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YONGHE

雍禾医疗

Yonghe Medical Group Co., Ltd.

雍禾醫療集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2279)

VOLUNTARY ANNOUNCEMENT ON-MARKET SHARE REPURCHASE

This announcement is made by Yonghe Medical Group Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board of directors of the Company (the “**Board**”) wishes to announce that the Company may, subject to suitable market conditions, repurchase the Company’s issued ordinary shares (the “**Shares**”) on-market (the “**Proposed Share Repurchase**”) under the repurchase mandate (the “**Share Repurchase Mandate**”) that was granted by the shareholders of the Company (the “**Shareholders**”) in the Company’s annual general meeting held on June 16, 2023 (the “**2023 AGM**”). Pursuant to the Share Repurchase Mandate, the maximum number of Shares that the Company is allowed to repurchase is 52,708,041 Shares, representing 10% of the aggregate number of the Shares as at the date of the 2023 AGM on the Stock Exchange of Hong Kong Limited.

The Company intends to conduct the Proposed Share Repurchase as the Board is confident in the Company’s future development prospects and the recognition of the Company’s value, in order to safeguard the legitimate rights and interests of investors and enhance investors’ confidence, with the consideration of the Company’s operation, financial position and development strategy.

The Proposed Share Repurchase will be funded by the internal cash resources of the Company. Any Shares repurchased will be cancelled, and once cancelled will result in a reduction of the total issued Shares and lead to an enhancement of the net asset value of and earnings per Share.

The Board believes that the Company’s current finances and business are in good condition, and the Company has sufficient financial resources allowing it to conduct the Proposed Share Repurchase while maintaining sufficient working capital for the rapid growth of the Group’s operations. The Board believes the Proposed Share Repurchase and subsequent cancellation of the repurchased Shares could enhance the value of the Shares thereby improving the return to the Shareholders.

Shareholders and potential investors should note that, as of the date of this announcement, the Company has made no repurchase of Shares pursuant to the exercise of the Share Repurchase Mandate. Any exercise of the Share Repurchase Mandate, if and when conducted, will be subject to, among others, market conditions and at the absolute discretion of the Board. There is no assurance of the timing, quantity or price of any repurchase of Shares. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Yonghe Medical Group Co., Ltd.
ZHANG Yu
Chairman of the Board

Hong Kong, October 26, 2023

As at the date of this announcement, the executive directors of the Company are Mr. ZHANG Yu, Mr. ZHANG Hui and Ms. HAN Zhimei; the non-executive director of the Company is Mr. GENG Jiaqi and the independent non-executive directors of the Company are Ms. LIANG Jihong, Mr. CHAN Peng Kuan and Mr. LI Xiaopei.