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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)

INSIDE INFORMATION
POSITIVE PROFIT ALERT

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

The board of directors (the "**Board**") of the Company wishes to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 (the "**Relevant Period**") and the information currently available to the Board, the Group is expected to record a net profit of not less than RMB70.0 million for the Relevant Period, representing an increase of not less than 150.9% as compared with the net profit of RMB27.9 million for the corresponding period in 2025. The Group's revenue for the Relevant Period is also expected to record an increase of not less than 10.0% as compared with the corresponding period in 2025.

Based on the information currently available, the Board considers that the continued enhancement of the Group's profitability during the Relevant Period was mainly attributable to the following factors:

(i) Stable growth of core service revenue and continuous optimization of service portfolio

During the Relevant Period, the Group continued to promote the coordinated development of hair transplantation services and medical hair care services, with stable growth achieved across its core service offerings. The Group's revenue from hair transplantation services is expected to increase by no less than 10.0% and revenue from medical hair care services is expected to increase by no less than 15.0% as compared with the corresponding period of last year.

The Group continued to strengthen its customer-oriented operating model by enhancing customer service capabilities, optimizing medical service processes and improving the efficiency of medical resource allocation. These initiatives further enhanced patient conversion efficiency and service quality. Meanwhile, the Group's medical hair care services continued to demonstrate strong growth momentum, further optimizing the Group's service portfolio and providing new growth drivers for the Group's long-term sustainable development.

(ii) Enhancement of operational efficiency and realization of operating leverage driving significant improvement in profitability

Following the Group's turnaround in profitability in 2025, the Group continued to optimize its operating model, enhance operational efficiency and improve resource utilization efficiency, while implementing refined operational management initiatives. The operating quality of existing clinics continued to improve, and the realization of operating leverage further strengthened the Group's profitability.

During the Relevant Period, while maintaining a relatively stable number of clinics, the Group continued to unlock the operational potential of existing clinics through the continuous enhancement of its proprietary chain medical management system "He Fan". The Group further strengthened its digital operational capabilities, deepened tiered customer management through labeling, and established a comprehensive customer profiling system covering multiple dimensions, including channel sources, demand categories, consumption preferences and hair loss levels. These initiatives provided more precise operational support for clinical teams, facilitated the design of differentiated consultation processes and the optimized allocation of medical resources.

The above measures effectively enhanced the Group's overall operational efficiency and operating quality, while enabling further realization of operating leverage arising from revenue growth. The Group's gross profit margin for the Relevant Period is expected to increase by not less than 5.0 percentage points as compared with the corresponding period in 2025.

Since the Group achieved a turnaround from a loss-making position to profitability in 2025, the improvement in profitability has continued to consolidate. The Group believes that the operating performance during the Relevant Period further demonstrates that the Group's continuous efforts in optimizing service portfolio, enhancing operational efficiency and implementing refined management measures have gradually achieved results, laying a more solid foundation for sustainable long-term profitability growth.

As at the date of this announcement, the Company is in the process of finalizing the Group's interim results for the Relevant Period. The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group and the information currently available to the Board as at the date of this announcement, which have not been reviewed or audited by the Company's auditor and/or the audit committee of the Board. The final interim results of the Group for the Relevant Period may differ from the information contained in this announcement and are expected to be announced by the end of August 2026.

Shareholders and potential investors of the Company are advised to 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, July 29, 2026

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.