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燕之屋
YAN PALACE

XIAMEN YAN PALACE BIRD'S NEST INDUSTRY CO., LTD.
廈門燕之屋燕窩產業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1497)

POSITIVE PROFIT ALERT

This announcement is made by Xiamen Yan Palace Bird's Nest Industry Co., Ltd. (廈門燕之屋燕窩產業股份有限公司) (the "**Company**", together with its subsidiaries, the "**Group**"), pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") 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 June 30, 2026, and taking into account the information currently available to the Board, (i) the Group expects to record revenue of approximately RMB1,167 million to RMB1,217 million for the six months ended June 30, 2026 (the "**2026 Interim Period**"), representing an increase of up to approximately 15% to 20% as compared to the revenue for the corresponding period in 2025, and (ii) the Group expects to record net profit of approximately RMB105 million to RMB116 million for the 2026 Interim Period, representing an increase of approximately 35% to 50% as compared to the net profit for the same period in 2025.

The Board considers that such an expected increase in net profit is mainly attributable to the following reasons:

1. taking into account the current economic and market conditions, the Company has been focusing on core products, expanding consumer scenarios and enriching its product matrix to drive revenue growth in both online and offline channels;

2. through the smart manufacturing upgrades and process improvements of its EBN smart factory, the Company's production and operational efficiency has been steadily enhanced, effectively promoting the optimization and upgrade of its cost structure, which in turn has driven an improvement in gross profit margin; and

3. in June 2025, the Company applied a valuation model to assess its relevant cash-generating units and recorded a goodwill impairment loss. In June 2026, based on the assessment with the same valuation model, no such impairment loss was recorded with respect to the corresponding cash-generating units.

The results of the Group for the 2026 Interim Period are subject to finalization and the actual results of the Group for the 2026 Interim Period will be disclosed in the interim results announcement and the interim report of the Company in accordance with the Listing Rules.

The Company would like to remind the Shareholders and potential investors of the Company that the information set out in this announcement is based on a preliminary assessment with reference to the information currently available to the Board and has not been reviewed by the audit committee of the Company and the independent auditor of the Company, respectively, and may differ with the actual interim results for the 2026 Interim Period of the Group. Should there be other matters that will have any further material impact on the expected net profit of the Group for the 2026 Interim Period, further announcement(s) will be made as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and read carefully the interim results announcement of the Company for the 2026 Interim Period, which is expected to be published in August 2026.

By Order of the Board
Xiamen Yan Palace Bird's Nest Industry Co., Ltd.
廈門燕之屋燕窩產業股份有限公司
HUANG Jian
Chairman and Executive Director

Hong Kong, July 17, 2026

As of the date of this announcement, the Board comprises (i) Mr. HUANG Jian, Mr. ZHENG Wenbin, Mr. LI Youquan and Ms. HUANG Danyan as executive Directors; (ii) Mr. LIU Zhen and Mr. WANG Yalong as non-executive Directors; and (iii) Mr. XIAO Wei, Mr. CHEN Aihua and Mr. LAM Yiu Por as independent non-executive Directors.