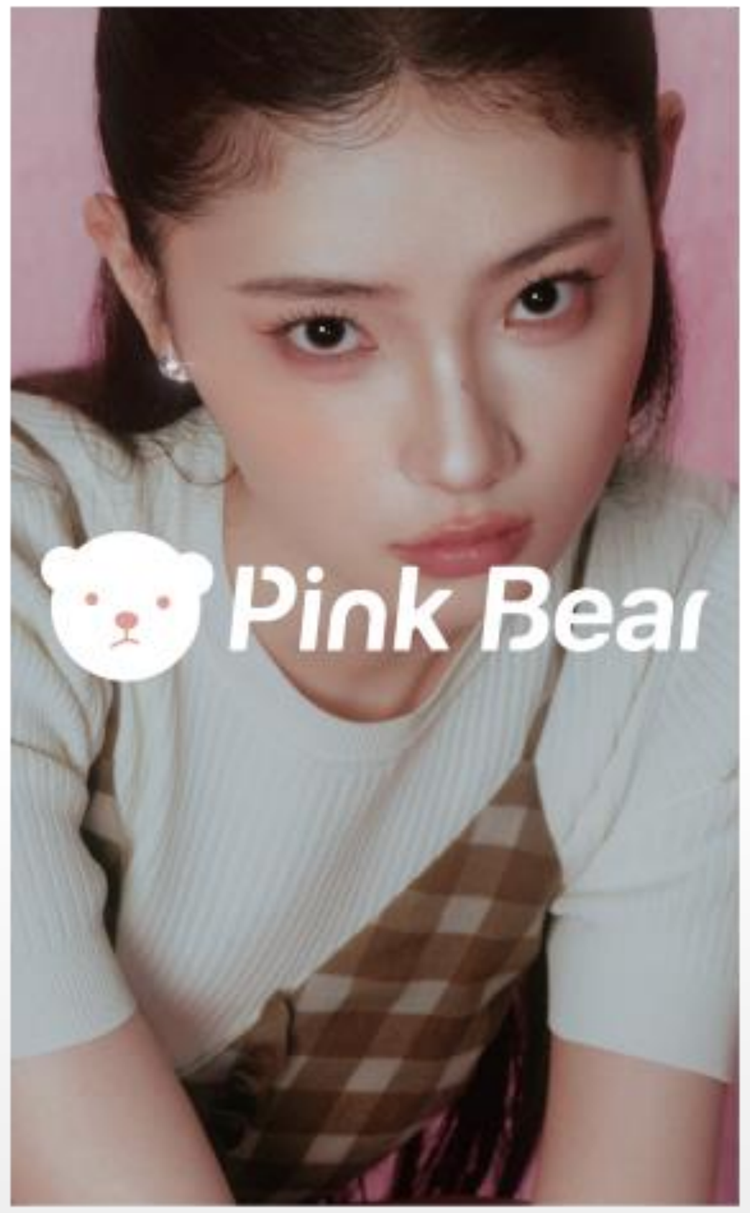
Second Quarter 2026 Investor Presentation

Yatsen Holding Limited (NYSE: YSG)



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Second Quarter 2026 Review

Second Quarter 2026 Snapshot

Total Net Revenues

RMB 1.14B

+5.1% YoY

Gross Margin

73.9%

-4.4 percentage points YoY

GAAP Net Loss Margin

8.0%

Non-GAAP Net Loss Margin

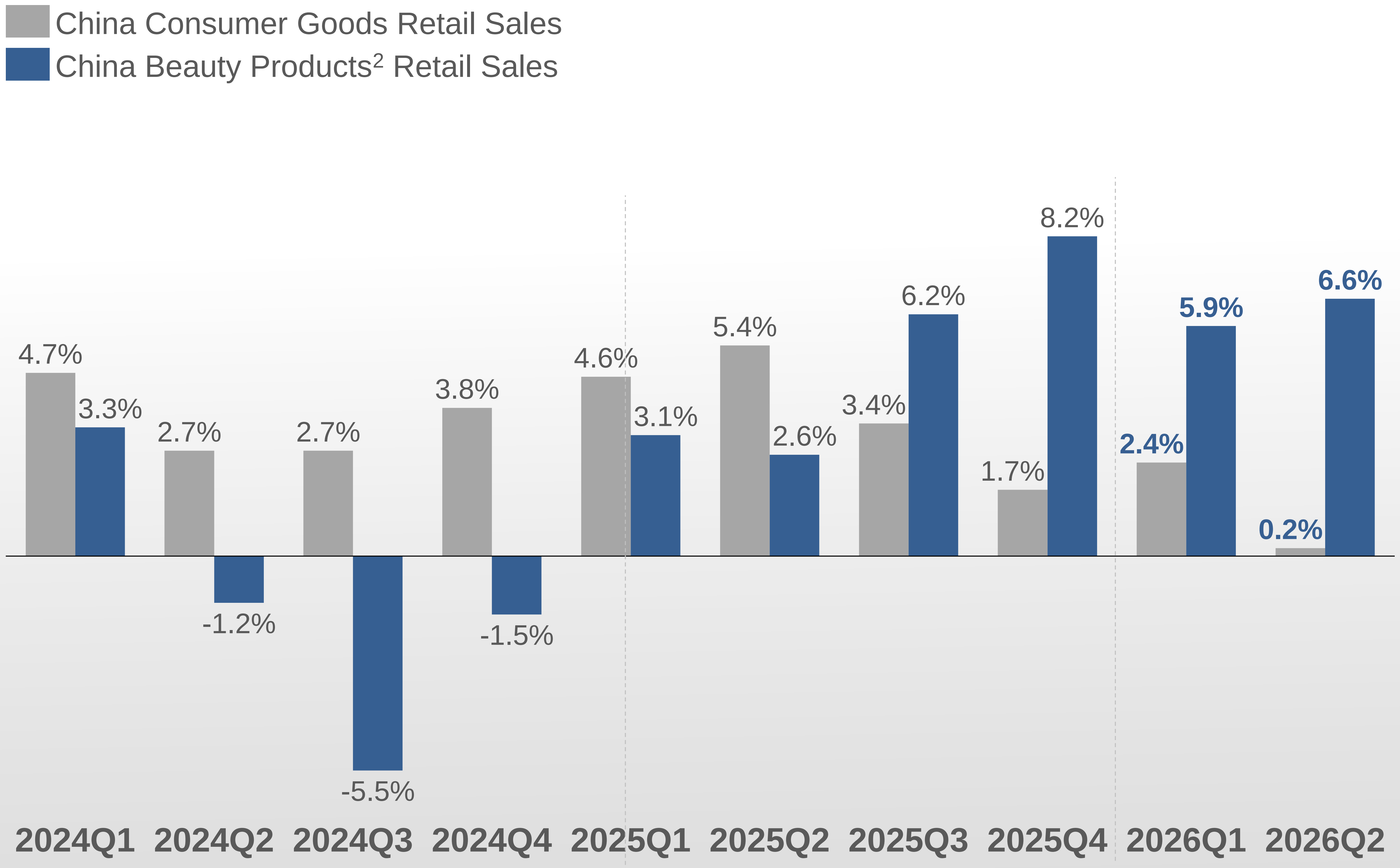
8.7%

Net Cash Used in Operating Activities

RMB 78.0M

Market Overview

Year-over-Year Changes[1]



Total retail sales of consumer goods grew by 0.2%…

…lower than the 6.6% growth in beauty retail sales

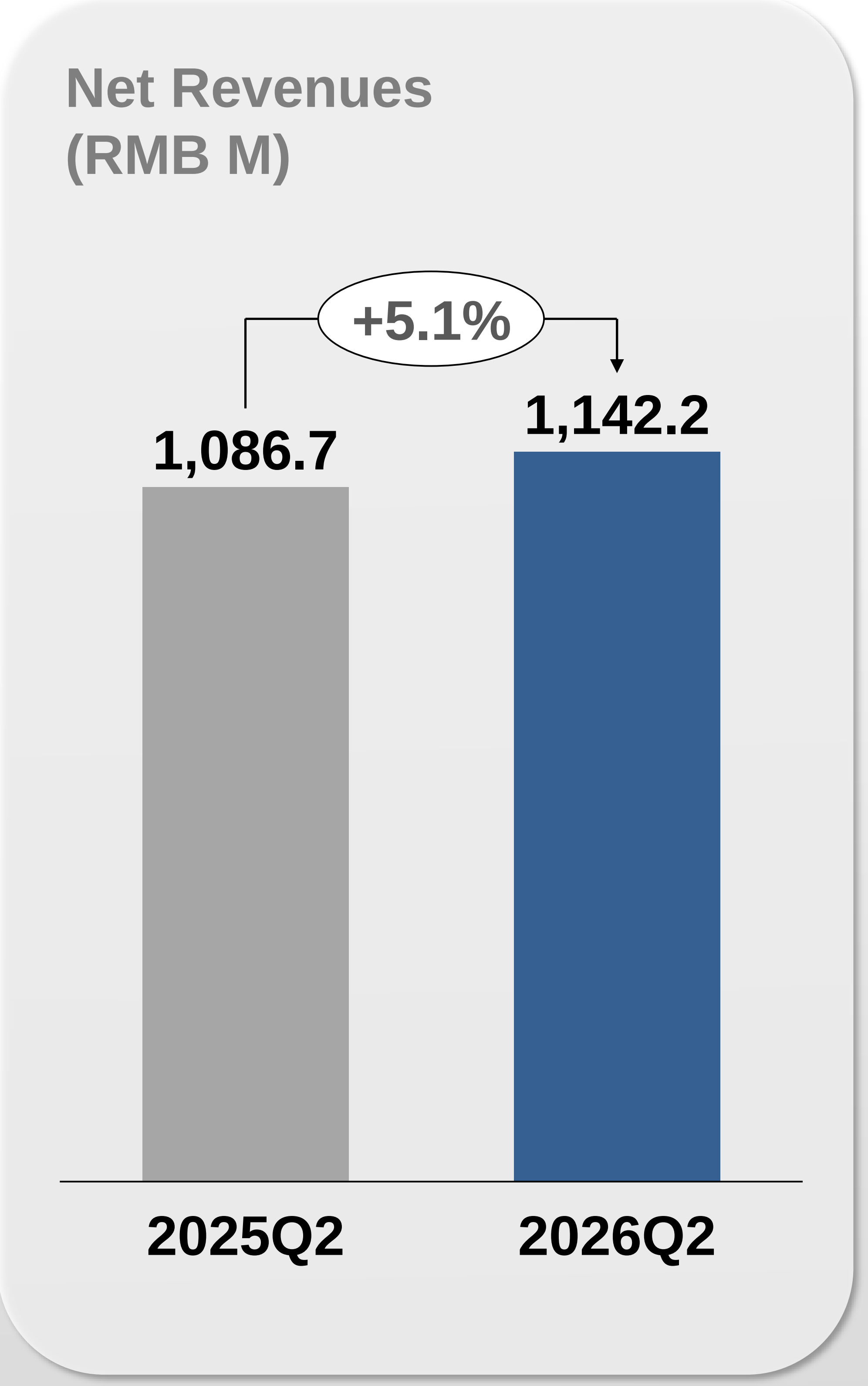
Notes:

[1] Based on the adjusted data published by China National Bureau of Statistics ("CNBS").

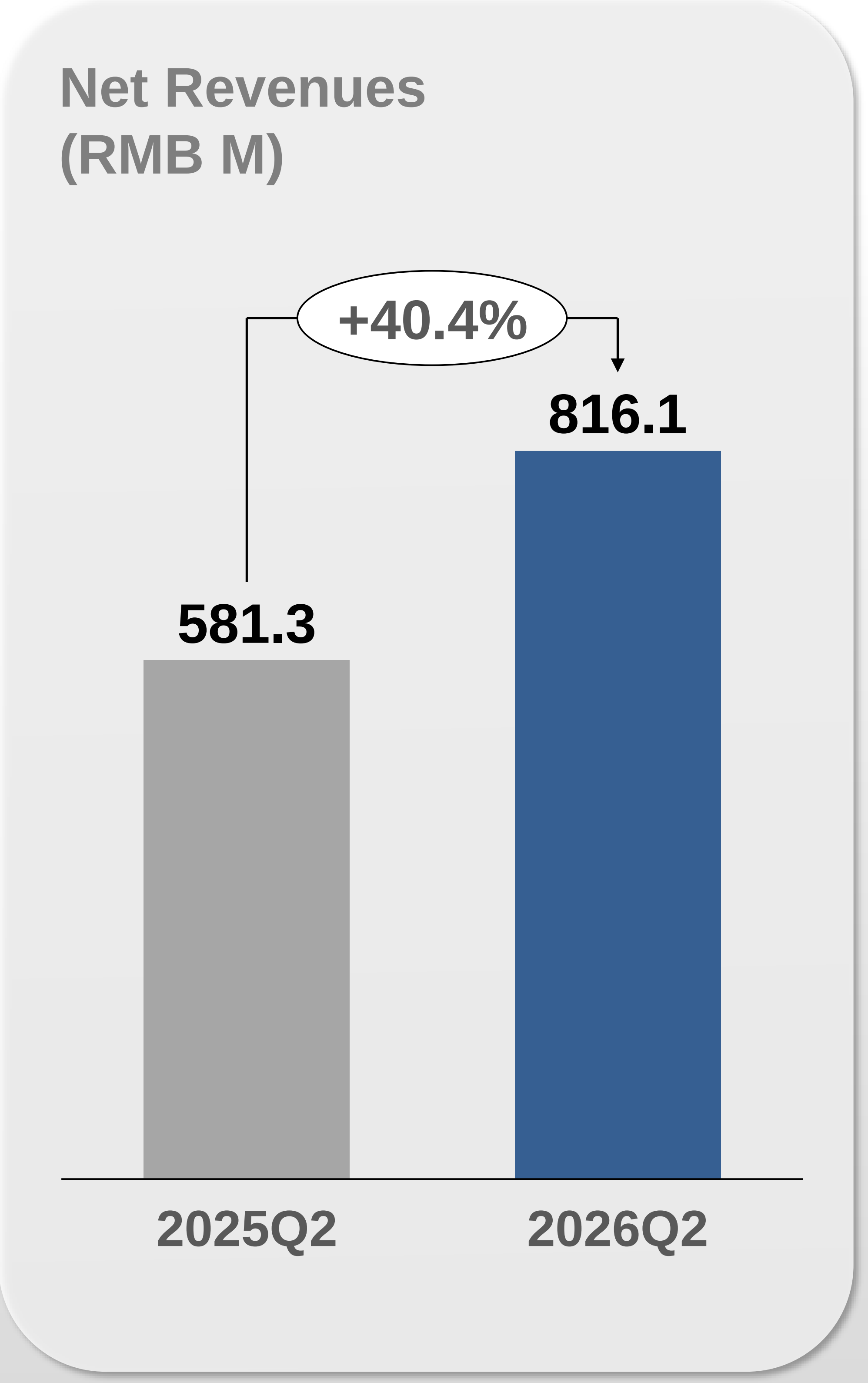
[2] Beauty products include color cosmetics and skincare products.

Key Financials at a Glance

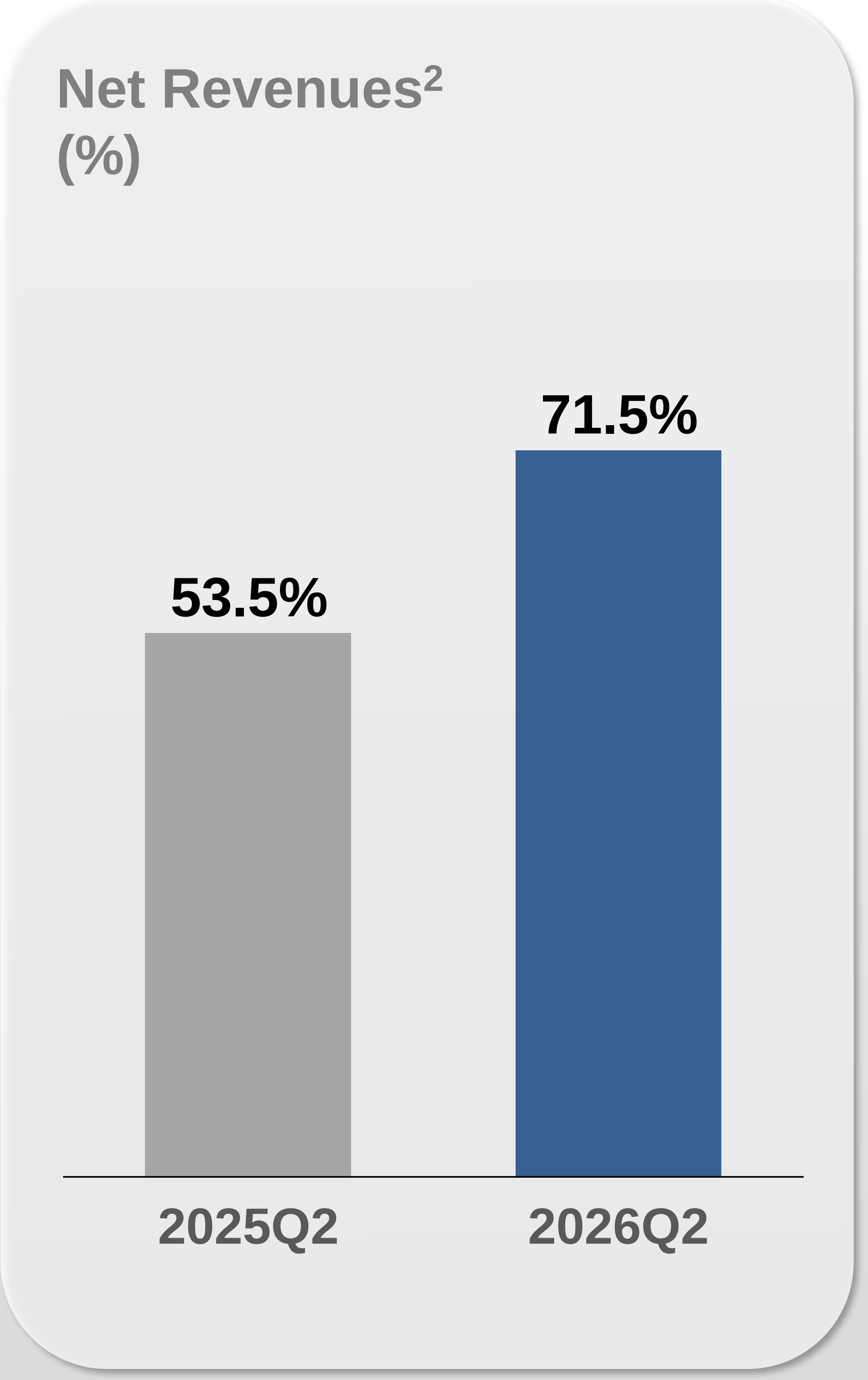
Modest Year-over-year Total Revenue Growth



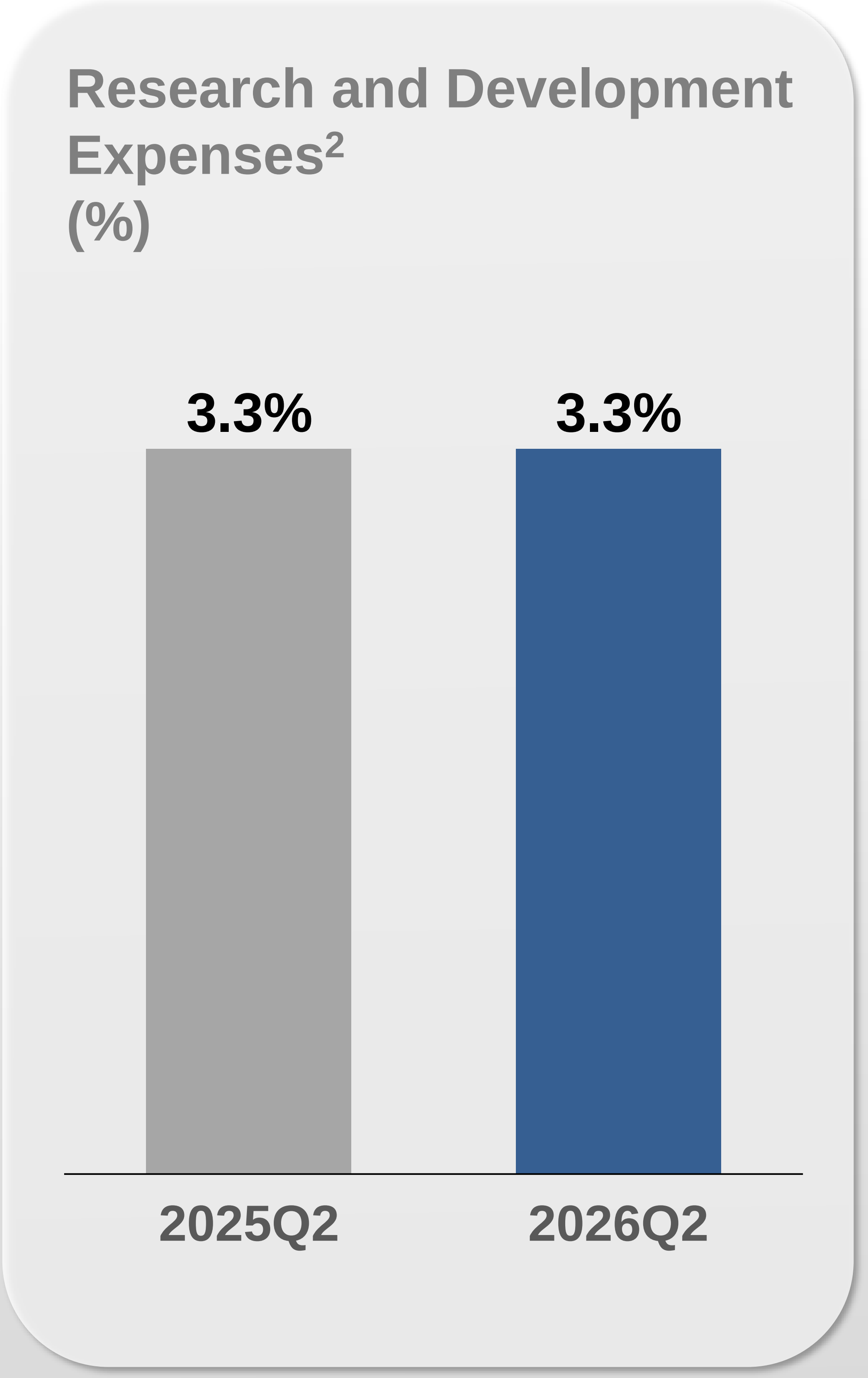
Significant Year-over-year Revenue Growth for Skincare Brands[1]



Higher Skincare Revenue Share



Consistent R&D Expenses %[2]



Note:

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

[2] As a percentage of total net revenues

Robust Clinical and Premium Skincare Brands Performance

GALÉNIC PARIS | DR.WU *Mainland China Business* | EVE LOM

+41.6% YoY for 2026Q2 in combined net revenues for *Galénic*, *DR.WU*[1], and *Eve Lom*

Galénic further extended its Couture Révélation Cellulaire line with the launch of the Reviving Eye Cream.

Galénic's Reviving Eye Cream

DR.WU once again demonstrated the depth of its scientific capabilities, with three research studies published in international SCI-indexed journals.

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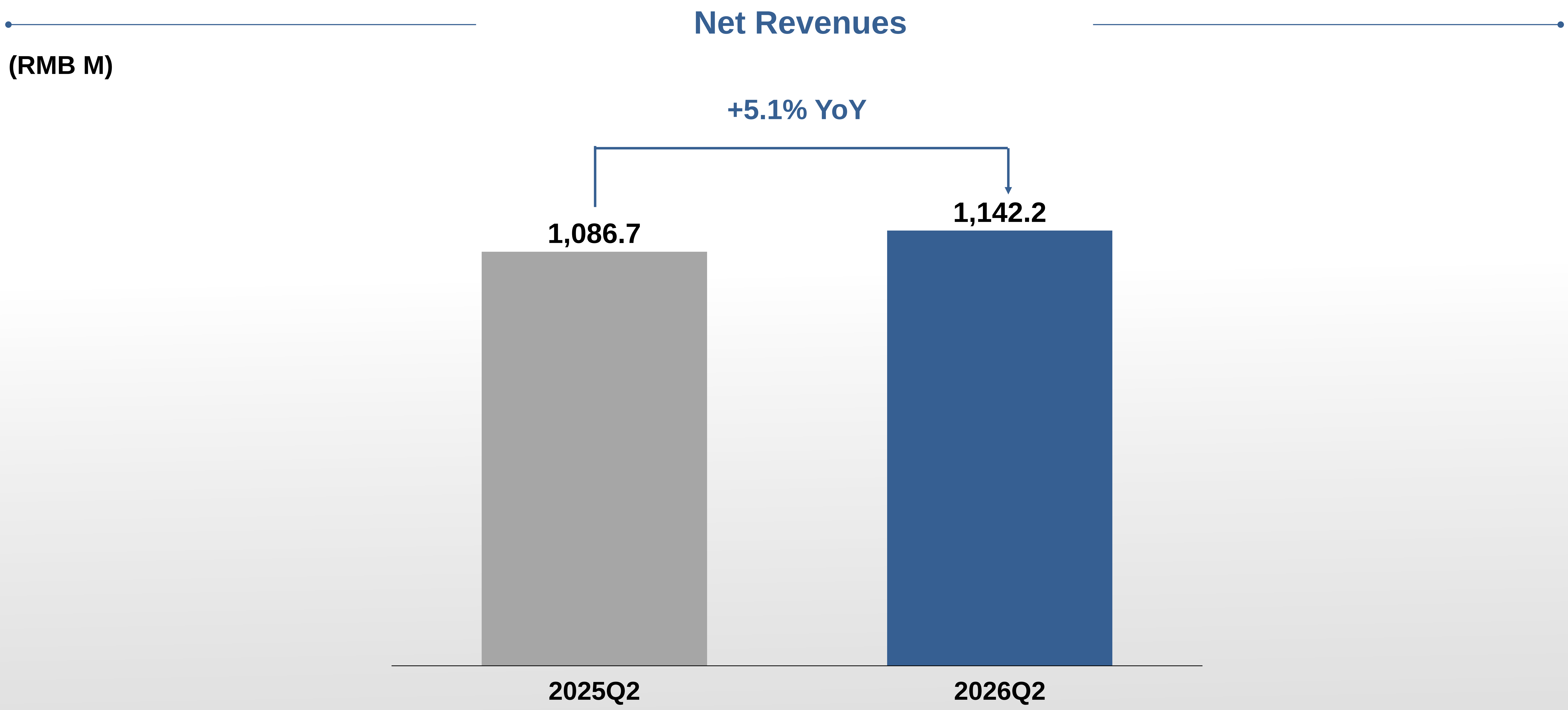
Eve Lom participated in the British Beauty Festival, further elevating its heritage and premium positioning.

Eve Lom participated in the British Beauty Festival

Note:
[1] *DR.WU's* mainland China business

Financial Review

Revenue



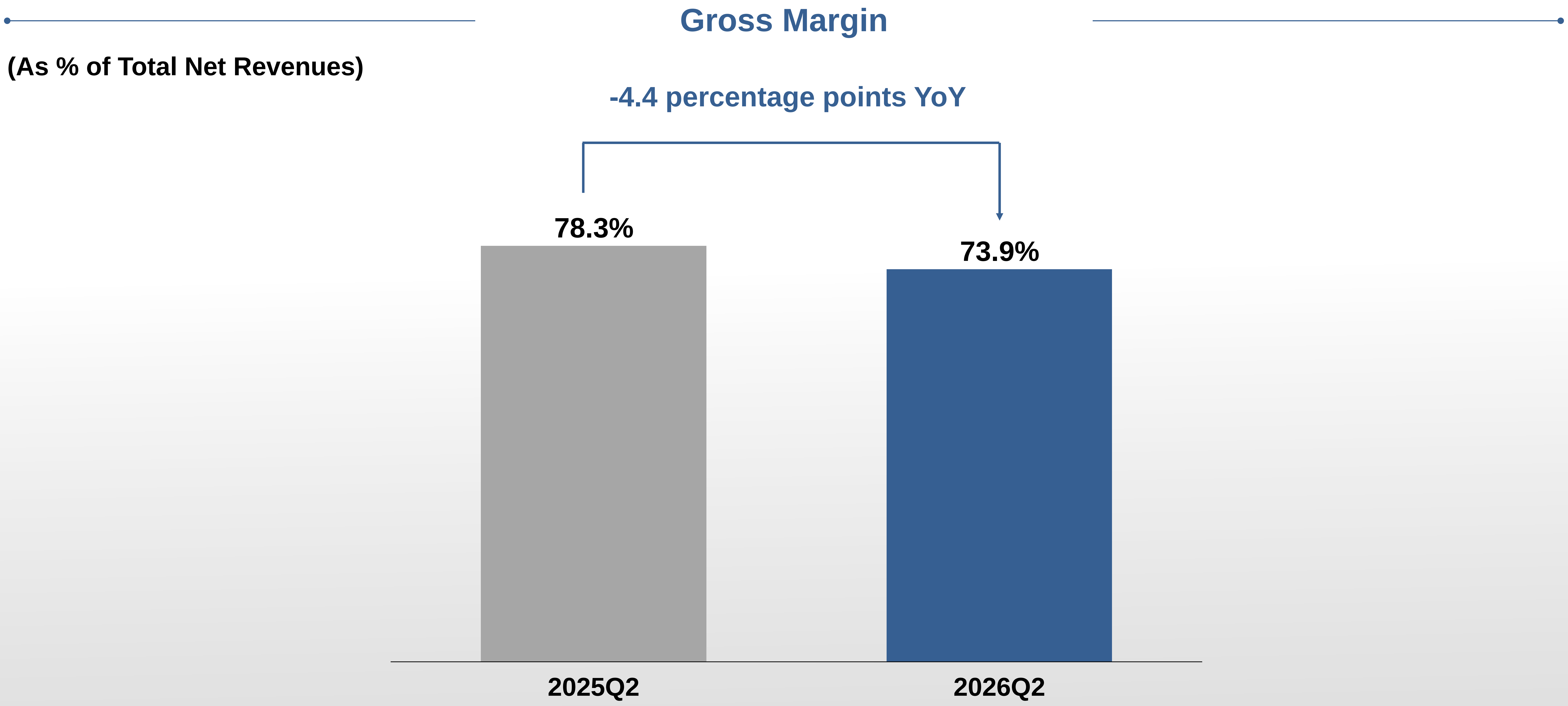
The increase was primarily driven by a 40.4% year-over-year increase in net revenues from Skincare Brands[1], which more than offset a 35.8% year-over-year decrease in net revenues from Color Cosmetics Brands[2].

Notes:

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

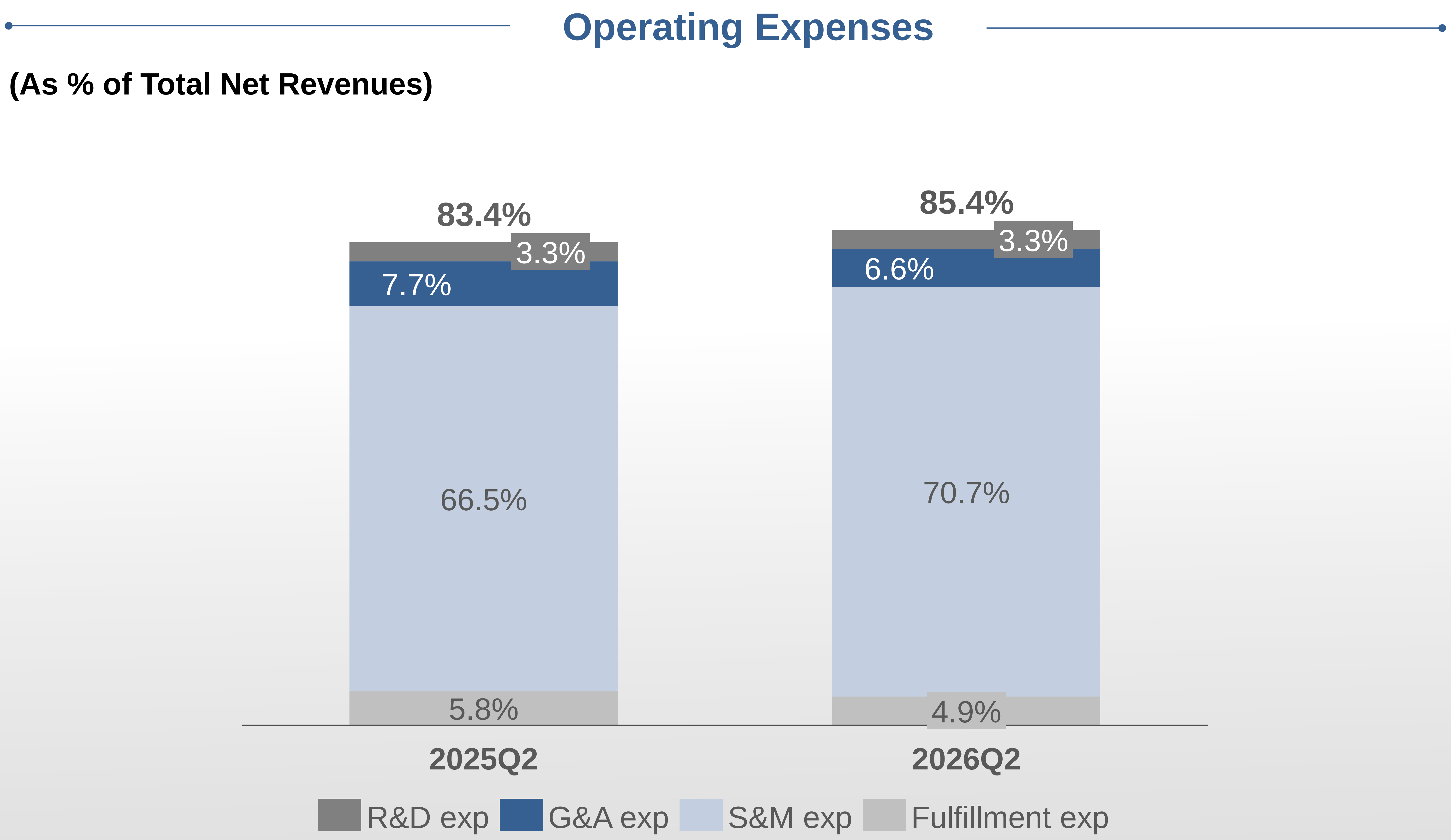
[2] Include *Perfect Diary, Little Ondine*, *Pink Bear* and other color cosmetics brands of the Company.

Gross Margin



Lower gross margin primarily due to higher inventory provisions in the color cosmetics business associated with the Company's proactive brand portfolio optimization and SKU rationalization. Excluding the impact of these one-time inventory provisions, the underlying gross margin would have remained broadly stable year over year.

Operating Expenses



- Higher S&M expenses as a percentage of total net revenues as compared with the prior year period primarily due to strategic investments in broadening consumer awareness and building long-term brand equity of our core skincare brands, coupled with higher traffic acquisition costs on the Douyin platform as the Company capitalized on the channel's strong growth momentum.
- Lower G&A expenses as a percentage of total net revenues as compared with the prior year period primarily due to lower share-based compensation expenses.

Net Income (Loss) Margin

Reconciliation of Non-GAAP Net Income (Loss)[1]

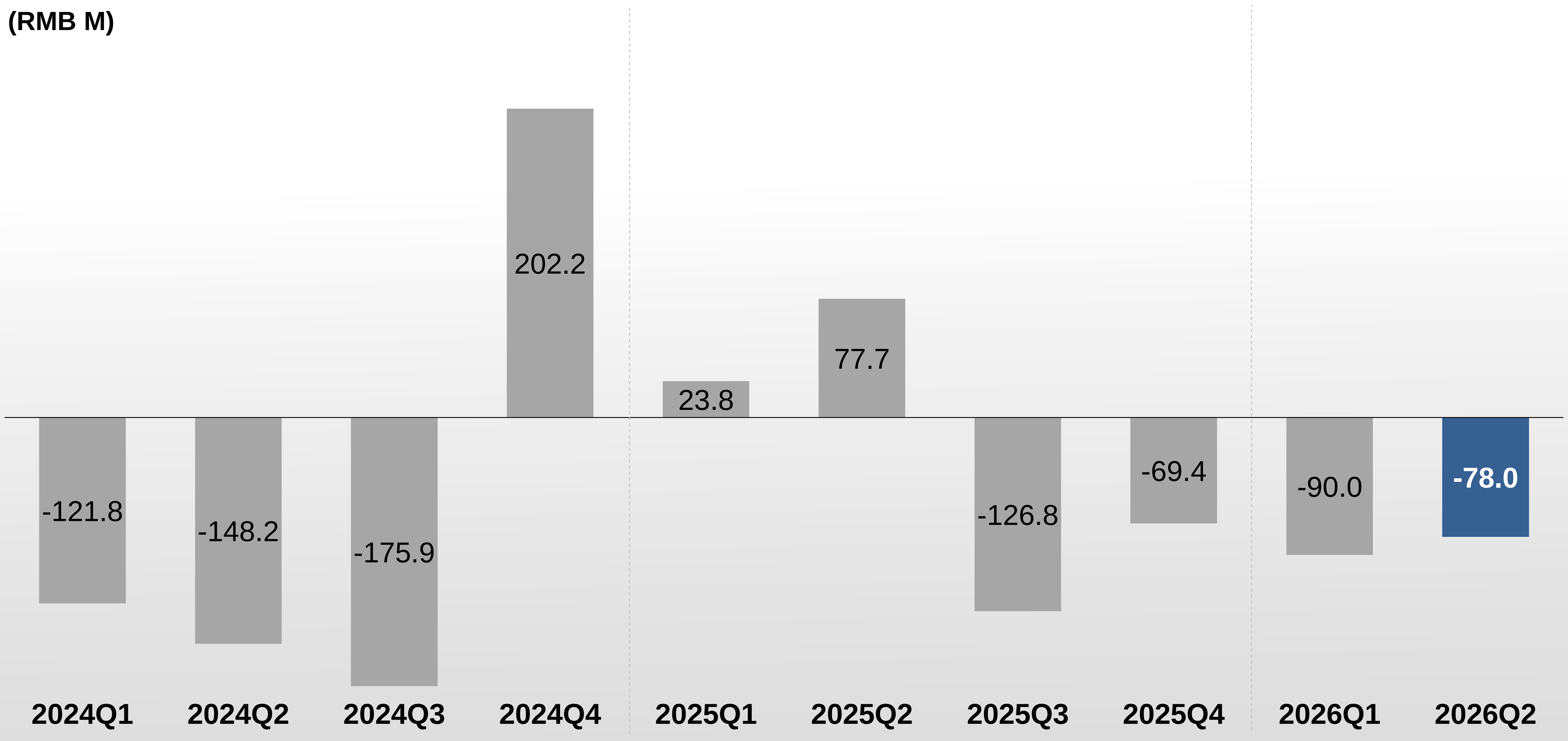
(RMB M)	2025Q2	2026Q2
Net Income (Loss)	**(19.5)**	**(90.8)**
Share-based compensation expenses	24.0	9.2
Amortization of intangible assets resulting from assets and business acquisitions	11.1	10.6
Revaluation of investments on the share of equity method investments	(3.1)	(35.6)
Tax effects on non-GAAP adjustments	(1.0)	7.1
Non-GAAP Net Income (Loss)	**11.5**	**(99.4)**

Reconciliation of Non-GAAP Net Income (Loss) Margin

	2025Q2	2026Q2
Net Income (Loss) Margin	**(1.8%)**	**(8.0%)**
Share-based compensation expenses	2.2%	0.8%
Amortization of intangible assets resulting from assets and business acquisitions	1.0%	0.9%
Revaluation of investments on the share of equity method investments	(0.3%)	(3.1%)
Tax effects on non-GAAP adjustments	(0.1%)	0.6%
Non-GAAP Net Income (Loss) Margin	**1.1**	**(8.7%)**

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, (v) impairment of investments and (vi) tax effects on non-GAAP adjustments.

Operating Cashflow



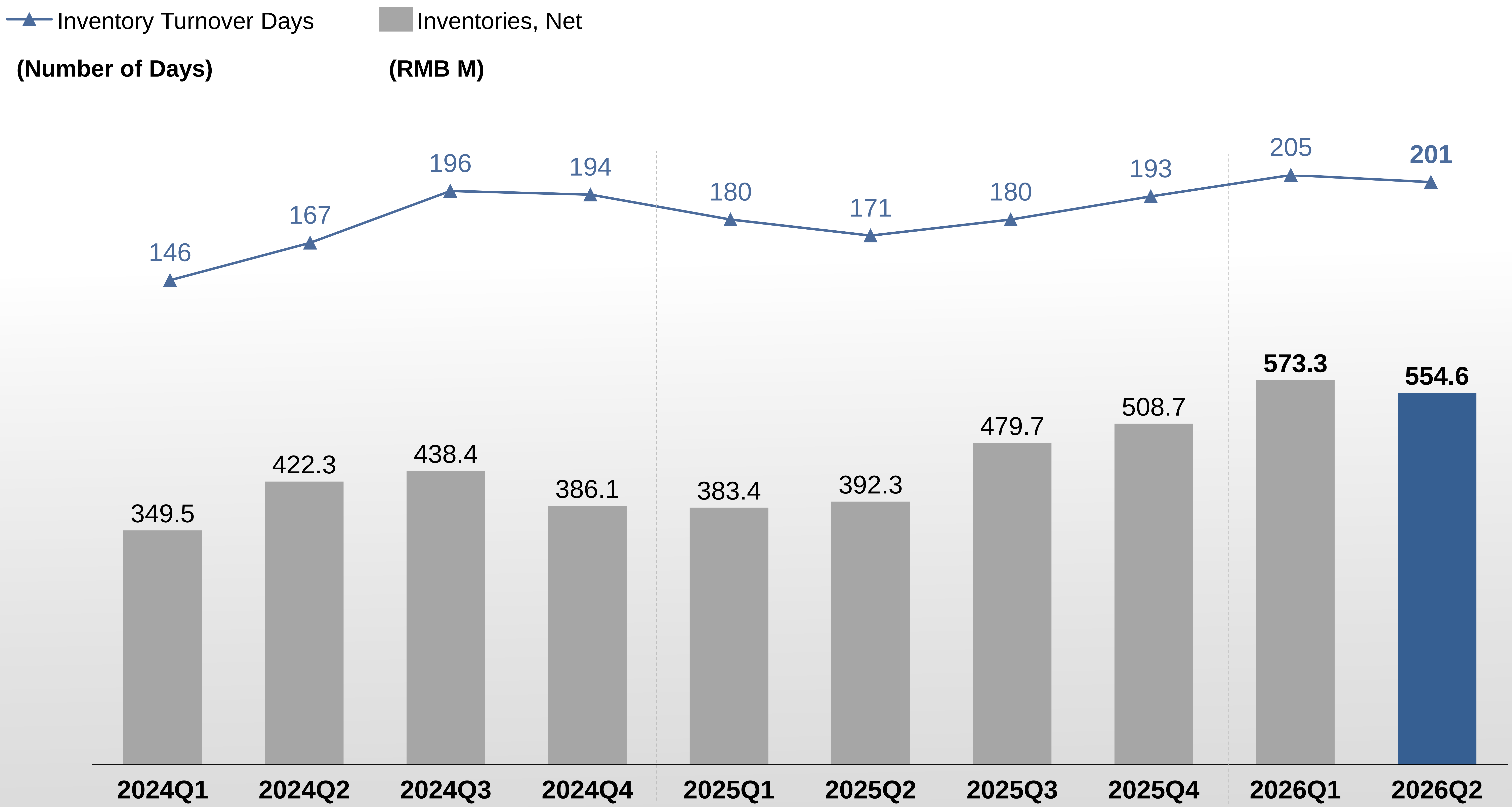
Cash, Restricted Cash and Short-term Investments[1]

RMB 1.06B

Note:

[1] As of June 30, 2026

Inventory and Inventory Turnover Days[1]



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