emissions generated from the consumption of purchased electricity. The data calculation of greenhouse gas emissions under Scope 2 uses market-based emission factors. Greenhouse gas emissions under Scope 2 are accounted for in accordance with the national average carbon dioxide (CO₂) emission factor for electricity consumption issued by the Ministry of Ecology and Environment of the People's Republic of China in 2022, as well as the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC).

4. Carbon emission calculation formula: Carbon emissions = Activity data (AD) * emission factor (EF).

5. Only a partial list of key overseas laws and regulations is provided here. The Company rigorously complies with the laws and regulations in all jurisdictions where it operates.

Feedback

management provide valua pledge to safe	practices and re ble feedback and eguard your inforr	the time to review to porting quality, and I suggestions on thin nation from unauthor	the <i>MGI Te</i> to elevate is report. No prized third
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3. How do you to stakeholde Good	rate the responsions of the responsion of the re	veness and disclosu	re quality
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5. How do you	evaluate the read	ability of this report, i	ncluding t
Good	□ Very good		🗆 Po
6. What sugge	estions do you ha	ve for our future ESG	reports?



ch 2024 ESG Report. In our ongoing efforts to enhance our ESG our ESG capabilities and standards, we sincerely invite you to 'e will carefully consider your feedback and suggestions and -party access.

gencies 🛛 Others (please specify)

Investor 🗌 Media 🗌 Distributors 🗌 Industry associations

d comprehensively reflects the Company's significant

f this report with regard to the issues that are of concern

the information, indicators, and data disclosed in this report?

e logical structure, content design, language, and format design?