

Second Quarter 2025 Investor Presentation

 Yatsen Holding Limited

Disclaimer

This presentation has been prepared by Yatsen Holding Limited (the “Company”) solely for information purpose. By viewing or accessing the information contained in this material, you hereby acknowledge and agree that no representations, warranties or undertakings, express or implied, are made by the Company or any of its directors, shareholders, employees, agents, affiliates, advisors or representatives as to, and no reliance should be placed upon, the accuracy, fairness, completeness or correctness of the information or opinions presented or contained in this presentation. None of the Company or any of its directors, shareholders, employees, agents, affiliates, advisors or representatives accept any responsibility whatsoever (in negligence or otherwise) for any loss howsoever arising from any information presented or contained in this presentation or otherwise arising in connection with the presentation. The information presented or contained in this presentation is subject to change without notice and its accuracy is not guaranteed.

This presentation does not constitute an offer to sell or issue or an invitation or recommendation to purchase or subscribe for any securities of the Company for sale in the United States or anywhere else. No securities of the Company may be sold in the United States without registration with the United States Securities and Exchange Commission (the “SEC”) or an exemption from such registration pursuant to the Securities Act of 1933, as amended (the “Securities Act”) and the rules and regulations thereunder. No part of this presentation shall form the basis of or be relied upon in connection with any contract or investment decision in relation to any securities or otherwise. This presentation does not contain all relevant information relating to the Company or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of the Company. Nothing contained in this presentation shall be relied upon as a promise or representation as to the past or future performance of the Company. Past performance does not guarantee or predict future performance. You acknowledge that any assessment of the Company that may be made by you will be independent of this presentation and that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.

Certain statements in this presentation, and other statements that the Company may make, are forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. These statements reflect the Company’s intent, beliefs or current expectations about the future. These statements can be recognized by the use of words such as “expects,” “plans,” “will,” “estimates,” “projects,” “intends,” “anticipates,” “believes,” “confident” or words of similar meaning. These forward-looking statements are not guarantees of future performance and are based on a number of assumptions about the Company’s operations and other factors, many of which are beyond the Company’s control, and accordingly, actual results may differ materially from these forward-looking statements. The Company or any of its affiliates, advisers or representatives has no obligation and does not undertake to revise forward-looking statements to reflect future events or circumstances.

This presentation also contains non-GAAP financial measures, the presentation of which is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). In addition, the Company’s calculation of these non-GAAP financial measures may be different from the calculation used by other companies, and therefore comparability may be limited. The reconciliation of those measures to the most comparable GAAP measures is contained within this document or available at the Company website <http://ir.yatsenglobal.com/>.

Second Quarter 2025 Review



Second Quarter 2025 Snapshot

Total Net Revenues

RMB 1.09B

+36.8% YoY

Gross Margin

78.3%

+1.5 percentage points YoY

GAAP Net Loss Margin

1.8%

Narrowed by 9.0 percentage points YoY

Non-GAAP Net Income Margin

1.1%

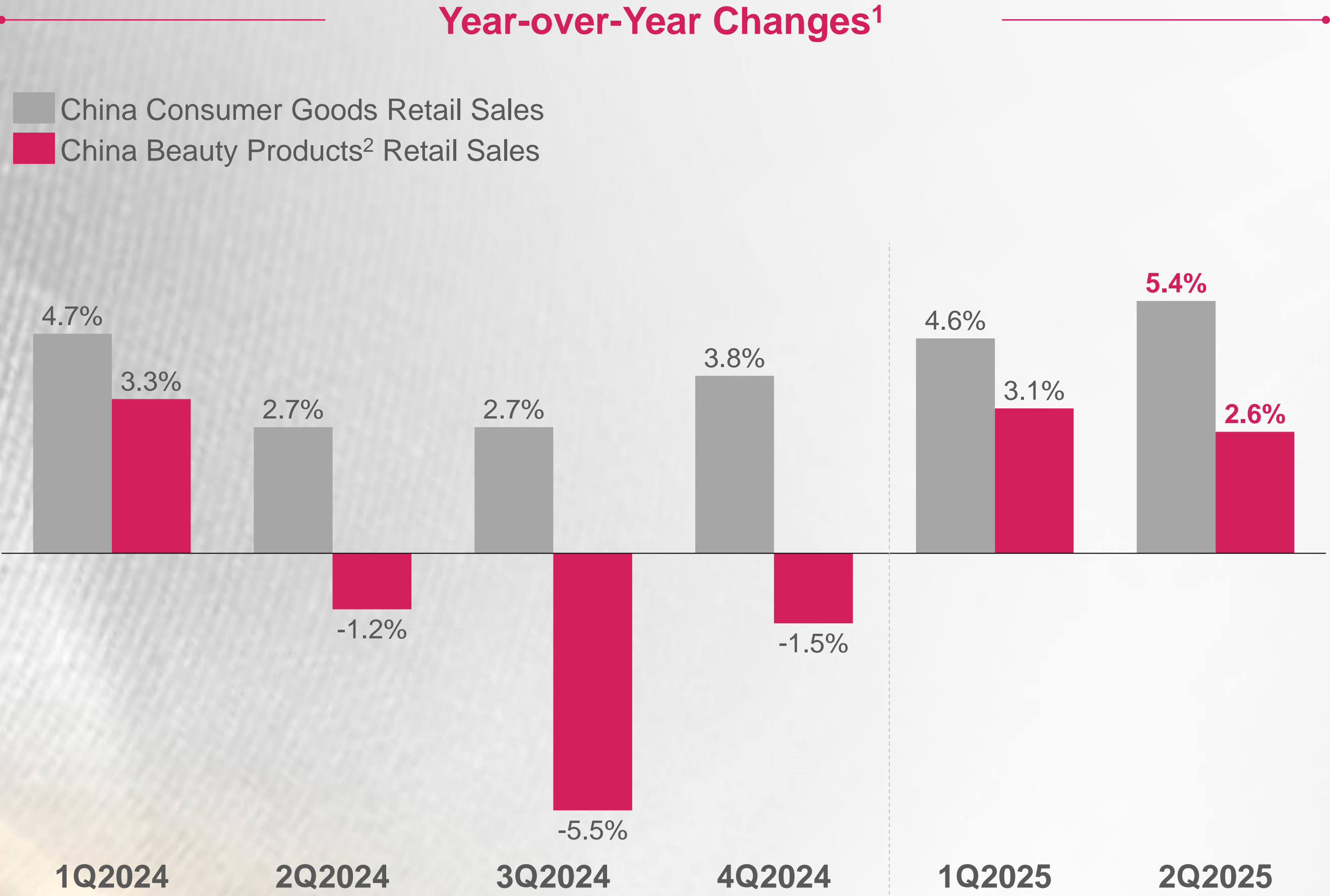
Compared to non-GAAP net loss margin of 9.4% for the prior year period

Net Cash Generated from Operating Activities

RMB 77.7M



Market Overview



Total retail sales of consumer goods
grew by 5.4%...

...outpacing the 2.6% **growth** in
beauty retail sales

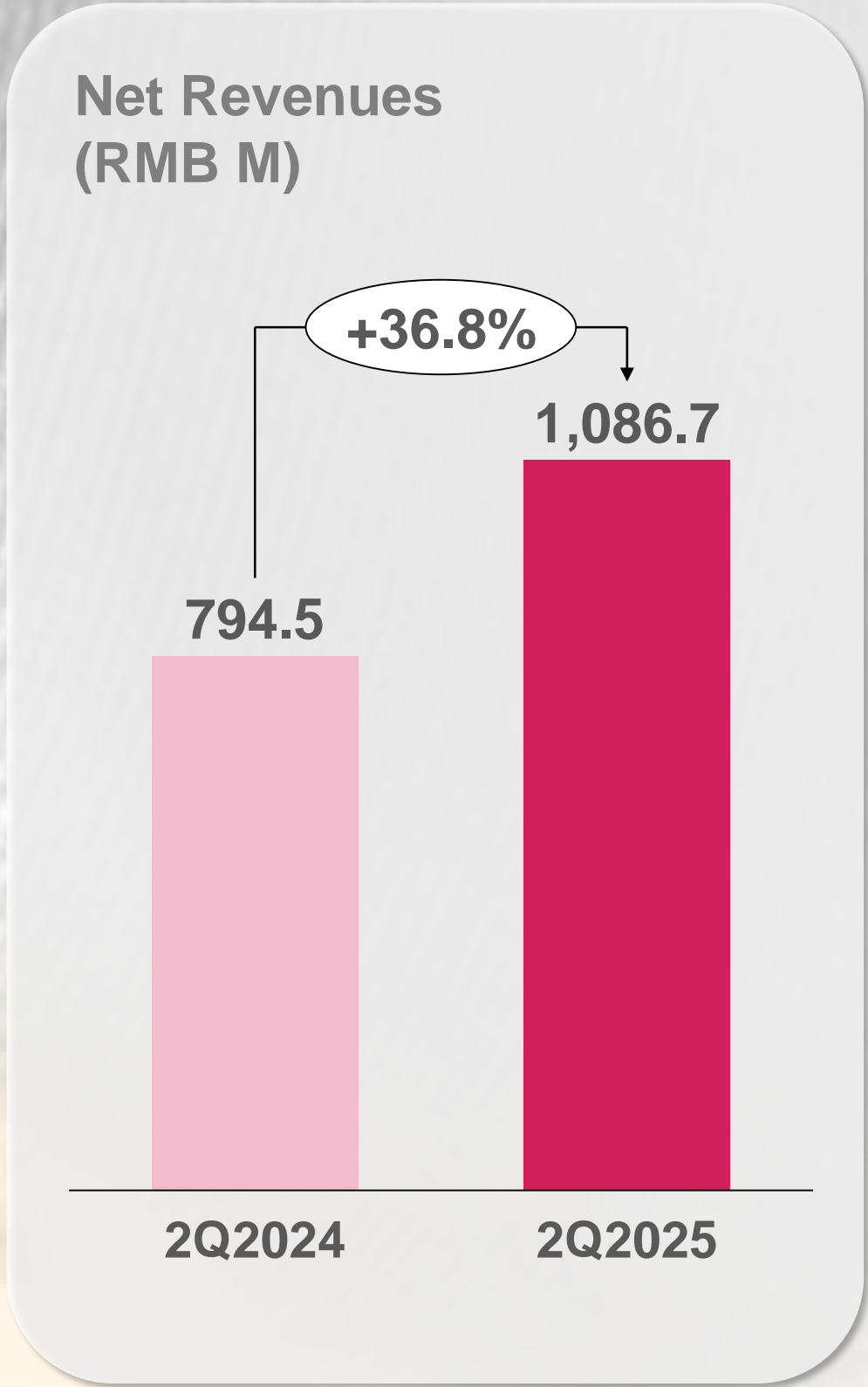
Notes:

¹ Based on the adjusted data published by China National Bureau of Statistics (“CNBS”).

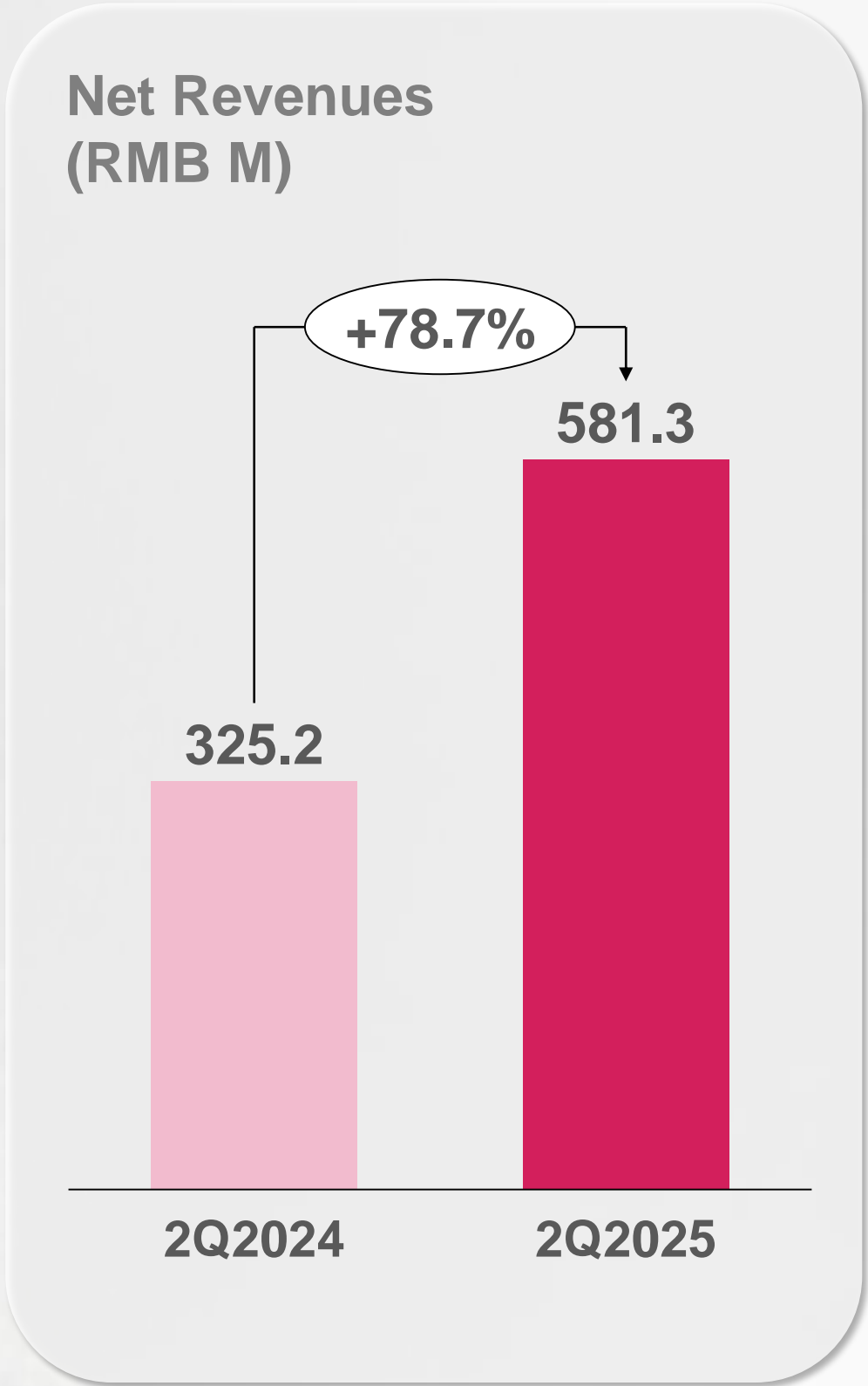
² Beauty products include color cosmetics and skincare products.

Key Financials at a Glance

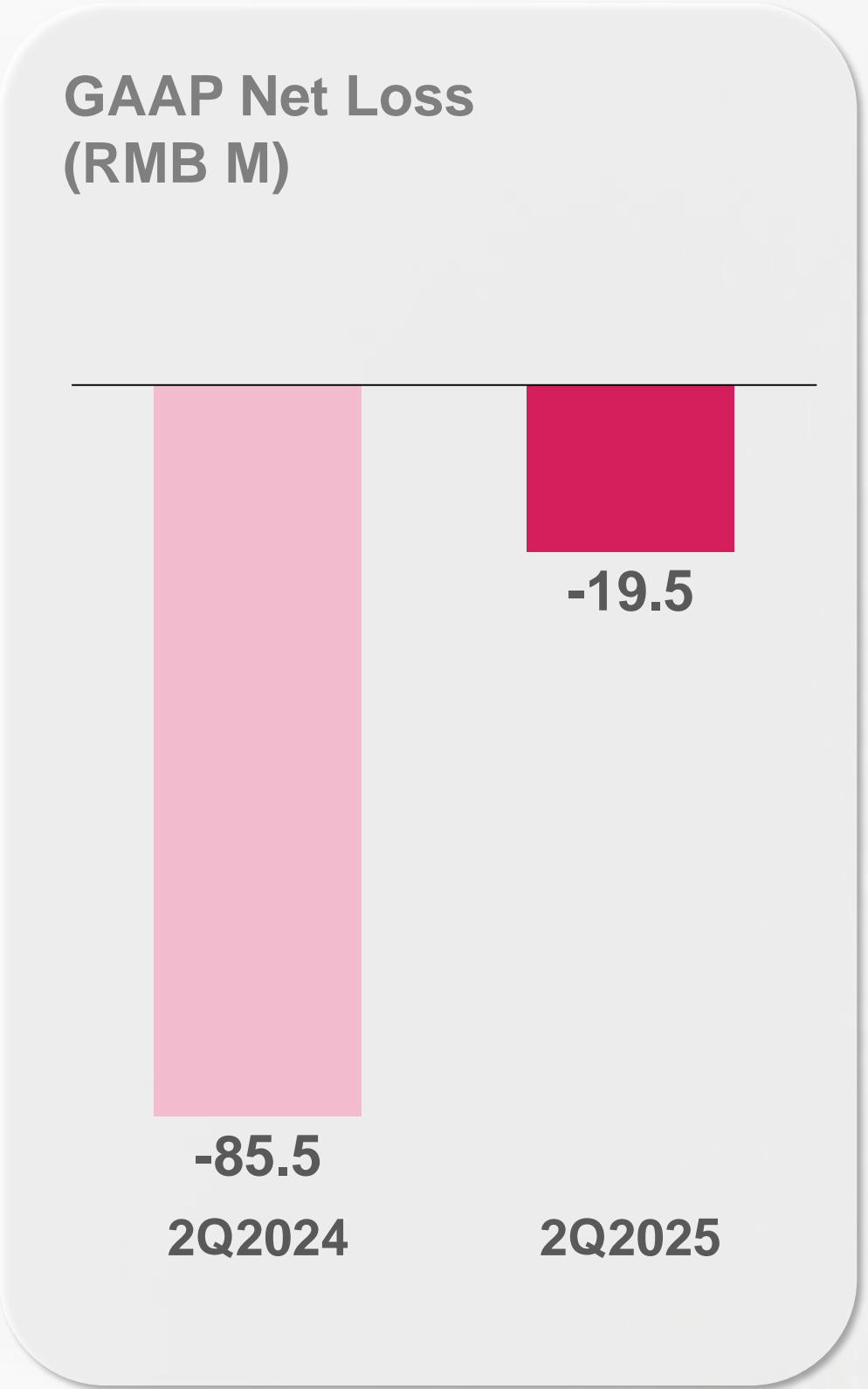
Strong Year-over-year Total Revenue Growth



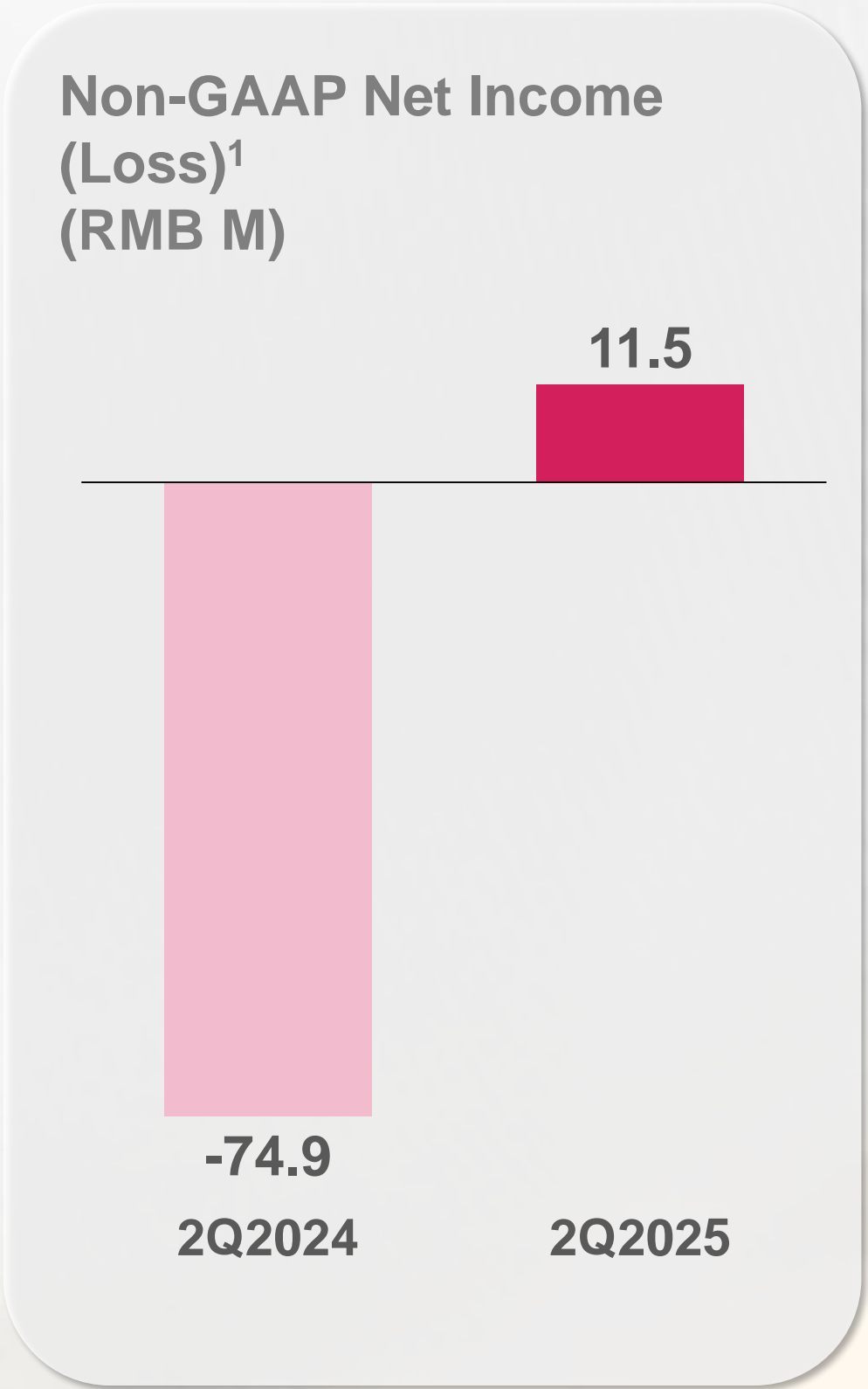
Significant Year-over-year Revenue Growth for Skincare Brands¹



Significantly Narrowed Net Loss



Achieved Non-GAAP Net Income²



Notes:

¹ Include net revenues from *Galénic*, *DR.WU* (its mainland China business), *Eve Lom* and other skincare brands of the Company.

² Non-GAAP net income (loss) is a non-GAAP financial measure. Non-GAAP net income (loss) is defined as net income (loss) excluding (i) share-based compensation expenses, (ii) amortization of intangible assets resulting from assets and business acquisitions, (iii) revaluation of investments on the share of equity method investments, (iv) impairment of goodwill and (v) tax effects on non-GAAP adjustments.

Robust Clinical and Premium Skincare Brands Performance

GALÉNIC
PARIS

DR.WU
Mainland China Business

EVE LOM

+88.1% YoY for 2Q2025 in combined net revenues for *Galénic*, *DR.WU*¹, and *Eve Lom*

Galénic expanded its offline presence with two new offline store openings in Wuhan and Shenzhen during the second quarter of 2025.



Galénic's new offline store openings

DR.WU has entered the third year of its campus charity tour, promoting scientific skincare education and raising skin health awareness among university students across China.



DR.WU's campus charity tour

Eve Lom unveiled an immersive 40th anniversary pop-up event in London, celebrating four decades of skincare excellence.



Eve Lom's pop-up event

Note:
¹ DR.WU's mainland China business

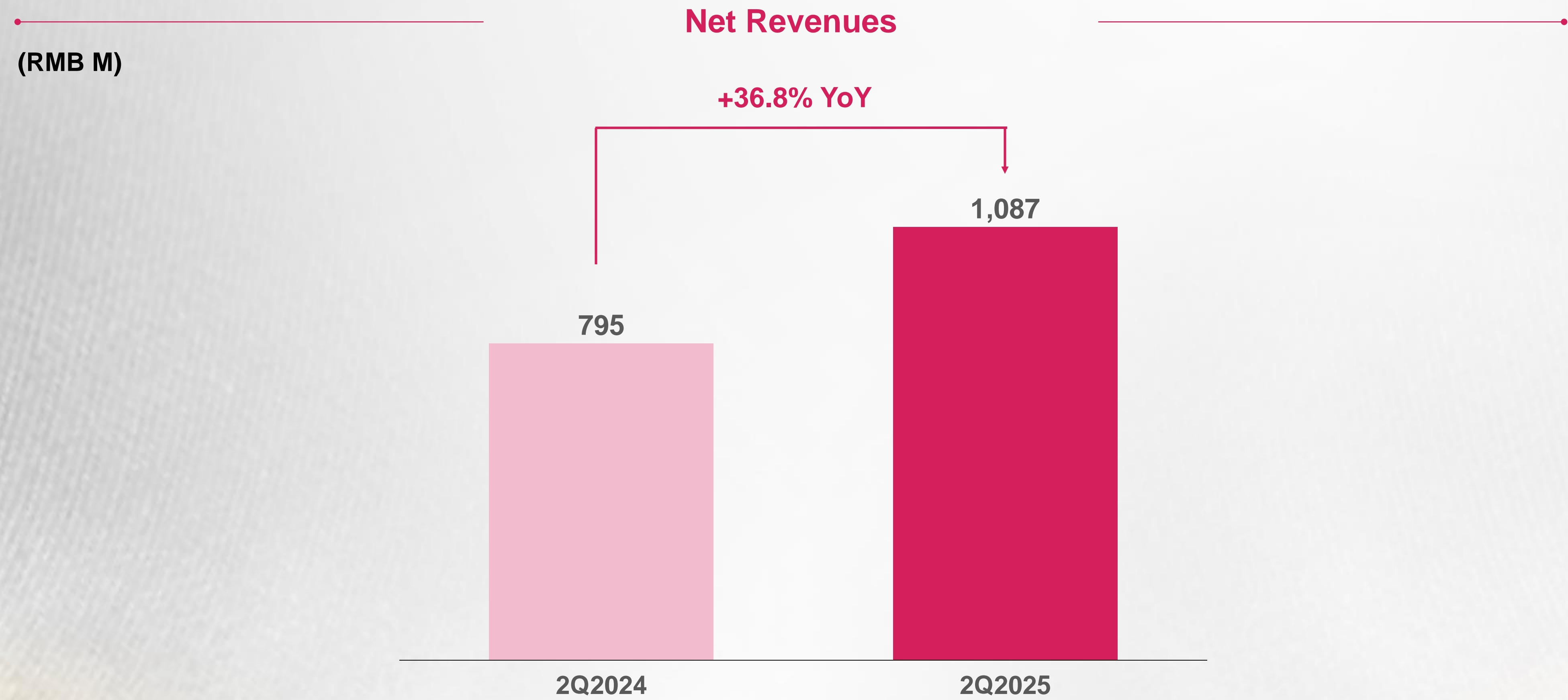
PARIS
法国科兰黎



GALÉNIC
PARIS
法国科兰黎

YSG 逸仙

Financial Review



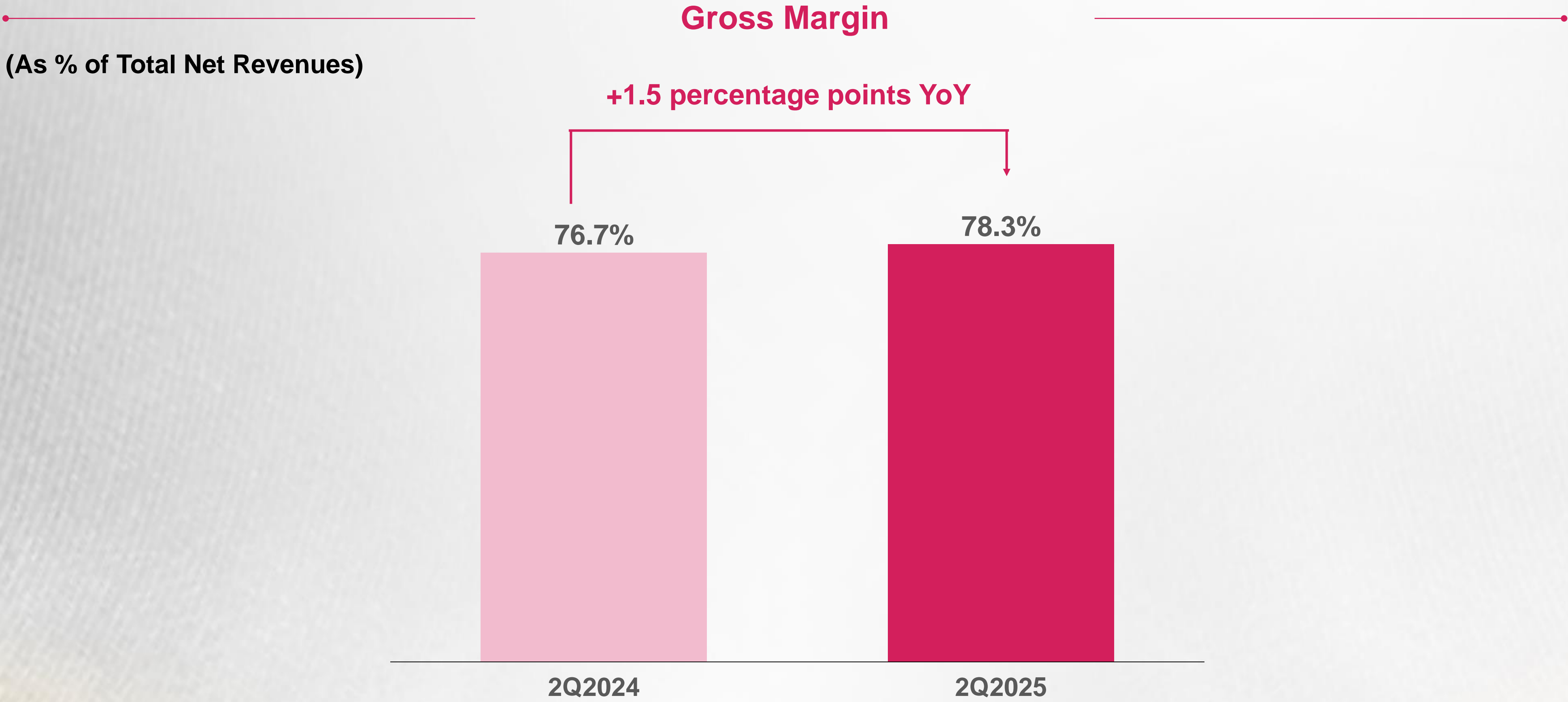
The increase was primarily due to a 78.7% year-over-year increase in net revenues from Skincare Brands¹, combined with an 8.8% year-over-year increase in net revenues from Color Cosmetics Brands².

Notes:

¹ Include net revenues from *Galénic*, *DR.WU* (its mainland China business), *Eve Lom* and other skincare brands of the Company.

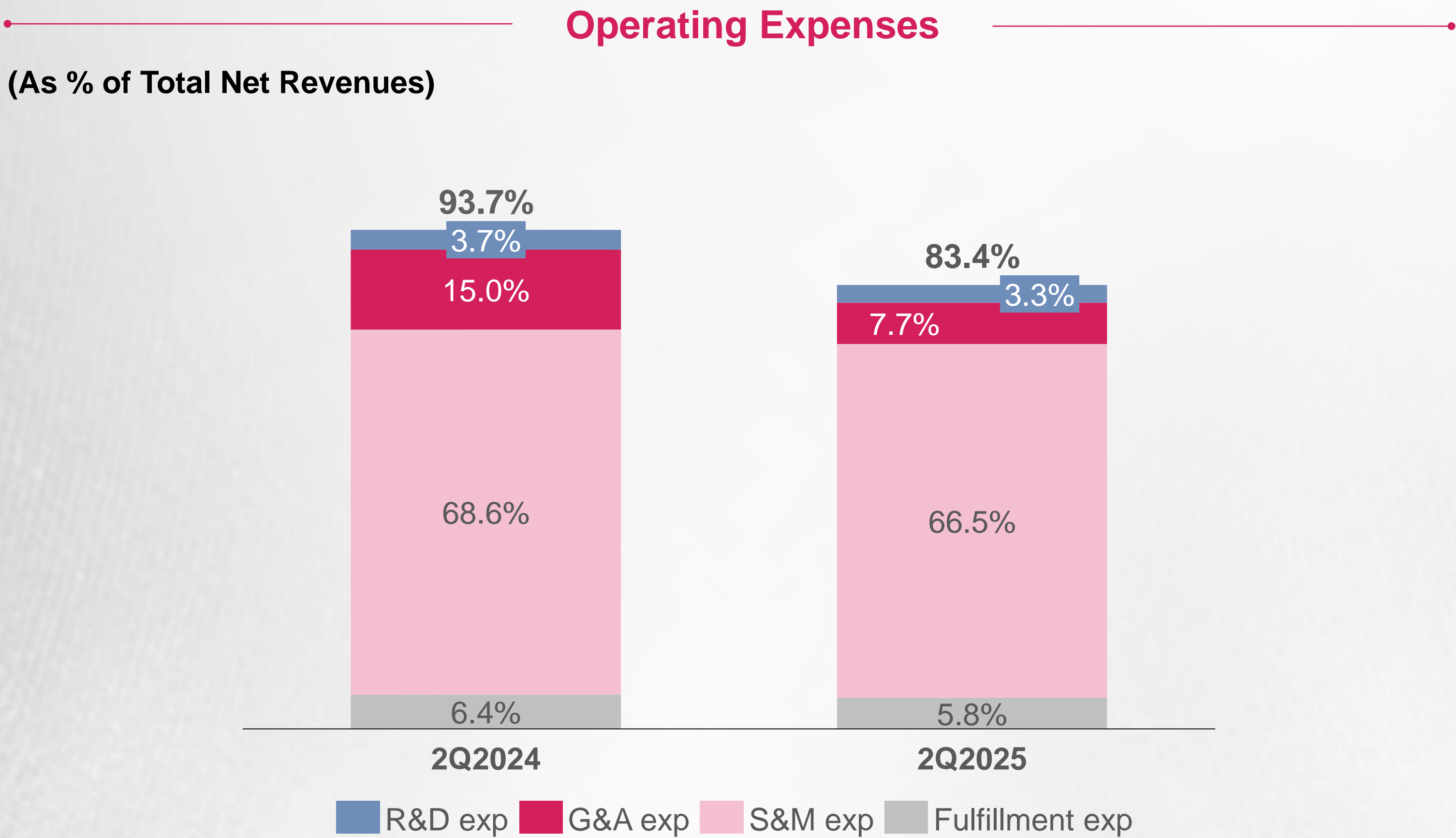
² Include *Perfect Diary*, *Little Ondine*, *Pink Bear* and other color cosmetics brands of the Company.

Gross Margin



Higher revenue contribution from higher-gross-margin products

Operating Expenses



- Lower S&M expenses as a percentage of total net revenues as compared with the prior year period primarily due to the leveraging effect of higher total net revenues in the second quarter of 2025.
- Lower G&A expenses as a percentage of total net revenues as compared with the prior year period primarily due to lower payroll expenses resulting from a reduction in general and administrative headcount, coupled with the leveraging effect of higher total net revenues in the second quarter of 2025.

Net Income (Loss) Margin

Reconciliation of Non-GAAP Net Income (Loss)¹

| (RMB M) | 2Q2024 | 2Q2025 |
|---|--------|--------|
| Net Income (Loss) | (85.5) | (19.5) |
| Share-based compensation expenses | 8.2 | 24.0 |
| Amortization of intangible assets resulting from assets and business acquisitions | 15.1 | 11.1 |
| Revaluation of investments on the share of equity method investments | (13.6) | (3.1) |
| Tax effects on non-GAAP adjustments | 1.0 | (1.0) |
| Non-GAAP Net Income (Loss) | (74.9) | 11.5 |

Reconciliation of Non-GAAP Net Income (Loss) Margin

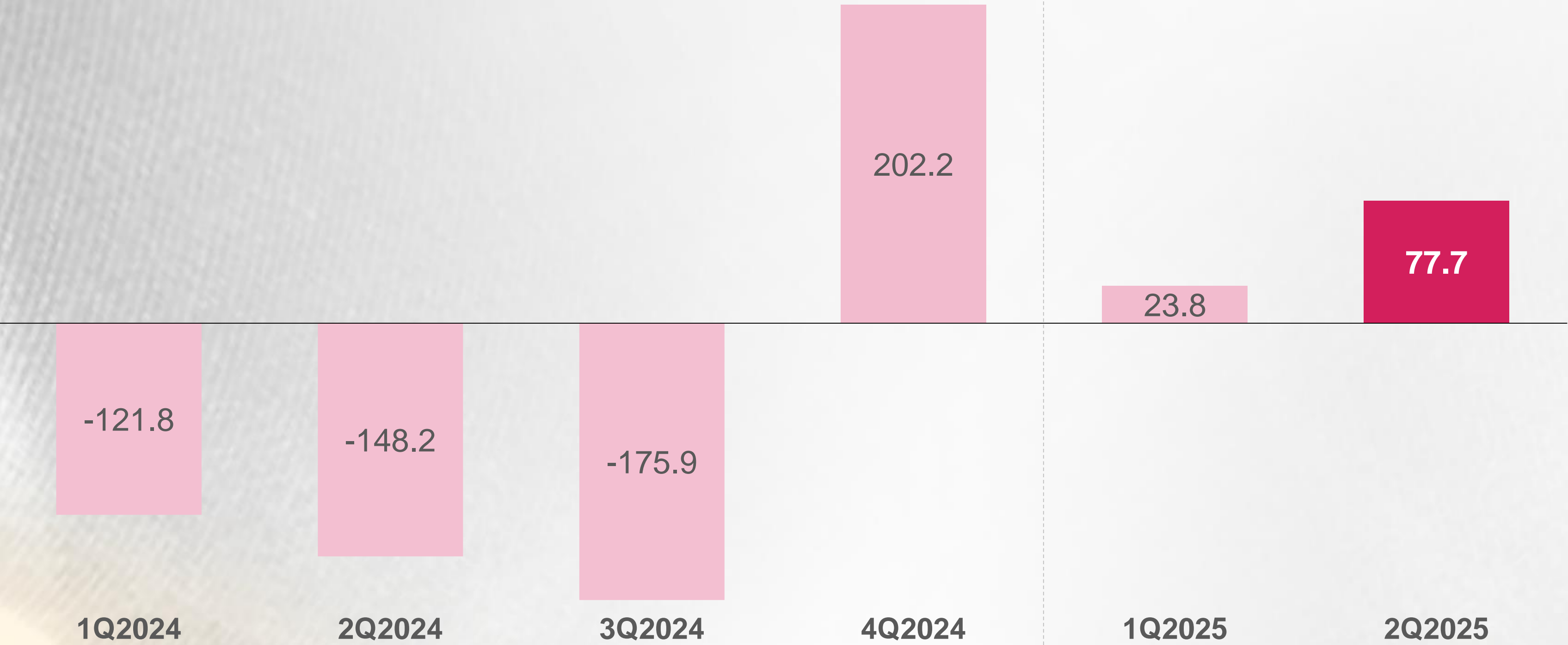
| | 2Q2024 | 2Q2025 |
|---|---------|--------|
| Net Income (Loss) Margin | (10.8%) | (1.8%) |
| Share-based compensation expenses | 1.0% | 2.2% |
| Amortization of intangible assets resulting from assets and business acquisitions | 1.9% | 1.0% |
| Revaluation of investments on the share of equity method investments | (1.7%) | (0.3%) |
| Tax effects on non-GAAP adjustments | 0.1% | (0.1%) |
| Non-GAAP Net Income (Loss) Margin | (9.4%) | 1.1% |

Note:

¹ Non-GAAP net income (loss) is a non-GAAP financial measure. Non-GAAP net income (loss) is defined as net income (loss) excluding (i) share-based compensation expenses, (ii) amortization of intangible assets resulting from assets and business acquisitions, (iii) revaluation of investments on the share of equity method investments, (iv) impairment of goodwill and (iv) tax effects on non-GAAP adjustments.

Operating Cashflow

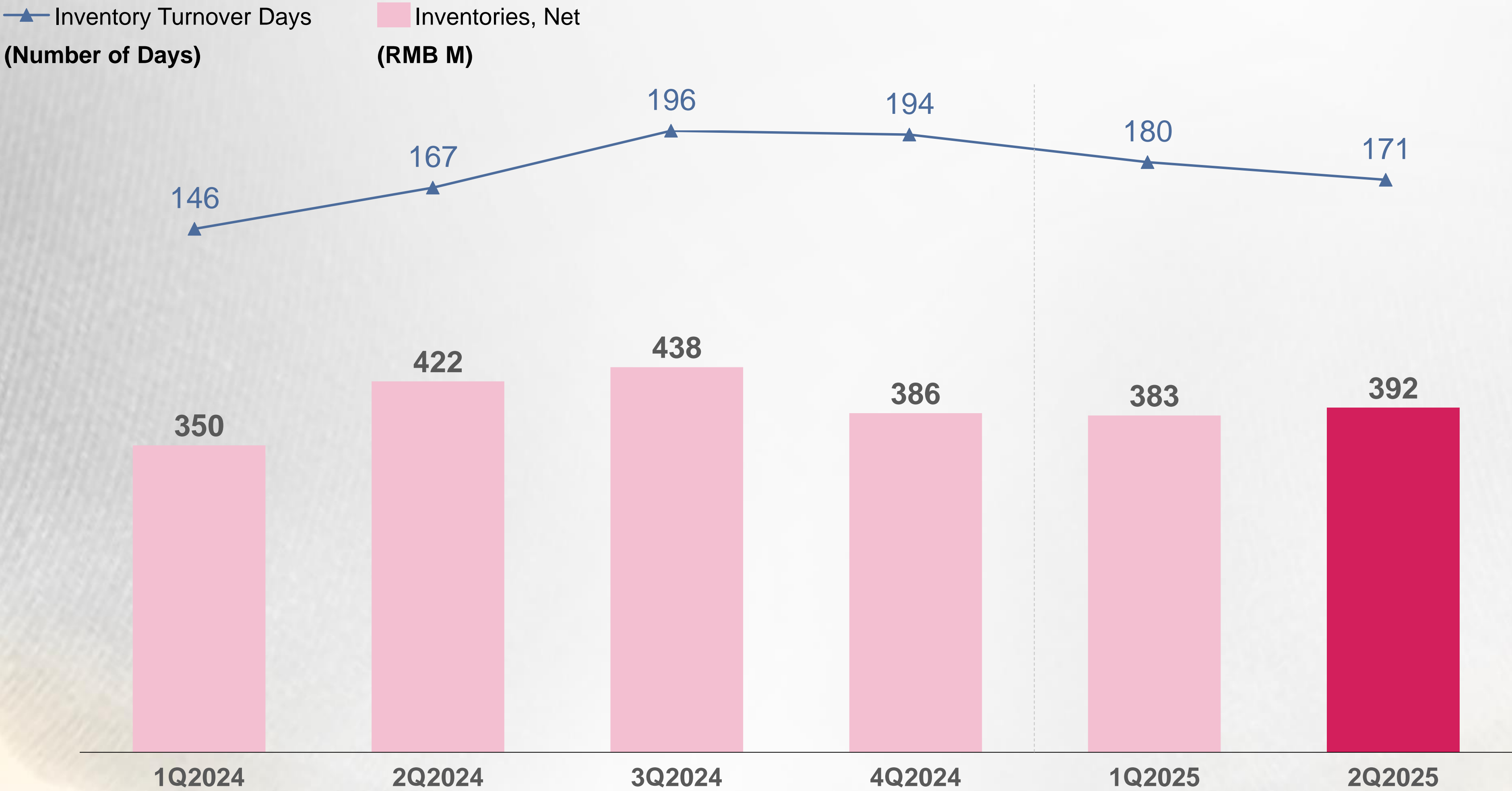
(RMB M)



Cash, Restricted Cash and
Short-term Investments¹
RMB 1.35B

Note:
¹ As of June 30, 2025

Inventory and Inventory Turnover Days¹



Note:
¹ Inventory turnover days for a given quarter are calculated by dividing the average inventory balance at the beginning and the end of the quarter by the cost of goods sold for the past four quarters, then multiplying by 365 days.

Thank You