

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 20-F

(Mark One)

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12 (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Date of event requiring this shell company report
For the transition period from _____ to _____

Commission file number: 001-39601

MINISO Group Holding Limited

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
American depositary shares (each American depositary share representing four ordinary shares, par value US\$0.00001 per share)	MNSO	The New York Stock Exchange
Ordinary shares, par value US\$0.00001 per share*		The New York Stock Exchange
Ordinary shares, par value US\$0.00001 per share	9896	The Stock Exchange of Hong Kong Limited

* Not for trading, but only in connection with the listing on The New York Stock Exchange of American depositary shares.
Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None
(Title of Class)

Indicate the number of outstanding shares of each of the Issuer's classes of capital or common stock as of the close of the period covered by the annual report.

1,237,564,177 ordinary shares, par value US\$0.00001 per share as of December 31, 2025

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Note — Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act: (Check one):

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Emerging Growth Company	☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒ Yes ☐ No

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	IFRS Accounting Standards as issued by the International Accounting Standards Board ☒	Other ☐
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If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.
☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. ☐ Yes ☐ No

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INTRODUCTION

In this annual report, except where the context otherwise requires, unless otherwise indicated and for purposes of this annual report only:

- “ADSS” refers to our American depositary shares, each representing four ordinary shares, par value US\$0.00001 per share;
- “China” or “PRC” refers to the People’s Republic of China;
- “GMV” generated under MINISO brand refers to the total value of all merchandises sold by us and our Retail Partners and distributors to end customers, and “GMV” generated under TOP TOY brand refers to the total value of merchandises sold by us, our Retail Partner and distributors operating TOP TOY stores to end customers, as well as the total value of all merchandises sold by us to distributors that do not operate TOP TOY stores, in each case before deducting sales rebates and including the value-added taxes and sales taxes collected from consumers, as applicable, regardless of whether the merchandises are returned;
- “HKEx Listing Rules” refers to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
- “Hong Kong,” “HK” and “Hong Kong S.A.R.” refer to the Hong Kong Special Administrative Region of the PRC;
- “Hong Kong dollars” and “HK\$” refer to the legal currency of Hong Kong;
- “Hong Kong Stock Exchange” refers to the Stock Exchange of Hong Kong Limited;
- “IFRS” refers to IFRS Accounting Standards as issued by the International Accounting Standards Board;
- “MINISO Group,” “we,” “us,” “our company” and “our” refer to MINISO Group Holding Limited, our Cayman Islands holding company and its subsidiaries;
- “MINISO store” refers to any of the stores operated under the “MINISO” brand name, including those directly operated by us, those operated under the Retail Partner model, and those operated under the distributor model;
- “Retail Partner” refers to franchisee under our Retail Partner model, a franchise-like store model with chain store characteristics, where the franchisee bears the store opening capital expenditure and store operating expenses to join our “MINISO” or “TOP TOY” branded retail store franchise. Other distinguishing features of the Retail Partner model include: (1) we retain ownership of inventory in the franchisee’s store before it gets sold to consumers; (2) we provide store management and consultation services to the franchisee for a fee, which include standardized guidance in certain key aspects of store operation; and (3) the franchisee keeps the remaining portion of the in-store sales proceeds after remitting a certain portion to us;
- “revenue” refers to our revenue from continuing operations, excluding the revenue from discontinued operations;
- “RMB” and “Renminbi” refer to the legal currency of China;
- “SKU” refers to stock keeping unit;
- “TOP TOY-brand products” refers to pop toy products of our own brands or brands codeveloped with IP licensors that are sold under the TOP TOY label;
- “TOP TOY store” refers to any store operated under the “TOP TOY” brand name, including those directly operated by us and those operated under the Retail Partner model; and

- “US\$,” “U.S. dollars,” “\$,” and “dollars” refer to the legal currency of the United States.

We present our financial results in RMB. We make no representation that any RMB or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or RMB, as the case may be, at any particular rate, or at all. The PRC government promulgates legislations on its foreign currency reserves in part through regulation of the conversion of RMB into foreign exchange. This annual report contains translations of certain foreign currency amounts into U.S. dollars for the convenience of the reader. Unless otherwise stated, all translations of Renminbi into U.S. dollars were made at the rate at RMB6.9931 to US\$1.0000, the exchange rate as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System in effect as of December 31, 2025.

We changed our fiscal year end from June 30 to December 31 in January 2024 and filed a transition report on Form 20-F covering the six-month period from July 1, 2023 through December 31, 2023. Unless otherwise noted, all references in this annual report to years are to the calendar year from January 1 to December 31 and to our fiscal year or years are to the fiscal year or years which, prior to the transition period, ended on June 30, and from and after the transition period, ended on December 31. To enhance the comparability of our financial results of 2024, we have also included in this annual report the unaudited financial results for the twelve months ended December 31, 2023, which are derived from the arithmetic combination of our audited financial results for the six months ended December 31, 2023 and the twelve months ended June 30, 2023, after arithmetic adjustments made to exclude the financial results of the first six months of the year ended June 30, 2023.

FORWARD-LOOKING INFORMATION

This annual report on Form 20-F contains forward-looking statements that reflect our current expectations and views of future events. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by words or phrases such as “may,” “could,” “should,” “would,” “will,” “expect,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “likely to,” “project,” “continue,” “potential” or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, but are not limited to, statements about:

- our mission, goals and strategies;
- our future business development, financial conditions and results of operations;
- the expected growth of the retail market and the market of branded variety retail of lifestyle products in China and globally;
- our expectations regarding demand for and market acceptance of our products;
- our expectations regarding our relationships with consumers, suppliers, Retail Partners, local distributors, and our other business partners;
- competition in our industry;
- relevant government policies and regulations relating to our business and our industry; and
- general economic and business conditions globally and in China.

You should read this annual report and the documents that we refer to in this annual report and have filed as exhibits to this annual report completely and with the understanding that our actual future results may be materially different from what we expect. Other sections of this annual report discuss factors which could adversely impact our business and financial performance. Moreover, we operate in an evolving environment. New risk factors emerge from time to time and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

You should not rely upon forward-looking statements as predictions of future events. The forward-looking statements made in this annual report relate only to events or information as of the date on which the statements are made in this annual report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

The Holding Foreign Companies Accountable Act

Pursuant to the Holding Foreign Companies Accountable Act, as amended by the Consolidated Appropriations Act, 2023 in December 2022, or the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the Public Company Accounting Oversight Board, or the PCAOB, for two consecutive years, the SEC will prohibit our shares or the ADSs from being traded on a national securities exchange or in the over-the-counter trading market in the United States.

On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in Chinese mainland and Hong Kong, including our auditor.

In November 2022, the SEC conclusively listed us as a Commission-Identified Issuer under the HFCAA following the filing of the annual report on Form 20-F for the fiscal year ended June 30, 2022. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed Chinese mainland and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. As of the date of this annual report, the PCAOB has not issued any new determination that it is unable to inspect or investigate completely registered public accounting firms headquartered in any jurisdiction. For this reason, we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we file this annual report on Form 20-F.

Each year, the PCAOB will determine whether it can inspect and investigate completely audit firms in Chinese mainland and Hong Kong, among other jurisdictions. If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in Chinese mainland and Hong Kong and we continue to use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. There can be no assurance that we would not be identified as a Commission-Identified Issuer for any future fiscal year, and if we were so identified for two consecutive years, we would become subject to the prohibition on trading under the HFCAA. For more details, see "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors of the benefits of such inspections" and "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment."

Doing Business in China

A substantial portion of our business operations are conducted in China and we face various risks and uncertainties related to doing business in China. We are subject to complex and evolving laws and regulations in Chinese mainland. For example, we face risks associated with regulatory approvals on offshore offerings and oversight on cybersecurity and data privacy, which may impact our ability to conduct certain businesses, accept foreign investments, or list on a United States or other foreign exchange. These risks could result in a material adverse change in our operations and the value of our ADSs, significantly limit or completely hinder our ability to continue to offer securities to investors, or cause the value of such securities to significantly decline or be worthless. For a detailed description of risks related to doing business in China, please refer to risks disclosed under “Item 3.D. Key Information—Risk Factors—Risks Related to Doing Business in China.”

PRC government’s significant authority in regulating our operations and its oversight over offerings conducted overseas by, and foreign investment in, China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. For example, the PRC Data Security Law and the PRC Personal Information Protection Law in 2021 posed additional challenges to our cybersecurity and data privacy compliance, including without limitation, challenges in discharging our extra responsibilities in relation to establishing data security management systems for our entire operational process, organizing education and training sessions on data security, employing corresponding technical and other necessary measures to safeguard data security, formulating internal management systems and operating procedures, adopting corresponding security technical measures, and preventing unauthorized access as well as breach, tampering, or loss of personal information. The Cybersecurity Review Measures issued by the Cyberspace Administration of China, or the CAC and several other governmental authorities in Chinese mainland in December 2021 and the Regulations on Cyber Data Security Management or the Cyber Data Regulations published by the State Council on September 24, 2024, which became effective on January 1, 2025, also resulted in uncertainties and potential additional restrictions on China-based overseas-listed companies like us. For example, uncertainty exists as to how the Cybersecurity Review Measures and the Cyber Data Regulations may be interpreted or implemented and whether the PRC regulatory agencies, including the CAC, may adopt new regulations or detailed implementation rules and interpretation thereof. If the detailed rules, implementations, or the final promulgated version of the draft regulations mandate clearance of cybersecurity review and other specific actions to be completed by us, we will face uncertainties as to whether such clearance can be timely obtained, the failure of which may subject us to penalties, which could materially and adversely affect our business and results of operations and the price of the ADSs. See “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Failure to protect personal or confidential information against security breaches could subject us to significant reputational, financial and legal consequences and substantially harm our business and results of operations” for additional details.

Furthermore, anti-monopoly regulators in Chinese mainland have promulgated new anti-monopoly and competition laws and regulations and strengthened the enforcement under these laws and regulations. There remain uncertainties as to how the laws, regulations and guidelines recently promulgated will be implemented and whether these laws, regulations and guidelines will have a material impact on our business, financial condition, results of operations and prospects. If any non-compliance is identified by relevant authorities, we may be subject to fines and other penalties. See “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Chinese mainland’s M&A Rules and certain other regulations establish complex procedures for certain acquisitions of Chinese mainland companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in Chinese mainland.” In addition, implementation of industry-wide regulations may cause the value of such securities to significantly decline. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The PRC government’s oversight and regulation over our business operations could result in a material change in our operations and the value of our ordinary shares or the ADSs.”

Risks and uncertainties arising from the legal system in Chinese mainland, including risks and uncertainties regarding the enforcement of laws and quickly evolving rules and regulations in Chinese mainland, could result in a material adverse change in our operations and the value of our ADSs. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Uncertainties in the interpretation and enforcement of laws and regulations in Chinese mainland could limit the legal protections available to you and us.”

In addition to our operations in Chinese mainland, we have operations in Hong Kong. The operational risks associated with being based in and having operations in Chinese mainland also apply to operations in Hong Kong. While entities and businesses in Hong Kong operate under different sets of laws from Chinese mainland, the legal risks associated with being based in and having operations in Chinese mainland could apply to our operations in Hong Kong, if the laws applicable to Chinese mainland become applicable to entities and businesses in Hong Kong in the future.

We believe that there is uncertainty as to whether the courts of Hong Kong would (i) recognize or enforce judgments of United States courts obtained against us or our directors or officers predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States, or (ii) entertain original actions brought in Hong Kong against us or our directors or officers predicated upon the securities laws of the United States or any state in the United States. A judgment of a court in the United States predicated upon U.S. federal or state securities laws may be forced in Hong Kong at common law by bringing an action in a Hong Kong court on that judgment for the amount due thereunder, and then seeking summary judgment on the strength of the foreign judgment, provided that the foreign judgment, among other things, is (i) for a debt or a definite sum of money (not being taxes or similar charges to a foreign government taxing authority or a fine or other penalty), and (ii) final and conclusive on the merits of the claim, but not otherwise. Such a judgment may not, in any event, be so enforced in Hong Kong if (a) it was obtained by fraud, (b) the proceedings in which the judgment was obtained were opposed to natural justice, (c) its enforcement or recognition would be contrary to the public policy of Hong Kong, (d) the court of the United States was not jurisdictionally competent, or (e) the judgment was in conflict with a prior Hong Kong judgment. Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. As a result, there is uncertainty as to the enforceability in Hong Kong, in original actions or in actions for enforcement, of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States or the securities laws of any State or territory within the United States.

There are relevant laws and regulations in Hong Kong regarding data security, such as the Personal Data (Privacy) Ordinance and the Unsolicited Electronic Messages Ordinance, which impose obligations regarding the collection and handling of personal data in Hong Kong. In addition, new laws or regulations related to data security in Hong Kong may be enacted or promulgated in the future, and such new laws and regulations may also have a material impact on our business in Hong Kong. As of the date of this annual report, we have not received any notice or allegation from the governmental authority in Hong Kong alleging any breach or non-compliance of applicable data security laws.

Our business operations in Hong Kong are also subject to the Competition Ordinance in Hong Kong, which prohibits anti-competitive agreements, abuse of market power and anti-competitive mergers and acquisitions. As of the date of this annual report, no issues relating to the Competition Ordinance or our compliance with the Competition Ordinance have resulted in any material impact on our ability to conduct business. We are not now nor have ever been a party to any inquiries or investigations relating to the Competition Ordinance.

As of the date of this annual report, regulatory actions related to data security or anti-monopoly concerns in Hong Kong do not have a material impact on our ability to conduct business, accept foreign investment in the future, continue to list on a United States stock exchange or maintain our listing status on the Hong Kong Stock Exchange. However, new regulatory actions related to data security or anti-monopoly concerns in Hong Kong may be taken in the future, and such regulatory actions may have a material impact on our ability to conduct business, accept foreign investment, continue to list on a United States stock exchange or maintain our listing status on the Hong Kong Stock Exchange. For a detailed description of risks related to doing business in China, please refer to risks disclosed under "Item 3.D. Key Information—Risk Factors—Risks Related to Doing Business in China."

Under the PRC Enterprise Income Tax Law, dividends paid by a foreign invested entity to any of its foreign non-resident enterprise investors are subject to a 10% withholding tax. Thus, the dividends, if and when payable by our subsidiaries in Chinese mainland to their respective shareholders established in Hong Kong, would be subject to a 10% withholding tax. A lower tax rate will be applied if such foreign non-resident enterprise investor's jurisdiction of incorporation has entered into a tax treaty or arrangement with Chinese mainland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

Permissions Required from the PRC Authorities

Permissions required from the PRC authorities for our operations

Our operations in Chinese mainland are governed by Chinese mainland laws and regulations. As advised by JunHe LLP, our PRC legal adviser, except that (i) we have not obtained the certificate for fire control inspection for five of our directly operated TOP TOY stores and four of our directly operated MINISO stores, and (ii) the lease agreements for some of our leased properties in Chinese mainland have not been registered with the relevant PRC government authorities in Chinese mainland as required by Chinese mainland laws, as of the date of this annual report, our Chinese mainland subsidiaries have obtained all requisite licenses and permits from the relevant Chinese mainland government authorities for the business operations in Chinese mainland. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Any lack of requisite approvals, licenses or permits applicable to our business may have a material and adverse impact on our business, financial condition and results of operations” and “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Our leased property interest may be defective and such defects may negatively affect our right to such leases” for more details. Given the uncertainties of interpretation and implementation of relevant laws and regulations and the enforcement practice by relevant government authorities, we may be required to obtain additional licenses, permits, filings or approvals for the functions and services of our platform in the future.

Our operations in Hong Kong are governed by Hong Kong laws and regulations. As of the date of this annual report, our Hong Kong subsidiaries have obtained business registrations and other permits and certificates required for the rented premises, such as fire control certificates. These are the requisite licenses and permits from the government authorities in Hong Kong for our business operations in Hong Kong. Given the uncertainties of interpretation and implementation of relevant laws and regulations and the enforcement practice by relevant government authorities, and that the scope of our business operations in Hong Kong may change in the future, we may be required to obtain additional licenses, permits, filings or approvals for our business operations in Hong Kong in the future.

Permissions required from the PRC authorities for overseas financing activities

The PRC government has recently sought to exert more oversight and control over capital raising activities of listed companies that are conducted overseas and/or foreign investment in China-based issuers. In December 2021, the Cyberspace Administration of China, or the CAC, together with other authorities, jointly promulgated the Cybersecurity Review Measures, which became effective on February 15, 2022 and replaced its predecessor regulation. Pursuant to the Cybersecurity Review Measures, critical information infrastructure operators, or the CIIOs, that procure internet products and services and network platform operators that conduct data process activities must be subject to the cybersecurity review if their activities affect or may affect national security. The Cybersecurity Review Measures further stipulates that network platform operators that hold personal information of over one million users shall apply with the Cybersecurity Review Office for a cybersecurity review before any public offering at a foreign stock exchange, and relevant governmental authorities may initiate cybersecurity review if such governmental authorities consider that relevant network products or services and data processing affect or may affect national security. As advised by JunHe LLP, our PRC legal adviser, we were not subject to the cybersecurity review requirement under the Cybersecurity Review Measures with regard to our initial public offering in the United States and our public offering and listing in Hong Kong because (i) our initial public offering in the United States was completed prior to the Cybersecurity Review Measures took effect, and (ii) our public offering and listing in Hong Kong was not regarded as a listing abroad within the meaning of the Cybersecurity Review Measures as confirmed by the China Cybersecurity Review Technology and Certification Center, an organization delegated by the CAC to receive consultations and applications for cybersecurity reviews, or the CCRC, during a phone consultation conducted on March 25, 2022 by our PRC legal advisor, JunHe LLP.

On September 24, 2024, the State Council published the Cyber Data Regulations, which became effective on January 1, 2025. The Cyber Data Regulations restates and further specifies the legal requirements for personal information, important data, cross-border data transfer, network platform services, and data security. If the network data processing activities have or may have impact on national security, such activities shall be subject to national security review in accordance with relevant laws and regulations. Any failure to comply with such requirements may subject us to, among others, suspension of services, fines, revoking relevant business permits or business licenses and penalties. As of the date of this annual report, we have not been informed by any PRC governmental authorities that our products or services are deemed to be provided to any CIIO, nor have we been identified as a CIIO by any PRC governmental authorities, nor have we received any notice from any PRC governmental authorities requiring us to undergo a cybersecurity review or network data security review by the CAC.

Since the measures are relatively new, uncertainties exist with respect to the interpretation and implementation of these regulations. In anticipation of the strengthened implementation of cybersecurity laws and regulations and the continued expansion of our business, we cannot rule out the possibility that we may be deemed to be a “critical information infrastructure operator” or a “network platform operator” that affects or may affect national security under the Cybersecurity Review Measures. If that were to happen, we would be required to follow cybersecurity review procedures even if we do not engage in public offerings in a foreign exchange. In addition to laws, regulations and other applicable rules regarding data privacy and cybersecurity, industry associations may propose new and different privacy standards. See “Item 4. Information on the Company—B. Business Overview—Regulations.” Any failure or perceived failure to comply with these laws, regulations or policy may result in inquiries and other proceedings or actions against us by governmental authorities, users, consumers or others, such as warnings, fines, penalties, required rectifications, service suspension or removal of mobile apps from the relevant app stores and/or other sanctions, as well as negative publicity and damage to our reputation, which could cause us to lose customers and business partners and have an adverse effect on our business and results of operations.

On February 17, 2023, China Securities Regulatory Commission, or the CSRC, released several regulations regarding the filing requirements for overseas offerings and listings by domestic companies, including the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines (collectively, the “Overseas Listing Trial Measures”), which took effect on March 31, 2023. According to the Overseas Listing Trial Measures, PRC domestic enterprises that have completed overseas listings are not required to make any immediate filing with the CSRC. However, such companies will be required to comply with the filing requirements under the Overseas Listing Trial Measures if and when they pursue any future securities offerings and listings outside of Chinese mainland, including but not limited to follow-on offerings and secondary listings, unless otherwise provided thereunder. The filing requirements for overseas financing activities discussed above are applicable to indirect offshore issuance of securities and listings in the name of offshore enterprises of which the principal business activities are conducted in Chinese mainland with the underlying equity, assets, income, or other similar interests in enterprises in Chinese mainland. If we conduct such indirect issuance of securities and listings, we would be subject to such filing requirements. Any failure to obtain or delay in obtaining such approval or completing such review or filing procedures under the Overseas Listing Trial Measures or otherwise, for any future securities offerings and listings outside of Chinese mainland, including but not limited to follow-on offerings and secondary listings, could subject us to restrictions and penalties imposed by the CSRC, which could include fines and penalties on our operations in Chinese mainland, or other actions that could materially and adversely affect our business, financial condition, results of operations, and prospects, as well as the trading price of the ADSs. Since we completed our initial public offering in the United States and our dual primary listing in Hong Kong, both prior to the Overseas Listing Trial Measures coming into effect, as advised by our PRC legal advisor, JunHe LLP, we therefore are not required to submit filings to the CSRC under the Overseas Listing Trial Measures for our initial public offering and listing. However, we are required to complete the filing procedures with the CSRC pursuant to the requirements of the Overseas Listing Trial Measures for our subsequent issuance of equity securities.

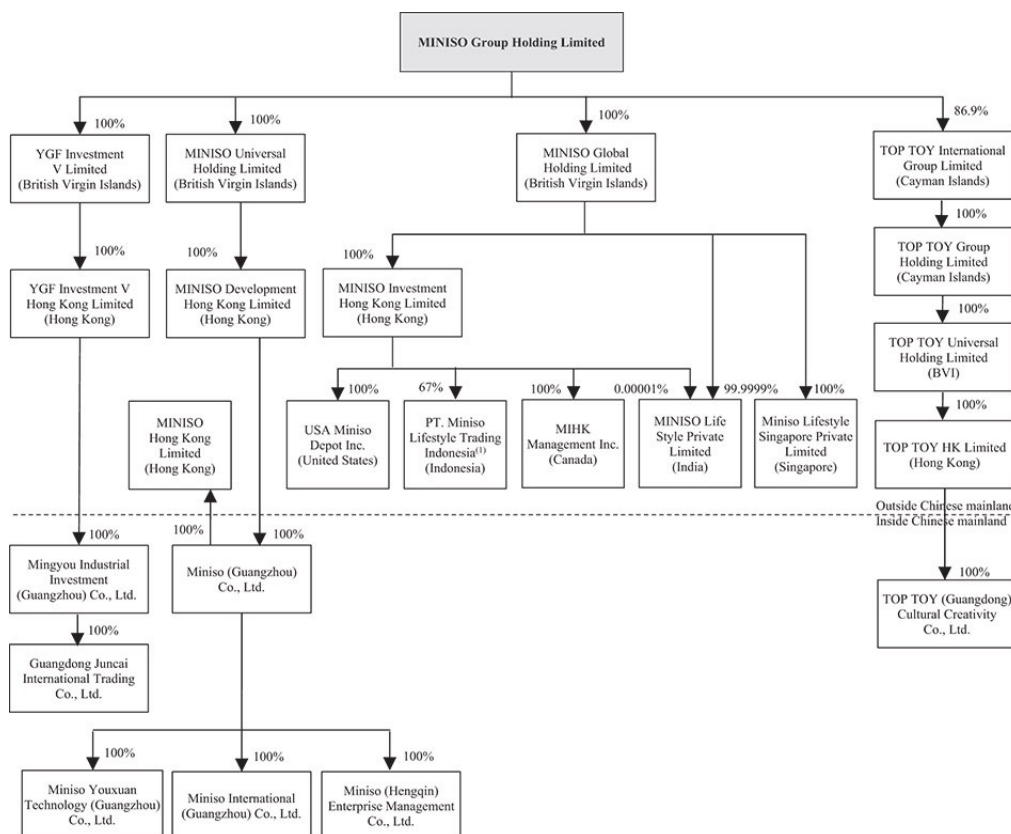
The filing requirements for overseas financing activities discussed above are applicable to indirect offshore issuance of securities and listings in the name of offshore enterprises of which the principal business activities are conducted in Chinese mainland with the underlying equity, assets, income, or other similar interests in enterprises in Chinese mainland. Were we conduct such indirect issuance of securities and listings, we would be subject to such filing requirements. In connection with the offering of 2032 Securities, we have (i) completed the pre-issuance registration with the NDRC and obtained a certificate evidencing such registration, (ii) filed the requisite information on our equity linked securities with the NDRC within the time period as required by the NDRC after the issuance of our equity linked securities, and (iii) submitted the filing with the CSRC within the time period as required under the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies after the completion of the offering of our equity linked securities. For more detailed information, see “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The approval of the CSRC or other PRC government authorities may be required in connection with future offerings or future issuance of securities abroad under Chinese mainland law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval,” and “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—If we cannot obtain sufficient cash when we need it, we may not be able to meet our payment obligations under our outstanding and future obligations in relation to our equity linked securities.”

If the CSRC, CAC or other relevant regulatory agencies subsequently determine that approval or filing is required for any of our offshore offerings, future offerings of securities overseas or to maintain the listing status of the ADSs, we cannot guarantee that we will be able to obtain such approval or complete the filing in a timely manner, or at all. The CSRC, CAC or other regulatory agencies also may take actions requiring us, or making it advisable for us, not to proceed with such offering or maintain the listing status of our listed securities. If we proceed with any of such offering or maintain the listing status of our listed securities without obtaining the CSRC’s or other relevant regulatory agencies’ approval or filing to the extent it is required, or if we are unable to comply with any new approval requirements which might be adopted for offerings that we have completed prior to the publication of the above-referenced opinions, we may face regulatory actions or other sanctions from the CSRC, CAC or other regulatory agencies. These regulatory agencies may impose fines and penalties on our operations in Chinese mainland, limit our ability to pay dividends outside of Chinese mainland, limit our operating privileges in Chinese mainland, delay or restrict the repatriation of the proceeds from offering of securities overseas into Chinese mainland or take other actions that could have a material adverse effect on our business, financial condition, results of operations and prospects, as well as the trading price of the listed securities.

Furthermore, if there are any other approvals, filings and/or other administration procedures to be obtained from or completed with the CSRC, CAC or other regulatory agencies as required by any new laws and regulations for any of our future proposed offering of securities overseas or the listing of the listed securities, we cannot assure you that we can obtain the required approval or complete the required filings or other regulatory procedures in a timely manner, or at all. Any failure to obtain the relevant approvals or complete the filings and other relevant regulatory procedures may subject us to regulatory actions or other sanctions from the CSRC or other regulatory agencies, which may have a material adverse effect on our business, financial condition or results of operations. Uncertainties and/or negative publicity regarding these regulations could also have a material adverse effect on the trading price of our listed securities.

Our Holding Company Structure

We are not an operating company but a Cayman Islands holding company with operations primarily conducted by our subsidiaries in China, and to a lesser extent by our subsidiaries outside China. We do not use a variable interest entity structure. The following diagram illustrates our corporate structure consisting of our principal subsidiaries as of the date of this annual report:



(1) The remaining shares of PT. Miniso Lifestyle Trading Indonesia is held by PT. Mitra Retail Indonesia and PT. Yar Noor International as to 20% and 13%, respectively.

MINISO Group Holding Limited is a Cayman holding company and our operations are conducted primarily through subsidiaries in China. By purchasing the ADSs, you are purchasing interests in our Cayman holding company, as opposed to interests in our subsidiaries in China. Except for certain specific industries, current laws and regulations in Chinese mainland do not prohibit direct foreign investment in Chinese mainland companies. However, foreign investment laws in Chinese mainland are constantly evolving and there is uncertainty with respect to future laws and regulations as well as regulatory actions to be taken by the PRC government in this regard. Were this holding company structure to be challenged or disallowed by PRC regulatory authorities, our business operations would be materially and adversely affected and the value of the ADSs could significantly decline or become worthless. Our holding company structure also involves certain risks in terms of dividend distribution, direct investment in entities in Chinese mainland and obtaining benefits under relevant tax treaty. See "Item 3.D. Key Information—Risk Factors—Risks Related to Doing Business in China—MINISO Group Holding Limited is a Cayman holding company and we may rely on dividends and other distributions on equity paid by our Chinese mainland subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese mainland subsidiaries or Hong Kong subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business," "Item 3.D. Key Information—Risk Factors—Risks Related to Doing Business in China—Chinese mainland regulation of loans to and direct investment in Chinese mainland entities by offshore holding companies and governmental administration of currency conversion may delay or prevent us from using the proceeds of our offshore offerings to make loans to or make additional capital contributions to our Chinese mainland subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business," "Item 3.D. Key Information—Risk Factors—Risks Related to Doing Business in China—Chinese mainland regulations relating to offshore investment activities by Chinese mainland residents may limit our Chinese mainland subsidiaries' ability to increase their registered capital or distribute profits to us or otherwise expose us or our Chinese mainland resident beneficial owners to liability and penalties under laws of Chinese mainland" and "Item 3.D. Key Information—Risk Factors—Risks Related to Doing Business in China—We may not be able to obtain certain benefits under relevant tax treaty on dividends paid by our Chinese mainland subsidiaries to us through our Hong Kong subsidiary." See also "Item 4. Information on the Company—B. Business Overview—Regulations—Chinese mainland—Regulation related to foreign exchange" and "Item 4. Information on the Company—B. Business Overview—Regulations—Chinese mainland—Regulation related to dividend distribution."

Transfer of Funds and Other Assets Within Our Organization

We are not an operating company but a Cayman Islands holding company with operations primarily conducted by our subsidiaries in China, and to a lesser extent by our subsidiaries outside China. Our ability to pay dividends to the shareholders and to service any debt it may incur may depend upon dividends paid by our PRC subsidiaries. If any of our subsidiaries incurs debt on its own behalf in the future, the instruments governing such debt may restrict its ability to pay dividends to us. In addition, under PRC laws and regulations, our PRC subsidiaries are permitted to pay dividends only out of their retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Furthermore, our PRC subsidiaries are required to make appropriations to certain statutory reserve funds or may make appropriations to certain discretionary funds, which are not distributable as cash dividends except in the event of a solvent liquidation of the companies.

Furthermore, if certain procedural requirements are satisfied, the payment of current account items, including profit distributions and trade and service related foreign exchange transactions, can be made in foreign currencies without prior approval from State Administration of Foreign Exchange (the “SAFE”) or its local branches. However, where RMB is to be converted into foreign currency and remitted out of Chinese mainland to pay capital expenses, such as the repayment of loans denominated in foreign currencies, or where foreign currency is converted into RMB and remitted into Chinese mainland to purchase goods or services from our Chinese mainland subsidiaries, prior approval from or registration with competent government authorities or its authorized banks is required. The PRC government may take measures at its discretion from time to time to restrict access to foreign currencies for current account or capital account transactions. If the foreign exchange administration system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our offshore intermediary holding companies or ultimate parent company, and therefore, our shareholders or investors in our ADSs. Further, we cannot assure you that new regulations or policies will not be promulgated in the future, which may further restrict the remittance of RMB out of the Chinese mainland. We cannot assure you, in light of the restrictions in place, or any amendment to be made from time to time, that our current or future Chinese mainland subsidiaries will be able to satisfy their respective payment obligations that are denominated in foreign currencies, including the remittance of dividends outside of the Chinese mainland. As a result of the restrictions discussed above, to the extent cash in the business is in a Chinese mainland entity, the funds may not be available to fund operations or for other use outside of Chinese mainland due to interventions in or the imposition of restrictions and limitations on the ability of us or our Chinese mainland subsidiaries by the PRC government to transfer cash. These restrictions and limitations imposed by the PRC government in Chinese mainland are not applicable to cash transfers in and out of Hong Kong or our Hong Kong subsidiaries. If the laws applicable to Chinese mainland become applicable to entities and businesses in Hong Kong in the future, funds in Hong Kong or in our Hong Kong subsidiaries may not be available to fund operations or for other use outside of Hong Kong. See “Item 4. Information on the Company—B. Business Overview—Regulations—Chinese mainland—Regulation related to foreign exchange” and “Item 4. Information on the Company—B. Business Overview—Regulations—Chinese mainland—Regulation related to dividend distribution.” See also “Item 3.D. Key Information—Risk Factors—Risks Related to Doing Business in China—MINISO Group Holding Limited is a Cayman holding company and we may rely on dividends and other distributions on equity paid by our Chinese mainland subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese mainland subsidiaries or Hong Kong subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business” for more information.

Under PRC laws, MINISO Group Holding Limited may fund our PRC subsidiaries only through capital contributions or loans, subject to satisfaction of applicable government registration and approval requirements. In the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, the amount of capital contribution made by MINISO Group Holding Limited and/or intermediate holding companies to our PRC subsidiaries was RMB26.0 million, nil, RMB59.8 million and RMB5.0 million (US\$0.7 million), respectively. No loans were extended by MINISO Group Holding Limited to our PRC subsidiaries during these periods. In addition, our PRC subsidiaries may receive cash payments from our certain offshore subsidiaries for product sales to such offshore subsidiaries. In the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, our PRC subsidiaries received RMB2,661.0 million, RMB1,671.5 million, RMB4,728.4 million and RMB3,086.4 million (US\$441.4 million), respectively, from such payments. In the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, no assets other than cash were transferred through our organization.

On August 22, 2023, our board of directors declared another cash dividend in the amount of US\$0.412 per ADS, or US\$0.103 per ordinary share, payable as of the close of business on September 19, 2023 to shareholders of record as of the close of business on September 7, 2023. The aggregate amount of cash dividend paid was US\$128.8 million (RMB 923.7 million). On March 12, 2024, our board of directors declared a special cash dividend in the amount of US\$0.2900 per ADS, or US\$0.0725 per ordinary share, to shareholders of record as of the close of business on March 28, 2024. The aggregate amount of cash dividends paid was US\$90.6 million (RMB643.2 million). On August 30, 2024, our board of directors declared an interim cash dividend in the amount of US\$0.2744 per ADS, or US\$0.0686 per ordinary share, to shareholders of record as of the close of business on September 13, 2024. The aggregate amount of cash dividends paid was US\$85.2 million (RMB601.1 million). On March 21, 2025, our board of directors declared a final cash dividend in the amount of US\$ 0.3268 per ADS, or US\$0.0817 per ordinary share, to shareholders of record as of the close of business on April 8, 2025. The aggregate amount of cash dividends paid was US\$101.3 million (RMB726.9 million). On August 21, 2025, our board declared an interim cash dividend in the amount of US\$0.2896 per ADS, or US\$0.0724 per ordinary share, to shareholders of record as of the close of business on September 5, 2025. The aggregate amount of cash dividend paid was US\$88.9 million (RMB630.9 million). On March 31, 2026, our board of directors declared a final cash dividend in the amount of US\$0.3764 per ADS, or US\$0.0941 per ordinary share, to the shareholders of record as of the close of business on April 20, 2026. The aggregate amount of cash dividend to be paid is approximately US\$115.8 million (RMB809.7 million). The payment date is expected to be on April 29, 2026 for holders of Shares and around May 4, 2026 for holders of ADSs. All of the above-mentioned dividend distributions were funded by surplus cash on our balance sheet. Other than these dividends, MINISO Group Holding Limited has not declared or paid any cash dividends. We intend to distribute dividends semi-annually in the future representing no less than 50% of our adjusted net profit, a non-IFRS measure. For details of this non-IFRS measure, see “Item 5. Operating and Financial Review and Prospects — A. Operating Results — Non-IFRS Financial Measure.” However, whether or not we actually distribute dividends and, if yes, when we are going to distribute dividends are at the discretion of our board of directors. See “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Dividend Policy” for details. For Chinese mainland and United States federal income tax considerations of an investment in the ADSs, see “Item 10. Additional Information—E. Taxation.”

In addition to the dividend policy discussed above, we have adopted cash management policies, including specific policies governing approvals with respect to fund transfers throughout our organization. Our management and the audit committee of the board of directors oversee our major financial risk exposures. We maintain an authorization policy on cash management, setting forth the scope of authority for certain treasury matters that are delegated by our board of directors to be approved by our management. Under this policy, certain treasury matters, such as intercompany loans, capital contribution made by our company and/or its intermediate holding companies to its subsidiaries and dividends distributed from our company's subsidiaries to the holding company, are clearly defined, with the level of approval required for each matter specifically identified. When funding is required, we will obtain all necessary approvals from our management and relevant governmental authorities, including the SAFE.

Other than the transfers of funds within our organization discussed above, there were no other transfer of assets, dividends or distributions made between our company and our subsidiaries, and no transfer of cash or other assets, dividends or distributions made to U.S. investors for the fiscal year ended June 30, 2023, the six months ended December 31, 2023, and the years ended December 31, 2024 and 2025. There are no additional tax consequences upon cash payments for capital contribution or product sales within our organization discussed above. Under the current laws of the Cayman Islands, we are not subject to tax on income or capital gains. In addition, upon payments of dividends to our shareholders, no Cayman Islands withholding tax will be imposed.

A. Selected Financial Data

We changed our fiscal year end from June 30 to December 31 in January 2024. The following tables present the selected consolidated financial information of our company. The selected consolidated statement of profit or loss and other comprehensive income data for the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, the selected consolidated statement of financial position data as of June 30, 2023 and December 31, 2023, 2024 and 2025, and selected consolidated statement of cash flows data for the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025 have been derived from our audited consolidated financial statements included in this annual report beginning on page F-1. The unaudited financial data for the six months ended December 31, 2022 and the year ended December 31, 2023 is presented solely for the purpose of providing meaningful comparisons with that for the six months ended June 30, 2023 and the year ended December 31, 2024, respectively. The selected consolidated statement of financial position data as of June 30, 2021 and 2022 and the selected consolidated statement of profit or loss and other comprehensive income data for the fiscal years ended June 30, 2021 and 2022 have been derived from our audited consolidated financial statements not included in this annual report. Our consolidated financial statements are prepared and presented in accordance with IFRS Accounting Standards, or IFRS, issued by the International Accounting Standard Board, or IASB. Our historical results are not necessarily indicative of results expected for future periods. You should read the following selected financial data in conjunction with the consolidated financial statements and related notes and "Item 5. Operating and Financial Review and Prospects" included elsewhere in this annual report.

The following table presents our selected consolidated statement of profit or loss and other comprehensive income data for the fiscal years ended June 30, 2021, 2022 and 2023, the six months ended December 31, 2022 and 2023 and the years ended December 31, 2023, 2024 and 2025:

	For the fiscal year ended June 30,			For the six months ended December 31,		For the year ended December 31,			
	2021	2022	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	US\$
	(Unaudited)					(Unaudited)			
	(in thousands, except for share and per share data)								
Selected consolidated statement of profit or loss and other comprehensive income data:									
Continuing operations:									
Revenue	9,071,659	10,085,649	11,473,208	5,266,878	7,632,467	13,838,797	16,994,025	21,443,827	3,066,426
Cost of sales	(6,640,973)	(7,015,888)	(7,030,156)	(3,281,218)	(4,391,428)	(8,140,366)	(9,356,965)	(11,795,708)	(1,686,764)
Gross profit	2,430,686	3,069,761	4,443,052	1,985,660	3,241,039	5,698,431	7,637,060	9,648,119	1,379,662
Other income	52,140	25,931	17,935	14,311	18,993	22,617	21,595	19,377	2,771
Selling and distribution expenses ⁽¹⁾	(1,206,782)	(1,442,339)	(1,716,093)	(798,127)	(1,363,114)	(2,281,080)	(3,519,534)	(5,265,758)	(752,993)
General and administrative expenses ⁽¹⁾	(810,829)	(816,225)	(633,613)	(313,908)	(357,689)	(677,394)	(931,651)	(1,225,373)	(175,226)
Other net (loss)/income	(40,407)	87,308	114,106	72,850	21,105	62,361	114,696	195,610	27,972
(Credit loss)/ reversal of credit loss on trade and other receivables	(20,832)	(28,924)	1,072	(3,716)	(2,080)	2,708	2,469	(33,241)	(4,753)
Impairment loss on non-current assets	(2,941)	(13,485)	(3,448)	—	(4,547)	(7,995)	(8,846)	(35,611)	(5,092)
Operating profit	401,035	882,027	2,223,011	957,070	1,553,707	2,819,648	3,315,789	3,303,123	472,341
Finance income	40,433	66,344	145,225	64,684	123,969	204,510	118,672	104,421	14,932
Finance costs ⁽²⁾	(28,362)	(33,396)	(34,622)	(16,345)	(25,202)	(43,479)	(92,915)	(430,930)	(61,622)
Net finance income/(costs)	12,071	32,948	110,603	48,339	98,767	161,031	25,757	(326,509)	(46,690)
Fair value changes of paid-in capital subject to redemption and other preferential rights/ redeemable shares with other preferential rights	(1,625,287)	—	—	—	—	—	—	—	—
Share of (loss)/profit of equity-accounted investees, net of tax ⁽³⁾	(4,011)	(8,162)	—	—	268	268	5,986	(834,453)	(119,325)
Other expenses ⁽⁴⁾	—	—	—	—	—	—	—	(70,332)	(10,057)
Changes in fair value of redemption liabilities ⁽⁵⁾	—	—	—	—	—	—	—	(158,491)	(22,664)
(Loss)/profit before taxation	(1,216,192)	906,813	2,333,614	1,005,409	1,652,742	2,980,947	3,347,532	1,913,338	273,605
Income tax expense	(213,255)	(267,070)	(551,785)	(241,498)	(396,665)	(706,952)	(712,104)	(703,524)	(100,603)
(Loss)/profit for the year/period	(1,429,447)	639,743	1,781,829	763,911	1,256,077	2,273,995	2,635,428	1,209,814	173,002
Attributable to:									
Equity shareholders of the Company	(1,415,010)	638,170	1,768,926	764,090	1,248,405	2,253,241	2,617,560	1,205,045	173,320
Non-controlling interests	(14,437)	1,573	12,903	(179)	7,672	20,754	17,868	4,769	682
(Loss)/profit for the year/period	(1,429,447)	639,743	1,781,829	763,911	1,256,077	2,273,995	2,635,428	1,209,814	173,002
(Loss)/earnings per share ⁽⁶⁾									
—Basic	(1.18)	0.53	1.42	0.61	1.00	1.81	2.11	0.98	0.14
—Diluted	(1.18)	0.52	1.41	0.61	1.00	1.80	2.10	0.98	0.14
Other comprehensive (loss)/income for the year	(16,548)	40,494	41,198	(13,634)	(32,504)	22,328	19,128	1,868	267
Total comprehensive (loss)/income for the year	(1,445,995)	680,237	1,823,027	750,277	1,223,573	2,296,323	2,654,556	1,211,682	173,269
Equity shareholders of the Company	(1,429,621)	677,667	1,803,797	746,698	1,217,804	2,274,903	2,635,833	1,210,528	173,104
Non-controlling interests	(16,374)	2,570	19,230	3,579	5,769	21,420	18,723	1,154	165

Notes:

(1) Equity-settled share-based payment expenses were allocated as follows:

	For the fiscal year ended June 30,			For the six months ended December 31,		For the year ended December 31,			
	2021	2022	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	US\$
				(Unaudited)	(in thousands)	(Unaudited)			
Equity-settled share-based payment expenses:									
Selling and distribution expenses	131,215	52,000	44,824	16,622	41,506	69,709	13,454	220,009	31,461
General and administrative expenses	150,104	30,835	18,058	9,958	4,926	13,025	71,730	147,860	21,144
Total	281,319	82,835	62,882	26,580	46,432	82,734	85,184	367,869	52,605

(2) Finance costs were allocated as follows:

	For the fiscal year ended June 30,			For the six months ended December 31,		For the year ended December 31,			
	2021	2022	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	US\$
				(Unaudited)	(in thousands)	(Unaudited)			
Finance costs:									
Interest on loans and borrowings									
-Interest on loans used for acquisition of Yonghui Superstores Co., Ltd.'s equity	—	—	—	—	—	—	—	(86,631)	(12,388)
-Others	(1,545)	(405)	(226)	(116)	(90)	(200)	(1,292)	(25,128)	(3,593)
Interest on lease liabilities	(26,817)	(32,991)	(34,396)	(16,229)	(25,112)	(43,279)	(91,623)	(126,829)	(18,136)
Interest on equity linked securities	—	—	—	—	—	—	—	(192,342)	(27,505)
Total	(28,362)	(33,396)	(34,622)	(16,345)	(25,202)	(43,479)	(92,915)	(430,930)	(61,622)

(3) Share of (loss)/profit of equity-accounted investees, net of tax were allocated as follows:

	For the fiscal year ended June 30,			For the six months ended December 31,		For the year ended December 31,			
	2021	2022	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	US\$
				(Unaudited)	(in thousands)	(Unaudited)			
Share of (loss)/profit of equity-accounted investees, net of tax:									
Share of loss in Yonghui Superstores Co., Ltd.	—	—	—	—	—	—	—	(812,684)	(116,212)
Share of (loss)/profit of other investees	(4,011)	(8,162)	—	—	268	268	5,986	(21,769)	(3,113)
Total	(4,011)	(8,162)	—	—	268	268	5,986	(834,453)	(119,325)

(4) Other expenses were mainly attributable to loss from fair value change of derivatives under mark-to-market impact and issuance cost of derivatives related to equity linked securities.

(5) Changes in fair value of redemption liabilities were mainly attributable to loss arising from preferred shares by TOP TOY in connection with its strategic financing in 2025.

(6) Our company was incorporated on January 7, 2020 during the reorganization to establish our current offshore structure and we issued 976,634,771 ordinary shares in January 2020. For purposes of calculating basic and diluted earnings per share for the fiscal year ended June 30, 2023, the weighted average number of ordinary shares in issue used in the calculation was 1,243,320,377 and 1,250,545,116, respectively. For purposes of calculating basic and diluted earnings per share for the six months ended December 31, 2023, the weighted average number of ordinary shares in issue used in the calculation was 1,244,926,865 and 1,251,635,862, respectively. For purposes of calculating basic and diluted earnings per share for the year ended December 31, 2023, the weighted average number of ordinary shares in issue used in the calculation was 1,244,720,534 and 1,252,361,115, respectively. For purposes of calculating basic and diluted earnings per share for the fiscal year ended December 31, 2024, the weighted average number of ordinary shares in issue used in the calculation was 1,239,394,263 and 1,246,817,617, respectively. For purposes of calculating basic and diluted earnings per share for the year ended December 31, 2025, the weighted average number of ordinary shares in issue used in the calculation was 1,226,461,726 and 1,233,537,571, respectively.

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The following table presents our selected consolidated statement of financial position data as of June 30, 2021, 2022 and 2023 and December 31, 2023, 2024 and 2025:

	As of June 30,			As of December 31,			
	2021	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	US\$
				(in thousands)			
Selected consolidated statement of financial position data:							
Cash and cash equivalents	6,771,653	5,348,492	6,489,213	6,415,441	6,328,121	6,817,129	974,836
Inventories	1,496,061	1,188,095	1,450,519	1,922,241	2,750,389	3,691,238	527,840
Trade and other receivables	824,725	1,056,198	1,150,156	1,518,357	2,207,013	3,307,129	472,913
Total current assets	9,199,087	8,072,562	9,904,005	10,327,634	11,655,501	14,086,292	2,014,313
Total assets	10,705,030	11,281,788	13,447,713	14,485,309	18,120,128	28,633,522	4,094,540
Trade and other payables	2,809,182	3,072,991	3,019,302	3,389,826	3,943,988	4,516,491	645,851
Total current liabilities	3,482,855	3,788,671	3,885,595	4,406,979	5,727,189	8,472,930	1,211,613
Total liabilities	4,052,876	4,254,388	4,529,445	5,294,092	7,764,606	17,914,251	2,561,705
Total equity	6,652,154	7,027,400	8,918,268	9,191,217	10,355,522	10,719,271	1,532,835
Total equity and liabilities	10,705,030	11,281,788	13,447,713	14,485,309	18,120,128	28,633,522	4,094,540

The following table presents our selected consolidated statement of cash flows data for the fiscal years ended June 30, 2021, 2022 and 2023, the six months ended December 31, 2022 and 2023 and the years ended December 31, 2023, 2024 and 2025:

	For the fiscal year ended June 30,			For the six months ended December 31,		For the year ended December 31,			
	2021	2022	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	US\$
				(Unaudited)	(in thousands)	(Unaudited)			
Selected consolidated statement of cash flow data:									
Net cash generated from operating activities	916,320	1,406,262	1,666,030	433,256	1,097,541	2,330,315	2,168,334	2,577,891	368,634
Net cash (used in)/generated from investing activities	(518,797)	(2,125,918)	(293,406)	(485,719)	177,073	369,386	(533,254)	(7,019,506)	(1,003,776)
Net cash generated from/(used in) financing activities	3,536,184	(733,559)	(325,956)	(149,789)	(1,320,899)	(1,497,066)	(1,720,623)	4,969,234	710,591
Net increase/(decrease) in cash and cash equivalents	3,933,707	(1,453,215)	1,046,668	(202,252)	(46,285)	1,202,635	(85,543)	527,619	75,449
Cash and cash equivalents at beginning of year as presented in the consolidated statement of cash flows	2,853,980	6,771,653	5,348,492	5,348,492	6,489,213	5,186,601	6,415,441	6,328,121	904,909
Effect of movements in exchange rates on cash held	(16,034)	30,054	94,053	40,361	(27,487)	26,205	(1,777)	(38,611)	(5,521)
Cash and cash equivalents at end of year as presented in the consolidated statement of cash flows	6,771,653	5,348,492	6,489,213	5,186,601	6,415,441	6,415,441	6,328,121	6,817,129	974,836
Cash and cash equivalents at end of year as presented in the consolidated statement of financial position	6,771,653	5,348,492	6,489,213	5,186,601	6,415,441	6,415,441	6,328,121	6,817,129	974,836

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Summary of Risk Factors

Investing in our ADSs involves significant risks. You should carefully consider all of the information in this annual report before making an investment in the ADSs. Below please find a summary of the principal risks we face, organized under relevant headings.

Risks related to our business and industry

Risks and uncertainties related to our business and industry include, but are not limited to, the following:

- Our success depends upon the continued strength of our brands. If we are unable to maintain and enhance our brands, our business and operating results may be adversely affected;
- The growth and profitability of our business depend on the level of consumer demand and discretionary spending. A severe or prolonged economic downturn in China or around the world could materially and adversely affect consumer discretionary spending and therefore adversely affect our business, financial condition and results of operations;
- Our success is dependent on the continued popularity of our products, our continued innovation and successful launches of new products, and our anticipation of and timely responses to changes in consumer preferences;
- If we are unable to offer our products at prices that are highly appealing to consumers or maintain competitive prices, our business and results of operations would be materially and adversely affected;
- If we fail to offer high-quality products to consumers, our business, reputation, results of operations and financial condition will be materially and adversely affected;
- Expanding product offerings may expose us to new challenges and more risks;
- If we are unable to attract purchases from new and existing consumers, our business, financial condition and results of operations may be materially and adversely affected;
- If we are unable to expand our store network successfully, our business, results of operations would be adversely affected;
- If we, our Retail Partners or local distributors fail to successfully operate stores of MINISO Group, our business and results of operations would be adversely affected;
- Our international operations are subject to a variety of costs and legal, regulatory, political and economic risks;
- If our Retail Partners or local distributors do not satisfactorily fulfill their responsibilities and commitments, our brand image, results of operations could be materially harmed;
- If we fail to maintain the relationship with our Retail Partners or our local distributors or fail to attract new Retail Partners or local distributors to join our store network, our business, results of operations and financial condition could be materially and adversely affected; and
- Illegal actions or misconduct of our Retail Partners, local distributors, sub-contractors or sub-distributors, third-party suppliers or other service providers, or any failure by them to provide satisfactory products or services could materially and adversely affect our business, reputation, financial condition and results of operations.

Risks related to doing business in China

A substantial portion of our business operations are conducted in China and we face various risks and uncertainties related to doing business in China, in particular, risks arising from the legal system in Chinese mainland, including risks and uncertainties regarding the enforcement of laws and that rules and regulations in Chinese mainland can change quickly with little advance notice, and the risk that the Chinese government may intervene or influence your operations at any time, or may exert more control over offerings conducted overseas and/or foreign investment in China-based issuers, which could result in a material change in your operations and/or the value of your securities. Risks and uncertainties related to doing business in China include, but are not limited to, the following:

- The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors of the benefits of such inspections. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors of the benefits of such inspections” on page 57;
- The ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment” on page 57;
- The PRC government has significant authority in regulating our operations and may influence our operations. It may exert more oversight and control over offerings conducted overseas by, and/or foreign investment in, China-based issuers, which could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and may cause the value of our ordinary shares or the ADSs to significantly decline or be worthless. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—The PRC government’s oversight and regulation over our business operations could result in a material change in our operations and the value of our ordinary shares or the ADSs” on page 58;
- Changes in China’s or global economic, political or social conditions or government policies could have a material and adverse effect on our business and results of operations. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Changes in China’s or global economic, political or social conditions or government policies could have a material and adverse effect on our business and results of operations” on page 59;
- Uncertainties with respect to the legal system in Chinese mainland could adversely affect us. Certain laws and regulations in Chinese mainland can evolve quickly, which bring risks and uncertainties to their interpretation and enforcement. Administrative and court proceedings in Chinese mainland may be protracted. Some government policies and internal rules may not be published on a timely manner. These risks and uncertainties may make it difficult for us to meet or comply with requirements under the applicable laws and regulations. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Uncertainties in the interpretation and enforcement of laws and regulations in Chinese mainland could limit the legal protections available to you and us” on page 59;
- Litigation and negative publicity surrounding China-based companies listed in the U.S. may result in increased regulatory scrutiny of us and negatively impact the trading price of the ADSs and could have a material adverse effect upon our business, including our results of operations, financial condition, cash flows and prospects. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Litigation and negative publicity surrounding China-based companies listed in the U.S. may result in increased regulatory scrutiny of us and negatively impact the trading price of the ADSs and could have a material adverse effect upon our business, including our results of operations, financial condition, cash flows and prospects” on page 60; and

- MINISO Group Holding Limited is a Cayman holding company and we may rely on dividends and other distributions on equity paid by our Chinese mainland subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese mainland subsidiaries or Hong Kong subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—MINISO Group Holding Limited is a Cayman holding company and we may rely on dividends and other distributions on equity paid by our Chinese mainland subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese mainland subsidiaries or Hong Kong subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business” on page 61.

Risks related to the ADSs and our ordinary shares

Risks and uncertainties related to the ADSs and our ordinary shares include, but are not limited to, the following:

- The trading price of the ADSs and our ordinary shares has been volatile, which could result in substantial losses to investors;
- The concentration of our share ownership among executive officers, directors, and principal shareholders and their affiliated entities will likely limit your ability to influence corporate matters and could discourage others from pursuing any change of control transaction that holders of our ordinary shares and the ADSs may view as beneficial; and
- Techniques employed by short sellers may drive down the market price of our ordinary shares or the ADSs.

Risks Related to Our Business and Industry

Our success depends upon the continued strength of our brands. If we are unable to maintain and enhance our brands, our business and operating results may be adversely affected.

We sell our products under our own brands, mainly “MINISO,” our flagship brand, and “TOP TOY.” For the fiscal year ended December 31, 2025, revenue generated under our MINISO brand accounted for approximately 91.1% of our total revenue. TOP TOY, which we launched in December 2020, is China’s leading pop toy collection brand. See “Item 4. Information on the Company—B. Business Overview—Our Products—Brand strategies.” We believe that our brands have significantly contributed to the success of our business and that maintaining and enhancing our brands is critical to retaining and expanding our consumer base. Our marketing, design, research and products are aimed at promoting awareness of our “MINISO” brand and “TOP TOY” brand.

We seek to promote our brand image through marketing initiatives, including celebrity endorsement, marketing through video and short-video platforms, and key opinion leader promotion, as well as other social media-based marketing and promotion activities. Promoting and strengthening our brand image depends on our ability to adapt to a rapidly changing media environment and preferences of consumers to receiving information, including our increasing reliance on social media and online dissemination of advertising campaigns. If we do not continue to maintain and strengthen our brand image and grow the value of brands, in particular, the “MINISO” brand and “TOP TOY” brand, we may lose the opportunity to build a critical mass of consumers. In addition, we have been continually promoting our brands and products in a very active manner. Certain consumers may perceive our brands and/or our products in different ways or even misinterpret our brands before learning more about our company, our brands and our products. If consumers or other parties claim that our marketing approach is misleading or otherwise improper, we may be subject to lawsuits or other legal proceedings, which would negatively affect our brand image, undermine the trust and credibility we have established and impose an adverse impact on our business.

Furthermore, as we continue to grow in size, expand our product offerings and extend our geographic reach, maintaining high-quality, high-appeal and high affordability of our products may be more difficult and we cannot assure you that we will be able to maintain consumers’ confidence in our brands. If consumers perceive or experience a reduction in the quality of our products, or consider in any way that we fail to deliver a consistently high-quality products, our brand value could suffer, which could have a material and adverse effect on our business.

In addition, any negative publicity, with or without merits, relating to our products, shareholders, management, employees, operations, retail partners, local distributors, suppliers and other business partners, industry or products similar to ours, could materially and adversely affect consumer perceptions of our brands and result in decreased demand for our products.

We consider our trademarks, brand names and our other intellectual properties such as patents relating to product design to be material to our business. Due to the popularity of our products and our brand recognition in the retail industry in China, we have become an attractive target of copycat. We have seen copycat products on the market that attempt to cause confusion or diversion of consumer traffic from us. There are also companies that use company names that are highly similar to our corporate names used in China. If consumers misidentify copycat products as our products, our brand image and reputation could also be harmed. If we are unable to adequately protect these intellectual property rights, we may lose these rights, our brand image may be harmed, and our competitive position and business may suffer. See “—We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position” for more information.

The growth and profitability of our business depend on the level of consumer demand and discretionary spending. A severe or prolonged economic downturn in China or around the world could materially and adversely affect consumer discretionary spending and therefore adversely affect our business, financial condition and results of operations.

The success of our business depends, to a significant extent, on the level of consumer demand and discretionary spending both in China and in the international markets where we operate. A number of factors beyond our control may affect the level of consumer demand and discretionary spending on merchandise that we offer, including, among other things:

- general economic and industry conditions;
- disposable income of consumers;
- discounts, promotions and merchandise offered by our competitors;
- negative reports and publicity about the retailing industry;
- outbreak of viruses or widespread illness;
- unemployment levels;
- minimum wages and personal debt levels of consumers;
- consumer confidence in future economic conditions;
- fluctuations in the financial markets; and
- natural disasters, war, terrorism and other hostilities.

Reduced consumer confidence and spending cut backs may result in reduced demand for our products, in particular discretionary items. Reduced demand also may require increased selling and promotional expenses. Adverse economic conditions and any related decrease in consumer demand for our merchandise could have a material adverse effect on our business, financial condition and results of operations. For example, during the COVID-19 pandemic, consumers made significantly less frequent trips to brick-and-mortar retailers, including our MINISO stores. The COVID-19 pandemic also resulted in a severe and negative impact on the Chinese and the global economy. Negative economic conditions may limit the consumer confidence and the amount of disposable income available to consumers, which may impact our consumer demand. Even before the outbreak of COVID-19, the global macroeconomic environment was facing numerous challenges. The growth rate of the Chinese economy has been slowing down. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies which had been adopted by the central banks and financial authorities of some of the world's leading economies, including the United States and China. The war in Ukraine and the imposition of broad economic sanctions on Russia could raise energy prices and disrupt global markets. The Israeli-Palestinian military conflicts may further exacerbate the existing global economic challenges, in aspects including the supply chain, logistics and inflation. Unrest, terrorist threats and the potential for war in the Middle East and elsewhere may increase market volatility across the globe. There have also been concerns about the relationship between China and other countries, including but not limited to the surrounding Asian countries, which may potentially have economic impact. In particular, there is significant uncertainty about the future relationship between the United States and China with respect to trade policies, treaties, government regulations and tariffs. Economic conditions in China are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China. Any severe or prolonged slowdown in the global or Chinese economy may materially and adversely affect our business, results of operations and financial condition.

In addition, many of the factors identified above also affect commodity rates, transportation costs, costs of labor, insurance and healthcare, lease costs, measures that create barriers to or increase the costs associated with international trade, changes in other laws and regulations and other economic factors, all of which may impact our cost of sales, our selling and distribution expenses, and general and administrative expenses, which could have a material adverse effect on our business, financial condition and results of operations.

Our success is dependent on the continued popularity of our products, our continued innovation and successful launches of new products, and our anticipation of and timely responses to changes in consumer preferences.

The success of our operations depends on our ability to continually offer quality products that are attractive to consumers. Consumer preferences differ across and within each of the countries and regions in which we operate or plan to operate and may shift over time in response to changes in demographic and social trends, economic circumstances and the marketing efforts of our competitors. We must stay abreast of emerging consumer preferences and anticipate product trends that will appeal to existing and potential consumers. Our philosophy is to regularly launch a significant number of new MINISO SKUs on a frequent and ongoing basis, which are carefully selected from a large library of product ideas. In the fiscal year ended December 31, 2025, we launched an average of around 1,600 SKUs under the "MINISO" brand per month, and offered consumers a wide selection of SKUs, the vast majority of which are under the "MINISO" brand. There can be no assurance that our existing products will continue to be favored by consumers or that we will be able to anticipate or respond to changes in consumer preferences in a timely manner. In particular, as we expand into new countries and regions, we may not be able to launch products that appeal to local consumers due to our lack of understanding on local cultures and lifestyles. Our failure to anticipate, identify or react to these particular preferences could adversely affect our sales performance and our profitability.

We devote significant resources to product design and development. As of December 31, 2025, we had a network consisting of an in-house team of over 300 designers and multiple external design teams, including internationally renowned independent designer teams, professional design studios and design academies from overseas countries and regions such as South Korea, Spain, the United Kingdom and the United States. We have also developed an approach to collaborate with highly popular IP licensors to create co-branded products. These efforts allow us to launch products that appeal to consumers and constantly change SKUs to respond to evolving consumer preference. However, we may not be successful in developing innovative new products, and our new products may not be commercially successful. We also cannot assure you that our co-branding initiatives will continue to be successful in the future. To the extent that we are not able to effectively gauge the direction of our key markets and successfully identify, develop and design new or improved products in response to changing market preference, our financial results and our competitive position may suffer. Moreover, there are inherent market risks associated with new product introductions, including uncertainties about marketing and consumer preference, and there can be no assurance that we will be successful in introducing new products with designs that are appealing to consumers. We may expend substantial resources developing new products that may not achieve expected sales levels.

If we are unable to offer our products at prices that are highly appealing to consumers or maintain competitive prices, our business and results of operations would be materially and adversely affected.

A critical differentiator of our business is our ability to offer value to consumers, including offering quality products at prices that are highly appealing to consumers, which is pivotal to the success of our business. We vigorously execute our pricing strategy in our daily business operations. However, we face various challenges in maintaining the current price rates. For example, we may not have sufficient bargaining power in negotiating terms with our suppliers and procure products at favorable prices. As a result, we may have to price our products at higher-than-expected prices to achieve profitability. Even if we are able to price as we expected, our profit margin, if any, may be lower than our anticipation. Further, increases in raw material prices or production costs may also be shifted to us by our suppliers and result in our pressure to increase prices. Any increase in product prices may cause our sales volume to decline, and more importantly, undermine our brand positioning and image, making us less attractive to consumers and less competitive in the marketplace. Accordingly, the occurrence of any of the above would adversely affect our overall profitability, business, financial condition and results of operations.

In addition, the prices of the products we sell can be influenced by general economic conditions. For example, general inflation in the prices of the products we sell could cause us to mark up prices and thereby may negatively affect our product sales. Adverse general economic conditions could also increase costs to us, such as shipping rates, freight costs and store occupancy costs and further reduce our sales or increase our cost of sales, selling and distribution expenses, or general and administrative expenses. Our pricing strategy and competitive pressure may inhibit our ability to reflect these increased costs in the prices of our products without losing competitive position, and therefore reduce our profitability and materially adversely affect our business, financial condition and results of operations. In addition, price reductions by our competitors may result in the reduction of our prices and a corresponding reduction in our profitability. Accordingly, we may face periods of intense competition in the future, which could have a material adverse effect on our profitability and results of operations.

We are subject to additional risks in maintaining our products at appealing or competitive prices in the overseas markets. Substantially all of our products are manufactured in China and shipped to overseas markets. Countries to which we make export sales may take restrictive measures, such as trade tariffs, or anti-dumping duties and other non-tariff barriers, to protect their home markets. Any imposition of tariffs, anti-dumping duties, or other non-tariff barriers in one or more markets could result in additional costs to us and negatively affect our ability to price our products at appealing or competitive rates and/or a material reduction in our supplies of relevant products in those markets, which could have a material adverse effect on our business, results of operations and financial condition.

If we fail to offer high-quality products to consumers, our business, reputation, results of operations and financial condition will be materially and adversely affected.

Offering high-quality products is essential to the success of our business. In order to ensure that we continually offer high quality products to consumers, we engage third parties to evaluate quality control qualifications of potential suppliers before we enroll such suppliers in our supplier base. Our quality control team is involved throughout the whole process of product development, from product design, raw material selection, to product manufacturing, and finally to several layers of quality inspections. Despite the fact that we have implemented several tiers of quality control measures, we have historically experienced product quality issues such as failure to comply with relevant product specifications and cannot assure you that our products will not have any quality issues in the future. Any product quality issue may result in claims, lawsuits, fines, penalties and negative publicities, and loss of consumer confidence in our products, which in turn would have material and adverse effects on our business, reputation, operating results and financial conditions. See also “—Should a product liability issue, recall or personal injury issue arise, it may damage our reputation and brand image, which may result in a material adverse effect on our business, reputation, results of operations and financial condition.”

Expanding product offerings may expose us to new challenges and more risks.

We strive to offer consumers a wide variety of merchandises that are responsive to consumers' evolving needs and provide them with a treasure hunt shopping experience by frequently changing SKUs/product assortments in each store. Offering new SKUs, expansion into diverse new product categories and increased number of products and SKUs as well as launching new brands involve new risks and challenges. Our lack of familiarity with these products and lack of relevant consumer data relating to these products may make it more difficult for us to anticipate consumer demand and preferences. We may misjudge consumer demand, resulting in inventory buildup and possible inventory write-down. For example, we recorded an inventory write-down of RMB40.8 million for the fiscal year ended December 31, 2025. It may also make it more difficult for us to inspect and control quality and ensure proper handling, storage and delivery. We may experience higher return rates on new products, receive more consumer complaints about them and face costly product liability claims related to our new products, which would harm our brand and reputation as well as our financial performance. Furthermore, we may not have much purchasing power in new categories of products and we may not be able to negotiate favorable terms with suppliers. We may need to price aggressively to gain market share or remain competitive in new product categories. It may be difficult for us to achieve profitability in the new product categories and our profit margin, if any, may be lower than we anticipate, which would adversely affect our overall profitability and results of operations. We cannot assure you that we will be able to recoup our investments in introducing these new product categories.

If we are unable to attract purchases from new and existing consumers, our business, financial condition and results of operations may be materially and adversely affected.

Our future growth depends on our ability to continue to attract purchases from new consumers and existing consumers. In order to retain existing consumers and attract new consumers, we strive to give consumers a relaxing and engaging shopping environment by carefully designing store layout, decoration and lighting to create a welcoming ambience for consumers. We also launched our membership program in China and further expanded this membership program to overseas markets. In addition, managers of our stores keep consumers constantly engaged by sharing our content through Weixin chat groups and Weixin public account as well as other Weixin sharing channels. However, our consumer engagement efforts may not be as effective as we anticipate. In addition, competition for consumers has intensified as competitors have moved into, or increased their presence in, our geographic markets. They may make more investments in product design and development and maintain more competitive prices. Also, the use of mobile and web-based technology that facilitates online shopping and real-time product and price comparisons will also increase the competition. We expect this competition to continue to increase. Our competitors may offer promotions or loyalty program incentives that could attract consumers who purchases our products or divide their loyalty among several retailers. If we are unable to retain the loyalty of existing consumers and attract new consumers, our revenues could decrease and we may not be able to expand our business base as planned, which could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to expand our store network successfully, our business, results of operations would be adversely affected.

We plan to expand our store network both domestically and internationally. Although the number of newly opened directly-operated stores has increased, we may be unable to expand our store network as planned because new store openings depend not only on directly-operated stores opened by us, but also on third-party stores opened by our Retail Partners and local distributors. The number and timing of the stores actually opened during any given period are subject to a number of risks and uncertainties. For example, we may not be able to identify Retail Partners and local distributors with sufficient resources and strong local ties to collaborate with us. If our Retail Partners and local distributors fail to operate our stores successfully for whatever reasons, they may not be willing or able to renew their agreements with us. As a result, the number of stores in our store network will decrease, which would negatively affect our store expansion plan.

Expanding our store network through opening our stores by ourselves also involves certain risks and uncertainties, such as our ability to obtain adequate funding for development and expansion costs, identify strategic markets globally, identify locations with large consumer traffic and commercial potential and secure leases on commercially reasonable terms, supply products in a timely manner to our stores in different geographical locations, obtain the required licenses, permits and approvals, and recruit and retain talents with sufficient experience in the retail industry. Any risks and uncertainties listed above, either individually or in aggregate, might delay or fail our plan to increase the number of stores in desirable locations at manageable cost levels.

In addition to the above factors, our overseas expansions face additional difficulties and challenges. We have limited experience operating in overseas markets and may face competition from major, established competitors in these markets. These competitors usually have more experience and resources for their business operations in those markets. In addition, the real estate, employment and labor, transportation and logistics, regulatory, and other operating requirements in these markets differ significantly from those in China. Moreover, a number of factors could have an adverse impact on our operating results if our efforts to expand internationally are not successful. These factors include changes in market needs and product trends, economic fluctuations, political and social turbulence, relevant countries or regions' relationships with China, changes in legal regulations or other conditions and difficulties in employing and training appropriate local management and employees. There is no assurance that our international store expansion will not continue to decelerate or even fail in the future.

If we, our Retail Partners or local distributors fail to successfully operate stores of MINISO Group, our business and results of operations would be adversely affected.

As of December 31, 2025, approximately 91% of stores of MINISO Group in our global network were established and operated by our Retail Partners and local distributors. Therefore, successful operations of our stores by our Retail Partners and local distributors directly affect our results of operations. However, we cannot control many factors that impact the profitability of their stores. Despite the fact that we have direct access to key operational data from Retail Partner stores, which enable us to help our Retail Partners systematically customize merchandising down to the store level and coordinate inventory management on real-time basis, we are unable to directly engage in the operation of their stores, nor do we have access to or a complete control over every aspect of their store operations. The quality of store operations may be compromised if we fail to effectively monitor the store operation by our Retail Partners or local distributors. Even if we can effectively monitor the store operation by our Retail Partners or local distributors, there are still a number of factors beyond our control which may result in failure by our Retail Partners and local distributors to successfully operate their stores in a manner consistent with our standards and requirements. For example, our Retail Partners and local distributors may not be able to find suitable locations for opening stores under the MINISO brand or the TOP TOY brand, hire and effectively train qualified managers and other store operating personnel, encounter financial difficulties or fail to achieve expected level of sales, which may cause delays in making payments to us under our agreements with them. While we have the right to terminate our agreements with Retail Partners or local distributors if they breach any material provisions of these agreements, we may not be able to identify problems and take action in a timely manner. As a result, our image and reputation may suffer, and our results of operations could be adversely affected.

The successful operation of stores of MINISO Group also hinges on the ability to provide superior shopping experience. If we, our Retail Partners or local distributors are unable to provide a superior shopping experience, consumers may lose confidence in us. In order to provide such superior shopping experience, we and our Retail Partners/local distributors strive to provide consumers with a wide variety of carefully designed high quality products, frequently changing product assortment to enable a treasure hunt shopping experience, offer our products at competitive prices, and timely response to consumer demands. However, there can be no assurance that these strategies can be executed effectively. Any negative publicity or poor feedback regarding consumer service may harm our brand and reputation and in turn cause us to lose consumers and market share.

There are also a number of factors that may affect the successful operation of our stores. These factors include, without limitation, our ability to maintain and enhance the quality of our products; our ability to successfully implement our pricing strategies; our ability to offer new products to timely respond to changes in market opportunities and consumer preferences; our ability to continually increase the number of items sold to consumers; our ability to retain existing consumers and attract new consumers; our ability to attract new and maintain relationships with our existing third-party suppliers and other service providers; our ability to manage costs of our operations; our ability to handle negative publicity, allegations, and legal proceedings; our ability to ensure full compliance with relevant laws and regulations, and maintain adequate and effective control, supervision and risk management over stores; and our ability to monitor the overall operation of stores. Many factors beyond our control, including macroeconomic and regulatory environment, could also adversely affect the successful operation of stores.

In the past, we, our Retail Partners and local distributors shut down a small number of underperforming stores and may continue to do so in the future. We may also terminate our cooperation with Retail Partners or local distributors if their business, financial conditions and operation results are far below our expectation. In addition, if our Retail Partners and/or local distributors run into financial difficulties or even become bankrupt as a result of unsuccessful operation, worsening of local economic conditions or whatever reason, our business and results of operations would be adversely affected.

Our international operations are subject to a variety of costs and legal, regulatory, political and economic risks.

Our business and results of operations are affected by our ability to execute our globalization strategy, which primarily involves expanding into new international markets and growing our store network overseas. Our revenue from markets outside of Chinese mainland was RMB3,822.4 million, RMB2,789.3 million, RMB6,681.9 million and RMB8,866.4 million (US\$1,267.9 million) in the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, accounting for 33.3%, 36.5%, 39.3% and 41.3% of our total revenue for the same periods, respectively. Compared with operating in our home market, China, operating internationally subject us to additional risks and challenges such as:

- limited brand recognition (compared with our home market in China);
- need to manage costs of securing optimal locations for opening stores;
- difficulties encountered when setting up or leasing new warehouses and establishing overseas supply chain;
- difficulty to manage logistics and inventory effectively to meet the needs of new and existing stores on a timely basis;
- difficulty to find qualified partners for overseas cooperation;
- inability to anticipate foreign consumers' preferences and customs;
- difficulties in hiring experienced staff and managing foreign operations;
- burdens of complying with a wide variety of local laws and regulations;
- wars, political and economic instability;
- trade restrictions;
- lesser degrees of intellectual property protection;
- tariffs and customs duties and the classifications of our goods by applicable governmental bodies;
- a legal system subject to undue influence or corruption; and
- high inflation.

Our international expansion plans will place increased demands on our operational, managerial and administrative resources. For example, we have limited experience operating in overseas markets and may face competition from major, established competitors in these markets. These competitors usually have more experience and resources for their business operations in those markets. In addition, the real estate, employment and labor, transportation and logistics, regulatory, and other operating requirements in these markets differ significantly from those in China. In particular, we face regulatory uncertainties and may incur substantial compliance costs when we enter into a new overseas market. Regulations in different overseas markets could vary significantly. Being compliant with laws and regulations in one jurisdiction does not necessarily mean our business model/business practice would comply with laws and regulations in another jurisdiction and we may need to make adjustments to our business model/business practice accordingly to comply with local laws. Given the complexity, uncertainties and frequent changes in these laws, rules, regulations, policies and measures in overseas markets, including changes in their interpretation and implementation, our business activities and growth may be adversely affected if we do not respond to the changes in a timely manner or fail to fully comply with the applicable laws, rules, regulations, policies and measures, including as a result of ambiguities in them. Non-compliance may subject us to sanctions by regulatory authorities, to monetary penalties, or to restrictions on our activities or revocation of our licenses, which may result in a material adverse effect on our business, financial condition and results of operations in the relevant overseas market. We also have to closely monitor changes in local laws and complete all necessary procedures and filings accordingly. Furthermore, we may also from time to time encounter legal disputes with various parties in overseas markets in our ordinary course of business operations.

Moreover, a number of factors could have an adverse impact on our operating results if our efforts to expand internationally are not successful. These factors include changes in market needs and product trends, economic fluctuations, political and social turbulence, relevant countries or regions' relationships with China, changes in legal regulations or other conditions and difficulties in employing and training appropriate management and local employees. For example, the escalation of tensions between China and India as a result of border clashes between troops from the two countries in recent years resulted in a number of mobile apps developed by Chinese companies and operated in India being banned by the Indian government. We are unable to predict how international relations between China and India will develop, and what measures the India government will take towards products and services provided by and business operations of Chinese companies in India. There can be no assurance that we will not be targeted or affected by similar actions in the future, and our business operations and operating results in India will not be materially and adversely impacted by such actions. These increased demands and challenges may cause us to operate our business less efficiently, which in turn could cause deterioration in the performance of our existing businesses and could have a material adverse effect on our business, results of operations or financial condition.

If our Retail Partners or local distributors do not satisfactorily fulfill their responsibilities and commitments, our brand image, results of operations could be materially harmed.

Our products are sold to consumers through either our directly operated stores or through stores operated by our Retail Partners or local distributors. As of December 31, 2025, approximately 91% of stores of MINISO Group in our global network were established and operated by our Retail Partners and local distributors. We typically enter into franchise agreements with our Retail Partners or master license agreements and product sales agreements with our local distributors. These agreements set out each party's responsibilities under different cooperation model. See "Item 4. Information on the Company—B. Business Overview—Our Store Network" for more information on different types of store operation models.

We believe consumers expect the same quality of our products regardless of whether they visit a store operated directly by us or by a Retail Partner or a local distributor, so we provide operational guidelines on key aspects of store operations ranging from frontline store-level staff training, store layout, merchandise mix, interior design, inventory management, to pricing recommendation so as to maintain our uniform brand image across our stores. However, we cannot assure you that we will be successful in monitoring store operations by our Retail Partners or local distributors and detecting any and all inconsistencies with our brand image or values or non-compliance with the provisions of our cooperation agreements by them. For example, our local distributors may deviate from our pricing strategy and sell our products at higher prices without our consent, which will jeopardize our brand positioning and image. Our Retail Partners or local distributors may also breach other provisions of the agreements with us or otherwise engage in illegal actions or misconducts. In addition, we typically do not allow local distributors to have sub-contractors or sub-distributors or otherwise assigning the rights under the licensing agreement to a third party without our prior written consent. Once we consent, our local distributors are generally entitled to choose their sub-contractors or sub-distributors and negotiate the transaction terms directly with them. We typically do not have any contractual relationship with any sub-contractors or sub-distributors and do not control or deal with them directly. As a result, we have very limited control over sub-contractors or sub-distributors and cannot guarantee that they are able to provide satisfactory services to consumers. See also “Illegal actions or misconduct of our Retail Partners, local distributors, sub-contractors or sub-distributors, third-party suppliers or other service providers, or any failure by them to provide satisfactory products or services could materially and adversely affect our business, reputation, financial condition and results of operations.” Any non-compliance by our Retail Partners, local distributors or any sub-contractors and sub-distributors with our operational guidelines could, among other things, diminish the overall shopping experience delivered to consumers, negatively affect our brand reputation or demands for our products.

If we fail to maintain the relationship with our Retail Partners or our local distributors or fail to attract new Retail Partners or local distributors to join our store network, our business, results of operations and financial condition could be materially and adversely affected.

As of December 31, 2025, approximately 91% of stores of MINISO Group globally are operated by our Retail Partners and local distributors. As a result, maintaining the relationship with our Retail Partners and local distributors and attracting new Retail Partners and local distributors to join our store network are critical to our business and results of operations. However, we may not be able to maintain our relationship with Retail Partners and local distributors due to a number of factors, some of which are beyond our control. For example, if our existing products or new products fail to attract consumers, our Retail Partners and local distributors may experience sales declines. As a result, they may not be able to generate investment returns as they expected, and thus choose not to renew their agreements with us. Sales declines or unsuccessful operation of our stores could also arise from failures by our Retail Partners and local distributors to lease premises in optimal locations with large consumer traffic and commercial potentials, hire and train qualified store managers or other sales personnel, insufficient experience in operating retail stores, and lack of overall store management experience, among others. Although we are able to provide management and consultation services to support their store operation, we cannot assure you that with these supports our Retail Partners and local distributors will be able to successfully operate stores of MINISO Group. As a result, our Retail Partners and local distributors may terminate their agreements with us or choose not to renew such agreements with us. For the fiscal year ended December 31, 2025, the number of Retail Partners and distributors of MINISO brand was 283 and 1,266, respectively, compared to the number of Retail Partners and distributors of 253 and 1,185 as of December 31, 2024, respectively.

In addition, we may also be unable to continually offer attractive terms or economic benefits to our Retail Partners or local distributors. As a result, our Retail Partners or local distributors may not be effectively motivated to sell more products or continue the cooperative relationships with us. If our Retail Partners or local distributors decide to shut down stores they opened, we will refund the corresponding deposit to them. If our Retail Partners or local distributors decide to shut down a large number of stores within a very short period of time, we may need a large amount of cash to refund the deposits. As a result, we may experience liquidity risks. In addition, we may not be able to attract a sufficient number of new Retail Partners and local distributors to join our network and open stores, which will negatively affect our future business growth. The occurrence of any of the above could have a material and adverse effect on our expansion plans, business prospects, results of operations and financial condition.

Illegal actions or misconduct of our Retail Partners, local distributors, sub-contractors or sub-distributors, third-party suppliers or other service providers, or any failure by them to provide satisfactory products or services could materially and adversely affect our business, reputation, financial condition and results of operations.

Our reputation and operation may be harmed by illegal or unsatisfactory actions taken by our Retail Partners, local distributors, sub-contractors or sub-distributors, third-party suppliers, and other third parties over which we have limited control. Any failure to obtain the requisite licenses and approvals from governmental authorities and any failure of our product suppliers to ensure product quality or to comply with our quality standards or other laws and regulations could result in regulatory penalties and negative publicities, interrupt our operations, result in claims against us, and subject us to damages and harm our reputation and brand image. Any delay in delivery of our products, damage to our products during the course of delivery and inappropriate actions taken by deliverymen of our delivery service providers could also cause consumer complaints and negative publicities.

In addition, if our Retail Partners, local distributors, sub-contractors or sub-distributors engage in any unlawful activities, fail to provide a satisfactory shopping experience, or are involved in any claims, allegations, lawsuits, litigations, administrative penalties or other legal proceedings, with or without merits, no matter whether we are a party or not, we might also be subject to reputational risks. Historically, a local distributor in an overseas market engaged in activities that caused harm to our reputation, our business and results of operations in Canada. After we became aware of the activities, we took several actions against the distributor including requiring the distributor to initiate a legal proceeding under the Companies' Creditors Arrangement Act. Pursuant to the legal proceeding, we acquired certain assets of the distributor consisting of store operations as a consideration to reduce a portion of overdue payment owed to us by the distributor. We have been operating in the Canadian market since then through our own subsidiaries in Canada and either directly operate stores by ourselves or through cooperation with local distributors. We also entered into new agreements with local distributors. In November 2024, we initiated legal proceedings against a former distributor in Thailand for violations of intellectual property rights and non-compete obligations. The former distributor subsequently filed counterclaims against us. The amount in dispute is immaterial to our business operations and financial position. In an effort to prevent the recurrence of similar incidents, we reviewed and updated the contract terms with local distributors and the mechanism for cooperation with local distributors. We also optimized our internal control procedures with respect to contract management and financial management of overseas companies, in particular Canada subsidiaries, regarding distributor management. Despite the fact that we have representatives in our overseas markets and such representatives, among other responsibilities, supervise the operating activities of our Retail Partners and local distributors and our efforts to prevent similar incidents from happening, we cannot assure you that similar incidents would not happen in the future. We also cannot guarantee that our Retail Partners, local distributors, sub-contractors or sub-distributors will fully comply with relevant provisions in our agreements with them regarding various operational standards. If any of our Retail Partners, local distributors, sub-contractors or sub-distributors engage in any type of illegal actions or misconducts, our business, reputation, financial condition and results of operations could be materially and adversely affected.

As we expand our online sales channels, we have entered into cooperation with third parties such as live streaming platforms and broadcasters to promote the sales of our products. The promotion of our products on living streaming platforms are conducted in real time. Broadcasters may inadvertently have conversations or engage in activities that are inappropriate, contentious, immoral, disrespectful or even unlawful, which could cause serious damage our reputation and brand image and could very likely result in negative publicity about us. We may also be subject to administrative penalties or involved in lawsuits as a result. Any negative publicity about live streaming platforms we cooperate with may also negatively affect public perception about our brand image.

In the event that we become subject to claims caused by actions taken by our Retail Partners, local distributors, sub-contractors or sub-distributors, third-party suppliers, and other third parties, we may seek compensation from or take other actions against the relevant Retail Partners, local distributors, third-party suppliers, or other service providers. However, such compensation may be limited. For example, we may not be able to get fully compensated from our suppliers in case that our losses attributed to their actions exceed the maximum amount of indemnification we are able to seek from them. If no claim can be asserted against our Retail Partners, local distributors, sub-contractors or sub-distributors, suppliers or other service providers, or amounts that we claim cannot be fully recovered from our Retail Partners, local distributors, sub-contractors or sub-distributors, suppliers or other service providers, we may be required to bear such losses and compensation at our own costs, which could have a material and adverse effect on our business, financial condition and results of operations.

Furthermore, our distributors may be unable or unwilling to provide us with information in relation to their inventory levels and sales of our products in a timely manner, or at all. As we do not fully control the inventory and sales data belonging to our distributors, we rely on information provided to us by our distributors. As a result, our ability to accurately track the sales of our products by and the inventory level of our distributors is limited. Our sales to distributors may not be reflective of actual sales trends to consumers, and we may not be able to timely gather sufficient information and data regarding the market demand and consumers' preferences for our products. Failure to accurately track sales and inventory levels of our distributors and timely gather market information may cause channel stuffing risks and/or cause us to incorrectly predict sales trends and impede our ability to quickly align our marketing and product strategies in response to market changes.

Our revenue per MINISO store has experienced, and may continue to experience, significant fluctuations from period to period.

Historically, our revenue growth was largely driven by the expansion of our store network. Our revenue per MINISO store, which is calculated by dividing the revenue of MINISO brand by the average number of MINISO stores of the relevant period, has fluctuated significantly historically.

A variety of factors may cause fluctuation in our revenue per MINISO store, many of which are beyond our control, including the following:

- the size, store format and the geographic location of our stores;
- decrease in store openings and closure of stores;
- the pace of store openings and total operational days of stores;
- change in our store mix, including China market versus international markets, breakdown in different tier cities in China, and breakdown in different locations within the same tier cities;
- Our stores' ability to maintain and increase sales to existing consumers, attract new consumers and satisfy consumer demands;
- the frequency of consumer visits to our stores and the quantity and mix of products consumers purchase;
- the pricing of our products or change in our pricing strategies or those of our competitors;
- timing and costs of marketing and promotional programs organized by us and/or our Retail Partners and local distributors;
- our Retail Partners and local distributors' ability to manage inventory and provide superior consumer experience;
- the competition that we and/or our Retail Partners and local distributors face in the markets, for example, the entry of new competitors,
- introduction of new products or services by competitors and their marketing efforts;
- epidemics and pandemics;
- economic and geopolitical conditions in China and overseas markets; and
- seasonal variations in demand.

As a result, you may not be able to rely on our historical revenue per MINISO store as an indication of our future performance. If our revenue per MINISO store fluctuates significantly, whether as a result of the above factors or otherwise, our revenue growth, financial condition, results of operations and prospects may be adversely affected.

Our fiscal year-over-year same-store GMV has experienced, and may continue to experience, significant fluctuations from period to period.

Same-store GMV refers to GMV generated from the “same stores” that opened prior to the beginning of the comparative periods and remained open as of the end of the comparative periods and closed for less than 30 days during both comparative periods.

There may be variations in the way in which some of our competitors and other retailers calculate comparable or “same store” sales or GMV. As a result, data in this annual report regarding our same-store GMV or its year-over-year change may not be comparable to similar data made available by others.

Measuring the change in fiscal year-over-year same-store GMV allows us to evaluate how we are performing and it has fluctuated significantly historically. A variety of factors may cause fluctuation in the change in fiscal year-over-year same-store GMV, including the following:

- consumer preferences, buying trends and overall economic trends;
- our ability to identify and respond effectively to customer preferences and trends, as well as to provide an assortment of high-quality and appealing product offerings that generate new and repeat visits to our stores;
- the frequency of consumer visits our stores and the quantity and mix of products consumers purchase;
- the frequency of new products launched in our stores;
- the customer experience we provide in our stores;
- the size, store format and the geographic location of our stores;
- the level of traffic near our locations in the power, community and lifestyle centers in which we operate;
- the competition that we and/or our Retail Partners and local distributors face in the markets, for example, the entry of new competitors, introduction of new products or services by competitors and their marketing efforts;
- the pricing of our products or change in our pricing strategies or those of our competitors;
- the timing of promotional events and holidays;
- the timing of introduction of new merchandise such as new co-brand IP products, as well as customer acceptance of them;
- our opening of new stores in the vicinity of existing stores;
- resource allocation by us or our distributors and Retail Partners between new store opening and in-store operation of “same stores”;
- business operation capability of our distributors;
- weather conditions;
- different business development stages;
- epidemics and pandemics; and
- economic and geopolitical conditions in China and overseas markets.

Opening new stores is also an important part of our growth strategy. As we continue to pursue our growth strategy, we expect that a significant percentage of our sales will continue to come from new stores as well. Accordingly, change in fiscal year-over-year same-store GMV is just one of the measures we use to assess the success of our growth strategy.

We rely on third-party suppliers to provide products to us. If we fail to manage or expand our relationships with third-party suppliers, or otherwise fail to procure products on favorable terms, our business and growth prospects may suffer.

We source our products from third-party suppliers. For the fiscal year ended December 31, 2025, we had over 2,000 domestic and overseas suppliers. Our suppliers work closely with our designers and product managers in product design and manufacturing so that we can seamlessly provide consumers with ever-changing merchandises across the globe. We strive to establish mutually beneficial relationships with our suppliers. We typically enter into two-year framework agreements with our suppliers and place orders under these framework agreements, which are usually renewable upon mutual agreement between us and our suppliers. We cannot assure you that our current suppliers will continue to sell products to us on commercially acceptable terms, or at all, after the expiration of the current agreements. Even if we maintain good relationships with our suppliers, their ability to supply products to us in sufficient quantity, in a timely manner and at competitive prices may be adversely affected by economic conditions, labor actions, regulatory or legal decisions, customs and import restrictions, natural disasters or other causes. In addition, in the event that we are not able to purchase a sufficient quantity of merchandise at favorable prices, our revenues and cost of revenues may be materially and adversely affected.

We require our suppliers to comply with confidentiality provisions in our agreements with them to protect our interest. However, we cannot assure you that our suppliers will fully comply with these requirements. Failure to comply with such obligations may lead to a leakage of confidential information that is critical to our product design and business operations or otherwise harm our competitive positions and business operations.

Our suppliers typically provide us a payment term of 30 to 90 days. If our suppliers cease to provide us with favorable payment terms, our requirements for working capital may increase and our operations may be materially and adversely affected. We will also need to establish new supplier relationships to ensure that we have access to a steady supply of products on favorable commercial terms. If we are unable to develop and maintain good relationships with suppliers that would allow us to obtain a sufficient amount and variety of quality merchandise on acceptable commercial terms, it may inhibit our ability to offer sufficient products sought by consumers, or to offer these products at competitive prices.

Any adverse developments in our relationships with suppliers could materially and adversely affect our business and growth prospects. Any disputes with suppliers could adversely affect our reputation and subject us to damages and negative publicity. Furthermore, we purchased products on an arm's length basis from related-party suppliers and may continue to do so in the future. We cannot rule out the possibility that there will be other parties alleging that these transactions were not conducted on an arm's length basis. In addition, as part of our growth strategy, we plan to further expand our product offerings. If we fail to manage our relationship with existing suppliers and attract new suppliers to cooperate with us for any reason, our business and growth prospects may be materially and adversely affected.

In addition, our agreements with suppliers have various provisions on other topics such as employment and workplace safety. However, we do not have direct control over our suppliers or other business partners. Any non-compliance with these provisions by the suppliers could result in negative publicity against us, which could materially and adversely affect our reputation, brand image, business operations and results of operations.

We have undertaken strategic collaborations with IP licensors. If we fail to expand or maintain our collaboration with IP licensors, or our existing collaboration with any of our IP licensors is terminated or curtailed, or if we are no longer able to benefit from such business collaborations, our business and results of operations may be adversely affected.

Strategic collaborations with IP licensors is a key strategy for us to expand our product offerings. We collaborate with multiple IP licensors owning a number of popular brands to jointly develop products that attract consumers. If we are unable to expand or maintain our collaboration with these IP licensors in the future, our business and operating results may be materially and adversely affected. To the extent we cannot maintain our cooperative relationships with any of these IP licensors, it may be very difficult for us to identify qualified alternative IP licensors, which may divert significant management attention from existing business operations and adversely impact our daily operation and consumer experience. Our cooperation with IP licensors may also be adversely affected by negative publicities regarding our IP licensors, which could negatively affect our reputation, business and results of operations.

In addition, the license agreements we entered into with IP licensors contain extensive and detailed provisions setting forth scope of licenses, such as categories and sub-categories of products authorized to use licensed IPs and various excluded sub-categories of products, number of products within each category that are allowed to use licensed IPs, territories where sales of co-branded products are allowed, among others. We, our employees and our business partners may inadvertently breach such IP protection provisions and therefore subject us to liabilities under our agreements with IP licensors. Disputes may also arise due to reasons that we are unable to foresee. If we are unable to resolve disputes with IP licensors, we may not be able to continue our cooperation with our IP licensors, which could have a material and adverse effect on our business and operating results.

Our agreements with IP licensors generally have a term of not more than three years. If we are unable to sell all of the co-branded products in our inventory within a reasonable period of time after the expiration of relevant agreements, we will not be able to continue to sell those products and may have to destroy our inventories. As a result, we may have to write down such inventories, which would result in negative impacts on our operating results and financial conditions. See “—If we fail to manage our inventory effectively, our results of operations, financial condition and liquidity may be materially and adversely affected” for more information on inventory related risks.

Should a product liability issue, recall or personal injury issue arise, it may damage our reputation and brand image, which may result in a material adverse effect on our business, reputation, results of operations and financial condition.

Products that we sell could become subject to contamination, product tampering, mislabeling, recall or other damage. Products that we sell could also lead to personal injuries. Product liability or personal injury claims may be asserted against us with respect to any of the products we sell. A successful product liability claim against us could require us to pay a substantial monetary award and the coverage limits under our insurance programs and the indemnification amounts available to us may not be adequate to protect us against these claims. We may also not be able to maintain insurance against such claims on acceptable terms in the future. Our agreements with our suppliers generally require our suppliers to deposit certain amount of money in our bank accounts to ensure their compliance with the agreements with us and compensate us for any losses we may incur as a result of product defects. However, such limited amounts may not be sufficient to cover our losses arising from product liability issues. Although we may seek indemnification or contribution from our suppliers in certain circumstances, we cannot assure you that we will be able to receive indemnification or contribution in full in a timely manner, or at all.

In addition, the PRC government, media outlets and public advocacy groups have been increasingly focused on consumer protection in recent years. The products sold by us may be defectively designed, manufactured or of quality issue, or cause harm and adverse effect to the health of our customers. The offerings of such products by us may expose us to liabilities associated with consumer protection laws. Pursuant to the Consumers Rights and Interests Protection Law of the PRC, or the Consumers Rights and Interests Protection Law, business operators must guarantee that the commodities they sell satisfy the requirements for personal safety, provide consumers with authentic information about the commodities, and guarantee the quality, function, usage and term of validity of the commodities. Failure to comply with the Consumer Rights and Interests Protection Law may subject business operators to civil liabilities such as refunding purchase prices, replacement of commodities, repairing, ceasing damages, compensation, and restoring reputation, and even subject the business operators or to criminal penalties when personal damages are involved or if the circumstances are severe. Although we would have legal recourse against the supplier or manufacturer of such products under the PRC law if the liabilities are attributable to the supplier or manufacturer, attempting to enforce our rights against the supplier or manufacturer may be expensive, time-consuming and ultimately futile.

Moreover, government investigations of or other regulatory measures regarding product quality issues or product liability or personal injury claims, even if unsuccessful or not fully pursued, could generate substantial negative publicity about our products and business, which would have material adverse effects on our reputation, brand, business, prospects and operating results, and these effects could persist over a long term.

We have historically initiated voluntary product recalls. For example, in late 2025, certain SKUs within our toy and lifestyle categories in the Australian market were discovered that failed to comply with localized mandatory safety and labeling standards for button batteries. We took immediate remedial actions as follows: (i) we suspended the sale of all unsold affected products and implemented a comprehensive relabeling program to ensure compliance before returning them to shelf, (ii) we also initiated a voluntary recall for products, and (iii) our headquarters established a dedicated role to be responsible for the continuous identification of regional regulatory updates and ensuring rigorous execution during the product development stage. As of the date of this annual report, the recall process is still ongoing. However, we do not expect it to have a material adverse impact on our overall business operations in Australia. To further mitigate risks, we are enhancing staff training and heightening product safety awareness across our regional teams to ensure strict adherence to local regulatory requirements.

We may in the future, voluntarily or involuntarily, initiate product recalls if any of our products is proven to be defective or non-compliant with applicable laws and regulations. Such recalls, whether voluntary or involuntary, could involve significant expenses and could adversely affect our brand image in our target markets, as well as our business, prospects, financial condition and results of operations.

Our return and exchange policies allow consumers to return or exchange products they purchased. For example, in Chinese mainland, consumers can return products with defects they purchased within 7 days of purchase or exchange products with defects they purchased within 15 days of purchase with valid receipt. In addition, we provide warranties for most of the products we sell, subject to certain conditions, such as warranty only applies to normal use. The length of warranty period varies between different categories of products. For example, in Chinese mainland, we generally provide a warranty term of twelve months for power banks of any price and electronic accessories priced over RMB69.9 we sell to consumers. The occurrence of any material defects in our products could make us liable for damages and warranty claims. In addition, we could incur significant costs to correct any defects, warranty claims or other problems, including costs related to product recalls. Any negative publicity related to the perceived quality of our products could affect our brand image, decrease distributor and consumer demand, and adversely affect our operating results and financial condition. While our warranty is limited to repairs and returns, warranty claims may result in litigation, the occurrence of which could adversely affect our business and operating results.

If we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.

Our business has continued to grow in recent years, and we expect continued growth in our business and revenues. We plan to further expand and upgrade our store network both in China and globally and enhance our product development and supply chain capabilities. To drive sustainable growth and enhance our competitive positioning, our management may from time to time evaluate potential strategic initiatives, including new business line development, operational optimization, or corporate restructuring. We face certain risks in executing these strategies and we cannot assure you that we will be able to execute our growth strategies successfully and realize our expected growth. For example, as we continue to expand our store network and optimize our product offerings, we will need to work with a large number of new suppliers, Retail Partners and local distributors efficiently and establish and maintain mutually beneficial relationships with our existing and new suppliers, Retail Partners and local distributors. New products we are going to offer in the future may also not be accepted by the market. To support our growth, we also plan to deepen consumer engagement, provide consumers with multi-channel experience, and accelerate digital transformation of MINISO stores and TOP TOY stores. All these efforts will require significant managerial, financial and human resources. We cannot assure you that we will be able to effectively manage our growth or to implement all these measures successfully or that our new business initiatives will be successful. If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business and prospects may be materially and adversely affected. In addition, we may expand and upgrade our office space and facilities by acquiring land to build an office building, as well as developing markets with growth potential by opening up directly operated stores, which may lead to increased capital expenditure and negatively affect the funds available for executing our growth strategies or for our business operations.

If we fail to manage our inventory effectively, our results of operations, financial condition and liquidity may be materially and adversely affected.

Our scale and business model require us to manage a large volume of inventory effectively. We depend on our demand forecasts for various kinds of products to make purchase decisions and to manage our inventory. Demand for products, however, can change significantly between the time inventory is ordered and the date by which we target to sell it. Demand may be affected by seasonality, new product launches, changes in product cycles and pricing, product defects, changes in consumer spending patterns, changes in consumer tastes with respect to our products and other factors, and consumers may not order products in the quantities that we expect. In addition, when we begin selling a new product, we may not be able to accurately forecast demand. The procurement of certain types of inventory may require significant lead time and prepayment, and they may not be returnable.

Our inventories were RMB1,450.5 million as of June 30, 2023, RMB1,922.2 million as of December 31, 2023, RMB2,750.4 million as of December 31, 2024 and RMB3,691.2 million (US\$527.8 million) as of December 31, 2025. Our inventory turnover days for a given period are equal to average balances of inventories calculated from the beginning and ending balances of the period divided by cost of inventories during the period and then multiplied by the number of days during the period. Our inventory turnover days were 68 days for the fiscal year ended June 30, 2023, 69 days for the six months ended December 31, 2023, 91 days for the fiscal year ended December 31, 2024 and 100 days for the fiscal year ended December 31, 2025. In addition, as we plan to continue optimizing our product offerings, we expect to include more products in our inventory, which will make it more challenging for us to manage our inventory effectively and will put more pressure on our warehousing system. Moreover, we may adopt strategic plans to cope with macro headwinds such as tariffs, which may result in an increase of our inventory level due to stocking up in advance. For the fiscal year ended June 30, 2023, we recorded a reversal of inventory write-down of RMB19.9 million. For the six months ended December 31, 2023, we recorded a write-down of inventory of RMB1.9 million. For the fiscal year ended December 31, 2024, we recorded a write-down of inventory of RMB25.1 million. For the fiscal year ended December 31, 2025, we recorded a write-down of inventory of RMB40.8 million (US\$5.8 million).

If we fail to manage our inventory effectively, we may be subject to a heightened risk of inventory obsolescence, a decline in inventory values, and significant inventory write-downs or write-offs. To reduce our inventory level, we usually choose to sell certain of our products at lower prices, which may lead to lower gross margins. High inventory levels may also require us to commit substantial capital resources, preventing us from using that capital for other important purposes. Any of the above may materially and adversely affect our results of operations and financial condition.

On the other hand, if we underestimate demand for our products, or if our suppliers fail to supply quality products in a timely manner, we may experience inventory shortages, which might result in missed sales, diminished brand loyalty and lost revenues, any of which could harm our business and reputation.

We are subject to certain risks relating to the warehousing and shipment of our products.

Before delivery of our products to stores, we store them in warehouses we leased in China and other countries. If any accidents, including fires, were to occur, causing damage to our finished products or our warehouses, our ability to supply products to stores on time and our market reputation, financial condition, results of operations or business could be materially and adversely affected. We often outsource the delivery of our products to stores and to our online consumers to third-party logistics and transportation companies. Relying on these third parties increases the risk that we may fail to deliver finished products on time. The efficient operation of stores depends on the timely receipt of products from our warehouses. Such logistics services could be suspended and thereby interrupt the supply of our products if unforeseen events occur which are beyond our control, such as poor handling of and damage to our finished products, transportation bottlenecks, pandemics and/or labor strikes. If our products are not delivered on time or are delivered in a damaged state, our market reputation could be adversely affected. These third parties may also employ personnel who may be represented by labor unions. Disruptions in the delivery of products due to work stoppages by employees or contractors of any of these third parties could delay the timely receipt of products. There can be no assurance that such stoppages or disruptions will not occur in the future. The occurrence of any of these problems alone, or together, could have a material adverse effect on our financial condition, results of operations or business.

If we fail to successfully implement our e-commerce initiative, our business and results of operations could be adversely impacted.

The retail industry continues to rapidly evolve and consumers increasingly embrace e-commerce. As a result, the portion of total consumer expenditures with retailers occurring through e-commerce platforms is increasing. We have been implementing our e-commerce initiative to capture additional consumer base and provide our existing consumers new shopping experience. Our e-commerce initiative includes expanding our online offerings and broadening our online sales channels by collaborating with e-commerce platforms and online-to-offline platforms. To implement our e-commerce initiative, we will also cooperate with retail platforms and leverage our vast network of store-based communities to allow consumers to conveniently place orders with their store of choice, ultimately to provide consumers with seamless multi-channel shopping experience. We cannot assure you that we will be able to make, improve, or develop attractive, user-friendly and secure online sales channels that offer a wide assortment of merchandise at affordable prices with rapid and low-cost delivery options. We may also not be able to continually meet the changing expectations of online shoppers, developments in online and digital platform merchandising and related technology. All of these could place us at a competitive disadvantage, result in the loss of e-commerce and other sales, harm our reputation, and have a material adverse impact on the growth of our e-commerce business, reputation and results of operations. In addition, if our e-commerce channels or our other client-facing technology systems do not function as designed or experience cyber-attacks, we may experience a loss of consumer confidence, data security breaches, lost sales, or be exposed to fraudulent purchases, any of which could adversely affect our business, reputation and results of operations. See “—Failure to protect personal or confidential information against security breaches could subject us to significant reputational, financial and legal consequences and substantially harm our business and results of operations.”

We face intense competition. We may not be able to maintain or may lose market share and consumers if we fail to compete effectively.

The retail industry is intensely competitive and has low entry barriers. We compete for consumers, product suppliers and IP licensors. Our current or potential competitors include (i) traditional retailers, including specialty retail stores, supermarkets, and department stores; (ii) online retailers; and (iii) variety retailers competing with us locally. See “Item 4. Information on the Company—B. Business Overview—Competition.” In addition, new and enhanced technologies may increase the competition in the retail industry. New competitive business models may appear, for example based on new forms of social media or social commerce. Increased competition may reduce our margins and market share and impact brand recognition, or result in significant losses.

Some of our current or future competitors may have more operating experience, greater brand recognition, better supplier relationships, larger consumer bases, higher penetration in certain regions or greater financial, technical or marketing resources than we do. Those smaller companies or new entrants may be acquired by, receive investment from or enter into strategic relationships with well-established and well-financed companies or investors which would help enhance their competitive positions. Some of our competitors may be able to secure more favorable terms from suppliers, devote greater resources to marketing and promotional campaigns, adopt more aggressive pricing or inventory policies and devote substantially more resources to their websites, mobile apps and systems development than us. We cannot assure you that we will be able to compete successfully against current or future competitors, and competitive pressures may have a material and adverse effect on our business, financial condition and results of operations.

We may not be able to sustain our historical growth rates.

We have experienced rapid growth since our inception in 2013. However, there is no assurance that we will be able to maintain our historical growth rates in future periods and it is difficult to evaluate our future prospects based on our historical performance. Our revenue growth may slow or our revenues may decline for any number of possible reasons and some of them are beyond our control, such as decreased consumer spending, increased competition, slowdown in the growth or contraction of the retail or online retail industry in China and around the world, emergence of alternative business models, changes in government policies or general economic conditions, social unrest, and natural disasters or virus outbreaks. We will continue to expand our store network and product offerings and may explore new operating models to bring greater convenience and better experience to consumers and increase consumer base and number of transactions. Implementation of our expansion plan and execution of our new business initiatives are subject to uncertainty and the total number of SKUs sold and number of transacting consumers may not grow at the rate we expect for the reasons stated above. In addition, there may be particular complexities, regulatory or otherwise, associated with our expansion into new product categories or new markets. If our growth rate declines, investors’ perceptions of our business and business prospects may be adversely affected and the market price of our ordinary shares or the ADSs could decline.

Our results of operations could be negatively affected by fair value changes and other risks of financial assets measured at fair value through profit or loss.

We have invested in certain financial products. Those financial products represented wealth management products, asset management schemes and trust management schemes. The fair value of these financial products are measured by our management regularly and we record profit or loss to reflect the fair value changes. We recorded investment income for the financial products we purchased of RMB42.9 million, RMB14.3 million, RMB41.8 million, RMB81.1 million and RMB103.7 million (US\$14.8 million) in the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2023, 2024 and 2025, respectively. To reflect the net change in fair value of such financial products, we also recorded a net loss of RMB3.7 million in the fiscal year ended June 30, 2023, a net income of RMB14.3 million in the six months ended December 31, 2023, a net income of RMB6.7 million in the year ended December 31, 2023, a net income of RMB29.9 million in the fiscal year ended December 31, 2024, and a net income of RMB77.2 million (US\$11.0 million) in the fiscal year ended December 31, 2025. We expect to continue to record such investment income and fair value changes, which would affect our results of operations in the future.

Our results of operations could be negatively affected by the non-recurring nature of government grants and preferential tax treatment.

We recorded other income of government grants of RMB8.8 million, RMB8.1 million, RMB7.1 million, RMB7.8 million and RMB12.9 million (US\$1.8 million) for the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2023, 2024 and 2025, respectively. Government grants mainly represented unconditional cash awards granted by local authorities in China. Whether or not we will receive any government grants and, if yes, the amount of such grants are highly uncertain and beyond our control. There is no assurance that we will continue to receive any government grants in the future. Such uncertainties will affect our results of operations in the future. In addition, certain of our subsidiaries enjoy preferential tax treatments. However, we cannot assure you that these subsidiaries will continue to enjoy preferential tax treatments in the future. If these subsidiaries are unable to enjoy preferential tax treatments in the future, our results of operations will be negatively affected.

Our deferred tax assets may not be recovered.

Our deferred tax assets may not be recovered. As of December 31, 2025, our deferred tax assets amounted to RMB288.7 million (US\$41.3 million), representing approximately 1.0% of our total assets. We periodically assess the probability of the realization of deferred tax assets, using accounting judgments and estimates with respect to, among other things, historical operating results, expectations of future earnings and tax planning strategies. In particular, these deferred tax assets can only be recognized to the extent that it is probable that future taxable profits will be available, against which the deferred tax assets can be utilized. However, we cannot assure you that our expectation of future earnings will materialize, due to factors beyond our control such as general economic conditions or, negative development of a regulatory environment, in which case we may not be able to recover our deferred tax assets, which in turn could have a material adverse effect on our financial condition and results of operations.

We are subject to credit risks related to our trade receivables.

Credit risks related to our trade receivables are derived mainly from credit sales to certain distributors. For these distributors, we allow a credit term of 30 to 180 days. For other distributors, we generally require them to make part or all payments in advance for their product procurement. The total balance of our trade receivables before loss allowance was approximately RMB394.7 million as of June 30, 2023, RMB523.0 million as of December 31, 2023, RMB757.3 million as of December 31, 2024 and RMB1,231.4 million (US\$176.1 million) as of December 31, 2025. We also made loss allowance of RMB88.8 million as of June 30, 2023, RMB78.4 million as of December 31, 2023, RMB67.7 million as of December 31, 2024, and RMB77.7 million (US\$11.1 million) as of December 31, 2025. If any of these distributors with significant outstanding trade receivable balances were to become insolvent or otherwise unable to make payments in a timely manner, or at all, we would have to make further provisions against such trade receivables, or write off the relevant amounts, either of which could adversely affect our profitability and liquidity position.

If we determine our goodwill or intangible assets to be impaired, our results of operations and financial condition would be adversely affected.

We have made acquisitions in the past and recorded goodwill for such transactions. For example, on March 11, 2021, we acquired 70% of the shares of MINISO SG Pte. Ltd. from two third parties at a cash consideration of SGD2,100,000 (equivalent to RMB10,257,000). We recorded goodwill of RMB22.0 million (US\$3.1 million) in connection with the acquisition. On May 19, 2025, we further acquired the remaining 51% of the shares of MINISO Winky Italy S.r.l from a third party at a consideration of EUR 2,758,000 (equivalent to RMB22,685,000). We recorded goodwill of RMB23.4 million (US\$3.4 million) in connection with the acquisition. On July 17, 2025, we acquired 100% of the shares of MINISO France from third parties at a cash consideration of EUR23,500,000 (equivalent to RMB197,456,000). We recorded goodwill of RMB177.8 million (US\$25.4 million) in connection with the acquisition. The value of goodwill is based on forecasts, which are in turn based on a number of assumptions. If any of the assumptions does not materialize, or if the performance of our business is not consistent with such assumptions, we may be required to have a significant write-off of our goodwill and record an impairment loss, which could in turn adversely affect our results of operations. We will determine whether goodwill is impaired at least on an annual basis and there are inherent uncertainties relating to these factors and to our management's judgment in applying these factors to the impairment assessment. We could be required to evaluate the impairment prior to the annual assessment if there are any impairment indicators, including disruptions to business operations and unexpected significant declines in operating results or a decline in our market capitalization. We may also suffer from significant impairment loss even if we determine to amend any assumption used in our impairment testing. If we record an impairment loss as a result of these or other factors, our results of operations and financial condition may be adversely affected.

We record intangible assets of RMB95.0 million (US\$13.6 million) as of December 31, 2025. Our intangible assets represent software and intellectual property rights. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. We recorded impairment losses of intangible assets of nil as of December 31, 2025. However, we cannot guarantee that we will not record greater impairment losses of intangible assets in the future. Material impairment of intangible assets could negatively affect our financial condition and results of operations.

If we are unable to honor our obligations in respect of our contract liabilities, our cash or liquidity position could be negatively affected.

Our current contract liabilities primarily consist of advance payments received from customers for purchase of goods from us and license fees we received, and the transaction price allocated to loyalty points. We normally request 20% to 100% advance payment for purchase of goods from certain overseas distributors prior to our delivery of goods, which gives rise to contract liabilities at the start of a sales order, until the revenue of sales of products recognized on the corresponding sale order exceeds the amount of payments received in advance. With respect to license fees and membership fees, unamortized portion of upfront license fees and membership fees received was recognized as contract liability. Our total contract liabilities amounted to RMB339.6 million as of June 30, 2023, RMB365.0 million as of December 31, 2023, RMB358.4 million as of December 31, 2024 and RMB411.2 million (US\$58.8 million) as of December 31, 2025. Were we unable to deliver products to certain overseas distributors, we would have to return the corresponding advance payments we received to distributors. For the license fees and membership fees, we do not allow a refund of payments made. However, in practice, we refunded a very limited amount of license fees and membership fees to customers. To the extent we refund payments received, our cash position or liquidity position would be negatively affected.

Unfavorable fluctuations in the price, availability and quality of raw materials to our third-party suppliers could cause material production delays or materially increase our cost of sales.

The success of our overall business depends in part on the ability of third-party suppliers to timely obtain sufficient quantities of the necessary raw materials, of sufficient quality, at commercially acceptable prices to process and manufacture our products. Generally, unfavorable fluctuations in price, quality, or availability of necessary raw materials could have a negative effect on our gross profit margins and our ability to deliver our products to the market in a timely manner. If supplies of the necessary raw materials substantially decrease or if there are significant increases in prices of such raw materials, our third-party suppliers may incur additional costs to acquire sufficient quantities of these materials in order to maintain our product offering schedules. We may have to increase the retail prices of our products due to the increase in their procurement prices. So far, we are able to leverage our bargaining power and transfer additional cost of raw materials to customers due to our cost plus mark-up pricing strategy. However, we cannot assure you that we will always be able to do so in the future. Moreover, increases in wages and labor costs in China and other countries in Asia may also lead to material increases in our cost of sales, thereby decreasing our gross profit margins. Any of the above may materially and adversely harm our business, brand image, financial condition, results of operations or reputation.

Our return and exchange policies may negatively affect our results of operations.

We have adopted consumer-friendly return and exchange policies that make it convenient and easy for consumers to return or exchange the products they purchased. For example, MINISO stores in Chinese Mainland typically allow consumers to return the products with defects within 7 days of purchase and exchange products with defects within 15 days of purchase. For the products purchased on our online shopping mall, consumers generally have a term of seven days to return or exchange products after a purchase in Chinese mainland, provided that the original product seal is intact. We may also be required by law to adopt new or amend existing return and exchange policies from time to time. These policies improve consumers' shopping experience and promote consumer loyalty, which in turn help us acquire and retain consumers. However, these policies also subject us to additional costs and expenses which we may not recoup through increased revenue. Our ability to handle a large volume of returns is unproven. If our return and exchange policy is misused by a significant number of consumers, our costs may increase significantly and our results of operations may be materially and adversely affected. If we revise these policies to reduce our costs and expenses, consumers may be dissatisfied, which may result in loss of existing consumers or failure to acquire new consumers at a desirable pace, which may negatively affect our results of operations.

Fluctuations in currency exchange rates may lead to volatility in our results of operations.

Our operations in countries and regions outside Chinese mainland are conducted primarily in the local currencies of those countries or regions. We prepare our consolidated financial statements in RMB for reporting purposes. Foreign currency-denominated amounts such as the US dollar, Euro, Japanese yen and other foreign currencies are translated into RMB using exchange rates for the current period. In recent years, fluctuations in currency exchange rates that were unfavorable have had adverse effects on our reported results of operations. As a result of such translations, fluctuations in currency exchange rates from period-to-period that are unfavorable to us may result in our consolidated financial statements reflecting significant adverse period-over-period changes in our financial performance or reflecting a period-over-period improvement in our financial performance that is not as robust as it would be without such fluctuations in the currency exchange rates. Such unfavorable currency exchange rate fluctuations will adversely affect our results of operations. In addition, foreign currency-denominated cash and cash equivalents are exposed to fluctuations in the value of RMB against the currencies in which these cash and cash equivalents are denominated. As a result of the fluctuations in currency exchange rate, for the fiscal year ended June 30, 2023, we recorded net foreign exchange gain of RMB109.1 million. For the six months ended December 31, 2023, we recorded net foreign exchange loss of RMB15.0 million. For the years ended December 31, 2023 and 2024, we recorded net foreign exchange gain of RMB39.9 million and a net foreign exchange loss of RMB33.7 million (US\$4.6 million). For the year ended December 31, 2025, we recorded net foreign exchange loss of RMB19.4 million (US\$2.8 million).

We may purchase products or services with a currency other than the local currency. When we must acquire the currency to pay for such products or services and the exchange rates for the payment currency fluctuate in a manner unfavorable to us, our cost of sales may increase and we may be unable or unwilling to shift the costs to the products we sell, which will have an adverse effect on our gross profit. Consequently, unfavorable fluctuations in currency exchange rates have and may continue to adversely affect our results of operations.

Our business is operated globally. Global inflationary pressures could negatively affect our results of operations and cash flows.

The profitability of our operations depends, to some extent, on our ability to obtain resources economically such as energy, raw materials, finished and semi-finished products, and effectively control our cost and expenses such as remuneration, rental expense, delivery expense, among others. High inflation may pose a threat to our business operations and adversely affect our financial results and cash flows as we may have to pay a higher price for the energy, raw materials, semi-finished and finished products, among others. As of the date of this annual report, we have not been subject to any material adverse impacts due to inflationary pressures. However, we are unable to predict how inflation will develop in the countries and regions where we have business operations or our products are sold. Any deterioration of inflationary pressures in the future may have material negative impacts on our business operations, results of operations and financial condition. We may not be able to effectively pass such increases in price to our customers since we may not be able to know whether our consumers would accept price raising in our products and we may need time to conduct survey before the decision of product-pricing, which may undermine gross margins of our products. If global inflationary pressure persists or deteriorates, we may also not be able to effectively expand our stores network since our Retail Partners, distributors may be reluctant to pay at a higher price in remuneration, rental expense and delivery expense, among others, and therefore terminate the cooperation with us. Those countries and regions that suffer surging inflation rate may face certain risk of social unrest, such as strikes and riots, which may cause temporary or permanent store closure and stoppage of our business operations, further undermining our results of operation and stores expansion plans.

Our success depends on the continuing and collaborative efforts of our management team and other key personnel, and our business may be severely disrupted if we lose their services.

Our success heavily depends upon the continued services of our management. In particular, we rely on the expertise and experience of Mr. Guofu Ye, our founder, chairman and chief executive officer, and other executive officers. If one or more of our senior management were unable or unwilling to continue in their present positions, we might not be able to replace them easily or at all, and our business, financial condition and results of operations may be materially and adversely affected. If any of our senior management joins a competitor or forms a competing business, we may lose consumers, suppliers, know-how and key professionals and staff members. Our senior management has entered into employment agreements and confidentiality and non-competition agreements with us. However, if any dispute arises between our officers and us, we may have to incur substantial costs and expenses in order to enforce such agreements or we may be unable to enforce them in a timely manner, or at all. In particular, certain members of our senior management, including our founder, chairman and chief executive officer, Mr. Guofu Ye, and our chief financial officer, Mr. Jingjing Zhang, also served as directors on the board of Yonghui Superstores Co., Ltd., a significant equity investee of ours. We cannot guarantee that the dual roles and responsibilities of these key executives will not divert their time and attention from our day-to-day operations and strategic initiatives. If our management fails to effectively balance their time and responsibilities across both entities, our business, financial condition, and results of operations could be adversely affected. In addition, there may have been negative publicities about our management, which could negatively affect our reputation, brand image and business operations. Furthermore, we do not have key-man insurance for any of our executive officers or other key personnel. Events or activities attributed to our executive officers or other key personnel, and related publicity, whether or not justified, may affect their ability or willingness to continue to serve our company or dedicate their full time and efforts to our company and negatively affect our brand and reputation, resulting in an adverse effect on our business, operating results and financial condition.

Competition for qualified personnel is often intense. If we are unable to recruit, train and retain sufficient qualified personnel while controlling our labor costs, our business may be materially and adversely affected.

Our ability to continue to conduct and expand our operations depends on our ability to attract and retain a large and growing number of qualified personnel globally. Our ability to meet our labor needs, including our ability to find qualified personnel to fill positions that become vacant, while controlling labor costs, is generally subject to numerous external factors, including the availability of a sufficient number of qualified persons in the work force of the markets in which we operate, unemployment levels within those markets, prevailing wage rates, changing demographics, health and other insurance costs and adoption of new or revised employment and labor laws and regulations. If we are unable to locate, attract or retain qualified personnel, or manage leadership transition successfully, the quality of service we provide to consumers may decrease and our financial performance may be adversely affected. In addition, if our costs of labor or related costs increase for other reasons or if new or revised labor laws, rules or regulations or healthcare laws are adopted or implemented that further increase our labor costs, our financial performance could be materially adversely affected.

If we are unable to conduct our marketing activities effectively, our results of operations and financial condition may be materially and adversely affected.

We have incurred expenses on a variety of different marketing and brand promotion efforts designed to enhance our brand recognition and increase sales of our products. We incurred promotion and advertising expenses of RMB316.0 million, RMB246.9 million, RMB415.6 million, RMB572.4 million and RMB704.3 million (US\$100.7 million) for the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2023, 2024 and 2025, respectively. However, there is no assurance that our brand promotion and marketing activities will be well-received by consumers and result in the levels of product sales that we anticipate. Under extreme situations, our marketing efforts through celebrity endorsement may have a material adverse effect on our brand image. For example, any misconducts by our celebrity spokespersons or any negative publicities that our celebrity spokespersons are involved in, either directly or indirectly, may result in the public's negative perception of our brands and thus adversely affect our reputation, business and results of operations. In addition, we have been continually promoting our brands and products in a very active manner. Certain consumers may perceive our MINISO brand and/or our products in different ways or even interpret our MINISO brand as a Japanese brand before learning more about our company, our brands and our products. If consumers or other parties claim that our marketing approach is misleading or otherwise improper, we may be subject to lawsuits or other legal proceedings, which would negatively affect our brand image, undermine the trust and credibility we have established and impose an adverse impact on our business. Marketing approaches and tools in the consumer products market in China are evolving, which further requires us to enhance our marketing approaches and experiment with new marketing methods to keep pace with industry developments and consumer preferences. Failure to refine our existing marketing approaches or to introduce new marketing approaches in a cost-effective manner could reduce our market share, cause our revenues to decline and negatively impact our profitability.

We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position.

We consider our copyrights, trademarks, trade names, internet domain names, patents and other intellectual property rights invaluable to our ability to continue to develop and enhance our brand recognition. We have invested significant resources to develop our own intellectual property. Failure to maintain or protect these rights could harm our business. We rely on a combination of patents, patent applications, trade secrets, including know-how, copyrights, trademarks, intellectual property licenses, contractual rights and any other agreements to establish and protect our proprietary rights in our products. In addition, we enter into confidentiality and non-disclosure agreements with our employees and business partners. See "Item 4. Information on the Company—B. Business Overview—Intellectual Property." Despite these measures, any of our intellectual property rights could be challenged, invalidated, circumvented or misappropriated. In addition, there can be no assurance that our patent and trademark applications will be approved, that any issued patents or registered trademarks will adequately protect our intellectual property, or that such patents and trademarks will not be challenged by third parties or found by a judicial authority to be invalid or unenforceable. Statutory laws and regulations are subject to judicial interpretation and enforcement and may not be applied consistently due to the lack of clear guidance on statutory interpretation. Confidentiality, invention assignment and non-compete agreements may be breached by counterparties, and there may not be adequate remedies available to us for any such breach. Accordingly, we may not be able to effectively protect our intellectual property rights or to enforce our contractual rights.

Due to the popularity of our products and our brand recognition in the retail industry in China, we have become an attractive target of copycat. We have seen copycat products on the market that attempt to cause confusion or diversion of consumer traffic from us. We have also brought a lawsuit against a third party that infringed our trademark rights and engaged in unfair competition. Any unauthorized use of our intellectual property by third parties may adversely affect our current and future revenues and our reputation. However, preventing unauthorized uses of intellectual property rights could be difficult, costly and time-consuming and the steps we take may be inadequate to prevent the infringement or misappropriation of our intellectual property. In the event that we resort to litigation to enforce our intellectual property rights, such litigation could result in substantial costs and a diversion of our managerial and financial resources, and could put our intellectual property at risk of being invalidated or narrowed in scope. We can provide no assurance that we will prevail in such litigation, and even if we do prevail, we may not obtain a meaningful recovery. In addition, our trade secrets may be leaked or otherwise become available to, or be independently discovered by, our competitors. Any failure in maintaining, protecting or enforcing our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

We may need to defend ourselves against patent, trademark or other proprietary rights infringement or unfair competition claims, which may be time-consuming and would cause us to incur substantial costs. We may also suffer from negative publicities relating to intellectual property infringement claims.

Companies, organizations or individuals, including our competitors, may hold or obtain patents, trademarks or other proprietary rights that would prevent, limit or interfere with our ability to make, use, develop, sell or market our products, which could make it more difficult for us to operate our business. Additionally, we may receive from time to time letters alleging infringement of patents, trademarks or other intellectual property rights by us and we may be involved in intellectual property right infringement claims. For example, we have been and may continue to be involved in intellectual property lawsuits, in particular, lawsuits alleging that certain of our products infringed other parties' utility model patents or design patents. Some of those claims involve products that were designed by our suppliers or third-party designers. We have provisions in our agreements with suppliers or third-party designers requiring them to indemnify us all costs and expenses arising from claims that the products they manufacture or design infringe third parties' intellectual property rights. Furthermore, historically certain of our subsidiaries, related parties, franchisee stores were involved in disputes regarding trademark, copyright and unfair competition with third parties and we may continue to be involved in such disputes or subject to lawsuits.

Intellectual property related negative publicities, with or without merits, may also harm our brand image and reputation. For example, there are negative publicities alleging that our company logo involves plagiarism. Although our company logo has been duly registered as a trademark and we are not involved in any lawsuits alleging that our company logo infringes their intellectual property rights, these negative publicities could still adversely affect our brand image and reputation.

Additionally, our applications and uses of intellectual property rights relating to our design, product, software or other technologies could be found to infringe upon existing intellectual property ownership and rights. We may also fail to own or apply for key trademarks in a timely fashion, or at all, which may damage our reputation and brand.

We rely on our information systems to process transactions, summarize results and manage our business. Any malfunction of our systems could harm our ability to conduct our operations.

We depend on a variety of information technology systems, including systems owned and managed by third-party vendors, for the efficient functioning of our business, including, without limitation, transaction processing and the management of our employees, facilities, logistics, inventories, stores and client-facing digital applications and operations. See "Item 4. Information on the Company—B. Business Overview—Technology Capabilities" for more information. Our technology systems may not deliver desired results or may do so on a delayed schedule. For example, when we first installed our major store operation system, SAP Enterprise Resource Planning system, or SAP ERP system, to certain MINISO stores upon entering into a new overseas market, our SAP ERP system experienced functionality issues. Although such issues were resolved in a timely manner, we cannot assure you we would not encounter similar issues in the future. In addition, large volume transaction during peak seasons such as Chinese New Year could also cause functionality issues of our SAP ERP system or system of other third-parties that are connected to our SAP ERP system. Any improper functioning of our SAP ERP system could cause interruptions of store operations. Daily operations of MINISO stores relies on SAP ERP system. If we are unable to maintain our cooperation with the provider of our SAP ERP system, we may not be able continue to effectively use such SAP ERP system in our business operations and we may also not be able to find any suitable alternatives at commercially reasonable terms in a timely manner. As a result, our business operations, results of operations and financial condition would be materially and adversely affected. We use AI and big data in managing and analyzing store-level inventories. See "Item 4. Information on the Company—B. Business Overview" for details. The failure of such technologies to perform effectively or as expected may cause us to misjudge and mismanage store-level inventories, in which case the business of the affected stores, and our operations and financial condition may be adversely affected. Additionally, our technology systems are subject to damage or interruption from power surges and outages, facility damage, physical theft, computer and telecommunications failures, inadequate or ineffective redundancy, malicious code (including computer viruses, worms, ransomware, or similar), cyberattacks (including account compromise; phishing; denial of service attacks; and application, network or system vulnerability exploitation), software upgrade failures or code defects, natural disasters and human error. Design defects or damage or interruption to these systems may require a significant investment to fix or replace, disrupt our operations, result in the loss or corruption of critical data, and harm our reputation, all of which could materially adversely affect our business or results of operations.

We also rely heavily on our information technology staff. Failure to meet these staffing needs may negatively affect our ability to fulfill our technology initiatives while continuing to provide maintenance on existing systems. We rely on third parties to maintain and periodically upgrade many of these systems so that they can continue to support our business. We license the software programs supporting many of our systems from independent software developers. The inability of these vendors, developers or us to continue to maintain and upgrade these systems and software programs could disrupt or reduce the efficiency of our operations if we were unable to convert to alternate systems in an efficient and timely manner and could expose us to greater risk of a cyberattack. In addition, costs and delays associated with the implementation of new or upgraded systems and technology, including the migration of applications to the cloud, or with maintenance or adequate support of existing systems also could disrupt or reduce the efficiency of our operations, fail to operate as designed, result in the potential loss or corruption of data or information, disrupt operations and affect our ability to meet business and reporting requirements and adversely affect our profitability. As of the date of this annual report, we have not experienced any material information technology system interruptions or incidents that have had a material adverse effect on our business operations.

If we fail to adopt new technologies to cater to changing consumer requirements or emerging industry standards, or if our efforts to invest in the development of new technologies are unsuccessful or ineffective, our business may be materially and adversely affected.

To remain competitive, we need to continue to stay abreast of evolving industry trends and to enhance and improve our technology accordingly. Our success will depend, in part, on our ability to identify, develop, acquire or license leading technologies useful in our business, and respond to technological advances and emerging industry standards and practices in a cost-effective and timely way. In recent years, we invested in the development of many new technologies and business initiatives. See "Item 4. Information on the Company—B. Business Overview—Technology Capabilities." The investments in new technologies entail significant technical and business risks. We cannot assure you that we will be able to successfully develop or effectively use new technologies, recoup the costs of developing new technologies or adapt our websites, mobile apps, proprietary technologies and systems to meet consumer requirements or emerging industry standards. If we are unable to develop technologies successfully or adapt in a cost-effective and timely manner in response to changing market conditions or consumer requirements, whether for technical, legal, financial or other reasons, our business, prospects, financial condition and results of operations may be materially and adversely affected.

Failure to protect personal or confidential information against security breaches could subject us to significant reputational, financial and legal consequences and substantially harm our business and results of operations.

The protection of consumers, employees, suppliers, Retail Partners, local distributors and company data is critical to our business. A significant breach of consumer, employee, supplier, Retail Partner, local distributor or company data could attract a substantial amount of media attention, damage our relationships with consumers and our reputation and result in lost sales, fines or lawsuits. Throughout our operations, we receive, retain and transmit certain personal information that consumers provide to purchase products or services, enroll in promotional programs, participate in our membership program, or otherwise communicate and interact with us. During such information collection process, we take necessary steps and strive to comply with relevant PRC laws and regulations with respect to privacy and personal data protection. If we fail to fully comply with applicable privacy, data security and personal information protection laws, regulations, policies or other requirements, we may be subject to civil or regulatory liabilities or challenged for a potential infringement which may subject us to significant legal, financial and operational consequences. We cannot assure you that all stores operated under our brands would be able to fully comply with applicable laws regulating privacy, data security and personal information protection or other statutory requirements at all times. If any of these stores fails to do so, it could harm our reputation and expose us to regulatory actions or claims from third parties, all of which could materially and adversely affect our business, financial position and results of operations. In addition, such failure could incur extra costs for us and possibly disrupt our business.

In addition, certain aspects of our operations depend upon the secure transmission of confidential information over public networks. Although we deploy a layered approach to address information security threats and vulnerabilities designed to protect confidential information against data security breaches, a compromise of our data security systems or of those of businesses with whom we interact, which results in confidential information being accessed, obtained, damaged or used by unauthorized or improper persons, could harm our reputation and expose us to regulatory actions and claims from consumers, financial institutions, payment card associations and other persons, any of which could materially and adversely affect our business, financial position and results of operations. In addition, a security breach could require that we expend substantial additional resources related to the security of information systems and disrupt our business. As of the date of this annual report, we have not experienced any material data security breaches or regulatory non-compliance events that have had a significant adverse impact on our business operations.

As we implement our e-commerce initiative, we face heightened risks in the secure storage of personal information or confidential information and its secure transmission over public networks. From time to time, we collect, store and process certain volume of consumers' personal information through our self-operated e-commerce channels to sell our products or provide our services, and we receive information of orders of and payments by consumers through third-party e-commerce channels in the course of our fulfillment of such orders. Online payments for our products are settled through third-party online payment services. We also share certain personal information about consumers with contracted third-party couriers, such as their names, addresses, and phone numbers. In addition, we have accumulated a large volume of data, which cover consumer's browsing and consumption behavior information, product manufacturing and sales information, warehousing and distribution information, consumer service information, among others. Maintaining complete security for the storage and transmission of confidential information on our technology system is essential to maintaining our operating efficiency and consumer confidence as well as complying with the applicable laws and standards.

We have adopted security policies and measures to protect our proprietary data and consumer information. However, advances in technology, the expertise of hackers, improper use or sharing of data, new discoveries in the field of cryptography or other events or developments could result in a compromise or breach of the technology that we use to protect confidential information. Our security measures may be undermined due to the actions of outside parties, employee error, malfeasance, or otherwise, and, as a result, an unauthorized party may obtain access to our data systems and misappropriate business and personal information. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently and may not immediately produce signs of intrusion, we may be unable to anticipate these techniques or to implement adequate preventative measures. Any such breach or unauthorized access could result in significant legal and financial exposure, damage to our reputation, and potentially have an adverse effect on our business.

The regulatory environment surrounding information security and privacy is increasingly demanding, and it frequently imposes new and changing requirements. In China, the PRC Constitution, the PRC Criminal Law, the PRC Civil Code, the PRC Data Security Law and the PRC Cyber Security Law protect individual privacy in general, which require certain authorization or consent from Internet users prior to collection, use or disclosure of their personal data and also protection of the security of the personal data of such users. On June 10, 2021, Standing Committee of the PRC National People's Congress published the Data Security Law of the PRC, effective on September 1, 2021, which lays out the lawful methods and security requirements by which entities or individuals may collect and process data. For example, pursuant to the newly enacted PRC Data Security Law, our Chinese Mainland subsidiaries are required to establish and complete data security management systems for the entire process, organize and carry out education and training on data security, employ corresponding technical measures and other necessary measures to safeguard data security when carryout data handling activities. These requirements may lead to a substantial change in our operations and an increase in associated costs. Failure to comply with these regulations, policies or requirements could result in a material change in our operations or significantly limit or completely hinder our ability to offer or continue to offer the ADSs to investors and cause the value of the ADSs to significantly decline or become worthless. Moreover, the PRC Data Security Law provides a national data security review system, under which data processing activities that affect or may affect national security shall be reviewed, but it does not set forth details on how the data security review will be implemented. Any organizational or individual data processing activities that violate the PRC Data Security Law shall bear the corresponding civil, administrative or criminal liabilities depending on specific circumstances. In early July 2021, regulatory authorities in China launched cybersecurity investigations in several China-based companies that are listed in the United States. Subsequently, on December 28, 2021, the CAC and other twelve PRC regulatory authorities jointly issued the Cybersecurity Review Measures, which require that (i) any procurement of network products and services by critical information infrastructure operators, which affects or may affect national security, or (ii) any data processing activities by network platform operators, which affect or may affect national security, or (iii) any network platform operator which has personal information of more than one million users and is going to be listed in a foreign country, shall be subject to cybersecurity review. On September 24, 2024, the State Council published the Regulations on Network Data Security Management, or the Cyber Data Regulations, which became effective on January 1, 2025. The Cyber Data Regulations restates and further specifies the legal requirements for personal information, important data, cross-border data transfer, network platform services, and data security. If the network data processing activities have or may have impact on national security, such activities shall be subject to national security review in accordance with relevant laws and regulations. Since the measures are relatively new, there exists uncertainties with respect to their interpretation and implementation. In anticipation of the strengthened implementation of cybersecurity laws and regulations and the continued expansion of our business, we cannot rule out the possibility that we may be deemed to be a "critical information infrastructure operator" or a "network platform operator" that affects or may affect national security under the Cybersecurity Review Measures. If that were to happen, we would be required to follow cybersecurity review procedures. In addition to laws, regulations and other applicable rules regarding data privacy and cybersecurity, industry associations may propose new and different privacy standards. See "Item 4. Information on the Company—B. Business Overview—Regulations."

There have also been other significant developments in the PRC regulatory and enforcement regime regarding cybersecurity, information security, privacy and data protection. On July 6, 2021, the General Office of the CPC Central Committee and the General Office of the State Council jointly promulgated the Opinions on Strictly Cracking Down on Illegal Securities Activities in Accordance with the Law, which emphasized the need to strengthen cross-border regulatory collaboration and to improve relevant laws and regulations on data security, cross-border data transmission, and confidential information management, and provided that efforts will be made to amend the regulations on strengthening the confidentiality and file management framework relating to the offering and listing of securities overseas, to enforce the responsibility of overseas listed companies with respect to information security, and to strengthen and standardize the management of cross-border information transmission mechanisms and procedures. In addition, on August 20, 2021, the SCNPC promulgated the Personal Information Protection Law, which integrates the scattered rules with respect to personal information rights and privacy protection and took effect in November 2021. The Personal Information Protection Law aims at protecting the personal information rights and interests, regulating the processing of personal information, ensuring the orderly and free flow of personal information in accordance with the law and promoting the reasonable use of personal information. The Personal Information Protection Law applies to the processing of personal information within China, as well as certain personal information processing activities outside China, including those for the provision of products and services to individuals within China or for the analysis and assessment of acts of individuals within China. Processors processing personal information exceeding the threshold to be set by the relevant authorities and operators of critical information infrastructure are required to store, within the PRC territory, all personal information collected and produced within the PRC. These laws and regulations are relatively new, and there remain uncertainties with respect to their interpretation and implementation. In addition, additional laws or regulations on this subject matter may be promulgated in the future which may in turn impose further requirements on us.

We are constantly in the process of evaluating the potential impact of the PRC Cyber Security Law, the Data Security Law, the Personal Information Protection Law and other laws, regulations and policies relating to cybersecurity, privacy, data protection and information security on our current business practices. All these laws and regulations may result in additional expenses and obligations to us and subject us to negative publicity, which could harm our reputation and negatively affect the trading price of the ADSs. We expect that these areas will receive greater public scrutiny and attention from regulators and more frequent and rigid investigation or review by regulators, which may increase our compliance costs and subject us to heightened risks and challenges. Despite our efforts to comply with applicable laws, regulations and other obligations relating to cybersecurity, privacy, data protection and information security, it is possible that our practices, offerings or services could fail to meet all of the requirements imposed on us by such laws, regulations or obligations. We have not experienced any material breaches of any of our cybersecurity measures and we have not been subject to any penalties, fines, suspensions, or investigations from the CAC. However, as uncertainties remain with respect to the interpretation and implementation of these laws, regulations and policies regarding cybersecurity, privacy, data protection and information security and how these laws, regulations and policies will be implemented in practice, we cannot assure you that we will comply with such laws, regulations and policies and we may be ordered to rectify or terminate any actions that are deemed illegal by regulatory authorities. Any failure or perceived failure to comply with these laws, regulations or policies may result in inquiries and other proceedings or actions against us by governmental authorities, users, consumers or others, such as warnings, fines, penalties, required rectifications, service suspension or removal of mobile apps from the relevant app stores and/or other sanctions, as well as negative publicity and damage to our reputation, which could cause us to lose customers and business partners and have an adverse effect on our business and results of operations. There are relevant laws and regulations in Hong Kong regarding data security, such as the Personal Data (Privacy) Ordinance and the Unsolicited Electronic Messages Ordinance, which impose obligations regarding the collection and handling of personal data in Hong Kong. In addition, new laws or regulations related to data security in Hong Kong may be enacted or promulgated in the future, and such new laws and regulations may also have a material impact on our business in Hong Kong.

As we implement our e-commerce initiative and promote our loyalty programs in overseas market, we may become subject to new laws and regulations applying to the solicitation, collection, processing or use of personal or consumer information that could affect how we store, process and share data with consumers, suppliers and other third parties. For example, in May 2018 the European Union's new regulation governing data practices and privacy called the General Data Protection Regulation, or the GDPR, became effective and substantially replaced the data protection laws of the individual European Union member states. The law requires companies to meet more stringent requirements regarding the handling of personal data of individuals in the EU than were required under predecessor EU requirements. In the United Kingdom, a Data Protection Bill that substantially implements the GDPR also became law in May 2018. The law also increases the penalties for non-compliance, which may result in monetary penalties of up to 20.0 million Euros or 4% of a company's worldwide turnover, whichever is higher. In the United States, various federal, state and foreign legislative and regulatory bodies, or self-regulatory organizations, may expand current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding privacy, data protection, information security. For example, California recently enacted the California Consumer Privacy Act, which, among other things, requires new disclosures to California consumers and afford such consumers new abilities to opt out of certain sales of personal information. Outside of the European Union and the U.S., many countries and territories have laws, regulations, or other requirements relating to privacy, data protection, information security, and consumer protection, and new countries and territories are adopting such legislation or other obligations with increasing frequency. Compliance with changes in privacy and information security laws and standards may result in significant expense due to increased investment in technology and the development of new operational processes. If we or those with whom we share information fail to comply with these laws and regulations or experience a data security breach, our reputation could be damaged and we could be subject to additional litigation and regulatory risks.

We may, from time to time, be subject to legal proceedings during the course of our business operations. Our directors, management, shareholders and employees may also from time to time be subject to legal proceedings, which could adversely affect our reputation and results of operations.

From time to time, we are subject to allegations, and may be party to legal claims and regulatory proceedings, relating to our business operations inside and outside China, such as our cooperation with Retail Partners, local distributors, suppliers, landlords or other third parties, labor disputes with our employees, intellectual property infringement claims, product defect claims, and tort claims. Such allegations, claims and proceedings may be brought by third parties, including consumers, suppliers, employees, business partners, governmental or regulatory bodies, competitors or other third parties, and may include class actions. For example, we have been involved in labor-related disputes in the United States, including claims asserted by current and former employees alleging violations of labor and employment laws. We are currently defending several labor and employment-related proceedings, primarily in California, involving wage-and-hour claims and employment-related torts. As of the date of this annual report, we do not expect these proceedings to have a material adverse effect on our business, financial condition or results of operations. In response to these legal proceedings, we have taken a series of measures to prevent similar incidents from happening again. However, despite our efforts, we may continue to be involved in additional lawsuits in the United States or other jurisdictions in the future. For example, we are currently also involved in securities class actions in the United States. See “—Our company and certain of our officers and directors have been named as defendants in a shareholder class action lawsuit” and “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Legal Proceedings.” Besides, we are also involved in lawsuits in relation to illicit competition. See “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources Contingent Liabilities and Treasury Policy—Contingent liabilities” for further details.

The outcome of litigation may be difficult to assess or quantify. Plaintiffs in some types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. We may incur significant expenses related to such proceedings, which may negatively affect our operating results if changes to our business operations are required. There may also be negative publicity associated with litigation that could decrease consumer acceptance of our product offerings, regardless of whether the allegations are valid or whether we are ultimately found liable. In addition, our directors, management, shareholders and employees may from time to time be subject to litigation, regulatory investigations, proceedings and/or negative publicity or otherwise face potential liability and expense in relation to commercial, labor, employment, securities or other matters, which could adversely affect our reputation and results of operations. As a result, litigation may adversely affect our business, financial condition, results of operations or liquidity.

As a public company dually listed on the New York Stock Exchange and the Hong Kong Stock Exchange, we may face additional exposure to claims and lawsuits. These claims could divert management time and attention away from our business and result in significant costs to investigate and defend, regardless of the merits of the claims. In some instances, we may elect or be forced to pay substantial damages if we are unsuccessful in our efforts to defend against these claims, which could harm our business, financial condition and results of operations.

Our company and certain of our officers and directors have been named as defendants in a shareholder class action lawsuit.

Companies that have experienced volatility in the volume and market price of their shares have been subject to an increased incidence of securities class action litigation. We are currently also involved in a securities class action in the United States. In August 2022, a putative federal securities class action was filed against us and certain of our officers and directors, alleging that we made misleading misstatements or omissions regarding our business operations and financials in violation of the Securities Act of 1933 and the Securities Exchange Act of 1934. Lead plaintiff was appointed in November 2022 and filed the operative complaint to the court. We and other defendants filed a motion to dismiss the complaint, and the motion was granted by the court in February 2024, with leave to amend. Plaintiffs filed a motion for reconsideration of the court's decision in late March 2024, which was rejected by the court. Plaintiffs filed a further amended complaint on April 30, 2025. We and other defendants filed a motion to dismiss that complaint, which was granted by the court on March 31, 2026, with prejudice. Plaintiffs have until May 1, 2026 to file a notice to appeal the court decision. Our directors were unable to assess the outcome of the action or reliably estimate the potential losses, if any. We anticipate that we or certain of our directors or officers may be a target for similar lawsuits in the future, including putative class action lawsuits brought by our shareholders and lawsuits against our directors and officers as a result of their position in other public companies. We cannot assure you that our directors or officers and we will be able to prevail in their defense or reverse any unfavorable judgment on appeal, and our directors or officers and we may decide to settle lawsuits on unfavorable terms. Any adverse outcome of these cases, including any plaintiffs' appeal of the judgment in these cases, could result in payments of substantial monetary damages or fines, or changes to our business practices, and thus materially and adversely affect our business, financial condition, results of operation, cash flows, and reputation. In addition, we cannot assure you that our insurance carriers will cover all or part of the defense costs, or any liabilities that may arise from these matters. The litigation process may utilize a significant portion of our cash resources and divert management's attention from the day-to-day operations of our company, all of which could harm our business. We also may be subject to claims for indemnification related to these matters, and we cannot predict the impact that indemnification claims may have on our business or financial performance.

We face risks relating to our acquisitions, investments and alliances.

As part of our business strategy, we have pursued, and intend to continue to pursue, selective strategic investments and acquisitions of businesses and assets to expand our business and strengthen our market-leading position. For example, in early 2025, we completed the acquisition of an aggregate of 29.4% of the issued and outstanding shares of Yonghui Superstores Co., Ltd., a retail chain operator in China, for a total cash consideration of approximately RMB6.3 billion. While we believe this acquisition will provide benefits to our company, we cannot guarantee that we will realize these expected benefits or may not improve on our financial performance. For example, after the acquisition of Yonghui Superstores Co., Ltd., our share of loss of equity-accounted investees, net of tax was RMB834.5 million (US\$119.3 million) for the fiscal year ended December 31, 2025, compared to share of profit of RMB6.0 million for the fiscal year ended December 31, 2024, mainly attributable to share of loss of Yonghui Superstores Co., Ltd. of RMB812.7 million (US\$116.2 million) for the fiscal year ended December 31, 2025. Factors such as integration challenges, market conditions, competition landscape, or unforeseen obstacles may prevent us from achieving the anticipated synergies, growth opportunities, or other expected advantages of the acquisition.

Acquisitions, investments and alliances in general involve numerous risks, including:

- difficulties in integrating the operations and personnel of the acquired companies,
- heightened competition in the marketplace, potentially undermining anticipated synergies and benefits;
- unforeseen demands on resources for integration and post-integration operations, potentially leading to increased costs and expenses that could impact our financial performance;

- the possible negative publicity or harm to our reputation associated with our acquisitions, investments and alliances;
- disruption of our ongoing business, distraction of and significant time and attention required from our management and employees and increases in our expenses;
- difficulties in executing new business initiatives, entering markets or lines of business in which we have no or limited direct prior experience,
- the possible loss of key employees and consumers, which could increase our hiring and training costs and disrupt our business, and difficulties in achieving the synergies we anticipated or levels of revenue, profitability, productivity or other benefits we expected, including departure of skilled professionals and proven management teams of acquired businesses, as well as the loss of established client relationships of those businesses we invest in or acquire;
- for investments over which we may not obtain management and operational control, we may lack influence over the controlling partners or shareholders, or may not have aligned interests with those of our partners or other shareholders;
- additional or conflicting regulatory requirements, heightened restrictions on and scrutiny of investments, acquisitions and foreign ownership in other jurisdictions, on national security grounds or for other reasons, regulatory requirements (such as filings and approvals under the anti-monopoly and competition laws, rules and regulations,), the risk that acquisitions or investments may fail to close, due to political and regulatory challenges, as well as related compliance and publicity risks;
- actual or alleged misconduct, unscrupulous business practices or non-compliance by us or any company we acquire or invest in or by its affiliates or current or former employees, whether before, during or after our acquisition or investments;
- significantly increase our interest expense, leverage and debt service requirements if we incur additional debt to pay for an acquisition or investment, issue common stock that would dilute our current shareholders' percentage ownership, or incur asset write-offs and restructuring costs and other related expenses;
- difficulties in identifying and selecting appropriate targets and strategic partners, including potential loss of opportunities for strategic transactions with competitors of our investee companies and strategic partners;
- difficulties in conducting sufficient and effective due diligence on potential targets and unforeseen or hidden liabilities or additional incidences of non-compliance, operating losses, costs and expenses that may adversely affect us following our acquisitions or investments or other strategic transactions; and
- actual or potential impairment charges or write-offs of investments in equity method investees, intangible assets (including intellectual property we acquire) or real properties, and goodwill recorded in connection with invested businesses, particularly investments in publicly traded companies, in the event that a decline in fair value below the carrying value of our equity method investments is other-than-temporary, or the carrying amount of a reporting unit to which goodwill is allocated exceeds its fair value.

In connection with acquisitions, joint ventures or strategic investments outside China, we also may from time to time, in some instances enter into foreign currency contracts or other derivative instruments to hedge some or all of the foreign currency fluctuation risks, which subjects us to the risks associated with such derivative contracts and instruments. No assurance can be given that our acquisitions, joint ventures and other strategic investments will be successful and will not materially adversely affect our business, financial condition or results of operations.

Any lack of requisite approvals, licenses or permits applicable to our business may have a material and adverse impact on our business, financial condition and results of operations.

In accordance with the relevant laws and regulations in jurisdictions in which we operate, we are required to maintain various approvals, licenses, permits and filings to operate our business, including but not limited to business license, filing for medical device operation, filing for pre-packaged food, commercial franchise filing, and fire safety inspection. Depending on the investment amount and property area, we may be required to secure additional permits or complete further filings or registrations for the construction and decoration work on the leased properties where our stores operate. These may include, but are not limited to, obtaining a construction permit, filing for as-built project inspections, and completing the necessary fire safety inspections and filing procedures. These approvals, licenses, permits and filings are obtained upon satisfactory compliance with, among other things, the applicable laws and regulations.

In addition, as advised by JunHe LLP, our PRC legal advisor, according to the Fire Prevention Law, a store operator shall apply with the local fire and rescue department for a fire control inspection before it opens for business. However, we failed to obtain the certificate for fire control inspection five of our directly operated TOP TOY stores and four of our directly operated MINISO stores in Chinese Mainland. We are currently taking rectification measures, which may potentially include modifying the store entrance and fire exit design of the stores and communicating with the landlord of the MINISO store to amend the registered use of the premises. However, we cannot assure you that the measures we take will successfully rectify the non-compliance in a timely manner. It is also possible that we may have to relocate to other premises so as to continue to operate these stores. Given the difficulty of modifying the design of and reconstructing the store entrance or fire exit and amending the registered use of the relevant premises, we do not expect to obtain the certificate for fire inspection for these stores in the near future.

As we continue to expand our business operations and the PRC regulators continue to exert more oversight on administrative management of certain aspects, the relevant government authorities in jurisdictions where we operate require additional licenses or permits or provides more strict supervision requirements in the future, or if we have to obtain relevant licenses or permits in a short period of time. We cannot assure you that we would be able to obtain such licenses or permits or meet all the supervision requirements in a timely manner, or at all, and there will not be violations or suspected violations that result in us becoming subject to governmental investigations, fines and other legal or administrative sanctions. If we fail to comply with applicable regulations or maintain and renew the relevant licensed or permits in a timely manner, we could be subject to fines or be forced to close or temporarily cease part or all of our operations or other penalties, any of which could have a material adverse effect on our business, prospects, financial condition and results of operation.

If we fail to maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results or prevent fraud.

We are a public company in the United States subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act of 2002 and the rules and regulations of the New York Stock Exchange, or the NYSE. Section 404 of the Sarbanes-Oxley Act, or Section 404, requires that we include a report from management on the effectiveness of our internal control over financial reporting in our annual report on Form 20-F. In addition, our independent registered public accounting firm must attest to and report on the effectiveness of our internal control over financial reporting.

Our management concluded that our internal control over financial reporting was effective as of December 31, 2025. See “Item 15. Controls and Procedures.” Our independent registered public accounting firm has audited the consolidated financial statements included in this annual report, and, as part of the audit, has reported on the effectiveness of our internal control over financial reporting as of December 31, 2025, concluding that, in their opinion, we maintained, in all material aspects, effective internal control over financial reporting as of December 31, 2025 based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In the future, however, if we fail to maintain an effective system of internal control over financial reporting, our management may not be able to conclude that we have effective internal control over financial reporting at a reasonable assurance level. Even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm, after conducting its own independent testing, may issue an adverse report if it is not satisfied with our internal controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us.

In addition, our internal control over financial reporting will not prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected.

If we are not able to comply with the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner, or if we are unable to maintain proper and effective internal controls, we may not be able to produce timely and accurate financial statements. If that were to happen, the trading price of our ordinary shares or the ADSs could decline and we could be subject to sanctions or investigations by the NYSE, the SEC or other regulatory authorities.

Our leased property interest may be defective and such defects may negatively affect our right to such leases.

We currently lease several premises in China. Ownership certificates or other similar proof of certain leased properties have not been provided to us by the relevant lessors. Therefore, we cannot assure you that such lessors are entitled to lease the relevant real properties to us. It is also likely that the construction of such leased properties was illegal and such properties may be ordered by relevant government authorities to be demolished. If any of the foregoing happens, we may not be able to continue to use such leased properties and have to relocate to other premises. We cannot assure you that suitable alternative locations are readily available on commercially reasonable terms, or at all, and if we are unable to relocate our operations in a timely manner, our operations may be adversely affected. In addition, we also lease properties in other jurisdictions and may be subject to similar issues or risks.

In addition, under the PRC laws and regulations, lease agreements in general are required to be registered with the local land and real estate administration bureau. The lease agreements for some of our leased properties in China have not been registered with the relevant PRC government authorities. Although failure to do so does not in itself invalidate the leases, we may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. In the event that any fine is imposed on us for our failure to register our lease agreements, we may not be able to recover such losses from the lessors.

We have limited insurance coverage, which could expose us to significant costs.

We maintain certain insurance policies to safeguard against various risks and unexpected events associated with our business and operations, including property insurance covering inventory and warehouse. Miniso Hong Kong Limited also maintains commercial general liability insurance. We also provide social security insurance including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance for our employees. Additionally, we provide accident insurance for certain employees we dispatched to overseas countries. However, insurance companies in China currently offer limited business-related insurance products. We do not maintain business interruption insurance, nor do we maintain key-man life insurance. We cannot assure you that our insurance coverage is sufficient to prevent us from any loss or that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

If we cannot obtain sufficient cash when we need it, we may not be able to meet our payment obligations under our outstanding and future obligations in relation to our equity linked securities.

In January 2025, we issued equity linked securities due 2032, or the 2032 Securities, which are convertible debt securities that shall be settled wholly in cash, with an aggregate principal amount of US\$550,000,000 and an expected maturity date on January 14, 2032. The 2032 Securities constitute direct, unconditional, unsubordinated and, subject to the terms and conditions of the 2032 Securities, unsecured obligations of ours and bear interest at a rate of 0.5% per year, payable semiannually in arrears on January 14 and July 14 of each year, beginning on July 14, 2025. The 2032 Securities may be exercised on or after the date which is six years after January 14, 2025 to the date falling 10 scheduled trading days prior to the maturity date. The 2032 Securities will mature on January 14, 2032, unless earlier redeemed, repurchased or converted in accordance with their terms prior to such date. The exercise price at which the 2032 Securities will be exchanged was initially HK\$64.395 per ordinary share, subject to adjustment upon the occurrence of certain events. Holders of the 2032 Securities may require us to redeem all or some of such holder's 2032 Securities on January 14, 2028 and January 14, 2030 or in the event of certain fundamental changes. We may redeem the 2032 Securities in the event of certain changes to tax laws or if less than 10% of the aggregate principal amount of the 2032 Securities originally issued remains outstanding at such time.

Our ability to fulfill payment obligations is dependent upon our ability to manage our business operations, generate sufficient cash flows, raise additional capital and the other factors discussed in this section. There can be no assurance that we will be able to manage any of these risks successfully. If we are unable to obtain funding in a timely manner or on commercially acceptable terms, we may not be able to meet our payment obligations under our 2032 Securities. If we fail to pay interest on the 2032 Securities, we will be in default under the terms and conditions governing the 2032 Securities, which in turn may constitute a default under existing and future agreements governing such securities. As of the date of this annual report, we have not experienced any default in interest payments on the 2032 Securities.

We are a holding company, and we rely principally on dividends and other distributions from our PRC subsidiaries for our cash needs, including the funds necessary to help us meet our payment obligations under the 2032 Securities and our other obligations. Our subsidiaries are distinct legal entities and do not have any obligation, legal or otherwise, to provide us with distributions or advances. Furthermore, under PRC laws and regulations, our PRC subsidiaries are subject to certain restrictions with respect to paying dividends or otherwise transferring any of their net assets to us. Remittance of dividends by a wholly foreign-owned enterprise out of China is also subject to examination by the banks designated by SAFE. For risks relating to the fund flows of our operations in China, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—MINISO Group Holding Limited is a Cayman holding company and we may rely on dividends and other distributions on equity paid by our Chinese Mainland subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese Mainland subsidiaries or Hong Kong subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business.”

We may need additional capital, and financing may not be available on terms acceptable to us, or at all.

We believe our cash and cash equivalents and our anticipated cash flows from operations will be sufficient to meet our current and anticipated needs for general corporate purposes for at least the next 12 months. We may, however, need additional cash resources in the future if we experience changes in business conditions or other developments. We may also need additional cash resources in the future if we find and wish to pursue opportunities for investment, acquisition, capital expenditure or similar actions. If we determine in the future that our cash requirements exceed the amount of cash and cash equivalents we have on hand, we may seek to issue equity or equity linked securities or obtain debt financing. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

We have granted, and may continue to grant, options and other types of awards under our share incentive plan, which may result in increased equity-settled share-based payment expenses.

In order to attract and retain qualified employees, provide incentives to our directors and employees, and promote the success of our business, we adopted a share incentive plan in September 2020, which amended and restated share incentive plan(s) we, our predecessor or any of our subsidiaries adopted previously, if any, in its/their entirety and all awards granted and outstanding thereunder survived the termination of previous share incentive plan(s). The terms and conditions of those survived awards remain unchanged and continue to be effective and binding under the 2020 share incentive plan. To comply with Chapter 17 of the HKEx Listing Rules, on June 24, 2022, our board of directors amended and restated the 2020 share incentive plan, which we refer to as the Amended and Restated 2020 Share Incentive Plan in this annual report. The maximum aggregate number of ordinary shares that may be issued under the Amended and Restated 2020 Share Incentive Plan is 147,301,128, consisting of (i) 92,586,048 ordinary shares, which have been issued to several share incentive awards holding vehicles for the grant of restricted shares, options or other type of awards, and (ii) 54,715,080 ordinary shares reserved for issuance pursuant to any awards to be granted under the Amended and Restated 2020 Share Incentive Plan.

As of March 31, 2026, we had outstanding options to purchase a total of 2,936,968 ordinary shares and 21,964,040 restricted share units that were outstanding under the Amended and Restated 2020 Share Incentive Plan. For the fiscal year ended December 31, 2025, we recorded equity-settled share-based payment expenses of RMB367.9 million (US\$52.6 million).

We believe the granting of share-based awards is of significant importance to our ability to attract and retain key personnel and employees, and we will continue to grant share-based awards to employees in the future. As a result, our expenses associated with equity-settled share-based payment expenses may increase, which may have an adverse effect on our results of operations.

Changes in international trade policies, or the escalation of tensions in international relations, particularly with regard to China, may adversely impact our business and operating results.

Recently, there have been heightened tensions in international relations, particularly between the United States and China. The U.S. government has made statements and taken certain actions that may lead to potential changes to U.S. and international trade policies towards China.

The U.S. government has implemented policies restricting international trade and investment, such as tariffs, export controls, economic or trade sanctions, and foreign investment filing and approval requirements. These actions may materially and adversely affect international trade, global financial markets, and the stability of the global economic condition. In the past, the U.S. government has imposed higher tariffs on certain products imported from China to penalize China for what it characterizes as unfair trade practices. China has responded by imposing higher tariffs on certain products imported from the United States. On April 2, 2025, President Trump announced that the United States would impose a 10% tariff on most countries, effective on April 5, 2025, and individualized higher tariff rates on countries with which the United States has proportionately large trade deficits in goods, including, among others, a 34% additional tariff on goods imported from China. Following this action, China responded by imposing an additional tariff on goods imported from the United States, and the two countries sequentially further increased the additional tariff charged on each other, bringing the cumulative tariffs imposed on each other to over 100%. Other economies that are affected by increased tariffs by the United States are also considering imposing or increasing tariffs on goods from the United States, although after President Trump announced a 90-day pause on the individualized higher tariff rates for other countries, it is unclear how this situation will develop. As of the date of this annual report, there is still uncertainty surrounding U.S. tariff policy, how it will be implemented, and how other countries will react to it. It also remains uncertain whether increased tariffs and trade tensions will create further disruptions and uncertainties to the international trade and lead to a downturn to the global economy. It remains unclear what additional actions, if any, will be taken by the U.S. or other governments with respect to international trade agreements, the imposition of tariffs on goods imported into the U.S., tax policy related to international commerce, or other trade matters. Any unfavorable government policies on international trade, such as capital controls or tariffs, or the U.S. dollar payment and settlement system may affect the demand for our products, impact the competitive position of our products, prevent us from selling products in certain countries, or even our participation in the U.S. dollar payment and settlement system, which would materially and adversely affect our international operations, results of operations and financial condition. If any new tariffs, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or, in particular, if the U.S. government takes retaliatory trade actions due to the recent U.S.-China trade tension, such changes could have an adverse effect on our business, financial condition and results of operations. During the year ended December 31, 2025, we implemented various measures to manage the impact of tariffs, including adjusting our mix of locally sourced products, pricing, and the timing of product shipments. Although the tariff headwind did not have a material adverse effect on our business in 2025, we cannot assure you that these measures will continue to be effective in light of the changing trade policies and geopolitical development.

In addition, the United States government has taken efforts to limit the outbound U.S. investments to China. On August 9, 2023, the Biden administration of the United States released an executive order directing the Department of Treasury to create an outbound foreign direct investment review program that would require reporting on or (in more narrow circumstances) prohibit investments by U.S. persons involving “covered national security technologies and products.” On October 28, 2024, the Department of Treasury issued a final rule to implement the executive order, providing details on technical specifications and other aspects of the operative regulations, which came into effect on January 2, 2025. This is referred to as the Outbound Investment Rule. The Outbound Investment Rule imposes investment prohibitions and notification requirements on U.S. persons for a wide range of investments in entities associated with “countries of concern,” currently only China, that are engaged in activities relating to (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems. These entities are collectively defined as “Covered Foreign Persons.” U.S. persons subject to the Outbound Investment Rule are prohibited from making, or required to report, transactions involving Covered Foreign Persons that are defined as “covered transactions,” although the Outbound Investment Rule excludes some investments from the scope of covered transactions, including those in publicly traded securities. The Outbound Investment Rule introduces new hurdles and uncertainties for cross-border collaborations, investments, and funding opportunities of China-based issuers including us. We do not believe that MINISO Group Holding Limited would be defined as a Covered Foreign Person under the Outbound Investment Rule because we do not engage in a “covered activity” (as defined in the Outbound Investment Rule) or otherwise meet the definition of Covered Foreign Persons provided in the Outbound Investment Rule. However, there is no assurance that the U.S. Department of Treasury will take the same view as ours. If we were to be deemed a “Covered Foreign Person,” and if U.S. persons were to engage in a “covered transaction” (as defined under the Outbound Investment Rule) that involves the acquisition of our equity interests, such U.S. persons may need to make a notification pursuant to the Outbound Investment Rule. In addition, even though U.S. persons’ acquisitions of publicly traded securities (such as our ADSs) will be exempted from the scope of covered transactions under the Outbound Investment Rule, the rule could still limit our ability to raise capital or contingent equity capital from U.S. investors given that the relevant laws, regulations, and policies continue to evolve and we cannot rule out the possibility of being deemed a Covered Foreign Person in the future due to different views taken by the U.S. Department of Treasury, potential amendments to the Outbound Investment Rule or the introduction of additional regulations. For example, on February 21, 2025, the White House released President Trump’s “America First Investment Policy” memorandum, outlining several initiatives to incentivize investment from U.S. allies and partners while restricting investments involving “foreign adversaries,” including China. Among other things, the policy aims to expand the industry sectors covered by the U.S. outbound investment regulations and supplement outbound restrictions through the imposition of sanctions. As of the date of this annual report, the proposed changes under the America First Investment Policy are not implemented, although the proposed restrictions may further deepen the uncertainties for cross-border collaborations, investments, and funding opportunities for China-based issuers including us. In addition, on December 18, 2025, the Comprehensive Outbound Investment National Security Act of 2025, or the COINS Act, was signed into law. The COINS Act will keep the core of the Outbound Investment Rule while expanding its scope and coverage and clearly including underwriting services as an exception and amending certain key definitions such as “Covered Foreign Person.” The COINS Act will not take effect until the Department of Treasury issues new regulations (subject to notice and comment), which it must do by March 13, 2027, providing Department of Treasury with the opportunity to further amend or expand existing prohibitions and restrictions in accordance with the COINS Act. In the meantime, the existing Outbound Investment Rule will remain in effect. The content of the implementation regulations remain uncertain. If our ability to raise such capital is significantly and negatively affected, it could be detrimental to our business, financial condition and prospects, and our ADSs may significantly decline in value.

In addition to trade related tensions between China and the United States, the U.S. government escalated tensions between the U.S. and China in recent years by revoking Hong Kong’s special trading status and further sanctioning Chinese companies such as Huawei. Also, the Congress of the United States enacted the Uyghur Forced Labor Prevention Act (UFLPA) in December 2021. Effective from June 21, 2022, the UFLPA creates a rebuttable presumption that goods mined, produced, or manufactured (wholly or in part) in China’s Xinjiang Uyghur Autonomous Region are made with forced labor, where goods designated as such will be subject to an import ban into the United States. The President of the United States may also impose sanctions on companies that knowingly engage in, are responsible for, or facilitate forced labor in Xinjiang. We plan to review our supplier relationships and make efforts to comply with any new law that may affect us. However, there is no assurance that we will be able to identify all activities conducted by our suppliers or other business partners as we do not have a control over them. To the extent we identify any potential non-compliance by any of our suppliers, we may have to find and establish relationships with alternative qualified suppliers under commercially acceptable terms. We cannot assure you that we will be able to do so in a timely manner. Under extreme situations, we may be subject to negative publicities or even be subject to regulatory actions, which may negatively affect our reputation and brand image, our business and results of operations, and may materially and adversely affect the price of our ordinary shares or the ADSs.

The war in Ukraine and sanctions on Russia also increased the uncertainties in the relations between China and the United States, and tensions between two countries could be heightened as a result. These tensions have affected both diplomatic and economic ties between the two countries. Heightened tensions could reduce levels of trade, investments, technological exchanges, and other economic activities between the two major economies. The existing tensions and any further deterioration in the relationship between the United States and China may have a negative impact on the general, economic, political, and social conditions in both countries and, given our reliance on the Chinese market, adversely impact our business, financial condition, and results of operations.

Furthermore, the tension between China and India as a result of border clashes between troops of China and India have also resulted in a number of mobile apps developed by Chinese companies and operated in India being banned by the Indian government. We are unable to predict how international relations between China and other countries will develop. To the extent tensions in international relations between China and other countries escalate, our international operations, financial condition and results of operations could be materially and adversely affected.

There have also been concerns about the relationship between China and other countries which may potentially have economic effects. In particular, there is significant uncertainty about the future relationship between the United States and China with respect to a wide range of issues including trade policies, treaties, government regulations and tariffs.

We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws, and non-compliance with such laws can subject us to administrative, civil and criminal fines and penalties, collateral consequences, remedial measures and legal expenses, all of which could adversely affect our business, results of operations, financial condition and reputation.

We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws and regulations in various jurisdictions in which we conduct activities, including the U.S. Foreign Corrupt Practices Act, or FCPA, the U.K. Bribery Act 2010, and other anti-corruption laws and regulations. Any non-compliance with anti-corruption, anti-bribery, anti-money laundering or financial and economic sanctions laws could subject us to whistleblower complaints, adverse media coverage, investigations, and severe administrative, civil and criminal sanctions, collateral consequences, remedial measures and legal expenses, all of which could materially and adversely affect our business, results of operations, financial condition and reputation.

We sell our products to many countries and regions. Certain countries, regions, or individual counterparties with which we trade or operate in, or may trade or operate in the future, may be or become the subject of economic sanctions of one or more countries that may have jurisdiction over all or portions of our operations. Although we have adopted a policy of complying with all sanctions laws applicable to us, we have operations in a large number of countries, and there is no assurance we will be successful in complying with these types of laws, including sanctions programs administered by the U.S. Department of Treasury's Office of Foreign Asset Controls, or OFAC, Her Majesty's Treasury of the United Kingdom, the European Union and its Member States, and others.

Any violation of economic sanctions, or even an alleged or suspected violation, could harm our reputation and cause financial institutions or other counterparties to refuse to do business with us. Our relationships with very few international financial institutions have been affected as a result of the UN reports, as they have sought details about our business with sanctioned parties, and future events could have a further impact. Such events could also cause some investors to sell or avoid purchasing our securities, to be consistent with their internal investment policies or to avoid reputational damage. All of these may negatively affect our business, our results of operations, or the trading price of our ordinary shares or the ADSs. In addition, changes in economic sanctions laws in the future could also adversely impact our business and investments in our ordinary shares or the ADSs.

Natural disasters and unusual weather conditions, power outages, pandemic outbreaks, terrorist acts, global political events and other serious catastrophic events could disrupt business and result in lower sales and otherwise materially adversely affect our financial performance.

We are vulnerable to health epidemics. For example, at the height of the COVID-19 pandemic, we experienced significant business disruptions. In addition to the impact of health epidemics, natural disasters, such as fires, earthquakes, hurricanes, floods, tornadoes, unusual weather conditions, power outages, other pandemic outbreaks, terrorist acts or disruptive global political events, or similar disruptions could materially adversely affect our business and financial performance. Uncharacteristic or significant weather conditions can affect consumer shopping patterns, which could lead to lost sales or greater than expected markdowns and materially adversely affect our results of operations. These events could result in server interruptions, breakdowns, system failures, technology platform failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our ability to operate our platforms and sell our products. These events could also result in increases in fuel (or other energy) prices or a fuel shortage, delays in opening new stores, the temporary lack of an adequate work force in a market, the temporary or long-term disruption in the supply of products from some domestic and overseas suppliers, the temporary disruption in the transport of goods to overseas, delay or increased transportation costs in the delivery of goods to our warehouses or stores, the inability of consumers to reach or have transportation to stores directly affected by such events, the temporary reduction in the availability of products in stores and disruption of our utility services or to our information systems. These events also can have indirect consequences such as increases in the costs of insurance if they result in significant loss of property or other insurable damage. To the extent these events result in the closure of one or more of stores or our administrative offices or impact one or more of our key suppliers, our operations and financial performance could be materially adversely affected. Our headquarters is located in Guangzhou, where most of our executives, management and the majority of our employees currently reside. Most of our system hardware and back-up systems are hosted in facilities located in Guangzhou. Consequently, if any natural disasters, health epidemics or other public safety concerns were to affect Guangzhou, our operation may experience material disruptions, which may materially and adversely affect our business, financial condition and results of operations.

Adverse developments affecting financial institutions or the financial services industry in general, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, could adversely affect our current and projected business operations and our financial condition and results of operations.

Adverse developments that affect financial institutions, transactional counterparties or other third parties, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. For example, on March 10, 2023, Silicon Valley Bank (“SVB”) was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation (“FDIC”) as receiver. Similarly, on March 12, 2023, Signature Bank and Silvergate Capital Corp. were each swept into receivership. Although the U.S. Department of Treasury, FDIC and Federal Reserve Board have announced a program to provide up to \$25 billion of loans to financial institutions secured by certain of such government securities held by financial institutions to mitigate the risk of potential losses on the sale of such instruments, widespread demands for customer withdrawals or other liquidity needs of financial institutions for immediately liquidity may exceed the capacity of such program. There is no guarantee that the U.S. Department of Treasury, FDIC and Federal Reserve Board will provide access to uninsured funds in the future in the event of the closure of other banks or financial institutions, or that they would do so in a timely fashion. As of December 31, 2025, we operated our business in over 90 countries and regions. Although we currently neither hold bank accounts in nor have banking relationship with SVB, Signature Bank and Silvergate Capital Corp, there are factors that could adversely affect us, including, among others, events such as liquidity constraints or failures, the ability to perform obligations under various types of financial, credit or liquidity agreements or arrangements, disruptions or instability in the financial services industry or financial markets, or concerns or negative expectations about the prospects for companies in the financial services industry. In the event that these factors negatively affected financial institutions or financial services industry companies with which we have financial or business relationships, our liquidity, business operations and financial condition could be adversely affected.

Moreover, our Retail Partners, distributors or suppliers could also be adversely affected by any of the liquidity or other risks that are described above, including but not limited to delayed access or loss of access to uninsured deposits or loss of the ability to draw on existing credit facilities involving a troubled or failed financial institution. If any Retail Partner, distributor or supplier goes bankrupt or becomes insolvency, or fails to make payments when due, or defaults or breaches any material contractual obligations, our business operations and results of operations could also be adversely affected.

Risks Related to Doing Business in China

The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors of the benefits of such inspections.

Our auditor, the independent registered public accounting firm that issues the audit report included elsewhere in this annual report, as an auditor of companies that are traded publicly in the United States and a firm registered with the PCAOB, is subject to laws in the United States pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. The auditor is located in Chinese Mainland, a jurisdiction where the PCAOB was historically unable to conduct inspections and investigations completely before 2022. As a result, we and investors in the ADSs were deprived of the benefits of such PCAOB inspections. The inability of the PCAOB to conduct inspections of auditors in China in the past has made it more difficult to evaluate the effectiveness of our independent registered public accounting firm's audit procedures or quality control procedures as compared to auditors outside of China that are subject to the PCAOB inspections. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed Chinese Mainland and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. However, if the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in Chinese Mainland and Hong Kong, and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we and investors in our ADSs would be deprived of the benefits of such PCAOB inspections again, which could cause investors and potential investors in the ADSs to lose confidence in our audit procedures and reported financial information and the quality of our financial statements.

The ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment.

Pursuant to the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our shares or ADSs from being traded on a national securities exchange or in the over-the-counter trading market in the United States.

On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in Chinese Mainland and Hong Kong and our auditor was subject to that determination. In November 2022, the SEC conclusively listed us as a Commission-Identified Issuer under the HFCAA following the filing of our annual report on Form 20-F for the fiscal year ended June 30, 2022. On December 15, 2022, the PCAOB removed Chinese Mainland and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. For this reason, we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we file this annual report on Form 20-F for the fiscal year ended December 31, 2025.

Each year, the PCAOB will determine whether it can inspect and investigate completely audit firms in Chinese Mainland and Hong Kong, among other jurisdictions. If the PRC government adopts positions at any time in the future that would prevent the PCAOB from continuing to inspect or investigate completely accounting firms headquartered in Chinese Mainland or Hong Kong or the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in Chinese Mainland and Hong Kong and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. In accordance with the HFCAA, our securities would be prohibited from being traded on a national securities exchange or in the over-the-counter trading market in the United States if we are identified as a Commission-Identified Issuer for two consecutive years in the future. The PCAOB has indicated that it could inspect all China- and Hong Kong-based auditors in since 2022. However, such position can be changed in the future and does not grant an automatic grace period. Although our ordinary shares have been listed on the Hong Kong Stock Exchange and the ADSs and ordinary shares are fully fungible, we cannot assure you that an active trading market for our ordinary shares on the Hong Kong Stock Exchange will be sustained or that the ADSs can be converted and traded with sufficient market recognition and liquidity, if our shares and the ADSs are prohibited from trading in the United States. A prohibition of being able to trade in the United States would substantially impair your ability to sell or purchase our ADSs when you wish to do so, and the risk and uncertainty associated with delisting would have a negative impact on the price of our ADSs. Also, such a prohibition would significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects.

The PRC government's oversight and regulation over our business operations could result in a material change in our operations and the value of our ordinary shares or the ADSs.

We conduct our business primarily in Chinese Mainland. Our operations in Chinese Mainland are governed by Chinese Mainland laws and regulations. The PRC government has regulatory oversight over the conduct of our business, and may intervene or influence our operations as the government deems appropriate to advance regulatory and societal goals and policy positions. Currently, the PRC government does not directly intervene in our operations through political orders or otherwise, nor have our business operations and/or the value of the ADSs been materially adversely affected. Nonetheless, we cannot rule out the possibility that the PRC government may, through the evolving regulatory system, intervene or exert more influence over our operations, offerings conducted overseas and/or foreign investment in China-based issuers. If this were to occur, we could be subject to material adverse changes in our operation and/or the value of the ADSs. For example, the PRC government has published new policies that affected certain industries and we cannot rule out the possibility that it will in the future release regulations or policies that directly or indirectly affect our industry or require us to seek additional permission to continue our operations, which could result in a material adverse change in our operation and/or the value of the ordinary shares or the ADSs. For example, data security laws in Chinese Mainland have imposed certain new requirements for business operations in Chinese Mainland. Failure to comply with these new legal requirements could have a material impact on our operations or significantly limit or completely hinder our ability to offer or continue to offer the ADSs to investors and cause the value of the ADSs to significantly decline or become worthless. See “—Failure to protect personal or confidential information against security breaches could subject us to significant reputational, financial and legal consequences and substantially harm our business and results of operations.” Therefore, investors of our company and our business face potential uncertainty from actions taken by the PRC government affecting our business.

In addition, the Chinese government has indicated an intent to exert more oversight over offerings that are conducted overseas and/or foreign investment in China-based issuers. On February 17, 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises, or the Trial Measures, as well as five guidelines for the filing-based administration of overseas securities offerings and listings by Chinese Mainland domestic companies, which came into effect on March 31, 2023. These rules apply to (i) Chinese Mainland companies that seek to directly offer or list securities on overseas markets; and (ii) Chinese Mainland companies that seek to indirectly offer or list securities on overseas markets. Chinese Mainland companies that seek to offer or list securities on overseas markets, both directly and indirectly, shall fulfil the filing procedure and report relevant information to the CSRC according to such rules. Since the Trial Measures have only been recently published, there may be uncertainties as to their implementation, interpretation and impact on our future offerings or financings. We may not be able to complete the filing described above if the filing materials are incomplete or do not meet the requirements of the CSRC. Any failure to obtain or delay in completing the CSRC filing for any of our offshore offerings in the future may subject us to rectification order, warning, or fines imposed by the CSRC or other Chinese Mainland regulatory authorities, which may materially and adversely affect our business, financial condition, and results of operations and could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and cause the value of such securities to significantly decline or be worthless. See “—We are required to complete filing procedures with the CSRC in connection with this offering. In addition, the approval of the CSRC or other PRC government authorities may be required in connection with future offerings or future issuance of securities abroad under Chinese Mainland laws, and, if required, we cannot predict whether or for how long we will be able to obtain such approval.”

Changes in China's or global economic, political or social conditions or government policies could have a material and adverse effect on our business and results of operations.

A majority of our operations are located in China. Accordingly, our business, prospects, financial condition and results of operations may be influenced to a significant degree by political, economic and social conditions in China generally and by continued economic growth in China as a whole.

While the Chinese economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. The retail industry is highly sensitive to general economic changes. Any adverse changes in economic conditions in China, in the policies of the Chinese government or in the laws and regulations in China could have a material adverse effect on the overall economic growth of China. Such developments could adversely affect our business and operating results, lead to a reduction in demand for our services and adversely affect our competitive position. The Chinese government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Chinese economy, but may have a negative effect on us. For example, our financial condition and results of operations may be adversely affected by government's guidance over capital investments or changes in tax regulations.

The global macroeconomic environment also faces challenges. Health epidemics have caused significant downward pressure for the global economy. Geopolitical tension and conflicts, energy crisis, inflation risk, interest rate increases, instability in the financial system, and the tightening of monetary policy by the U.S. Federal Reserve also impose new challenges and uncertainties on the global economy. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. Any prolonged slowdown in the global and Chinese economy may reduce the demand for our products and services and materially and adversely affect our business and results of operations.

Uncertainties in the interpretation and enforcement of laws and regulations in Chinese Mainland could limit the legal protections available to you and us.

The Chinese Mainland legal system is a civil law system based on written statutes. Unlike the common law system, prior court decisions may be cited for reference but have limited precedential value.

Our Chinese Mainland subsidiaries are foreign-invested enterprises and are subject to laws and regulations applicable to foreign-invested enterprises as well as various PRC laws and regulations generally applicable to companies incorporated in Chinese Mainland. For instance, on March 15, 2019, the Standing Committee of National People's Congress promulgated the PRC Foreign Investment Law, which became effective on January 1, 2020. The PRC Foreign Investment Law replaces the trio of existing laws regulating foreign investment in China, namely, the Wholly Foreign-owned Enterprises Law, the Sino-foreign Equity Joint Ventures Law, and the Sino-foreign Cooperative Joint Ventures Law, together with their implementation rules and ancillary regulations, and embodies an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments. However, since some of these laws and regulations are relatively new and the Chinese Mainland legal system continues to evolve, the interpretations and enforcement of these laws, regulations and rules involve uncertainties.

From time to time, we may have to resort to administrative and court proceedings to enforce our legal rights. However, since Chinese Mainland administrative and court authorities have the authority and discretion in interpreting and implementing statutory and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of protection we enjoy. In addition, like many other jurisdictions, administrative and court proceedings in China could also be protracted, resulting in substantial costs and diversion of resources and management attention. All of these uncertainties could materially and adversely affect our business operations.

Furthermore, on July 6, 2021, certain PRC regulatory authorities issued Opinions on Strictly Cracking Down on Illegal Securities Activities and further emphasized to strengthen the cross-border regulatory collaboration, to improve relevant laws and regulations on data security, cross-border data transmission, and confidential information management, and provided that efforts will be made to revise the regulations on strengthening the confidentiality and file management relating to the offering and listing of securities overseas, to implement the responsibility on information security of overseas listed companies, and to strengthen the standardized management of cross-border information provision mechanisms and procedures. However, these opinions were newly issued, and there were no further explanations or detailed rules or regulations with respect to such opinions, and there are still uncertainties regarding the interpretation and implementation of these opinions.

These and other similar legal and regulatory developments could lead to legal and economic uncertainty, affect how we operate our business, how we process and use data, and how we transfer personal data from one jurisdiction to another, which could negatively impact demand for our products. We may incur substantial costs to comply with such laws and regulations, to meet the demands of our customers relating to their own compliance with applicable laws and regulations, and to establish and maintain internal compliance policies.

PRC government has oversight over the conduct of our business and it has exerted more oversight over offerings that are conducted overseas and/or foreign investment in China-based issuers. Any such action could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and cause the value of such securities to significantly decline or be worthless. See "Item 4. Information on the Company—B. Business Overview—Regulations—Chinese Mainland—M&A rules and overseas listings" for more details.

Litigation and negative publicity surrounding China-based companies listed in the U.S. may result in increased regulatory scrutiny of us and negatively impact the trading price of the ADSs and could have a material adverse effect upon our business, including our results of operations, financial condition, cash flows and prospects.

We believe that litigation and negative publicity surrounding companies with operations in China that are listed in the U.S. have negatively impacted stock prices for such companies. Various equity-based research organizations have published reports on China-based companies after examining, among other things, their corporate governance practices, related party transactions, sales practices and financial statements that have led to special investigations and stock suspensions on national exchanges. Any similar scrutiny of us, regardless of its lack of merit, could result in a diversion of management resources and energy, potential costs to defend ourselves against rumors, decreases and volatility in the trading price of our ordinary shares or the ADS, and increased directors and officers insurance premiums and could have a material adverse effect upon our business, including our results of operations, financial condition, cash flows and prospects.

MINISO Group Holding Limited is a Cayman holding company and we may rely on dividends and other distributions on equity paid by our Chinese Mainland subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese Mainland subsidiaries or Hong Kong subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business.

MINISO Group Holding Limited is a Cayman holding company and our operations are conducted primarily through subsidiaries in China. By purchasing the ADSs, you are purchasing interests in our Cayman holding company, as opposed to interests in our subsidiaries in China. Except for certain specific industries, current laws and regulations in Chinese Mainland do not prohibit direct foreign investment in Chinese Mainland companies. However, foreign investment laws in Chinese Mainland are constantly evolving and there is uncertainty with respect to future laws and regulations as well as regulatory actions to be taken by the PRC government in this regard. Were this holding company structure to be challenged or disallowed by PRC regulatory authorities, our business operations would be materially and adversely affected and the value of the ADSs could significantly decline or become worthless. We are a holding company, and we may rely on dividends and other distributions on equity paid by our Chinese Mainland subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to our shareholders and service any debt we may incur. Current Chinese Mainland regulations permit our subsidiaries Chinese Mainland to pay dividends to us only out of their accumulated after-tax profits upon satisfaction of relevant statutory conditions and procedures, if any, determined in accordance with Chinese accounting standards and regulations. In addition, each of our Chinese Mainland subsidiaries is required to set aside at least 10% of its accumulated profits each year, if any, to fund certain reserve funds until the total amount set aside reaches 50% of its registered capital. For a detailed discussion of applicable Chinese Mainland regulations governing distribution of dividends, see “Item 4. Information on the Company—B. Business Overview—Regulations—Chinese Mainland—Regulation related to dividend distribution.” Additionally, if our Chinese Mainland subsidiaries incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends or make other distributions to us. Any limitation on the ability of our Chinese Mainland subsidiaries or Hong Kong subsidiaries to pay dividends or make other distributions to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business. As a result of these restrictions, to the extent cash in the business is in a Chinese Mainland entity, the funds may not be available to fund operations or for other use outside of Chinese Mainland due to interventions in or the imposition of restrictions and limitations on the ability of us or our Chinese Mainland subsidiaries by the PRC government to transfer cash. These restrictions and limitations imposed by the PRC government in Chinese Mainland are not applicable to cash transfers in and out of Hong Kong or our Hong Kong subsidiaries. If the laws applicable to Chinese Mainland become applicable to entities and businesses in Hong Kong in the future, funds in Hong Kong or in our Hong Kong subsidiaries may not be available to fund operations or for other use outside of Hong Kong.

To address the persistent capital outflow and the Renminbi's depreciation against the U.S. dollar in the fourth quarter of 2016, the People's Bank of China and the State Administration of Foreign Exchange, or SAFE, have implemented a series of capital regulatory measures in the subsequent months, including stricter vetting procedures for China-based companies to remit foreign currency for overseas acquisitions, dividend payments and shareholder loan repayments. For instance, the Circular on Promoting the Reform of Foreign Exchange Management and Improving Authenticity and Compliance Review, or the SAFE Circular 3, issued on January 26, 2017, provides that the banks shall, when dealing with dividend remittance transactions from domestic enterprise to its offshore shareholders of more than US\$50,000, review the relevant board resolutions, original tax filing form and audited financial statements of such domestic enterprise based on the principle of genuine transaction. The PRC government may continue to strengthen its capital regulatory measures and our PRC subsidiaries' dividends and other distributions may be subject to tightened scrutiny in the future. Any limitation on the ability of our PRC subsidiaries to pay dividends or make other distributions to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business.

In addition, the Enterprise Income Tax Law and its implementation rules provide that a withholding tax at a rate of 10% will be applicable to dividends payable by Chinese companies to non-PRC-resident enterprises unless reduced under treaties or arrangements between the PRC central government and governments of other countries or regions where the non-PRC resident enterprises are tax resident. See “—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.”

Increases in labor costs and enforcement of stricter labor laws and regulations in China may adversely affect our business and our profitability.

China's overall economy and the average wage in China have increased in recent years and are expected to continue to grow. The average wage level for our employees has also increased in recent years. We expect that our labor costs, including wages and employee benefits, will continue to increase. Unless we are able to pass on these increased labor costs to those who pay for our services, our profitability and results of operations may be materially and adversely affected.

In addition, we have been subject to stricter regulatory requirements in terms of entering into labor contracts with our employees and paying various statutory employee benefits, including pensions, housing fund, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance to designated government agencies for the benefit of our employees. Pursuant to the PRC Labor Contract Law and its implementation rules, employers are subject to stricter requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employee's probation and unilaterally terminating labor contracts. In the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, the PRC Labor Contract Law and its implementation rules may limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations.

In October 2010, the Standing Committee of the National People's Congress promulgated the PRC Social Insurance Law, effective on July 1, 2011 and amended on December 29, 2018. On April 3, 1999, the State Council promulgated the Regulations on the Administration of Housing Funds, which was amended on March 24, 2002 and March 24, 2019. Companies registered and operating in China are required under the Social Insurance Law and the Regulations on the Administration of Housing Funds to apply for social insurance registration and housing fund deposit registration within 30 days of their establishment and to pay for their employees different social insurance including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance to the extent required by law. We could be subject to orders by the competent labor authorities for rectification and failure to comply with the orders may further subject us to administrative fines.

As the interpretation and implementation of labor-related laws and regulations are still evolving, we cannot assure you that our employment practices do not and will not violate labor-related laws and regulations in China, which may subject us to labor disputes or government investigations. We cannot assure you that we have complied or will be able to comply with all labor-related law and regulations including those relating to obligations to make social insurance payments and contribute to the housing provident funds. Certain of our PRC subsidiaries made insufficient contributions to social security insurance and housing provident fund. The social insurance authorities may demand us to make payments or supplementary payments for the unpaid social insurance premium within a prescribed time limit together with a 0.05% surcharge of the unpaid social insurance premium from the due date. If the payment is not made within such time limit, the authorities may impose a fine ranging from one to three times of the total outstanding amount. The housing provident fund administration center may also order us to pay the outstanding amount within a prescribed time limit. If the payment is not made within such time limit, an application may be made to the PRC courts for compulsory enforcement. As advised by our PRC legal adviser, although there are no explicit legal provisions or regulations that impose additional penalties for such under-payment, we may be ordered to pay the outstanding amount of the housing provident fund. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations will be adversely affected.

Fluctuations in exchange rates could have a material and adverse effect on our results of operations and the value of your investment.

The conversion of Renminbi into foreign currencies, including Hong Kong dollars and the U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against Hong Kong dollars and the U.S. dollars, at times significantly and unpredictably. The value of Renminbi against Hong Kong dollars, the U.S. dollars and other currencies is affected by changes in China's political and economic conditions and by China's foreign exchange policies, among other things. We cannot assure you that Renminbi will not appreciate or depreciate significantly in value against Hong Kong dollars and the U.S. dollars in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the U.S. dollars in the future.

Any significant appreciation or depreciation of Renminbi may materially and adversely affect our revenues, earnings and financial position, and the value of, and any dividends payable on, our ordinary shares or the ADSs in foreign currency. For example, to the extent that we need to convert U.S. dollars we receive into Renminbi to pay our operating expenses, appreciation of Renminbi against the U.S. dollars would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, a significant depreciation of Renminbi against the U.S. dollars may significantly reduce the U.S. dollars equivalent of our earnings, which in turn could adversely affect the price of our ordinary shares or the ADSs.

Very limited hedging options are available in China to reduce our exposure to exchange rate fluctuations. We did not enter into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk in the fiscal year ended December 31, 2025. While we may decide to enter into more hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange losses may be magnified by PRC exchange administrative regulations that restrict our ability to convert Renminbi into foreign currency. As a result, fluctuations in exchange rates may have a material adverse effect on your investment.

Chinese Mainland regulation of loans to and direct investment in Chinese Mainland entities by offshore holding companies and governmental administration of currency conversion may delay or prevent us from using the proceeds of our offshore offerings to make loans to or make additional capital contributions to our Chinese Mainland subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

We are an offshore holding company conducting our operations in China through our PRC subsidiaries. We may make loans to our PRC subsidiaries subject to the approval from governmental authorities and limitation of amount, or we may make additional capital contributions to our wholly foreign-owned subsidiaries in China. Any loans to our wholly foreign-owned subsidiaries in China, which are treated as foreign-invested enterprises under PRC law, are subject to PRC regulations and foreign exchange loan registrations. For example, loans by us to our wholly foreign-owned subsidiaries in China to finance their activities cannot exceed statutory limits, i.e. the difference between its total amount of investment and its registered capital, or certain amount calculated based on elements including capital or net assets and the cross-border financing leverage ratio ("Macro-prudential Management Mode") under relevant PRC laws and the loans must be registered with the local counterpart of the State Administration of Foreign Exchange, or SAFE, or filed with SAFE in its information system. According to the notice of the People's Bank of China and the State Administration of Foreign Exchange on Increasing the Macro-prudent Adjustment Parameter for Cross-border Financing issued on January 13, 2025, the macro-prudent adjustment parameter for cross-border financing has been increased from 1.5 to 1.75. Moreover, any medium or long-term loan to be provided by us to our PRC subsidiaries must also be registered with the NDRC.

We may also decide to finance our wholly foreign-owned subsidiaries in China by means of capital contributions. These capital contributions shall go through registration procedures from competent administration for market regulation. SAFE issued the Circular on the Management Concerning the Reform of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, or SAFE Circular 19, which took effect on June 1, 2015. SAFE Circular 19 allows for the use of RMB converted from the foreign currency-denominated capital for equity investments in the PRC provided that such usage shall fall into the scope of business of the foreign-invested enterprise, which will be regarded as the reinvestment of foreign-invested enterprise. In addition, SAFE promulgated the Circular Regarding Further Promotion of the Facilitation of Cross-Border Trade and Investment on October 23, 2019, or SAFE Circular 28, pursuant to which all foreign-invested enterprises can make equity investments in the PRC with their capital funds in accordance with the law. As SAFE Circular 28 is relatively new and the relevant government authorities have broad discretion in interpreting the regulation, it is unclear whether SAFE will permit such capital funds to be used for equity investments in the PRC in actual practice.

In light of the various requirements imposed by PRC regulations on loans to and direct investment in PRC entities by offshore holding companies, we cannot assure you that we will be able to complete the necessary government registrations or reporting of information on foreign investment on a timely basis, if at all, with respect to future loans to our PRC subsidiaries or future capital contributions by us to our wholly foreign-owned subsidiaries in China. As a result, uncertainties exist as to our ability to provide prompt financial support to our PRC subsidiaries when needed. If we fail to complete such registrations or record-filings, our ability to use foreign currency, including the proceeds we received from our initial public offering, and to capitalize or otherwise fund our PRC operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

Governmental administration of currency conversion may limit our ability to utilize cash generated from our revenues effectively and affect the value of your investment.

The PRC government implements administrative measures on the convertibility of the RMB into foreign currencies and, in certain cases, the remittance of currency out of China. We receive substantially all of our revenues dominated in RMB. Under our current corporate structure, our company in the Cayman Islands may rely on dividend payments from our PRC subsidiaries to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, such as profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. Therefore, our wholly foreign-owned subsidiaries in China are able to pay dividends in foreign currencies to us without prior approval from SAFE, subject to the condition that the remittance of such dividends outside of the PRC complies with certain procedures under PRC foreign exchange regulation, such as the overseas investment registrations by our shareholders or the ultimate shareholders of our corporate shareholders who are PRC residents. But approval from or registration with appropriate government authorities or delegated banks is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions. If the foreign exchange administration system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholders, including holders of our ordinary shares or the ADSs.

Chinese Mainland regulations relating to offshore investment activities by Chinese Mainland residents may limit our Chinese Mainland subsidiaries' ability to increase their registered capital or distribute profits to us or otherwise expose us or our Chinese Mainland resident beneficial owners to liability and penalties under laws of Chinese Mainland.

SAFE requires PRC residents or entities to register with SAFE or its local branch or its designated banks in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. In addition, such PRC residents or entities must update their SAFE registrations when the offshore special purpose vehicle undergoes certain material events. According to the SAFE Circular on Further Simplification and Improvement in Foreign Exchange Administration Policies on Direct Investment, which became effective on June 1, 2015, local banks will examine and handle foreign exchange registration for overseas direct investment, including the initial foreign exchange registration and amendment registration, under SAFE Circular 37 from June 1, 2015. See "Item 4. Information on the Company—B. Business Overview—Regulations—Chinese Mainland—Regulation related to foreign exchange."

We are committed to complying with and to ensuring that our shareholders and beneficial owners who are subject to these regulations will comply with the relevant SAFE rules and regulations. However, due to inherent uncertainty in the implementation of the regulatory requirements by the PRC authorities, such registration might not be always practically available in all circumstances as provided in those regulations. As of the date of this annual report, Mr. Guofu Ye and Ms. Yunyun Yang, who directly or indirectly hold shares in our Cayman Islands holding company, have completed the initial foreign exchange registrations and have been communicating with the bank designated by SAFE regarding updating their registration as required in connection with a subsequent restructuring of their respective offshore special purpose vehicles, which may not be completed in a timely manner, or at all.

In addition, we have notified all shareholders or beneficial owners who directly or indirectly hold shares in our Cayman Islands holding company and are known to us as being PRC residents to complete their registration with or to obtain approval by the local SAFE, the National Development and Reform Commission, or the NDRC, or MOC branches. However, we may not be informed of the identities of all the PRC residents holding direct or indirect interests in our company, nor can we compel our beneficial owners to comply with applicable registration or approval requirements. As a result, we cannot assure you that all of our shareholders or beneficial owners who are PRC residents have complied with, and will in the future make, obtain or update any applicable registrations or approvals required by, SAFE, NDRC and MOC regulations. Failure by such shareholders or beneficial owners to comply with SAFE, NDRC and MOC regulations, or failure by us to amend the foreign exchange registrations of our PRC subsidiaries, could subject us to fines or legal sanctions, restrict our overseas or cross-border investment activities, limit our PRC subsidiaries' ability to make distributions or pay dividends to us or affect our ownership structure, which could adversely affect our business and prospects.

China's M&A Rules and certain other PRC regulations establish complex procedures for certain acquisitions of PRC companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in China.

A number of PRC laws and regulations have established procedures and requirements that could make merger and acquisition activities in China by foreign investors more time consuming and complex. In addition to the Anti-monopoly Law itself, these include the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the M&A Rules, adopted by six PRC regulatory agencies in 2006, which was amended in 2009, and the Rules of the Ministry of Commerce on Implementation of Security Review System of Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the Security Review Rules, promulgated in 2011. These laws and regulations impose requirements in some instances that MOFCOM be notified in advance of any change-of-control transaction in which a foreign investor takes control of a PRC domestic enterprise. In addition, the Anti-Monopoly Law requires that relevant governmental authorities be notified in advance of any concentration of undertaking if certain thresholds are triggered. Moreover, the Security Review Rules specify that mergers and acquisitions by foreign investors that raise "national defense and security" concerns and mergers and acquisitions through which foreign investors may acquire de facto control over domestic enterprises that raise "national security" concerns are subject to strict review by MOFCOM, and prohibit any attempt to bypass a security review, including by structuring the transaction through a proxy or contractual control arrangement. In the future, we may grow our business by acquiring complementary businesses. Complying with the requirements of the relevant regulations to complete such transactions could be time consuming, and any required approval processes, including approval from MOFCOM, may delay or inhibit our ability to complete such transactions, which could affect our ability to expand our business or maintain our market share.

Furthermore, the PRC government authorities may strengthen oversight over foreign investment in China-based issuers like us. For instance, the relevant PRC governments promulgated the Opinions on Strictly Cracking Down on Illegal Securities Activities, among which, it is mentioned that the administration and supervision of Chinese concept stocks will be strengthened, and the special provisions of the State Council on overseas issuance and listing of shares by those limited by shares companies will be revised, clarifying the responsibilities of domestic industry competent authorities and regulatory authorities. However, the Opinions on Strictly Cracking Down on Illegal Securities Activities were only issued on July 6, 2021, and no further explanation or detailed rules and regulations with respect to the opinions have been issued yet, leaving uncertainties regarding the interpretation and implementation of the Opinions on Strictly Cracking Down on Illegal Securities Activities. It is possible that any new rules or regulations may impose additional requirements on us.

Any failure to comply with PRC regulations regarding the registration requirements for employee stock incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

Pursuant to the Notice on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company, issued by SAFE in February 2012, employees, directors, supervisors and other senior management participating in any stock incentive plan of an overseas publicly listed company who are PRC citizens or who are non-PRC citizens residing in China for a continuous period of not less than one year, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas listed company, and complete certain other procedures. We and our directors, executive officers and other employees who are PRC citizens or who reside in the PRC for a continuous period of not less than one year and who have been granted restricted shares, or options are subject to these regulations. Failure to complete the SAFE registrations may subject them to fines and legal sanctions and may also limit our ability to contribute additional capital into our wholly foreign-owned subsidiaries in China and limit these subsidiaries' ability to distribute dividends to us. We also face regulatory uncertainties that could restrict our ability to adopt additional incentive plans for our directors and employees under PRC law.

The approval of the CSRC or other PRC government authorities may be required in connection with future offerings or future issuance of securities abroad under Chinese Mainland law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval.

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the M&A Rules, adopted by six PRC regulatory agencies in 2006 and amended in 2009, requires an overseas special purpose vehicle formed for listing purposes through acquisitions of PRC domestic companies and controlled by PRC persons or entities to obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange. The interpretation and application of the regulations remain unclear, and our offshore offerings may ultimately require approval of the CSRC. If the CSRC approval is required, it is uncertain whether we can or how long it will take us to obtain the approval and, even if we obtain such CSRC approval, the approval could be rescinded. Any failure to obtain or delay in obtaining the CSRC approval for any of our offshore offerings, or a rescission of such approval if obtained by us, would subject us to sanctions imposed by the CSRC or other PRC regulatory authorities, which could include fines and penalties on our operations in China, restrictions or limitations on our ability to pay dividends outside of China, and other forms of sanctions that may materially and adversely affect our business, financial condition, and results of operations.

On July 6, 2021, the relevant PRC government authorities issued Opinions on Strictly Cracking Down on Illegal Securities Activities in accordance with the Law. These opinions emphasized the need to strengthen the administration over illegal securities activities and the supervision on overseas listings by China-based companies and proposed to take effective measures, such as promoting the construction of relevant regulatory systems to deal with the risks and incidents faced by China-based overseas-listed companies. Subsequently, CAC and other twelve PRC regulatory authorities jointly issued the Cybersecurity Review Measures which further strengthened the cybersecurity review measures of entities seeking offshore listing. Our initial public offering in the United States was completed prior to the relevant regulations took effect. Our public offering and listing in Hong Kong is not treated as a listing abroad within the meaning of the Cybersecurity Review Measures as confirmed by the CCRC during a phone consultation conducted on March 25, 2022 by our PRC legal advisor, JunHe LLP. Therefore, we are of the view that we were not subject to the cybersecurity review requirement under the Cybersecurity Review Measures with regard to our public offering and listing in Hong Kong.

On September 24, 2024, the State Council published the Cyber Data Regulations, which became effective on January 1, 2025. The Cyber Data Regulations restates and further specifies the legal requirements for personal information, important data, cross-border data transfer, network platform services, and data security. If the network data processing activities have or may have impact on national security, such activities shall be subject to national security review in accordance with relevant laws and regulations. Any failure to comply with such requirements may subject us to, among others, suspension of services, fines, revoking relevant business permits or business licenses and penalties.

As of the date of this annual report, we have not received any interview requests or enquiry from the PRC government in relation to cybersecurity, nor have we encountered any incident of data or personal information leakage, violation of data processing, data protection and privacy laws and regulations or investigation or other legal proceeding against us that will adversely affect our business operations. Thus, we believe that we would be able to comply with the Cybersecurity Review Measures and the Cyber Data Regulations, and the Cybersecurity Review Measures and the Cyber Data Regulations would not have a material adverse impact on our business operations. For more details, see “—Risks Related to Our Business and Industry—Failure to protect personal or confidential information against security breaches could subject us to significant reputational, financial and legal consequences and substantially harm our business and results of operations.”

On February 17, 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises, or the Trial Measures, as well as five guidelines for the filing-based administration of overseas securities offerings and listings by PRC domestic companies, which came into effect on March 31, 2023. These rules apply to (i) PRC companies that seek to directly offer or list securities on overseas markets; and (ii) PRC companies that seek to indirectly offer or list securities on overseas markets. PRC companies that seek to offer or list securities on overseas markets, both directly and indirectly, shall fulfill the filing procedure and report relevant information to the CSRC according to such rules. Since the Trial Measures have only been recently published, there may be uncertainties as to their implementation, interpretation and impact on our future offerings or financings. We may not be able to complete the filing described above if the filing materials are incomplete or do not meet the requirements of the CSRC. Any failure to obtain or delay in completing the CSRC filing for any of our offshore offerings, may subject us to rectification order, warning, or fines imposed by the CSRC or other PRC regulatory authorities, which may materially and adversely affect our business, financial condition, and results of operations. For more details, see "Item 4. Information on the Company-B. Business Overview-Regulations-China-M&A rules and overseas listings."

If the CSRC, CAC or other relevant PRC regulatory agencies subsequently determine that approval or filing is required for any of our offshore offerings, future offerings of securities overseas or to maintain the listing status of the ADSs, we cannot guarantee that we will be able to obtain the approval or complete the filing in a timely manner, or at all. The CSRC, CAC or other PRC regulatory agencies also may take actions requiring us, or making it advisable for us, not to proceed with such offering or maintain the listing status of our listed securities. If we proceed with any of such offering or maintain the listing status of our listed securities without obtaining the CSRC's or other relevant PRC regulatory agencies' approval or filing to the extent it is required, or if we are unable to comply with any new approval requirements which might be adopted for offerings that we have completed prior to the publication of the above-referenced opinions, we may face regulatory actions or other sanctions from the CSRC, CAC or other PRC regulatory agencies. These regulatory agencies may impose fines and penalties on our operations in China, limit our ability to pay dividends outside of China, limit our operating privileges in China, delay or restrict the repatriation of the proceeds from offering of securities overseas into China or take other actions that could have a material adverse effect on our business, financial condition, results of operations and prospects, as well as the trading price of the listed securities.

Furthermore, if there are any other approvals, filings and/or other administration procedures to be obtained from or completed with the CSRC, CAC or other PRC regulatory agencies as required by any new laws and regulations for any of our future proposed offering of securities overseas or the listing of the listed securities, we cannot assure you that we can obtain the required approval or complete the required filings or other regulatory procedures in a timely manner, or at all. Any failure to obtain the relevant approvals or complete the filings and other relevant regulatory procedures may subject us to regulatory actions or other sanctions from the CSRC or other PRC regulatory agencies, which may have a material adverse effect on our business, financial condition or results of operations. Uncertainties and/or negative publicity regarding these PRC regulations could have a material adverse effect on the trading price of our listed securities.

Failure to make adequate contributions to various government-sponsored employee benefits plans as required by PRC regulations may subject us to penalties.

Companies operating in China are required to participate in various government-sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of employees up to a maximum amount specified by the local government from time to time at locations where our employees are based. The requirements of employee benefit plans have not been implemented consistently by the local governments in China given the different levels of economic development in different locations. We have not made contributions in full to social insurance and housing provident fund for some of our employees based on relevant PRC regulations. If we are determined by local authorities to fail to make adequate contributions to any employee benefits as required by relevant PRC regulations, we may face late fees or fines in relation to the underpaid employee benefits. In addition, our provision for these liabilities may not be adequate, particularly in light of the recent tightening regulations. As a result, our financial condition and results of operations may be materially and adversely affected.

Discontinuation of any of the government subsidies or imposition of any additional taxes and surcharges could adversely affect our financial condition and results of operations.

Our PRC subsidiaries have received financial subsidies from PRC local government authorities. The financial subsidies result from discretionary incentives and policies adopted by PRC local government authorities. Local governments may decide to change or discontinue such financial subsidies at any time. The discontinuation of such financial subsidies or imposition of any additional taxes could adversely affect our financial condition and results of operations.

If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC with a “de facto management body” within the PRC is considered a PRC resident enterprise. The implementation rules define the term “de facto management body” as the body that exercises full and substantial control over and overall management of the business, production, personnel, accounts and properties of an enterprise. In 2009, the State Administration of Taxation, or the SAT issued a circular, known as SAT Circular 82, which provides certain specific criteria for determining whether the “de facto management body” of a PRC-controlled enterprise that is incorporated offshore is located in China. Although SAT Circular 82 only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners like us, the criteria set forth in the circular may reflect the SAT’s general position on how the “de facto management body” test should be applied in determining the tax resident status of all offshore enterprises. According to SAT Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its “de facto management body” in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC; (ii) decisions relating to the enterprise’s financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise’s primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

We believe that none of our entities outside of China is a PRC resident enterprise for PRC tax purposes. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term “de facto management body.” If the PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, we will be subject to the enterprise income tax on our global income at the rate of 25% and we will be required to comply with PRC enterprise income tax reporting obligations. In addition, gains realized on the sale or other disposition of the ADSs or our ordinary shares may be subject to PRC tax, at a rate of 10% in the case of non-PRC enterprises or 20% in the case of non-PRC individuals (in each case, subject to the provisions of any applicable tax treaty), if such gains are deemed to be from PRC sources. It is unclear whether non-PRC shareholders of our company would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. Any such tax may reduce the returns on your investment in our ordinary shares or the ADSs.

We may not be able to obtain certain benefits under relevant tax treaty on dividends paid by our Chinese Mainland subsidiaries to us through our Hong Kong subsidiary.

We are a holding company incorporated under the laws of the Cayman Islands and as such rely on dividends and other distributions on equity from our PRC subsidiaries to satisfy part of our liquidity requirements. Pursuant to the PRC Enterprise Income Tax Law, a withholding tax rate of 10% currently applies to dividends paid by a PRC “resident enterprise” to a foreign enterprise investor, unless any such foreign investor’s jurisdiction of incorporation has a tax treaty with China that provides for preferential tax treatment. Pursuant to the Arrangement between the PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income, such withholding tax rate may be lowered to 5% if a Hong Kong resident enterprise owns no less than 25% of a PRC enterprise. According to the Announcement of the State Administration of Taxation on Issues concerning the “Beneficial Owner” in Tax Treaties, which became effective in April 2018, whether a resident enterprise is a “beneficial owner” that can apply for a low tax rate under tax treaties depends on an overall assessment of several factors, which may bring uncertainties to the applicability of preferential tax treatment under the tax treaties. Furthermore, the Administrative Measures for Non-Resident Enterprises to Enjoy Treatments under Tax Treaties, which became effective in January 2020, requires non-resident enterprises to determine whether they are qualified to enjoy the preferential tax treatment under the tax treaties, file relevant report with the tax authorities and retain the relevant materials for future inspection. There are also other conditions for enjoying the reduced withholding tax rate according to other relevant tax rules and regulations. See “Item 5. Operating and Financial Review and Prospects—A. Operating Results—Taxation.” In the future we intend to re-invest all earnings, if any, generated from our PRC subsidiaries for the operation and expansion of our business in China. Should our tax policy change to allow for offshore distribution of our earnings, we would be subject to a significant withholding tax. We cannot assure you that our determination regarding our qualification to enjoy the preferential tax treatment will not be challenged by the relevant tax authority or we will be able to complete the necessary filings with the relevant tax authority and enjoy the preferential withholding tax rate of 5% under the arrangement with respect to dividends to be paid by our PRC subsidiaries to our Hong Kong subsidiary.

We face uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.

In February 2015, SAT issued the Public Notice Regarding Certain Corporate Income Tax Matters on Indirect Transfer of Properties by Non-Resident Enterprises, or SAT Public Notice 7. SAT Public Notice 7 extends its tax jurisdiction to not only indirect transfers but also transactions involving transfer of other taxable assets, through the offshore transfer of a foreign intermediate holding company. In addition, SAT Public Notice 7 provides certain criteria on how to assess reasonable commercial purposes and has introduced safe harbors for internal group restructurings and the purchase and sale of equity through a public securities market. SAT Public Notice 7 also brings challenges to both the foreign transferor and transferee (or other person who is obligated to pay for the transfer) of the taxable assets. Where a non-resident enterprise conducts an “indirect transfer” by transferring the taxable assets indirectly by disposing of the equity interests of an overseas holding company, the non-resident enterprise being the transferor, or the transferee, or the PRC entity which directly owned the taxable assets may report to the relevant tax authority such indirect transfer. Using a “substance over form” principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, and the transferee or other person who is obligated to pay for the transfer is obligated to withhold the applicable taxes, currently at a rate of 10% for the transfer of equity interests in a PRC resident enterprise. On October 17, 2017, SAT issued the Announcement of the State Administration of Taxation on Issues Concerning the Withholding of Non-resident Enterprise Income Tax at Source, or SAT Bulletin 37, which came into effect on December 1, 2017. The SAT Bulletin 37 further clarifies the practice and procedure of the withholding of non-resident enterprise income tax.

We face uncertainties on the reporting and consequences of future private equity financing transactions, share exchanges or other transactions involving the transfer of shares in our company by investors that are non-PRC resident enterprises. The PRC tax authorities may pursue such non-resident enterprises with respect to a filing or the transferees with respect to withholding obligation, and request our PRC subsidiaries to assist in the filing. As a result, we and non-resident enterprises in such transactions may become at risk of being subject to filing obligations or being taxed under SAT Public Notice 7 and SAT Bulletin 37, and may be required to expend valuable resources to comply with them or to establish that we and our non-resident enterprises should not be taxed under these regulations, which may have a material adverse effect on our financial condition and results of operations.

If the custodians or authorized users of controlling non-tangible assets of our company, including our corporate chops and seals, fail to fulfill their responsibilities, or misappropriate or misuse these assets, our business and operations could be materially and adversely affected.

Under PRC law, legal documents for corporate transactions are executed using the chops or seal of the signing entity or with the signature of a legal representative whose designation is registered and filed with the relevant branch of the State Administration for Market Regulation. Although we usually utilize chops to enter into contracts, the designated legal representatives of each of our PRC subsidiaries have the apparent authority to enter into contracts on behalf of such entities without chops and bind such entities. All designated legal representatives of our PRC subsidiaries are members of our senior management team who have signed employment agreements with us or our PRC subsidiaries under which they agree to abide by various duties they owe to us. In order to maintain the physical security of our chops and chops of our PRC entities, we generally store these items in secured locations accessible only by the authorized personnel in the legal or finance or other functional departments of each of our subsidiaries. Although we monitor such authorized personnel, there is no assurance such procedures will prevent all instances of abuse or negligence. Accordingly, if any of our authorized personnel misuse or misappropriate our corporate chops or seals, we could encounter difficulties in maintaining control over the relevant entities and experience significant disruption to our operations. If a designated legal representative obtains control of the chops in an effort to obtain control over any of our PRC subsidiaries, we or our PRC subsidiaries would need to pass a new shareholder or board resolution to designate a new legal representative and we would need to take legal action to seek the return of the chops, apply for new chops with the relevant authorities, or otherwise seek legal redress for the violation of the representative's fiduciary duties to us, which could involve significant time and resources and divert management attention away from our regular business. In addition, the affected entity may not be able to recover corporate assets that are sold or transferred out of our control in the event of such a misappropriation if a transferee relies on the apparent authority of the representative and acts in good faith.

Risks Related to the ADSs and our Ordinary Shares

The trading price of the ADSs and our ordinary shares has been volatile, which could result in substantial losses to investors.

The trading price of the ADSs and our ordinary shares has been volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, including the performance and fluctuation of the market prices of other companies with business operations located mainly in China that have listed their securities in Hong Kong or the United States. The securities of some of these companies, including internet-based companies, have experienced significant volatility since their initial public offerings, including, in some cases, substantial price declines in their trading prices. The trading performances of other Chinese companies' securities after their offerings may affect the attitudes of investors toward Chinese companies listed in Hong Kong or the United States in general and consequently may impact the trading performance of our ordinary shares or the ADSs, regardless of our actual operating performance.

In addition to market and industry factors, the price and trading volume for our ordinary shares or the ADSs may be highly volatile for factors specific to our own operations, including the following:

- actual or anticipated variations in our revenues, earnings and cash flow;
- the financial projections we may provide to the public, any changes in these projections or our failure to meet these projections;
- announcements of new investments, acquisitions, strategic partnerships or joint ventures by us or our competitors;
- announcements of new offerings, solutions and expansions by us or our competitors;
- failure of securities analysts to initiate or maintain coverage of our company, changes in financial estimates by securities analysts who follow our company or our failure to meet these estimates or the expectations of investors;

- detrimental adverse publicity about us, our services or our industry;
- announcements of new regulations, rules or policies relevant to our business;
- additions or departures of key personnel;
- release of lockup or other transfer restrictions on our outstanding equity securities or sales of additional equity securities;
- potential litigation or regulatory investigations; and
- other events or factors, including those resulting from war, epidemics, incidents of terrorism or responses to these events.

Any of these factors may result in large and sudden changes in the volume and price at which our ordinary shares or the ADSs will trade.

In the past, shareholders of public companies have often brought securities class action suits against those companies following periods of instability in the market price of their securities. We are currently also involved in securities class actions in the United States. See “— Risks Related to Our Business and Industry — Our company and certain of our officers and directors have been named as defendants in a shareholder class action lawsuit.” These securities class actions could divert a significant amount of our management’s attention and other resources from our business and operations and require us to incur significant expenses to defend the suit, which could harm our results of operations. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

The concentration of our share ownership among executive officers, directors, and principal shareholders and their affiliated entities will likely limit your ability to influence corporate matters and could discourage others from pursuing any change of control transaction that holders of our ordinary shares and the ADSs may view as beneficial.

As of March 31, 2026, our executive officers, directors, and their affiliated entities together held approximately 63.8% of our total voting power. As a result of the concentration of ownership, these shareholders will have considerable influence over matters such as decisions regarding mergers and consolidations, amendments to our constitutional documents, election of directors and other significant corporate actions. Such shareholders may take actions that are not in the best interest of us or our other shareholders. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could have the effect of depriving our other shareholders of the opportunity to receive a premium for their shares as part of a sale of our company and may reduce the price of the ADSs or our ordinary shares. This concentrated control will limit your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that holders of our ordinary shares and the ADSs may view as beneficial.

Techniques employed by short sellers may drive down the market price of our ordinary shares or the ADSs.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed from a third party with the intention of buying identical securities back at a later date to return to the lender. The short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is in the short seller’s interest for the price of the security to decline, many short sellers publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a security short.

Public companies listed in the United States that have substantially all of their operations in China have been the subject of short selling. Much of the scrutiny and negative publicity has centered on allegations of a lack of effective internal control over financial reporting resulting in financial and accounting irregularities and mistakes, inadequate corporate governance policies or a lack of adherence thereto and, in many cases, allegations of fraud. As a result, many of these companies are now conducting internal and external investigations into the allegations and, in the interim, are subject to shareholder lawsuits and/or SEC enforcement actions.

We have been the subject of unfavorable allegations made by short sellers. On July 26, 2022, short seller Blue Orca Capital issued a report and made several allegations against us. We immediately formed an independent committee consisting of independent directors to oversee an independent investigation regarding the allegations made in the report. The independent investigation, overseen by the independent committee and conducted with the assistance of third-party professional advisors including an international law firm and forensic accounting experts from a well-regarded forensic accounting firm that is not our auditor, was substantially completed on September 15, 2022. Based on findings of the independent investigation, which encompassed the allegations in the short seller report regarding our franchise business model and land deals involving our chairman, the independent committee has concluded that key allegations made in the short seller report were not substantiated. We may continue to be the subject of unfavorable allegations made by short sellers in the future. Whether such allegations are proven to be true or untrue, we could have to expend a significant amount of resources to investigate such allegations and/or defend ourselves. While we would strongly defend against any such short seller attacks, we may be constrained in the manner in which we can proceed against the relevant short seller by principles of freedom of speech, applicable state law or issues of commercial confidentiality. Such a situation could be costly and time-consuming, and could distract our management from growing our business. Even if such allegations are ultimately proven to be groundless, allegations against us could severely impact our business operations, and any investment in our ordinary shares or the ADSs could be greatly reduced or even rendered worthless.

If securities or industry analysts do not publish research or publishes inaccurate or unfavorable research about our business, or if they adversely change their recommendations regarding our ordinary shares or the ADSs, the market price for our ordinary shares or the ADSs and trading volume could decline.

The trading market for our ordinary shares or the ADSs will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades our ordinary shares or the ADSs or publishes inaccurate or unfavorable research about our business, the market price for our ordinary shares or the ADSs would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our ordinary shares or the ADSs to decline.

The sale or availability for sale of a substantial amount of our ordinary shares or the ADSs could adversely affect their market price.

Sales of a substantial amount of our ordinary shares or the ADSs in the public market, or the perception that these sales could occur, could adversely affect the market price of our ordinary shares or the ADSs and could materially impair our ability to raise capital through equity offerings in the future. Shares held by existing shareholders may also be sold in the public market in the future subject to volume and other restrictions as applicable under Rules 144 and 701 under the Securities Act. Certain holders of our ordinary shares may cause us to register under the Securities Act the sale of their shares, subject to the applicable lock-up period. Registration of these shares under the Securities Act would result in ADSs representing these shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration. Sales of these registered shares in the form of ADSs in the public market could cause the price of the ADSs to decline. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sale will have on the market price of our ordinary shares or the ADSs.

Because the amount, timing, and whether or not we distribute dividends at all is entirely at the discretion of our board of directors, you must rely on price appreciation of our ordinary shares or the ADSs for return on your investment.

Although we have adopted a dividend policy, the amount, timing, and whether or not we actually distribute dividends at all is entirely at the discretion of our board of directors. Our board of directors has discretion as to whether to distribute dividends, subject to certain requirements of Cayman Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, a Cayman Islands company may pay a dividend out of either profit or share premium account provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our ordinary shares or the ADSs will likely depend entirely upon any future price appreciation of our ordinary shares or the ADSs. There is no guarantee that our ordinary shares or the ADSs will appreciate in value after our initial public offering or even maintain the price at which you purchased our ordinary shares or the ADSs. You may not realize a return on your investment in our ordinary shares or the ADSs, and you may even lose your entire investment in our ordinary shares or the ADSs.

We are a “controlled company” within the meaning of the NYSE Listed Company Manual and, as a result, may rely on exemptions from certain corporate governance requirements that provide protection to shareholders of other companies.

We are a “controlled company” as defined under the NYSE Listed Company Manual because Mr. Guofu Ye, our chairman of the board of directors and our chief executive officer, and Ms. Yunyun Yang, our vice president, own more than 50% of our total voting power through their holding entities. For so long as we remain a controlled company under that definition, we are permitted to elect to rely, and may rely, on certain exemptions from corporate governance rules, including an exemption from the rule that a majority of our board of directors must be independent directors or that we have to establish a nominating committee and a compensation committee composed entirely of independent directors. Currently, we rely on the exemption with respect to the requirement that a majority of the board of directors consist of independent directors. If we rely on additional exemptions in the future, you will not have the same protection afforded to shareholders of companies that are subject to these corporate governance requirements.

There can be no assurance that we will not be a passive foreign investment company, or PFIC, for United States federal income tax purposes for our taxable year ended December 31, 2025, which could subject United States investors in the ADSs or ordinary shares to significant adverse United States income tax consequences.

We will be classified as a passive foreign investment company, or PFIC, for United States federal income tax purposes for any taxable year if either (a) 75% or more of our gross income for such year consists of certain types of “passive” income or (b) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year produce or are held for the production of passive income (the “asset test”).

Based on the current and anticipated value of our assets and the composition of our income and assets, including goodwill and other unbooked intangibles, we do not believe we were a PFIC for our taxable year ended December 31, 2025 and we do not presently expect to be a PFIC for the current taxable year. However, there can be no assurance in this regard because our PFIC status is a factual determination made annually that will depend, in part, upon the value of our assets and the composition of our income and assets. Fluctuations in the market price of the ADSs or our ordinary shares may cause us to become a PFIC for the current or subsequent taxable years because the value of our assets for purposes of the asset test, including the value of our goodwill and unbooked intangibles, may be determined by reference to the market price of the ADSs or our ordinary shares from time to time (which may be volatile). Recent declines in the market price of our ADSs increased our risk of being or becoming a PFIC. The market price of our ADSs may continue to fluctuate considerably and, consequently, we cannot assure you of our PFIC status for any taxable year. In addition, the composition of our income and our assets will be affected by how, and how quickly, we spend our liquid assets. Under circumstances where our revenue from activities that produce passive income significantly increases relative to our revenue from activities that produce non-passive income, or where we determine not to deploy significant amounts of cash for active purposes, our risk of becoming classified as a PFIC may substantially increase.

If we are a PFIC in any taxable year, a U.S. Holder (as defined in “Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations”) may incur significantly increased U.S. income tax on gain recognized on the sale or other disposition of the ADSs or our ordinary shares and on the receipt of distributions on the ADSs or our ordinary shares to the extent such distribution is treated as an “excess distribution” under the U.S. federal income tax rules, and such U.S. Holder may be subject to burdensome reporting requirements. Further, if we are a PFIC for any year during which a U.S. Holder holds the ADSs or our ordinary shares, we generally will continue to be treated as a PFIC for all succeeding years during which such U.S. Holder holds the ADSs or our ordinary shares, unless we were to cease to be a PFIC and the U.S. Holder were to make a “deemed sale” election with respect to the ADSs or our ordinary shares. For more information see “Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations—Passive Foreign Investment Company Considerations” and “Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations—Passive Foreign Investment Company Rules.”

Our third amended and restated memorandum and articles of association give us power to take certain actions that could discourage a third party from acquiring us, which could limit our shareholders’ opportunity to sell their ordinary shares or the ADSs at a premium.

Our third amended and restated memorandum and articles of association give us power to take certain actions that could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. Our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our ordinary shares, in the form of ADSs or otherwise. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of our ordinary shares or the ADSs may fall and the voting and other rights of the holders of our ordinary shares or the ADSs may be materially and adversely affected. However, our exercise of any such power that may limit the ability of others to acquire control of our company or cause us to engage in change-of-control transactions under the memorandum and articles after our listing on the Hong Kong Stock Exchange is subject to our overriding obligations to comply with all applicable Hong Kong laws and regulations, the HKEx Listing Rules, and the Codes on Takeovers and Mergers and Share Buy-backs. We have adopted our third amended and restated memorandum and articles of association in a general meeting of our shareholders held on July 11, 2022, which became effective on July 13, 2022, to comply with such obligations.

You may face difficulties in protecting your interests, and your ability to protect your rights through Hong Kong or U.S. courts may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our third amended and restated memorandum and articles of association, the Companies Act, and the common law of the Cayman Islands. The rights of shareholders to take action against our directors, actions by our minority shareholders and the fiduciary duties of our directors owed to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors owed to us under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in Hong Kong or some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than Hong Kong or the United States. Some U.S. states, such as Delaware, have more fully developed, clearly pronounced and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies may not have the standing to initiate a shareholder derivative action in a Hong Kong court or a federal court of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies (other than the memorandum and articles of association, the register of mortgages and charges, special resolutions passed by the company's shareholders, and a list of the names of the current director of the company upon payment of a fee to the Cayman Registrar). Our directors have discretion under our third amended and restated memorandum and articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders, except as conferred by law or authorized by our directors or by an ordinary resolution of our shareholders and save that any register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as our board of directors may impose) be open to inspection by our shareholder without charge and any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the HKEx Listing Rules as our board of directors may determine for each inspection, provided that we may be permitted to close the register in terms equivalent to section 632 of the Companies Ordinance. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of our board of directors or controlling shareholders than they would as public shareholders of a company incorporated in Hong Kong or the United States. For a discussion of significant differences between the provisions of the Companies Act of the Cayman Islands and the laws applicable to companies incorporated in the United States and their shareholders, see "Item 10. Additional Information—B. Memorandum and Articles of Association—Differences in Corporate Law."

You may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing actions in Chinese Mainland against us or our management named in this annual report based on foreign laws.

We are an exempted company incorporated under the laws of the Cayman Islands, however, we conduct substantially all of our operations outside of the United States and a majority of our assets are located in China. In addition, all our directors and officers reside within Chinese Mainland for a significant portion of the time and all of them are PRC nationals. As a result, it may be difficult for you to bring an action against us or against these individuals in the United States and effect service of process upon us or our directors and officers residing in Chinese Mainland, in the event that you believe that your rights have been infringed under the U.S. federal securities laws or otherwise. The recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. Courts in Chinese Mainland may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between Chinese Mainland and the country where the judgment is made or on principles of reciprocity between jurisdictions. Chinese Mainland does not have any treaties or other forms of reciprocity with the United States that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the PRC Civil Procedures Law, the courts in Chinese Mainland will not enforce a foreign judgment against us or our director and officers if they decide that the judgment violates the basic principles of PRC laws or national sovereignty, security or public interest. As a result, it is uncertain whether and on what basis a Chinese Mainland court would enforce a judgment rendered by a court in the United States. Hence, our public shareholders may have more difficulty in protecting their interests through actions against us, our directors or officers than would shareholders of a corporation incorporated in a jurisdiction in the United States.

It may be difficult for overseas regulators to conduct investigation or collect evidence within China.

Shareholder claims or regulatory investigation that are common in the United States generally are difficult to pursue as a matter of law or practicality in China. For example, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigation initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in the United States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the PRC Securities Law, or Article 177, which became effective in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the territory of the PRC. While detailed interpretation of or implementation rules under Article 177 have yet to be promulgated, the inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within China may further increase difficulties faced by you in protecting your interests. See also “—The ADSs may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in China. The delisting of the ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment” for risks associated with the PCAOB’s inability to inspect or fully investigate auditors located in China, and “—You may face difficulties in protecting your interests, and your ability to protect your rights through Hong Kong or U.S. courts may be limited, because we are incorporated under Cayman Islands law” for risks associated with investing in us as a Cayman Islands company.

You may experience dilution of your holdings due to inability to participate in rights offerings.

We may, from time to time, distribute rights to our shareholders, including rights to acquire securities. However, we cannot make such rights available to you in the United States unless we register both the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Under the deposit agreement, the depositary will not distribute rights to holders of ADSs unless the distribution and sale of rights and the securities to which these rights relate are either exempt from registration under the Securities Act with respect to all holders of ADSs, or are registered under the provisions of the Securities Act. The depositary may, but is not required to, attempt to sell these undistributed rights to third parties, and may allow the rights to lapse. We may be unable to establish an exemption from registration under the Securities Act, and we are under no obligation to file a registration statement with respect to these rights or underlying securities or to endeavor to have a registration statement declared effective. Accordingly, holders of ADSs may be unable to participate in our rights offerings and may experience dilution of their holdings as a result.

You may not receive cash dividends if the depositary decides it is impractical to make them available to you.

The depositary will pay cash dividends on the ADSs only to the extent that we decide to distribute dividends on our ordinary shares or other deposited securities. To the extent that there is a distribution, the depositary of the ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities after deducting its fees and expenses. You will receive these distributions in proportion to the number of ordinary shares your ADSs represent. However, the depositary may, at its discretion, decide that it is inequitable or impractical to make a distribution available to any holders of ADSs. For example, the depositary may determine that it is not practicable to distribute certain property through the mail, or that the value of certain distributions may be less than the cost of mailing them. In these cases, the depositary may decide not to distribute such property to you.

Holders of the ADSs may be subject to limitations on transfer of ADSs.

ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. The depositary may refuse to deliver, transfer or register transfers of the ADSs generally when our share register or the books of the depositary are closed, or at any time if we or the depositary thinks it is advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

We incur increased costs as a result of being a public company.

We are a public company and expect to incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the Securities and Exchange Commission, or the SEC, the NYSE, impose various requirements on the corporate governance practices of public companies. We expect these rules and regulations to increase our legal and financial compliance costs and to make some corporate activities more time-consuming and costly.

As a result of being a public company, we need to adopt policies regarding internal controls and disclosure controls and procedures. Operating as a public company also makes it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers. In addition, we incur expenses in relation to management assessment according to requirements of Section 404(a) of the Sarbanes-Oxley Act of 2002. We also incur additional significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002 and the other rules and regulations of the SEC. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the number of additional costs we may incur or the timing of such costs.

As a public company listed on the Hong Kong Stock Exchange, we are subject to laws, rules and regulations in Hong Kong that are applicable to us. As a dual-listed company in Hong Kong and the United States, we have to comply with laws and regulations on both markets. However, Hong Kong and the United States have different regulatory regime governing matters related to listed companies and in certain cases have fairly different requirements on certain matters. We have been and will continue to incur additional costs and expenses in complying with the complex regulatory systems on both markets. Failure to comply with any regulatory requirements could result in material adverse impact on the trading of our ordinary share or the ADSs and reputation and subject us to administrative penalties.

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to United States domestic public companies.

Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including:

- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q or current reports on Form 8-K;
- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and
- the selective disclosure rules by issuers of material non-public information under Regulation FD.

We are required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis as press releases, distributed pursuant to the rules and regulations of the NYSE. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, you may not be afforded the same protections or information that would be made available to you were you investing in a U.S. domestic issuer.

As an exempted company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the NYSE listing standards; these practices may afford less protection to shareholders than they would enjoy if we complied fully with such corporate governance listing standards.

We are subject to the NYSE's corporate governance listing standards. However, the NYSE's rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. We have chosen to follow corporate governance practices in the Cayman Islands, which is our home country, in terms of making amendment to our share incentive plan. See "Item 16G. Corporate Governance" for further details. If we choose to follow other home country practices in the future, our shareholders may be afforded less protection than they would otherwise enjoy under the NYSE corporate governance listing standards applicable to U.S. domestic issuers.

The voting rights of holders of ADSs are limited by the terms of the deposit agreement, and holders of ADSs may not be able to exercise the right to direct how the ordinary shares, which are represented by the ADSs, are voted.

Holders of the ADSs do not have the same rights as our shareholders. Holders of the ADSs will not have any direct right to attend general meetings of our shareholders or to cast any votes at such meetings. Holders of the ADSs will only be able to exercise the voting rights carried by the underlying ordinary shares, which are represented by the ADSs, indirectly by giving voting instructions to the depositary in accordance with the provisions of the deposit agreement. Under the deposit agreement, holders of the ADSs may vote only by giving voting instructions to the depositary. Upon receipt of the voting instructions, the depositary will try, as far as is practicable, to vote the ordinary shares underlying the ADSs in accordance with the instructions. If we ask for instructions from holders of the ADSs, then upon receipt of the voting instructions, the depositary will try to vote the underlying ordinary shares in accordance with these instructions. If we do not instruct the depositary to ask for instructions from holders of the ADSs, the depositary may still vote in accordance with instructions given by holders of the ADSs, but it is not required to do so. Holders of the ADSs will not be able to directly exercise the right to vote with respect to the underlying ordinary shares unless holders of the ADSs withdraw the shares, and become the registered holder of such shares prior to the record date for the general meeting. Under our third amended and restated memorandum and articles of association, the minimum notice period required to be given by our company to our registered shareholders to convene a general meeting will not be less than 21 days for an annual general meeting and not less than 14 days for any other general meetings (including an extraordinary general meeting). When a general meeting is convened, holders of the ADSs may not receive sufficient advance notice of the meeting to withdraw the underlying ordinary shares represented by the ADSs and become the registered holder of such ordinary shares to allow holders of the ADSs to attend the general meeting and to vote directly with respect to any specific matter or resolution to be considered and voted upon at the general meeting. In addition, under our currently effective memorandum and articles of association, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, our directors may close our register of members and/or fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent holders of the ADSs from withdrawing the ordinary shares underlying the ADSs and becoming the registered holder of such shares prior to the record date, so that holders of the ADSs would not be able to attend the general meeting or to vote directly. If we ask for instructions from holders of the ADSs, the depositary will notify holders of the ADSs of the upcoming vote and will arrange to deliver our voting materials to holders of the ADSs. We have agreed to give the depositary notice of shareholder meetings at least 40 days in advance of such meetings. Nevertheless, we cannot ensure that holders of the ADSs will receive the voting materials in time to ensure that holders of the ADSs can instruct the depositary to vote the underlying ordinary shares represented by the ADSs. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for their manner of carrying out voting instructions. This means that holders of the ADSs may not be able to exercise the right to direct how the underlying ordinary shares represented by the ADSs are voted and holders of the ADSs may have no legal remedy if the underlying ordinary shares represented by the ADSs are not voted as requested by holders of the ADSs. In addition, an ADS holder will not be able to call a shareholders' meeting. Except in limited circumstances, the depositary for the ADSs will give us a discretionary proxy to vote the underlying ordinary shares represented by the ADSs if holders of the ADSs do not vote at shareholders' meetings, which could adversely affect interests of holders of the ADSs.

Forum selection provisions in our third amended and restated memorandum and articles of association and our deposit agreement with the depositary bank could limit the ability of holders of our ordinary shares, the ADSs or other securities to obtain a favorable judicial forum for disputes with us, our directors and officers, the depositary bank, and potentially others.

Our third amended and restated memorandum and articles of association provide that the United States District Court for the Southern District of New York (or, if the United States District Court for the Southern District of New York lacks subject matter jurisdiction over a particular dispute, the state courts in New York County, New York) shall be the exclusive forum within the United States for the resolution of any complaint asserting a cause of action arising out of or relating in any way to the federal securities laws of the United States. Our agreement with the depositary bank also provides that the United States District Court for the Southern District of New York (or, if the United States District Court for the Southern District of New York lacks subject matter jurisdiction over a particular dispute, the state courts in New York County, New York) is the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act or the Exchange Act, regardless of whether such a cause of action under the Securities Act or the Exchange Act is alleged to be direct or derivative in nature. However, the enforceability of similar federal court choice of forum provisions has been challenged in legal proceedings in the United States, and it is possible that a court could find this type of provision to be inapplicable, unenforceable, or inconsistent with other documents that are relevant to the filing of such lawsuits. If a court were to find the federal choice of forum provision contained in our third amended and restated memorandum and articles of association or our deposit agreement with the depositary bank to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions. If upheld, the forum selection clause in our third amended and restated memorandum and articles of association, as well as the forum selection provisions in the deposit agreement, may limit a security-holder's ability to bring a claim against us, our directors and officers, the depositary bank, and potentially others in his or her preferred judicial forum, and this limitation may discourage such lawsuits. In addition, the Securities Act provides that both federal and state courts have jurisdiction over suits brought to enforce any duty or liability under the Securities Act or the rules and regulations thereunder. Accepting or consent to this forum selection provision does not constitute a waiver by you of compliance with federal securities laws and the rules and regulations thereunder. You may not waive compliance with federal securities laws and the rules and regulations thereunder. The exclusive forum provision in our third amended and restated memorandum and articles of association will not operate so as to deprive the courts of the Cayman Islands from having jurisdiction over matters relating to our internal affairs.

We are entitled to amend the deposit agreement and to change the rights of ADS holders under the terms of such agreement, or to terminate the deposit agreement, without the prior consent of the ADS holders.

We are entitled to amend the deposit agreement and to change the rights of the ADS holders under the terms of such agreement, without the prior consent of the ADS holders. We and the depositary may agree to amend the deposit agreement in any way we decide is necessary or advantageous to us. Amendments may reflect, among other things, operational changes in the ADS program, legal developments affecting ADSs or changes in the terms of our business relationship with the depositary. In the event that the terms of an amendment impose or increase fees or charges (other than taxes and other governmental charges, registration fees, cable (including SWIFT) or facsimile transmission costs, delivery costs or other such expenses) or that would otherwise prejudice any substantial existing right of the ADS holders, such amendment will not become effective as to outstanding ADSs until the expiration of 30 days after notice of that amendment has been disseminated to the ADS holders, but no prior consent of the ADS holders is required under the deposit agreement. Furthermore, we may decide to terminate the ADS facility at any time for any reason. For example, terminations may occur when the ADSs are delisted from the stock exchange in the United States on which the ADSs are listed and we do not list the ADSs on another stock exchange in the United States, nor is there a symbol available for over-the-counter trading of the ADSs in the United States. If the ADS facility will terminate, ADS holders will receive at least 90 days' prior notice, but no prior consent is required from them. Under the circumstances that we decide to make an amendment to the deposit agreement that is disadvantageous to ADS holders or terminate the deposit agreement, the ADS holders may choose to sell their ADSs or surrender their ADSs and become direct holders of the underlying ordinary shares, but will have no right to any compensation whatsoever.

Your rights to pursue claims against the depositary as a holder of ADSs are limited by the terms of the deposit agreement.

Under the deposit agreement, any legal suit, action or proceeding against or involving us or the depositary, arising out of or relating in any way to the deposit agreement or the transactions contemplated thereby or by virtue of owning the ADSs may only be instituted in the United States District Court for the Southern District of New York (or, if the United States District Court for the Southern District of New York lacks subject matter jurisdiction over a particular dispute, in the state courts in New York County, New York), and you, as a holder of the ADSs, will have irrevocably waived any objection which you may have to the laying of venue of any such proceeding, and irrevocably submitted to the exclusive jurisdiction of such courts in any such action or proceeding. It is possible that a court could find this type of forum selection provision to be inapplicable, unenforceable, or inconsistent with other documents that are relevant to the filing of such lawsuits. For risks related to the enforceability of such exclusive forum selection provision, please see “—Forum selection provisions in our third amended and restated memorandum and articles of association and our deposit agreement with the depositary bank could limit the ability of holders of our ordinary shares, the ADSs or other securities to obtain a favorable judicial forum for disputes with us, our directors and officers, the depositary bank, and potentially others.” Accepting or consent to this forum selection provision does not constitute a waiver by you of compliance with federal securities laws and the rules and regulations thereunder. You may not waive compliance with federal securities laws and the rules and regulations thereunder.

The deposit agreement provides that the depositary or an ADS holder may require any claim asserted by it against us arising out of or relating to our ordinary shares, the ADSs or the deposit agreement be referred to and finally settled by an arbitration conducted under the terms described in the deposit agreement, although the arbitration provisions do not preclude you from pursuing any claim, including claims under the Securities Act or the Exchange Act in the United States District Court for the Southern District of New York (or such state courts if the United States District Court for the Southern District of New York lacks subject matter jurisdiction). The exclusive forum selection provisions in the deposit agreement also do not affect the right of any party to the deposit agreement to elect to submit a claim against us to arbitration, or our duty to submit that claim to arbitration, as provided in the deposit agreement, or the right of any party to an arbitration under the deposit agreement, to commence an action to compel that arbitration, or to enter judgment upon or to enforce an award by the arbitrators, in any court having jurisdiction over an action of that kind.

ADS holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable outcomes to the plaintiff(s) in any such action.

The deposit agreement governing the ADSs representing our ordinary shares provides that the United States District Court for the Southern District of New York (or, if the United States District Court for the Southern District of New York lacks subject matter jurisdiction over a particular dispute, in the state courts in New York County, New York) have exclusive jurisdiction to hear and determine claims arising under the deposit agreement (including claims arising under the Exchange Act or the Securities Act) and in that regard, to the fullest extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our ordinary shares, the ADSs or the deposit agreement, including any claim under the U.S. federal securities laws.

If we or the depositary opposed a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable based on the facts and circumstances of that case in accordance with the applicable state and federal law. To our knowledge, the enforceability of a contractual pre-dispute jury trial waiver in connection with claims arising under the federal securities laws has not been finally adjudicated by the United States Supreme Court. However, we believe that a contractual pre-dispute jury trial waiver provision is generally enforceable, including under the laws of the State of New York, which govern the deposit agreement. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the deposit agreement and the ADSs. It is advisable that you consult legal counsel regarding the jury waiver provision before investing in the ADSs.

If you or any other holders or beneficial owners of ADSs bring a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and / or the depositary. If a lawsuit is brought against us and/or the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action.

Nevertheless, if this jury trial waiver provision is not enforced, to the extent a court action proceeds, it would proceed under the terms of the deposit agreement with a jury trial. No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any substantive provision of the U.S. federal securities laws and the rules and regulations promulgated thereunder.

The depositary for the ADSs will give us a discretionary proxy to vote our ordinary shares underlying your ADSs if you do not vote at shareholders' meetings, except in limited circumstances, which could adversely affect your interests.

Under the deposit agreement for the ADSs, if you do not vote, the depositary will give us a discretionary proxy to vote our ordinary shares underlying your ADSs at shareholders' meetings if:

- we have instructed the depositary that we wish a discretionary proxy to be given;
- we reasonably do not know of any substantial opposition to the matter to be voted on at the meeting; or
- the matter to be voted on at the meeting is not materially adverse to the interests of shareholders.

The effect of this discretionary proxy is that if you do not vote at shareholders' meetings, you cannot prevent our ordinary shares underlying your ADSs from being voted, except under the circumstances described above. This may make it more difficult for shareholders to influence the management of our company. Holders of our ordinary shares are not subject to this discretionary proxy.

The different characteristics of the capital markets in Hong Kong and the U.S. may negatively affect the trading prices of our ordinary shares and/or the ADSs.

We are subject to Hong Kong and the United States listing and regulatory requirements concurrently. The Hong Kong Stock Exchange and the NYSE have different trading hours, trading characteristics (including trading volume and liquidity), trading and listing rules, and investor bases (including different levels of retail and institutional participation). As a result of these differences, the trading prices of our ordinary shares and the ADSs may not be the same, even allowing for currency differences. Fluctuations in the price of the ADSs due to circumstances peculiar to the U.S. capital markets could materially and adversely affect the price of our ordinary shares, or vice versa. Certain events having significant negative impact specifically on the U.S. capital markets may result in a decline in the trading price of our ordinary shares notwithstanding that such event may not impact the trading prices of securities listed in Hong Kong generally or to the same extent, or vice versa. Because of the different characteristics of the U.S. and Hong Kong capital markets, the historical market prices of the ADSs may not be indicative of the trading performance of our ordinary shares and/or the ADSs.

Exchange between our ordinary shares and the ADSs may adversely affect the liquidity and/or trading price of each other.

Subject to compliance with U.S. securities laws and the terms of the deposit agreement, holders of our ordinary shares may deposit ordinary shares with the depositary in exchange for the issuance of the ADSs. Any holder of ADSs may also surrender ADSs and withdraw the underlying ordinary shares represented by the ADSs pursuant to the terms of the deposit agreement for trading on the Hong Kong Stock Exchange. In the event that a substantial number of ordinary shares are deposited with the depositary in exchange for ADSs or vice versa, the liquidity and trading price of our ordinary shares on the Hong Kong Stock Exchange and the ADSs on the NYSE may be adversely affected.

The time required for the exchange between our ordinary shares and the ADSs might be longer than expected and investors might not be able to settle or effect any sale of their securities during this period, and the exchange of ordinary shares into ADSs involves costs.

There is no direct trading or settlement between the NYSE and the Hong Kong Stock Exchange on which the ADSs and our ordinary shares are respectively traded. In addition, the time differences between Hong Kong and New York and unforeseen market circumstances or other factors may delay the deposit of ordinary shares in exchange of ADSs or the withdrawal of ordinary shares represented by the ADSs. Investors will be prevented from settling or effecting the sale of their securities during such periods of delay. In addition, there is no assurance that any exchange of ordinary shares into ADSs (and vice versa) will be completed in accordance with the timelines investors may anticipate.

Furthermore, the depositary for the ADSs is entitled to charge holders fees for various services including for the issuance of ADSs upon deposit of ordinary shares, cancellation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs and annual service fees. As a result, shareholders who exchange ordinary shares into ADSs, and vice versa, may not achieve the level of economic return the shareholders may anticipate.

We are exposed to risks associated with the potential spin-off of TOP TOY.

We are exposed to risks associated with the potential spin-off of TOP TOY. TOP TOY has submitted a listing application form (Form A1) to the Hong Kong Stock Exchange to apply for the listing of, and permission to deal in, its shares on the Main Board of the Hong Kong Stock Exchange. There is no assurance as to whether or when any of the proposed listing may take place. We cannot assure you that the spin-off will ultimately be consummated, which will be subject to market conditions at the time and approval by the listing committee of the Hong Kong Stock Exchange. In the event that the spin-off is ultimately consummated, our interests in TOP TOY will be reduced accordingly. In connection with the spin-off and pursuant to the HKEx Listing Rules, we currently intend to declare, in due course, a conditional special dividend of a distribution in specie of shares or equivalent cash payment to certain qualifying and non-qualifying shareholders, respectively. The distribution, if effected, will further reduce our shareholding in TOP TOY and may have an impact on our cash resources.

Item 4. Information on the Company

A. History and Development of the Company

We commenced our business operations in 2013 and established Miniso (Guangzhou) Co., Ltd., or Miniso Guangzhou, our current PRC holding company and one of our major operating entities in China, in October 2017. After Miniso Guangzhou was established, businesses that were originally conducted by our predecessor entity in China and related assets and liabilities were transferred to Miniso Guangzhou and its subsidiaries in China during the period from November 2017 to November 2018. Miniso Guangzhou also acquired the equity interests in certain companies that were ultimately controlled by Mr. Guofu Ye.

In December 2017, Miniso Guangzhou established Miniso (Hengqin) Enterprise Management Co., Ltd. in China, which serves as a licensor that licenses other parties the right to use our trademarks in China.

In May 2018, Miniso Guangzhou acquired all equity interest of (i) Miniso International (Guangzhou) Co., Ltd., or Miniso International, which was established in China in May 2017 by our predecessor entity, and (ii) Miniso Youxuan Technology (Guangzhou) Co., Ltd., or Miniso Youxuan, which was established as a wholly-owned subsidiary of Miniso International in China in August 2017. Miniso International primarily engages in international trade businesses. Miniso Youxuan and its subsidiaries are primarily responsible for implementing our e-commerce initiative.

During the period from September 2018 to September 2019, we (i) acquired 67% of the equity securities of PT. Miniso Lifestyle Trading Indonesia, which was established in January 2017 in Indonesia by a company controlled by Mr. Guofu Ye, (ii) established MIHK Management Inc. as the holding company of our business operations in Canada, (iii) acquired 100% of the equity securities of USA Miniso Depot Inc., which was established by an individual on behalf of Mr. Guofu Ye in the United States, (iv) acquired 100% of the equity securities of Miniso Life Style Private Limited, which was established in June 2017 in India by a company controlled by Mr. Guofu Ye, and (v) established Miniso Lifestyle Singapore Private Limited in Singapore in September 2019 as a wholly-owned subsidiary of Miniso Hong Kong Limited, which transferred all equity interests of Miniso Lifestyle Singapore Private Limited to Miniso Global Holding Limited in May 2020 during a reorganization discussed below. The main businesses operated by these subsidiaries are as follows:

- PT. Miniso Lifestyle Trading Indonesia primarily engages in selling our products to local distributors, which in turn sell our products to local consumers.
- MIHK Management Inc. conducts business operations in Canada through its subsidiaries. Prior to the establishment of Miniso Canada, our local distributors operated MINISO stores in Canada.
- USA Miniso Depot Inc. serves as the holding company of our business operations in the United States and operates our business in the United States through its subsidiaries.
- Miniso Life Style Private Limited primarily engages in import and export business, local distributions, and franchising activities.
- Miniso Lifestyle Singapore Private Limited primarily engages in international trade businesses in Singapore.

In addition to the above overseas operations, we also conduct business operations through subsidiaries in overseas markets such as Hong Kong, Italy, Germany, and Vietnam. Besides, our products are sold in a number of other overseas markets such as Mexico, Philippines, and Saudi Arabia, through MINISO stores operated by our Retail Partners and/or local distributors.

During a reorganization in 2020, we established our current offshore holding structure. Specifically, we established MINISO Group Holding Limited in Cayman Islands in January 2020 as our offshore holding company. In the same month, MINISO Group Holding Limited further established in British Virgin Islands (i) Miniso Universal Holding Limited, or Miniso Universal, as our offshore holding company of our operations in China, and (ii) Miniso Global Holding Limited, or Miniso Global, as our offshore holding company of our overseas operations. In February 2020, Miniso Universal further established Miniso Development Hong Kong Limited, or Miniso Development HK, in Hong Kong to (a) hold Miniso Guangzhou, our PRC holding company, and (b) engage in overseas operations through entering into master license agreements and product sales agreements with overseas Retail Partners and local distributors.

After the completion of the reorganization in 2020, Miniso Global became the offshore holding company of our overseas operations and hold our overseas subsidiaries directly or indirectly through Miniso Investment Hong Kong Limited, or Miniso Investment HK, a subsidiary we established in Hong Kong in November 2017. Miniso Hong Kong Limited, or Miniso HK, which we established in Hong Kong in January 2018, currently serves as a licensor that licenses the right to use our trademarks to overseas parties. Miniso HK also enters into intellectual property related agreements for our overseas operations.

In September 2020, Miniso Guangzhou established TOP TOY (Guangdong) Technology Co., Ltd. (later renamed as TOP TOY (Guangdong) Cultural Creativity Co., Ltd.) in China, which primarily engages in our art toys business.

On October 15, 2020, we completed our initial public offering and listed our ADSs on the New York Stock Exchange under the symbol "MNSO." We raised approximately US\$625.3 million in net proceeds from the issuance of new shares from the initial public offering after deducting underwriting commissions and the offering expenses payable by us.

In December 2020, we formed a joint venture, YGF Investment V Limited, or YGF Investment, in the British Virgin Islands with YGF MC Limited, a company jointly controlled by our controlling shareholders, Mr. Guofu Ye and Ms. Yunyun Yang, to acquire land use right of a parcel of land in Guangzhou and to establish a new headquarters building for MINISO through such joint venture's subsidiary in Guangzhou. We hold 20% of the shares of YGF Investment, while YGF MC Limited hold the remaining 80%. The total investment for the headquarters building project was estimated to be approximately RMB2,885 million, including approximately RMB1,780 million as consideration for acquisition of land use right and the remaining as building costs. In October 2021, we acquired the remaining 80% equity interest in YGF Investment. The total consideration of this transaction was RMB694.5 million, representing the lower of the actual investment amount by YGF MC Limited as of August 31, 2021 and the appraisal value of the equity interests confirmed by a third-party valuation firm, deducted by the estimated accumulative loss of YGF Investment that YGF MC Limited should bear up to the closing of this transaction. The consideration for the acquisition was determined based on arm's length negotiation among the parties and has been fully settled in cash on October 29, 2021. After the acquisition, YGF Investment became our wholly-owned subsidiary and we have also consolidated the financial results of YGF Investment into our financial statements since the completion of this acquisition.

On July 13, 2022, we completed a global offering of our ordinary shares and listed our ordinary shares on the Main Board of the Hong Kong Stock Exchange for trading under the stock code "9896." We raised net proceeds of approximately HK\$482.1 million from the global offering after deducting underwriting commissions and other offering related costs and expenses payable by us, including the net proceeds we received from the partial exercise of the over-allotment option by the international underwriters. Upon the listing of our ordinary shares on the Hong Kong Stock Exchange, we unwound our dual-class shareholding structure and all the issued shares of our Company (including the Class B ordinary shares with super-voting rights) were converted and redesignated into ordinary shares which entitle holders to one vote for each share.

In November 2022, Miniso Investment HK acquired 90% of the total outstanding shares of Miniso Vietnam Limited Liability Company from a shareholder of such company. Miniso Vietnam Limited Liability Company was originally established by an individual distributor in Vietnam in August 2017. The remaining 10% of the total outstanding shares of Miniso Vietnam Limited Liability Company is currently held by this individual distributor. Miniso Vietnam Limited Liability Company primarily engaged in retailing and wholesales business.

On March 13, 2023, ordinary shares of our company were included in the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect programs. Effective from March 13, 2023, our company was also selected and included as a constituent stock of the following indexes by Hang Seng Indexes Company Limited: (i) Hang Seng Composite Index; (ii) Hang Seng Composite MidCap Index; (iii) Hang Seng Composite LargeCap & MidCap Index; (iv) Hang Seng Composite MidCap & SmallCap Index; (v) Hang Seng Composite Industry Index – Consumer Discretionary; and (vi) Hang Seng Stock Connect Greater Bay Area Composite Index.

In September 2024, we entered into share purchase agreements with certain shareholders of Yonghui Superstores Co., Ltd., or Yonghui, to acquire an aggregate of 29.4% of the issued and outstanding shares of Yonghui Superstores Co., Ltd. for a total cash consideration of approximately RMB6.3 billion, or the Acquisition. The Acquisition was approved by our shareholders in an extraordinary general meeting held on January 17, 2025 and was completed in February 2025.

Our subsidiary TOP TOY commenced its pop toy businesses in 2020. In April 2025, TOP TOY International Group Limited was incorporated in the Cayman Islands, and after a series of reorganizations, became the holding company of the current pop toy businesses of TOP TOY. In July 2025, TOP TOY completed its Series A financing with investments from external investors. TOP TOY has submitted an application for listing its shares on the Main Board of the Hong Kong Stock Exchange in March 2026.

Our principal executive offices are located at 8F, M Plaza, No. 109, Pazhou Avenue, Haizhu District, Guangzhou 510000, Guangdong province, the People's Republic of China. Our telephone number at this address is +86 20 3622 8788. Our registered office in the Cayman Islands is located at PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands. Our agent for service of process in the United States is Puglisi & Associates, located at 850 Library Avenue, Suite 204, Newark, Delaware 19711.

Our corporate website is <https://ir.miniso.com>. The information contained on our website is not a part of this annual report.

B. Business Overview

We are a global high-growth value retailer offering a variety of trendy lifestyle products featuring distinctive IP designs. We have successfully incubated two brands, MINISO and TOP TOY, since we opened our first store in China in 2013. In 2025, we generated revenue of RMB19.5 billion (US\$2.8 billion) from MINISO brand and the aggregate GMV of MINISO brand reached approximately RMB34.5 billion (US\$4.9 billion). TOP TOY, is China's leading pop toy collection brand, achieved a revenue of RMB1.9 billion (US\$0.3 billion) and a GMV of RMB2.6 billion (US\$0.4 billion) in the same year.

We have built our flagship brand "MINISO" as a globally recognized retail brand and established a store network worldwide. As of December 31, 2025, we had in our extensive global store network approximately 8,151 MINISO stores in over 90 countries and regions throughout the world, including approximately 4,568 MINISO stores in Chinese Mainland and 3,583 MINISO stores overseas. Observing an emerging pop toy culture, we leveraged our extensive retail know-how, supply chain capabilities, and established a platform to launch the "TOP TOY" brand with the strategic goal of entering into the pop toy market and eventually building our platform of pop toys. We believe that our "TOP TOY" brand is positioned in a more specialized and vertical sector compared with our "MINISO" brand, as it mainly focuses on offering pop toys products catering to a broader consumer demographic with a much wider product price range and higher average order value. Our experience as a leading global high-growth value retailer has helped us realize our strategic goal with TOP TOY and make rapid headway in the pop toy market in China and overseas markets. As of December 31, 2025, we had a total of 334 TOP TOY stores, including 30 TOP TOY stores in overseas markets.

To achieve our long-term strategic goal of become a leading global high-growth value retailer, we plan to further advance globalization, strengthen product capabilities and optimize our store network. On one hand, we will optimize regular stores and leverage supply chain advantages to achieve a better cost structure. On the other hand, with a strategic focus on IPs, we will optimize our store channels by developing more store formats such as flagship and themed stores with product structures specifically tailored to each format to create immersive consumer experiences.

- In Chinese Mainland, we will leverage the upward momentum of our brand to create room for channel optimization and store format upgrades. At the same time, by continually enhancing the professional management capabilities of our partner system, we will deepen our penetration in already-covered cities by improving the quality, store channel optimization and operational efficiency of our stores.
- In overseas markets, we will optimize localized operations, customize products and marketing to fit local needs, deepen cooperation with popular IPs, and improve our membership programs to enhance customer loyalty. Leveraging our success in the North America such as the United States, we plan to replicate our direct operation experience in other markets with high potential, cultivating core regions and increasing our global penetration rate.

Design, quality, and affordability are at the core of every MINISO product we deliver, and we continually and frequently roll out MINISO products of these qualities. In 2025, we launched an average of around 1,600 SKUs under the "MINISO" brand per month, and offered consumers a wide selection of SKUs, the vast majority of which are under the "MINISO" brand. The increase in average SKUs per month primarily reflected the deliberate expansion of our product assortment to support the rollout of our big store format and our commitment to delivering a more immersive in-store experience. Our MINISO product are organized across three core pillars: lifestyle, beauty and toys. Under the TOP TOY brand, we offered around 17,000 SKUs as of December 31, 2025 across categories across major pop toy categories such as model figures, 3D building blocks, vinyl plush toys and others.

We believe a quality offline retail experience is essential for our ability to retain and attract consumers and maintain their engagement. We therefore promote a relaxing, treasure-hunting, and engaging shopping experience that appeals to all demographics regardless of their cultural background and the geographical location of the stores. In particular, we organize pop toy workshops and shows in our TOP TOY stores and various other offline events where consumers can simply enjoy and have fun, making the offline retail experience more immersive and engaging for consumers in the process. Our focus on delivering distinct value propositions within a relaxing and engaging shopping environment generates excitement and encourages frequent visits, allowing us to build a large and loyal base of consumers mostly from the younger generations.

We pair value concepts with a touch of appeal, creativity and innovation, focusing on long-term sustainability instead of short-term profits. Our highly effective approach to retail, which mainly encompasses dynamic product development, an efficient supply chain, and deep operation know-how backed by digitalization, is critical to the success and forms the backbone of our business.

- **Dynamic product development.** The collective efforts of product managers, designers and suppliers help us achieve dynamic product development. Our experienced product managers are responsible for identifying trends, co-creating product designs in collaboration with our designers, coordinating with suppliers on production and bringing the finished products to market. We have made significant investment in our design capabilities by maintaining a dedicated and capable in-house design team and partnering with capable third-party designers, and have established our MINISO Design Academy to fully integrate these design capabilities to create trendy, attractive and quality products. Our philosophy is to regularly launch a significant number of new MINISO SKUs on a frequent and ongoing basis, which are carefully selected from a large library of product ideas. We believe our efficiency and speed-to-market at large scale are difficult for competitors to replicate.

Our co-branding collaborations with IP licensors that own a number of popular brands allow us to capitalize on cultural phenomena or influential trends in mass media by featuring their elements in our product design and adding exciting diversity to our products. Our established co-branding relationships with IP licensors such as Disney, Sanrio and Universal, are a strong testimony to our brand value and elevate our brand equity and awareness by unlocking new possibilities of product design. In addition to our co-branding collaborations, we have also developed our own original and proprietary IPs, such as Mini Family, DunDun Chicken, Gift Bear and Friends, and YOYO. These unique characters and storylines have enriched our IP portfolio as well as product offerings and foster a deeper emotional connection with our customers. As a result, more consumers are attracted to MINISO and TOP TOY stores to enjoy a shopping experience replete with pleasant surprises.

- **Efficient supply chain.** Leveraging our unmatched and massive global supply chain, we source directly from qualified manufacturers that can meet our demands. Our large procurement volumes as a result of our scale further contribute to our procurement cost advantages. We maintain a mutually beneficial relationship with our suppliers by being punctual with our payments to them and helping them grow with us. In addition, we digitally integrate almost all of our suppliers and streamline the supply chain process through our supply chain management system and regularly assist suppliers in improving production efficiency and cost control, which enable us to continuously optimize our supply chain efficiency. We believe our efficient supply chain sets the foundation for our competitive product pricing strategy.
- **Deep operation know-how backed by digitalization.** We have accumulated in-depth operational know-how based on our deep insights into consumer tastes and preferences developed from serving millions of consumers on a daily basis. We use such know-how to optimize and systemize key aspects of store operation from welcoming ambience and friendly staff, to easy-to-navigate store layout, and precise product curation.

Our technology augments our operational know-how by digitalizing every aspect of our business operations and giving us deeper insights into consumer preferences. With our self-developed intelligent store management tools, we are able to provide store managers with real-time sales and inventory data and inventory replenishment and merchandise display management suggestions based on big data analytics, and tailor our store merchandise selection accordingly. The real-time inventory level covers our directly operated stores and MINISO stores operated by Retail Partners in Chinese mainland. We monitor the store-level inventories mainly through our SAP ERP system, which has tailored inventory modules, and through our merchandise display management system, which is designed to visualize, synchronize and optimize shelf display management at the MINISO stores. By digitalizing the management of merchandise placement in each store, it allows us to centrally and digitally manage and adjust merchandise display in each store, monitor the in-store stock of specific products, maintain up-to-date records of the inventories kept by Retail Partners and optimize product replenishment. In addition, our store management toolkit can also generate and provide MINISO store managers with real-time inventory level and other important store operating metrics and their analytics, empowering the store managers to enhance merchandise management and monitor the store-level inventories.

We have also developed a store management toolkit, a digital operations ecosystem comprising six specialized tools designed to cover four key store operating scenarios, driving refined management and operational efficiency. By digitizing the entire business chain, the toolkit provides real-time, accurate data that enables the precise identification of growth and improvement opportunities. Furthermore, through visualized store-level insights into metrics such as sales per square meter and product performance, it empowers us to effectively optimize supply chain operations and merchandise mix.

In addition, our data analytics capabilities and insights derived from proprietary consumer data have guided us in developing products that meet prevailing consumer tastes and preferences. Beyond our physical store premises, we have also engaged consumers through various online channels, including our MINISO membership program, Weixin mini-programs, third-party e-commerce and online-to-offline platforms, and store-based communities on Weixin. Such expanded consumer engagement, coupled with our intelligent consumer profiling technologies and data analytics capabilities, allow us to enhance the accuracy of our targeted marketing and consumer engagement efforts.

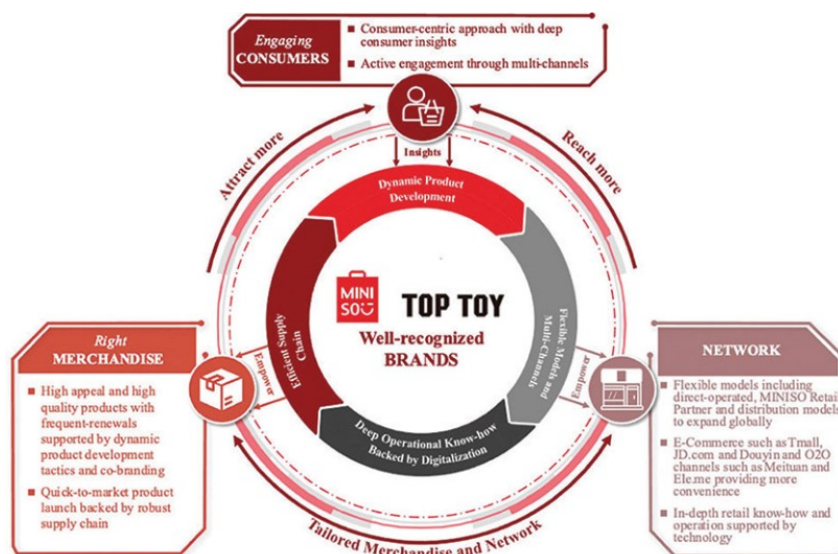
Our path to success in our home market, Chinese Mainland, where we had expanded to approximately over 4,500 MINISO store as of December 31, 2025, depends on the effectiveness and scalability of our Retail Partner model. Under this model, Retail Partners mobilize their resources to open and operate MINISO stores at optimal locations and shoulder the associated capital expenditure and operating expenses, while we let them use our brand to leverage bargaining power and our resources in commercial real estate, as well as providing them with valuable guidance on key aspects of store operation in exchange for a pre-agreed portion of in-store sales proceeds. The Retail Partners keep the remaining sales proceeds and we retain inventory ownership until in-store sale to consumers. The Retail Partner model aligns the interests and creates mutual benefits between us and the Retail Partners, allowing us to achieve rapid store network expansion with consistent brand image and consumer experience in an asset-light manner, and enabling our Retail Partners to attain attractive investment returns. Our Retail Partners are also motivated to maintain a loyal relationship with us. As of December 31, 2025, 680 of our 1,157 Retail Partners had invested in MINISO stores for over three years in Chinese mainland.

Our rich product design, relaxing shopping experience, efficient supply chain, and deep operation know-how backed by digitalization make our business highly scalable globally. Since we opened our first MINISO store in Chinese mainland in 2013, we had expanded to approximately 8,151 MINISO stores by entering into over 90 countries and regions all over the world as of December 31, 2025. We accomplished such international store expansion under flexible models tailored to local conditions, including direct operation, the Retail Partner model, and partnership with local distributors. Our insights into local consumer tastes and preferences and our sourcing capabilities enable us to meet the local demands in each international market. As a testament to our expanding international operation, our revenue from markets outside of Chinese mainland accounted for 33.3%, 36.2%, 36.5%, 39.3% and 41.3% of our total revenue for the fiscal year ended June 30, 2023, the six months ended December 31, 2022 and 2023 and the years ended December 31, 2024 and 2025, respectively.

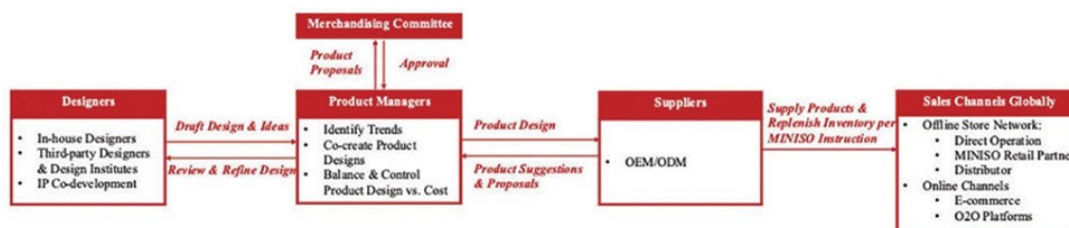
In the fiscal year ended June 30, 2023, we recorded revenue of RMB11,473.2 million, and gross profit of RMB4,443.1 million. In the six months ended December 31, 2022 and 2023, we recorded revenue of RMB5,266.9 million and RMB7,632.5 million, and gross profit of RMB1,985.7 million and RMB3,241.0 million, respectively. In 2023, 2024 and 2025, we recorded revenue of RMB13,838.8 million, RMB16,994.0 million and RMB21,443.8 million (US\$3,066.4 million), and gross profit of RMB5,698.4 million, RMB7,637.1 million and RMB9,648.1 million (US\$1,379.7 million), respectively. We recorded net profit of RMB1,781.8 million in the fiscal year ended June 30, 2023, RMB763.9 million and RMB1,256.1 million in the six months ended December 31, 2022 and 2023, and RMB2,274.0 million, RMB2,635.4 million and RMB1,209.8 million (US\$173.0 million) in the years ended December 31, 2023, 2024 and 2025, respectively. Our adjusted net profit, a non-IFRS financial measure, was RMB1,844.7 million in the fiscal years ended June 30, 2023, RMB790.5 million and RMB1,302.5 million in the six months ended December 31, 2022 and 2023, and RMB2,356.7 million, RMB2,720.6 million and RMB2,898.2 million (US\$414.4 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Our Business Model

The following diagram illustrates our business model and the various participants in our business:



The following is a flow chart illustrating the business flows of our key business functions:



Our Products

Our flagship brand “MINISO” offers a frequently-refreshed assortment lifestyle products covering diverse consumer needs, and consumers are attracted to our products’ trendiness, creativeness, high quality and affordability. Our MINISO product offering encompassed a wide selection of SKUs and were organized across three core pillars: lifestyle, beauty and toys. In December 2020, we launched “TOP TOY,” which is China’s leading pop toy collection brand. Under the fast-growing TOP TOY brand, we offered around 17,000 SKUs as of December 31, 2025 across major pop toy categories such as model figures, 3D building blocks, vinyl plush toys and others.

We are able to deliver our value propositions by leveraging our supply chain capabilities that are built on China's large supply chain, our large procurement volumes, our punctual payment to suppliers, and our digitalized, continuously optimized supply chain, which collectively contribute to our overall supply chain efficiency and procurement cost advantages.

Our philosophy is to regularly launch a significant number of new MINISO SKUs on a frequent and ongoing basis, which are carefully selected from a large library of product ideas. In 2025, we launched an average of around 1,600 SKUs per month under our MINISO brand, and offered consumers a wide selection of SKUs. Under the TOP TOY brand, we offered around 17,000 SKUs as of December 31, 2025. In general, our products are frequently refreshed to satisfy the evolving needs and preferences of consumers.

In 2025, average spending per transaction of MINISO products sold in stores in Chinese mainland was RMB39.8, while average selling price was RMB15.1. Average spending per transaction of TOP TOY products sold in stores in Chinese mainland was RMB109.8, while average selling price was RMB55.6.

We adopt a cost plus mark-up pricing strategy for products we sell. The products we sell are manufactured by third-party manufacturers. We set prices for the products to be sold to customers based on manufacturing costs plus a mark-up. As a result, the level of our gross profit margin is dependent on the level of mark-ups we added on top of costs we incurred.

Brand strategies

We sell the vast majority of our products under our flagship brand “MINISO,” which targets primarily the younger generation. Under this brand, we aim to deliver a wide range of lifestyle products that are high-quality and highly affordable. Almost all of the MINISO products are self-developed. To attract and keep the interest of consumers, we update our MINISO product portfolio frequently with new and trendy products. With our frequent product rollout under the MINISO brand, we aim to regularly launch a significant number of new MINISO SKUs carefully selected from a large library of product ideas. In 2025, we launched an average of around 1,600 SKUs under the MINISO brand per month.

The “TOP TOY” brand was launched in December 2020 and is China’s leading pop toys collection brand. TOP TOY has established a fully integrated platform across the pop toy value chain. Leveraging deep insights into pop toy enthusiasts, TOP TOY has developed industry-leading, consumer-oriented product design and IP operation capabilities. It has successfully built a comprehensive and expanding IP matrix driven by proprietary, licensed and third-party IPs, and created a pop toy universe with a diverse product portfolio. Under the “TOP TOY” brand, we offered around 17,000 SKUs as of December 31, 2025 across major pop toy categories such as model figures, 3D building blocks, vinyl plush toys and others. In comparison to the MINISO brand, TOP TOY targets market share in the pop toy vertical with wider product price range and higher average order value, a consumer demographic that is wider in terms of age and more balanced in terms of gender distribution, and relies more on cultivation of our own IPs to co-develop them into popular IP products with design artists, offering a complementary value proposition to the Company’s overall brand matrix

Product design and development

Popular and well-designed products that respond to evolving consumer tastes and needs are the core attraction to our consumers, and our product design and development capabilities are instrumental to us continuing to maintain this core attraction.

Product design capabilities

We work with both in-house designers and independent design teams globally to create innovative design concepts for us. As of December 31, 2025, we had a designer network that includes an in-house team of over 300 designers as well as multiple design teams consisting of internationally renowned independent designer teams, professional design studios and design academies from overseas countries and regions including South Korea, Spain, the United Kingdom and the United States. To integrate the design capabilities of these design teams with our own, we have established the MINISO Design Academy consisting of a selection of our in-house designers. The MINISO Design Academy is mainly responsible for liaising with third-party designers and adding visual and packaging designs to the product prototype designs submitted by design teams, so that the final products have consistent appearance as the rest of our branded products. The vast majority of our SKUs feature elements of designs by our in-house design team.

We generally enter into form agreements with independent designer teams, artists and professional design studios. We generally pay a design service fee for each design we engage our design teams to make either as a fixed sum or as a percentage of its sales revenue, subject to a pre-agreed cap, and we generally own all intellectual property rights relating to the design. We sometimes allow the design teams to receive a small percentage of the sales revenue from products featuring their design in addition to the design service fee when the product sales exceed a certain threshold. The design teams are liable for any disputes, controversies or claims arising out of or in connection with the design concepts. Our agreements with these design teams typically have a term of not more than three years.

As for design academies, we generally pay a fee as stated in the collaboration agreements to support the training and design of students in the academies. In return, we may be granted intellectual property rights of the designs, or pre-emption rights to acquire intellectual property rights.

As a testament to our excellence in product design, we had won over 30 reputable international design awards as of December 31, 2025, including iF Product Design Awards, Red Dot Design Awards, European Product Design Awards, K-Design Awards, A' Design Awards, Red Star Design Awards and Superior Taste Awards.

Product development

The collective efforts among product managers, designers and suppliers help us achieve dynamic product development. As of December 31, 2025, we had a team of over 300 product managers, who are responsible for identifying trends, co-creating product designs, coordinating with suppliers on production and bringing the finished products to market. Our product development process begins with a product idea identified by our product managers from market research and inputs from suppliers. The product managers collaborate with our designers in developing the product idea to concrete product design, and then present the design to our suppliers for their inputs regarding production feasibility. Our product managers work closely with our designers and suppliers in product design to ensure that our product designs are innovative, trendy, feasible and appealing to mass consumers. The product managers then have the suppliers produce product prototypes and present them as part of the product proposal to our rigorous weekly merchandising committee meetings for approval. If approved, the product design will be further refined based on cooperation among the product managers, the designers and the suppliers before it is manufactured and becomes ready for sale.

Our technology capabilities play an important role in our product development process. For example, our Smart Merchandise Selection Assistant enables us to monitor and discover popular hits on major social media platforms and automate rapid identification of new and emerging trends, which maximize our ability to react quickly to rapidly changing consumer tastes and preferences. Our technology capabilities also allow us to monitor sales performance and consumer feedback of each SKU closely, helping us to actively manage product life cycles and continuously improve existing SKUs. See “—Technology Capabilities—Intelligent supply chain management—Product lifecycle management system.”

We hold weekly merchandising committee meetings to adjust our merchandising strategies for market trends and select new SKUs to bring to market, with rigorous SKU selection criteria and deep involvement of our chairman and other experienced senior management. In certain international markets, we also have localized merchandising strategies supported by collaboration among our product managers, local suppliers and our international operation teams, and we tend to source uniquely local products directly from local sources. As a result, our new SKUs are responsive to prevailing market needs and local consumer tastes and preferences.

Co-branding collaborations and co-development of IP products

Co-branding with IP licensors is another example of our efforts to frequently refresh our product assortment. During the course of our business operations, we have developed an approach to collaborating with highly popular IP licensors in developing co-branded products. We believe these co-branding collaborations are a strong testimony to our brand value and elevate our brand equity and awareness by unlocking new possibilities of product design. In addition, we actively explore co-branding collaboration with IP licensors that resonate with a broad group of consumers globally. By orchestrating well-paced product launch plans, we release new co-branded product collections in a successive and coherent manner to maximize consumer reach.

We had established co-branding relationships with multiple IP licensors who own a number of popular brands such as Disney, Sanrio and Universal. The terms and conditions of our agreements with IP licensors vary as they are typically based on form agreements provided by the licensors. However, our agreements with IP licensors typically have a term of not more than three years. Under these agreements, we are licensed to manufacture, sell and promote co-branded products within licensed territories and we may not reassign such rights to any third party without the approval of the IP licensors. The royalties we are obligated to pay our IP licensors typically consist of fixed minimum of royalties and royalties equal to a certain percentage of sales of co-branded products. None of the agreements between our IP licensors and us constitutes a material contract. The co-branding collaborations allow us to capitalize on cultural phenomena or influential trends in mass media by featuring their elements in our product design, adding exciting diversity to our products and attracting more consumers to MINISO stores as a result.

We have also developed the ability to identify and cultivate new IPs and co-develop them with independent design artists into popular IP products, mostly under our TOP TOY brand. We form close collaboration with talented independent design artists by empowering them with scalable sales channels, real-time consumer feedback, as well as strong supply chain capabilities, which help turn their design ideas efficiently and faithfully into products. Contractually, we retain ownership of the IPs co-developed with independent design artists.

Our Store Network

As of December 31, 2025, we served consumers primarily through a network of about 8,151 MINISO stores, including approximately 4,568 MINISO stores in Chinese Mainland and approximately 3,583 MINISO stores overseas. The following table shows the number of MINISO stores in Chinese Mainland and overseas markets as of the dates presented:

	As of June 30, 2023	As of December 31, 2023	2024	2025
Number of MINISO stores				
Chinese Mainland	3,604	3,926	4,386	4,568
– Directly operated stores	15	26	25	18
– Stores operated under Retail Partner model	3,569	3,878	4,335	4,522
– Stores operated under distributor model	20	22	26	28
Overseas Markets	2,187	2,487	3,118	3,583
– Directly operated stores	176	238	503	700
– Stores operated under Retail Partner model	252	283	404	432
– Stores operated under distributor model	1,759	1,966	2,211	2,451
Total	5,791	6,413	7,504	8,151

The following table shows the number of TOP TOY stores in Chinese mainland and overseas markets as of the dates presented:

	As of June 30, 2023	As of December 31, 2023	2024	2025
Number of TOP TOY stores				
Chinese Mainland				
– Directly operated stores	9	14	38	35
– Stores operated under Retail Partner model	109	134	234	269
Overseas Markets				
– Directly operated stores	—	—	2	15
– Stores operated under Retail Partner model	—	—	2	4
– Stores operated under distributor model	—	—	—	11
Total	118	148	276	334

MINISO and TOP TOY stores are neatly organized, well maintained and typically in optimal locations. The standardized layout, decoration and lighting, modestly priced products, and the friendly staff in a MINISO store all contribute to a welcoming ambience for store visitors, who will find the store easy to navigate due to its optimized product arrangement and display. Such standardized store presentation scheme leads to a consistent, distinct style and shopping experience across MINISO stores, reinforcing a uniform brand image to consumers. In addition, our newly established flagship and themed stores serve as a new potential growth driver, enhancing our brand image while providing customers with an immersive and elevated IP experience. TOP TOY offers main line stores that are strategically located in high-traffic urban shopping malls to maximize visibility and foot traffic. Designed to serve as immersive retail destinations, these spaces feature open, well-lit layouts with bold and prominent TOP TOY branding and eye-catching displays that reinforce brand identity while encouraging customer exploration.

We manage the potential competition or cannibalization among (1) Retail Partners and distributors; and (2) all stores operated by us, Retail Partners and distributors primarily through the following measures: (i) Apart from directly-operated stores, stores in each country are primarily operated under the same model. In Chinese mainland, substantially all stores are operated by Retail Partners. In overseas markets, except for stores in a few countries directly operated by us, the vast majority of stores are operated under the distributor model. This prevents competition or cannibalization between Retail Partners and distributors; (ii) In most countries and regions outside China, other than directly-operated stores, stores are usually operated by one distributor in each country or region or a few distributors operating in different parts of a country or region, which prevents competition or cannibalization among distributors; (iii) We centrally manage and plan for new store openings based on a variety of factors such as the population, economic conditions and market potential of each city, region and country. New store openings by Retail Partners and distributors and the location of the new stores are subject to our approval. We make recommendations to Retail Partners and distributors based on the existing store network, the financial strength of the relevant Retail Partners or distributors, and the local market conditions, taking into account and aiming to minimize the potential competition or cannibalization among stores operated by us, Retail Partners and distributors.

With respect to the retail sales of the different channels, without taking into account the effect of value-added tax, or VAT, and sales taxes, (i) with Retail Partners, we set an agreed percentage of in-store sales proceeds payable by Retail Partners to us; (ii) with distributors, we generate revenue from sales to distributors, and the price at which we sell to distributors is usually a percentage of the price at which the distributors sells the same products to end customers; and (iii) with our directly operated stores and online sales channels, as we sell directly to end customers, substantially all of the total sales proceeds generated from these channels are retained by us.

Store operations in Chinese Mainland

As of December 31, 2025, apart from 18 directly operated MINISO stores and 35 directly operated TOP TOY stores, substantially all of our other MINISO and TOP TOY stores in Chinese Mainland were operated under our Retail Partner model. The following table shows the aggregate numbers of MINISO stores in Chinese Mainland for the periods indicated:

	For the fiscal year ended June 30, 2023	For the six months ended December 31, 2022 2023		For the year ended December 31, 2023 2024 2025		
Directly operated stores:						
Number of stores at the beginning of the period	14	14	15	16	26	25
Net increase/(decrease) in number of stores during the period	1	2	11	10	(1)	(7)
Number of stores at the end of the period	15	16	26	26	25	18
Stores operated under Retail Partner model:						
Number of stores at the beginning of the period	3,195	3,195	3,569	3,290	3,878	4,335
Net increase in number of stores during the period	374	95	309	588	457	187
Number of stores at the end of the period	3,569	3,290	3,878	3,878	4,335	4,522
Stores operated under distributor model:						
Number of stores at the beginning of the period	17	17	20	19	22	26
Net increase in number of stores during the period	3	2	2	3	4	2
Number of stores at the end of the period	20	19	22	22	26	28

Our ability to penetrate into various tiers of cities is evidenced by our proven track record of successfully penetrating into various lower-tier cities in Chinese Mainland despite our previous experience operating in mostly high-tier cities. The following table shows the aggregate numbers of MINISO stores in Chinese Mainland by city-tiers for the periods indicated:

	As of June 30, 2023	As of December 31, 2023 2024 2025		
Number of MINISO stores in Chinese Mainland				
First-tier cities	474	522	587	609
Second-tier cities	1,496	1,617	1,822	1,881
Third- or lower-tier cities	1,634	1,787	1,977	2,078
Total	3,604	3,926	4,386	4,568

We had grown the number of TOP TOY stores in Chinese mainland from 118 as of June 30, 2023, 148 as of December 31, 2023, 272 as of December 31, 2024 and further to 304 as of December 31, 2025. Among the 304 TOP TOY stores as of December 31, 2025 in Chinese mainland, 35 were directly operated, and 269 were operated under the Retail Partner Model. TOP TOY has also begun to expand to overseas markets since 2024. This strategic move aligns with our plan to expand globally and strengthen our brand presence. As of December 31, 2025, we had a total of 30 TOP TOY stores in overseas markets, including 15 directly operated stores, 4 stores under the Retail Partner model and 11 stores under distributor model.

The Retail Partner model is a hybrid store operation model that takes advantageous elements from the franchise store model and the self-operated chain store model, both of which are industry norms. Under this model, we provide operational guidance in the form of store management and consultation services to Retail Partners, operating in an asset-light manner.

Under our Retail Partner model, Retail Partners mobilize their resources to open and operate stores at optimal locations, shouldering the associated capital expenditure and operating expenses. On the other hand, we provide store management and consultation services to Retail Partners for a fee, retain store inventory ownership until in-store sale to consumers and receive a pre-agreed portion of the sales proceeds. The store management and consultation services optimize and unify store operations in key aspects, mainly including store layout and decoration, interior design, staff training, pricing, product curation and inventory replenishment, to maintain consistent brand image, consumer experience and product pricing across stores. While these key aspects of store operations are standardized, merchandise mix and product display are two primary aspects of store operations that can be customized by Retail Partner stores. We constantly monitor the operations of Retail Partner stores to help them customize merchandise mix and product display at a store level and advise on inventory management on a real-time basis. In general, managers of each store examine and record on the system inventories when they arrive at the stores, and the system records are automatically updated upon the sale of products when store cashiers scan the products. Our Retail Partners generally examine the inventories held at their stores on a monthly basis, the results of which are recorded on our system and available to us for review. We also conduct comprehensive examinations of inventories for all Retail Partner-operated stores at least once a year, checking against system data and recording updates as appropriate. Our contractual agreements with Retail Partners, which include a sales agreement, license agreement, and a store renovation agreement, typically last for three years or less.

Below is a summary of the key contractual terms with our Retail Partners:

Payments for goods. We set an agreed percentage of in-store sales proceeds payable by Retail Partners to us, while the Retail Partners keep the remaining in-store sales proceeds. For most of Retail Partners, sales proceeds generated from the stores they operate are deposited in an escrow account with a commercial bank, which will automatically fund the relevant portions to our account and the account of Retail Partners based on pre-agreed percentage between Retail Partners and us. We check sales proceeds data against bank account information on a daily basis.

Management of stores. Under our license agreements, we provide store management and consultation service to our Retail Partners in return for a store management and consultation services fee and a sales-based royalty, each equal to a low single-digit percentage of in-store sales proceeds, payable by Retail Partners at the close of every business day. Retail Partners pay for store operating expenses, including logistics costs from product delivery to their stores.

Term/duration. The terms of our contracts with Retail Partners are generally not more than three years and renewable upon negotiation prior to the termination of the agreement.

Termination. Prior to expiration of contractual term, these agreements can typically be terminated under force majeure events, by mutual agreement or due to bankruptcy or certain breaches of contractual obligations by either party, such as failure to pay fees due, assignment of contractual rights without the other party's permission, Retail Partner selling counterfeit products or products not procured from us in its store, and Retail Partner not opening a store within an agreed time frame.

Location and renovation. Retail Partners are not able to open stores at a non-designated location. We recommend providers for store renovation and decoration for the Retail Partners, with the associated costs being borne by them.

Product offering and pricing. Retail Partners shall only offer products supplied by us and the retail prices of products are determined by us.

Licensing rights. Retail Partners are not able to have sub-contractors or sub-distributors or otherwise assign the rights under the licensing agreements to a third party without our prior written consent. A fixed annual license fee of between RMB0 and RMB100,000 is to be paid by Retail Partners on a per-store basis. We may charge certain Retail Partners who own multiple MINISO stores at a preferential rate. We may waive certain license fees for Retail Partners who operate a large number of stores.

Inventory. The goods we dispatch to Retail Partners' premise for sale are under our inventory ownership until the goods are sold to consumers. In general, we do not have any obligation or practice to accept any return of unsold products, except in rare cases such as a latent defect that is spotted before putting on the shelf or wears and tears of unsold products resulting from transportation, which is in line with industry practice. Retail Partners are generally required to place an inventory deposit with us, which generally covers the estimated maximum value of inventories held by the relevant Retail Partners at their stores at a point of time during the period of time in which they act as our Retail Partners. Generally, inventory deposits are returned to Retail Partners upon the termination of their relationship with us. We may deduct from the deposit unsettled amounts payable by the Retail Partners to us, if any, under the relevant agreements.

We usually choose Retail Partners with financial strength and strong local ties who can secure optimal locations for new stores, with our other main criteria for selecting Retail Partners being their management ability and industry experience. Most of our Retail Partners are individuals and many of our large Retail Partners are experienced retailers who own and operate retail stores in various sectors, such as apparel, cosmetics, lifestyle products and others. We have demonstrated a proven track record to rapidly build up our store network in tier-one and tier-two cities in China and successfully penetrate into lower-tier cities with our newly opened MINISO stores mainly located in lower-tier cities in China. Following the trajectory of our MINISO store network, we have typically positioned our new TOP TOY stores in core commercial areas in first- and second-tier cities since China at the inception of the TOP TOY brand. We verify the potential Retail Partners' financial strength by examining the content and status of their lease agreements for the store locations and monitoring whether they pay all upfront deposits on time.

As of the date of this annual report, to our knowledge, all of our Retail Partners in Chinese Mainland are independent third parties. We are the seller of products in our relationship with Retail Partners. We believe that our sales to Retail Partners reflected genuine market demand and there was effective management and control over the inventory levels. We recognize revenue from product sales to Retail Partners when they sell the products to end-customers in their own MINISO or TOP TOY stores. We do not impose a minimum purchase or sale target on our Retail Partners.

We plan to focus on establishing and reinforcing the recognition of the TOP TOY brand and expanding our TOP TOY store network mostly in higher-tier cities in Chinese Mainland in the near future while also expanding into lower-tier cities.

The Retail Partner model represents a mutually beneficial relationship between us and the Retail Partners, where we achieve rapid store network expansion with consistent brand image and consumer experience in an asset-light manner, and our Retail Partners attain attractive investment opportunities. Our Retail Partners are also motivated to maintain a loyal relationship with us.

The following table shows the number of our Retail Partners that invested in MINISO stores in Chinese Mainland for the period/year indicated:

	For the fiscal year ended June 30,	For the six months ended December 31,		For the year ended December 31,		
	2023	2022	2023	2023	2024	2025
Number of Retail Partners at the beginning of the period/year ⁽¹⁾	912	912	1,022	981	1,049	1,071
Net increase in number of Retail Partners during the period/year	110	69	27	68	22	86
Number of Retail Partners at the end of the period/year ⁽¹⁾	1,022	981	1,049	1,049	1,071	1,157

Note:

(1) The number of Retail Partners at a given date is calculated based on the number of individuals and entities with effective contractual relationships with us on that date.

As of December 31, 2025, of all 1,157 Retail Partners in Chinese mainland which invested in MINISO stores, 680 of them had invested for over three years.

We only had one distributor for the MINISO brand in Tibet in China during the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2023, 2024 and 2025. As of the date of this annual report, there has been no conversion of our collaboration partners in Chinese Mainland from a Retail Partner to a distributor, or vice versa.

Our TOP TOY stores are operated under the Retail Partners model as well. We had 18, 42, 64 and 72 Retail Partners operating TOP TOY stores as of June 30, 2023 and December 31, 2023, 2024 and 2025, respectively. Some Retail Partners in Chinese Mainland may invest in both MINISO and TOP TOY stores.

Overseas store operations

We have adopted flexible store operation models, including direct operation, Retail Partner model and the distributor model as we expand our global footprints, depending on the growth potential, local regulation and other factors in the markets. In consideration of the evolving local regulatory requirements, market conditions and their operational needs, our overseas franchisees may sometimes convert from a Retail Partner to a distributor, or vice versa.

As of December 31, 2025, in international markets under MINISO brand, there were 700 stores directly operated by us and 2,883 Retail Partner stores and stores under the distributor model. The following table shows the aggregate numbers of MINISO stores in overseas markets for the periods indicated:

	For the fiscal year ended June 30, 2023	For the six months ended December 31,		For the year ended December 31,		
		2022	2023	2023	2024	2025
Directly operated stores						
Number of stores at the beginning of the period	133	133	176	153	238	503
Net increase in number of stores during the period	43	20	62	85	265	197
Number of stores at the end of the period	176	153	238	238	503	700
Stores operated under Retail Partner model						
Number of stores at the beginning of the period	208	208	252	246	283	404
Net increase in number of stores during the period	44	38	31	37	121	28
Number of stores at the end of the period	252	246	283	283	404	432
Stores operated under distributor model						
Number of stores at the beginning of the period	1,632	1,632	1,759	1,716	1,966	2,211
Net increase in number of stores during the period	127	84	207	250	245	240
Number of stores at the end of the period	1,759	1,716	1,966	1,966	2,211	2,451

In the majority of international markets, we expand our store network by collaborating with local distributors with abundant local resources and retail experiences. When selecting local distributors, we prioritize those with financial strength and sufficient resources to open MINISO stores at optimal locations, while also considering the distributor's management ability and industry experience. Our distributors are primarily corporates, and the nature of the business operation of our distributors is diverse, such as fashion, mobile communication retail, food retail, consulting and household goods retail. Such distributor model is an industry norm and allows us to effectively expand in international markets leveraging the financial resources and market experience of the local distributors.

We are the seller of products in our relationship with distributors. We believe that our sales to distributors reflected genuine market demand and there was effective management and control over the inventory levels held by our distributors. In order to mitigate channel stuffing risks, we have adopted stringent control measures, including but not limited to: (i) collecting inventory and sales data from each overseas markets and making quarterly analysis; and (ii) conducting site visits to and inventory examinations of overseas stores. We conduct such data collection, visits and examinations regularly to monitor the sales, inventory levels, and quality control of our distributors. Through these activities, we monitor our distributors' compliance with the terms and conditions of the relevant agreements and any potential risks in relation to channel stuffing. If we discover non-compliant issues or risks, we conduct further investigation, notify the relevant distributors, work with the distributors to take rectification or mitigation measures, or terminate the distributor relationship. In addition, we generally require our distributors to make advance payments in full for our products. We typically do not accept any return of unsold products, except in rare cases such as a latent defect subject to a product recall, which is in line with industry practice. We also do not impose a minimum purchase or sale target on our distributors. With respect to distributors, our product return rates as a percentage of total GMV during the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025 were close to zero. We have maintained generally stable and healthy relationships with our distributors. We recognize revenue from product sales to distributors when the products are shipped from or delivered to the locations specified in our sales agreements with the distributors, at which point the distributors take ownership of the products and assume the risk of loss.

Under the distributor model, we typically enter into a license agreement and a sales agreement with each of our local distributors. Below is a summary of the key contractual terms with our distributors:

Product offering and pricing. We grant our local distributors an exclusive right to establish MINISO stores in certain licensed territories. Our local distributors also have pricing right over the inventory sold in store, although we normally have contractual terms that allow us to recommend product pricing. Without our written consent, our local distributors are not allowed to sell in the licensed MINISO stores any products that are not our MINISO branded products. Our local distributors can only sell our products through licensed MINISO stores within licensed territories, any breach of such license will entitle us to terminate the sale agreement with such local distributor and claim damages.

Intellectual property rights. In order to maintain a consistent brand image and a minimum level of monitoring of the operations of MINISO stores operated by our local distributors, we license our local distributors to use our intellectual property rights such as brand name and trademarks in the licensed territories in a manner pursuant to the license agreements such as no further sublicense of our intellectual properties and using such intellectual properties without prejudicing our rights to such intellectual properties. Any breach of such intellectual property license provisions may be deemed to be a material breach.

License fee. We typically charge a fixed amount of license fee between RMB0 and RMB1,000,000 for each MINISO store opened under distributor model in overseas market. The license fees for our distributors are determined based on various factors, including but not limited to location of the store, local economic conditions and number of stores the relevant distributor owns. The license fees for our distributors are normally a one-off payment. We may grant preferential license fees to distributors who operate multiple stores. We may waive license fees for distributors who operate a large number of stores and/or with whom we have had a long-term relationship.

Obligations of distributors. We require our local distributors to deposit with us a compliance deposit to ensure that our local distributors perform their obligations under the license agreements. The license agreements also set forth certain targets for number of new stores. Failing to meet such targets by our local distributors may be construed as a material breach under the license agreements.

Operational standards and store management. The license agreements set out a set of operational standards for our local distributors to follow and we have the right to supervise the operation of MINISO stores by our local distributors. Though we do not have the same level of operational involvement with the local distributors as we do with Retail Partners, we provide assistance to them in many ways to ensure consistent store quality, management style and image, which include provision of staff training and other guidance in terms of store operation.

Term. Our license agreements and sales agreements usually have a term of two to ten years. In the event of material breaches by our local distributors, we will be entitled to (i) confiscate the compliance deposit and seek additional damages if the compliance deposit cannot fully cover the losses we incurred, and (ii) unilaterally terminate the license agreements.

Sub-licensing. Our distributors typically do not have the right to sub-contract or sub-license their rights under the license agreement without our express written consent. Once we consent, our distributors are generally entitled to choose their sub-contractors or sub-distributors and negotiate the transaction terms directly with them. We typically do not have any contractual relationship with any sub-contractors or sub-distributors and do not control or deal with them directly, as our distributors enter into contractual relationship with and manage their sub-contractors or sub-distributors directly.

Inventory. Generally inventory ownership is transferred to distributors when inventory is shipped from or delivered to the locations specified in sales agreements. In general, we do not have any obligation or practice to accept any return of unsold products, except in rare cases such as a latent defect subject to a product recall.

The distributor model differs from the Retail Partner model in a few key facets. Operationally, although we have the right to supervise the operation of distributor stores to ensure that they adhere to certain operational standards, we do not provide store management and consultation services to distributors and have less operational involvement with them. In terms of product sales, generally inventory ownership is transferred to distributors when inventory is on board, while we retain inventory ownership until in-store sale to consumers under the Retail Partner model. In our agreements with Retail Partners, there is no equivalent to the performance targets in our license agreements with distributors, which usually specify the number of MINISO stores the distributors must open and successfully operate in their licensed territory within an agreed time frame.

In strategic markets with large population and huge market potential such as North America, we typically enter the markets by opening and operating stores on our own, which are meant to serve as pioneer stores in the region. In this way, we can more efficiently and directly gain local consumer insights and operational know-how. When local business partners become interested after seeing the performance of our pioneer stores, we invite some of them to join under our Retail Partner model or distributor model to more rapidly expand our store network in these markets.

The following table shows the number of our distributors in overseas markets for the periods indicated:

	For the fiscal year ended June 30, 2023	For the six months ended December 31, 2022 2023		For the year ended December 31, 2023 2024 2025		
Number of distributors at the beginning of the period ⁽¹⁾	200	200	229	212	230	252
Net increase in number of distributors during the period ⁽²⁾	29	12	1	18	22	30
Number of distributors at the end of the period ⁽¹⁾	229	212	230	230	252	282

(1) Number of distributors at a given date is calculated based on the number of individuals and entities with effective contractual relationships with us at that date.

(2) Change of contracting entities by the same distributor is not taken into account in the calculation of numbers of new distributors.

As of June 30, 2023 and December 31, 2023, 2024 and 2025, we had 61, 78, 114 and 109 Retail Partners in overseas markets, respectively. The decrease in the number of Retail Partners as of December 31, 2025 was primarily due to a decrease in the number of Retail Partners in Vietnam.

Our Supply Chain

Our supply chain capabilities allow us to offer an evolving assortment of quality products at exceptional value.

Our supplier network

As of December 31, 2025, we sourced from approximately 2,000 suppliers, who are qualified manufacturers in China or other countries and regions, with some having extensive experience in supplying to other global brands. We involve our suppliers throughout our supply chain process, from product design to product shipment. In the product design stage, our product managers will solicit our suppliers' input and feedback on preliminary product designs. After a product is launched to market, our suppliers, being digitally integrated into our supply chain management system, will manufacture products based on orders automatically generated by the system based on real-time inventory level and sales data and confirmed by us. When the products are produced, our suppliers in China will generally also manage product shipment from their sites to our warehouses, subject to our instructions as to delivery location and timeliness. This thorough supplier involvement throughout the supply chain process via digital integration, coupled with the close working relationships with qualified suppliers fostered by our large procurement volumes and punctual payments to them, are the key reasons why we can operate an efficient supply chain, maintain a vast portfolio of core SKUs, frequently launch a sizeable number of new SKUs, and maintain competitive cost advantages; we do not rely on agreements with suppliers to achieve these goals.

We carefully nurture our relationship with suppliers and empower them to grow with us and adapt to our changing business needs. We select our suppliers mainly based on their production quality, capacity and reputation and position within their respective industry. None of our suppliers individually supplied more than 10% of our procurements in the fiscal year ended December 31, 2025.

We operate a centralized procurement system when sourcing from our suppliers. We digitally integrate our suppliers and streamline the supply chain process through our SCM (supply chain management) system. To illustrate, assume we are in the process of developing a new series of products and anticipates that our sales volume for the next three months after the launch will reach a certain level based on the sales plan. We will share such plan with our suppliers for this series of products over the SCM system and grant them access to the real-time sales data on the SCM system. The suppliers will then order raw materials and plan for manufacturing and logistics accordingly based on the three-month plan. If, one month after the launch, the suppliers see on the SCM system that the actual sales at our stores exceeded the original estimate, they will promptly adjust their manufacturing timetable and accelerate manufacturing and delivery to meet the higher-than-expected demand. If, on the other hand, the suppliers see that the demand has been lower than expected, as reflected in the real-time sales data on the SCM system, they can also adjust their plans to avoid oversupply and manage inventory risks. On the SCM system, warehouse information such as operation hours and capacity is available, and suppliers are able to reserve warehouse time slots and third-party logistics services as needed. For more information of our warehouses and logistics, see "—Warehouses and logistics."

We have been strengthening our cooperation with existing qualified suppliers and attracting new capable suppliers. We further optimize our supply chain by regularly providing improvement advice to our suppliers on various production-related areas, including product quality, production efficiency, and cost control, so that supply chain optimization becomes an ongoing process. We have also sent experts to important suppliers to help them optimize production efficiency and cost control on site, among other production related areas.

Our framework agreements with our suppliers are legally binding and typically contain the following salient terms:

Product delivery. Our framework agreements with suppliers usually include terms to ensure that our suppliers will adhere to our delivery instructions, such as those stipulating our suppliers' obligations to pay liquidated damages for their failure to deliver goods on time.

Quality control. Our framework agreements with suppliers usually include terms that require supplier to obey our quality control standards, such as those stipulating our suppliers' obligations to compensate us for losses arising from defects in product quality.

Breach of contract. Our framework agreements with suppliers usually include terms of liability for breach of contract, such as that suppliers shall repair, replace, or recall the relevant products according to our requirements and bear the costs incurred thereby for providing products with quality problems.

Intellectual property rights. Our framework agreements with suppliers usually include terms to ensure that our suppliers provide products that are free from IP defects including potential infringement of the legitimate rights and interests of any third party. Suppliers' failure to meet such requirements will entitle us to terminate the agreement with such supplier in certain circumstances and claim damages.

Confidentiality. Our suppliers shall take adequate measures to keep all sensitive information from us strictly confidential. Suppliers and other relevant responsible parties shall be jointly and severally liable for our losses due to unauthorized disclosure of our business secrets and intellectual property information.

Term/duration. Our framework agreements with suppliers are usually of a term of two years.

Production

We outsourced the production of our products to third party manufacturers. Leveraging China's strong supply chain capabilities in the lifestyle product sector, we sourced our products from over 2,000 suppliers as of December 31, 2025. We outsource our products production primarily through the original equipment manufacturer ("OEM") or original design manufacturer ("ODM") model, primarily because (i) these suppliers are mostly qualified manufacturers in China, with some having extensive supplying experience in the lifestyle products sector, and thus the OEM/ODM model allows us to optimize the manufacturing capacities and design resources of the suppliers to help our business development, (ii) the OEM/ODM model allows us to meet our demand for rapid product development so that we are able to have more flexibilities to maintain a diverse and frequently refreshed product portfolio, and (iii) the outsourcing arrangements allow us to control and manage product costs and better manage and minimize investment risks. We leverage our design capabilities and participate in product design with both OEMs and ODMs but are generally more deeply involved in the design process with OEMs. As such, we typically use ODMs to directly manage and take charge of the development and design of more standard products as these products require less design efforts from our own product managers and designers; and we typically use OEMs more often for products that require or allow new design ideas and concepts as our product managers and designers can work with OEMs to refine product design and prototype leveraging the manufacturing expertise of OEMs and their inputs on production feasibility. In some cases, we purchase certain products directly from suppliers without participating in the product design process, but the sales contribution of such products in MINISO stores in Chinese Mainland was less than 10% during the years ended December 31, 2025.

We select our suppliers based on various factors, but we generally prioritize industry leaders such as those with a long history of operation, a good reputation or publicly listed companies. Other factors considered include, production quality, capacity, price, compliance with applicable laws and regulations, history of cooperation and intention to grow with us and adapt to our changing business needs. For details of the key terms of the agreements with our manufacturers, see "—Our supplier network."

We have been strengthening our cooperation with existing qualified suppliers and attracting new capable suppliers by regularly providing improvement advice to our suppliers on various production-related matters, including product quality, production efficiency and cost control, so as to constantly optimize our supply chain. We generally manage our relationship with suppliers including third-party manufacturers in the following aspects:

- (i) **Supplier selection.** We deploy a series of quality control procedures since the onboarding of our suppliers. Suppliers are required to go through detailed and comprehensive qualification and ability verification. In addition, we have a third-party factory inspection mechanism to conduct quality check and ESG assessment. We have also in place a series of stringent standards such as product quality standards, testing manuals, and supplier quality behavior agreements to conduct quality inspection on our products.
- (ii) **Quality control.** We have in place digitalized quality control systems including a supplier quality control system and a big-data quality risk control system. See "—Technology Capabilities" for details.
- (iii) **SCM system and lead-time management.** We digitally integrate our suppliers and streamline the supply chain process through our SCM system. See "—Our supplier network" for details.
- (iv) **Product liability.** Our framework agreements with our suppliers are legally binding and have terms that ensure our suppliers will adhere to our delivery instructions and quality control standards, such as those stipulating our suppliers' obligations to pay liquidated damages for their failure to deliver goods on time and to compensate us for losses arising from defects in product quality.

We have adopted measures to prevent the risk of over-reliance on certain product suppliers. Given our diverse product portfolio and frequently refreshed SKUs, currently no supplier has an outsized impact on our business operations. We believe we have sufficient alternative suppliers for our business that represent alternatives of comparable quality and prices.

Our supply chain management system

We utilize our supply chain management system to maintain close collaboration with our suppliers and deeply integrate them into our product development and inventory management process. Our supply chain management system allows us to plan, manage, monitor and coordinate on every step of the supply chain process, improve inventory management, and shorten order and reorder lead time. For example, the merchandising and procurement module of this system automatically generates orders and reorders of appropriate size to suppliers based on real-time inventory level and store-level sales forecast, streamlining the order and reorder processes. In addition, the automated replenishment module of this system regulates the store-level inventory replenishment process, and calculates just-in-time adjustment among stores for slow-moving SKUs to optimize our network-wide merchandise mix while mitigating inventory risk.

Quality control

We have stringent quality assurance and control procedures in place to ensure supplier compliance with our product safety and quality standards. Suppliers have to undergo on-boarding procedures with a rigorous quality screening process before we begin working with them. In addition, our framework agreements with suppliers have clauses that ensure a baseline quality of the products produced by the suppliers, including those related to technical specification, quality specification, inspection standards, and defective product handling. Upon receipt of product shipments from suppliers, we perform quality inspection on random samples to detect any quality issue. We also pay regular visits to our suppliers to ensure that their facilities, equipment and finished products are up to our standards. We also have online quality control systems that visualize our standard quality inspection procedures and allows us to coordinate with our suppliers, Retail Partners and distributors on detecting and correcting any quality issues.

Warehouses and logistics

As of December 31, 2025, our products were distributed through approximately 56 leased warehouses, around 34 of which were located in Chinese mainland. We distribute products out of each warehouse mostly to nearby markets, while also using some of our warehouses in China to distribute to international markets.

In China, suppliers are generally responsible for delivering products to our warehouses either by themselves or through third-party logistics service providers. Generally, in international markets, a majority of products are from our operation in China, which are delivered to the local warehouses by third-party logistics service providers engaged by us, while a minority of products are from local suppliers, which are delivered by these local suppliers or third-party logistics service providers engaged by them to local warehouses.

Products are distributed from our warehouses to MINISO stores (other than those operated by local distributors) at a frequency depending on demand, and shipments are allocated dynamically based on real-time consumer demand and inventory data.

Sales and Marketing

Sales channels

We sell the majority of our products through our extensive offline store network, but we have also started to develop online sales channels, which have become increasingly important. Our sales channels mainly comprise the following:

MINISO stores. As of December 31, 2025, there were approximately 8,151 MINISO stores across the globe, with approximately 4,568 MINISO stores in Chinese Mainland and approximately 3,583 MINISO stores overseas.

TOP TOY stores. As of December 31, 2025, there were 334 TOP TOY stores, 304 of which were located in Chinese Mainland.

Online channels. We supplement our offline store network by accepting online orders via our Weixin mini-programs, online distributors and our online stores on major third-party e-commerce and O2O platforms. Consumers may order products to be delivered from either local MINISO and TOP TOY stores or from our warehouses using either type of these online sales channels.

Marketing and consumer engagement

We believe our wide assortment of trendy, innovative and affordable products are what draw consumers to visit MINISO and TOP TOY stores, and the shopping experience at MINISO and TOP TOY stores also helps turn store visitors into repeat visitors or purchasers. To promote our brand image, we have launched various marketing initiatives, including the appointment of celebrity brand ambassadors and featuring them in promotional material, marketing through video and short-video platforms, and KOL promotion on livestreams, with online and social media-based marketing and promotion efforts being our focus going forward. Specifically, our membership program and store-based consumer community are two marketing and consumer engagement measures that have proved particularly effective in China.

Membership program. We launched our MINISO membership program in Chinese Mainland in August 2018 and expanded it to overseas countries afterwards, usually in directly operated countries and regions where we operate our business through local subsidiaries. As of December 31, 2024 and 2025, the number of MINISO members with at least one purchase over the past 12 months was approximately 53 million and 64 million, respectively. The total cumulative number of MINISO members in Chinese mainland increased by 17.8% from approximately 95.2 million as of December 31, 2024 to 112.1 million as of December 31, 2025. In 2025, GMV generated from registered members contributed 59.5% of our total GMV, and 48.4% of the MINISO members made at least one purchase over the past 12 months. The total cumulative number of MINISO members in the United States increased by 150.3% from approximately 1.8 million as of December 31, 2024 to 4.4 million as of December 31, 2025. In 2025, GMV generated from registered members contributed 51.3% of our total GMV, and 71.4% of the MINISO members made at least one purchase over the past 12 months.

Our MINISO membership program may vary across different overseas regions to suit local market conditions and will continue to change and evolve alongside our business development. For example, our MINISO membership in Chinese mainland used to be structured in two tiers: premium membership and free membership, with the former requiring a membership fee but also enjoying more membership benefits than the latter. For example, premium members were entitled to special prices for select products and additional discounts on top of promotions both in store and on our Weixin mini-programs. However, we have ceased to accept new premium membership registrations or renewals of such program since March 2023. The term of the premium membership is one year or one month since the registration or renewal. The existing premium members can still enjoy relevant benefits before the expiration of their previously paid premium membership.

In Chinese mainland, the free membership program is the main membership program and is structured in two tiers: regular membership and super membership, with signing up and accumulating consumption points generated by customers' purchases and being categorized according to the level of transaction value consumption points during a specific period. For example, all of our members are entitled to coupons available in stores and our Weixin mini-programs and birthday privilege, with the super membership being granted coupons of higher value.

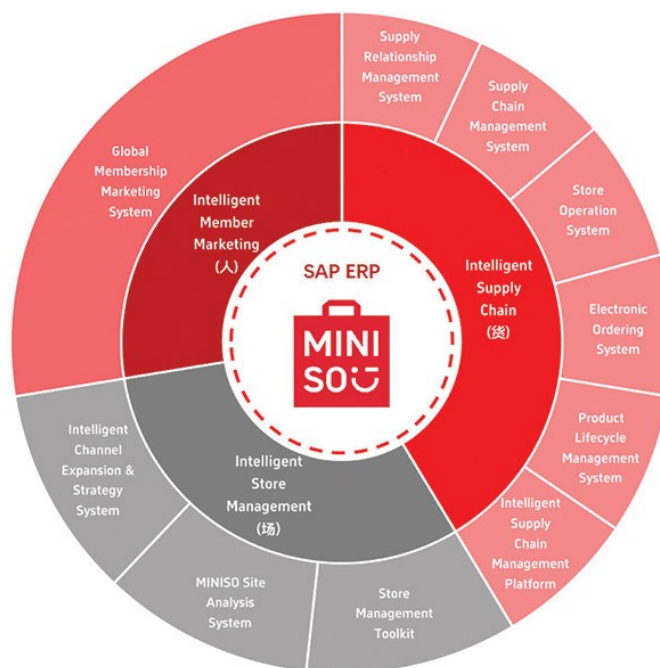
As of December 31, 2025, the number of TOP TOY registered members was over 12.0 million. The successful implementation of the membership program has driven customer spending. Our membership program also provides valuable consumer data that allow us to personalize our digital marketing efforts and has been key to our multi-channel customer engagement strategy.

Store-based consumer community. MINISO and TOP TOY stores in Chinese Mainland generally display a QR code that allows consumers visiting the stores to join the stores' Weixin groups, which are managed by our specialists. These specialists keep consumers constantly engaged by sharing mainly product-related information and promotion, sometimes in livestreaming format, in these Weixin groups. Consumers who are group participants may be enticed to shop for our products.

Technology Capabilities

We have developed an advanced and comprehensive technology system, which lays the foundation for our efficient business development and connects every chain of our business operations including, mainly, supply chain management, store operations, customer engagement, and targeted marketing. Empowered by our highly scalable and effective technology platform, we are able to achieve consistent and centralized store management and rapidly expand our global footprint with consistent quality and localized features.

The chart below illustrates our technology system:



Technology workforce. As of December 31, 2025, around 231 of our employees were engaged in research and development activities, representing around 3% of our total employee number.

SAP ERP system. At the core of our technology capabilities is our SAP ERP system, which has different modules or sub-systems that connect and manage different aspects of our business operation, including warehouse management, merchandising, sales, consumer and transaction data, human resource and finance. Our other technology systems are integrated with the SAP ERP system, thereby allowing data sharing and better coordination across systems.

Intelligent supply chain management. Our intelligent supply chain management is supported by our intelligent supply chain management platform, product lifecycle management system, electronic ordering system, store operation system, supply chain management system and supply relationship management system.

- **Intelligent supply chain management platform.** Our intelligent supply chain management platform is a supply chain management system that integrates upstream and downstream resources such as suppliers, warehouses, logistics and financial orders to create a fully digitalized and collaborative process covering procurement, supply, distribution, warehousing and transportation. Core modules encompass:
- **intelligent replenishment system**, which manages the entire process from product warehousing to store delivery by planning sales, forecasting demand, arranging supply and procurement, and coordinating inventory allocation and transfers between warehouses and stores based on sales performance;
- **centralized procurement system**, which addresses the needs of overseas centralized procurement by managing demand collection, centralized planning and execution, customs declaration and shipping;

- *supplier management*, which oversees the entire supplier lifecycle from onboarding and contract signing to performance evaluation, ensuring robust supply resources for the supply chain; and
- *inventory management*, which coordinates inventory across supplier, central, store, and virtual warehouses, accurately tracking inventory distribution and changes, and providing unified inventory queries, reconciliation, synchronization, and adjustments to achieve comprehensive inventory monitoring and optimization throughout the supply chain.
- Supply relationship management system. By integrating data and process collaboration, our supply relationship management system enables seamless cooperation between us and our suppliers, achieving efficient end-to-end supply and demand coordination. Its core modules, including R&D collaboration, order and material preparation, financial reconciliation, and quality inspection, allow both our internal teams and suppliers to manage proposals, orders and financial processes online, while suppliers can access certain sales data for better production planning.
- Supply chain management system. Our supply chain management system connects us with our suppliers, and it can give suppliers access to certain sales data on our end for better production coordination. By integrating suppliers into our supply chain management process, our supply chain management system also allows us to plan, manage and monitor every step of the supply chain process, leading to improved inventory management and shorten order and reorder lead time.
- Store operation system. Our store operation system is designed to digitally manage store display space by establishing six core modules: display schemes, display guidelines, standard models, display planning, display schedules and display tasks. The system addresses the planning, execution and demand issues related to product displays in retail store environments, which helps optimize the use of display resources and improves the efficiency of in-store merchandising.
- Electronic ordering system. Our electronic order system is a digital supply chain collaboration platform that we developed for our overseas markets. Its primary goal is to connect overseas markets efficiently with headquarters' supply through comprehensive order management and supply-demand coordination, thereby improving supply chain responsiveness and operational efficiency. The system's core capabilities include omnichannel order management for various product types and scenarios, intelligent decision support leveraging big data and sales forecasting, end-to-end supply chain collaboration covering procurement, allocation and fulfillment, as well as comprehensive financial and contract management. Additionally, this system supports product planning through item management and international assortment planning, hence optimizing product strategies for overseas markets.
- Product lifecycle management system. To facilitate input of design ideas and concepts from store managers and assistants across our store network, we have developed a proprietary module on the product lifecycle system on which frontline workers provide a rich and constant supply of the latest ideas and consumer information that serve as the basis for the next successful product design. In addition, the core processes of product development are digitalized and modularized in the product lifecycle management system through close and efficient collaboration of our designers, product managers, and other participants. The product lifecycle system thus evolves the traditional manufacturing process into a consumer-driven process by connecting the strong manufacturing ability of our large supplier network with our unique customer insights and massive data.

Intelligent store management. Based on our mass data base and store location selection expertise, we pioneered an industry-leading site selection model and end-to-end online processes, ensuring the efficiency and success rate of store openings. Before opening, we can forecast a store's performance and profitability through our site selection and profitability models. Operationally, our integrated tools and platforms cover core scenarios—business analysis, product management, store standards, and checkout experience. While improving efficiency, our operational strategies are also quickly validated and optimized through new data generated by our stores.

- Intelligent channel expansion and strategy system. Our MINISO Site Analysis System, or MAS, is a core digital platform supporting our global store expansion. By managing the entire process of site selection, franchisee management and store reporting, the MAS maximizes value of each store location, ensures individual store profitability and facilitates global channel development. Its main capabilities include: leveraging big data and standardized models for precise store location evaluation and layout, integrating multi-dimensional data to identify high-traffic locations, and forecasting revenue to improve accuracy and efficiency in location selection; establishing a comprehensive lifecycle management system for franchisees, strictly selecting partners with high standard, standardizing operations, and providing full-process support to achieve mutual success; and creating an online, closed-loop store reporting process that standardizes and streamlines approvals, connects location evaluation results, tracks preparation progress and shortens the store opening cycle to better meet global expansion needs.
- Store management toolkit. To address the challenges associated with daily store operations and management, we have developed six major tools to cover four key store scenarios, providing stores with comprehensive and accurate data analysis capabilities that support refined management and efficiency improvements. By establishing a complete digital operations system, it becomes possible to obtain timely and accurate operational data across the entire business chain, enabling precise identification of opportunities for store improvement. Store visualization tools also provide insights into sales per square meter and product performance, which in turn inform supply chain optimization and merchandise structure adjustments.

Intelligent member marketing. We have developed our global membership marketing system, a digital platform for managing the entire lifecycle of our members. Its goal is to efficiently connect consumers with products through precise tagging and marketing automation, thereby increasing member loyalty and stimulating improvement in repeat purchase rates.

- Full lifecycle management. This covers the entire process of member acquisition, insights, nurturing and engagement. By leveraging a precise tagging system and marketing automation, it enables personalized management of members.
- Customer relationship management. Through our customer relationship management module, the system builds detailed member profiles, allowing for a deep understanding of member needs and behaviors, which supports personalized marketing efforts.
- Marketing automation. Utilizing customer profiles, this system customizes outreach strategies and supports multi-channel communication through various social media platforms to achieve precise marketing to our members.

Data Privacy and Security

We are committed to protecting consumers' personal information privacy and security, and we have an internal team dedicated to handling data privacy and security. We have obtained and implemented a series of policies on data collection, processing and usage, such as a data protection policy, a set of third-party information security guidelines and an incident response policy. We have obtained the ISO/IEC 27001:2022 information security certification and the ISO/IEC 27701:2019 privacy protection certification issued by the British Standards Institution, an internationally renowned standards body. These certifications attest to the sufficiency of our information security and privacy protection measures.

Data protection policies. We have a company-wide data protection policy that sets data protection and security standards internally and regulates the collection, handling, storage and transferring of data pertaining to suppliers, consumers, business partners and employees.

Third-party information security guidelines. These guidelines govern how we manage interactions with suppliers and service providers to ensure information security and data protection, and they stipulate the responsibilities, procedures and requirements to be followed by our employees in managing information security and data privacy with suppliers and service providers. These procedures include, but are not limited to, requiring any employee, agent or outsourcing partner of the supplier or service partner to sign a confidentiality agreement that forbids unauthorized disclosure and provides for handling method of any personal data from our side.

Incident response policy. Our incident response policy implements the incident response mandate provided in the data protection policy, describes the incident response plan that has to be followed by relevant personnel through the incident lifecycle, and ensures quick detection and reporting of and response to data leakage incidents.

We currently use third-party clouds to host our network infrastructure. The third-party cloud service providers have extensive encryption protocols and other security measures in place to safeguard our data. To help ensure the confidentiality and integrity of our data, we take comprehensive and rigorous data security measures. We back up our consumer and other forms of personal data on a regular basis to minimize the risk of data loss. We also conduct frequent reviews of our back-up systems to help ensure that they function properly and are well maintained.

We follow strictly the relevant laws and regulations, including the recently promulgated Regulations on the Administration of Cyber Data Security, in collecting the personal information of consumers, and we conduct regular self-inspections and correct any irregularities found to ensure our maximum protection of each consumer's personal information. Despite the data privacy and security policies and measures adopted, there is no guarantee that advances in technology, the expertise of hackers, new discoveries in the field of cryptography or other events or developments will not result in a compromise or breach of the technology that we use to protect confidential information. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Failure to protect personal or confidential information against security breaches could subject us to significant reputational, financial and legal consequences and substantially harm our business and results of operations" for details on our compliance with PRC laws on protection of personal information.

Competition

The global branded variety retail market and pop toy market in China are intensely competitive and fragmented. While we do not believe there are many variety retailers competing with us at the global level, we face fierce competition from variety retailers in local markets. In addition, we also face competition from traditional retailers, including specialty retail stores, supermarkets and department stores, and online retailers, that sell lifestyle and pop toy products.

We believe that we are positioned favorably against our competitors on the basis of (i) our fast-growing store network and continuously optimized store formats, (ii) our frequently-refreshed product assortment with universal appeal, (iii) our efficient and intelligent supply chain, (iv) our in-depth know-how and digitalization, which drive our operational excellence, (v) our multi-channel operation and consumer engagement, (vi) our global scalability and capability penetrating into various tiers of cities, and (vii) our experienced founder and entrepreneurial management team. These competitive advantages all contribute to the core value propositions of our products, which remain the key attraction to consumers around the globe. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—We face intense competition. We may not be able to maintain or may lose market share and consumers if we fail to compete effectively."

Intellectual Property

We regard our trademarks, domain names, know-how, trade secrets and similar intellectual property as critical to our success, and we rely on trademark and copyright law and confidentiality and non-compete agreements with our employees and others to protect our proprietary rights. We collaborate with IP licensors owning a number of popular brands around the world. We had around 2,874 trademarks, 385 patents, 1,138 copyrights relating to various aspects of our operations, and approximately 10 registered domain names (including www.miniso.com) in China as of December 31, 2025. In addition, we owned over 1,600 trademarks outside China as of December 31, 2025.

Insurance

We consider our insurance coverage to be adequate as we have in place all the mandatory insurance policies required by applicable laws and regulations and in accordance with the commercial practices in our industry. We maintain various insurance policies to safeguard against risks and unexpected events, including property insurance covering inventory and warehouses. We provide social security insurance for our employees as required by PRC law. We do not maintain business interruption insurance, nor do we maintain key-man insurance. See “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—We have limited insurance coverage, which could expose us to significant costs” for risk factors relating to our insurance policies.

Regulations

This section sets forth a summary of the most significant rules and regulations that affect our business activities in China includes Chinese mainland and HK.

Chinese Mainland

Regulation related to foreign investment

The establishment, operation and management of companies in China are mainly governed by the PRC Company Law, as most recently amended in 2023, which applies to both PRC domestic companies and foreign-invested companies. On March 15, 2019, the National People’s Congress approved the Foreign Investment Law, and on December 26, 2019, the State Council promulgated the Implementing Rules of the Foreign Investment Law, or the Implementing Rules, to further clarify and elaborate the relevant provisions of the Foreign Investment Law. The Foreign Investment Law and the Implementing Rules both took effect on January 1, 2020 and replaced three previous major laws on foreign investments in China, namely, the Sino-foreign Equity Joint Venture Law, the Sino-foreign Cooperative Joint Venture Law and the Wholly Foreign-owned Enterprise Law, together with their respective implementing rules. Pursuant to the Foreign Investment Law, “foreign investments” refer to investment activities conducted by foreign investors (including foreign natural persons, foreign enterprises or other foreign organizations) directly or indirectly in the PRC, which include any of the following circumstances: (i) foreign investors setting up foreign-invested enterprises in the PRC solely or jointly with other investors, (ii) foreign investors obtaining shares, equity interests, property portions or other similar rights and interests of enterprises within the PRC, (iii) foreign investors investing in new projects in the PRC solely or jointly with other investors, and (iv) investment in other methods as specified in laws, administrative regulations, or as stipulated by the State Council. The Implementing Rules introduce a see-through principle and further provide that foreign-invested enterprises that invest in the PRC shall also be governed by the Foreign Investment Law and the Implementing Rules.

The Foreign Investment Law and the Implementing Rules provide that a system of pre-entry national treatment and negative list shall apply to the administration of foreign investment, where “pre-entry national treatment” means that the treatment given to foreign investors and their investments at market entry stage is no less favorable than that given to domestic investors and their investments, and “negative list” means the special administrative measures for foreign investment’s entry to specific fields or industries. Foreign investments beyond the negative list will be granted national treatment. Foreign investors shall not invest in the prohibited fields as specified in the negative list, and foreign investors who invest in the restricted fields shall comply with certain special requirements on shareholding and senior management personnel, etc. In the meantime, relevant competent government departments will formulate a catalogue of the specific industries, fields and regions in which foreign investors are encouraged and guided to invest according to the national economic and social development needs. The current industry entry clearance requirements governing investment activities in the PRC by foreign investors are set out in two categories, namely the Special Entry Management Measures (Negative List) for the Access of Foreign Investment (2024 version), and the Encouraged Industry Catalogue for Foreign Investment (2025 version), which were promulgated by the National Development and Reform Commission, or the NDRC, and the Ministry of Commerce, or the MOFCOM, and took effect on November 1, 2024 and on February 1, 2026, respectively. Industries not listed in these two catalogues are generally deemed “permitted” for foreign investment unless specifically restricted by other PRC laws.

According to the Implementing Rules, the registration of foreign-invested enterprises shall be handled by the State Administration for Market Regulation, or the SAMR, or its authorized local counterparts. Where a foreign investor invests in an industry or field subject to licensing in accordance with laws, the relevant competent government department responsible for granting such license shall review the license application of the foreign investor in accordance with the same conditions and procedures applicable to PRC domestic investors unless it is stipulated otherwise by the laws and administrative regulations, and the competent government department shall not impose discriminatory requirements on the foreign investor in terms of licensing conditions, application materials, reviewing steps and deadlines, etc.

Pursuant to the Foreign Investment Law and the Implementing Rules, and the Information Reporting Measures for Foreign Investment jointly promulgated by the MOFCOM and the SAMR, which took effect on January 1, 2020, a foreign investment information reporting system has been established and foreign investors or foreign-invested enterprises shall report investment information to competent commerce departments of the government through the enterprise registration system and the national enterprise credit information publicity system, and the administration for market regulation shall forward the above investment information to the competent commerce departments in a timely manner. As a foreign-invested enterprise, our PRC subsidiaries, Miniso Guangzhou and Mingyou Industrial Investment (Guangzhou) Limited, or Mingyou, shall observe these measures and report investment information accordingly. In addition, the Implementing Rules require that foreign-invested enterprises that were established before the Foreign Investment Law came into effect shall adjust in a five-year transition period provisions of their articles of association relating to the corporate governance to comply with the Foreign Investment Law. For example, the highest decision-making body of a Sino-foreign joint venture enterprise shall be adjusted from the board of directors to the shareholders meeting, or, in the case of sole-shareholder structure, the shareholder itself. We completed such adjustment to the extent as required by the Foreign Investment Law in March 2020.

Regulation related to food operation activities

According to the Food Safety Law of the PRC, or the Food Safety Law, as effective on June 1, 2009 and most recently amended on September 12, 2025, the State Council implements a licensing system for the food production and trading. Licenses are required to engage in food production, food selling, or catering services. Licenses are required to engage in food production, food selling, or catering services. On June 15, 2023, the SAMR promulgated the Administrative Measures for Food Operation Licensing and Filing, which took effect on December 1, 2023. According to these Measures, a food operation license shall be obtained in accordance with the law to engage in food selling and catering services within China, while only filing with local market administration is needed for enterprises selling prepackaged food.

Our major PRC subsidiaries engaged in sales of pre-packed food, including Miniso (Guangzhou) Co., Ltd., have completed filings with the local market regulatory departments accordingly.

Regulation related to business activities involving medical devices

The Regulation on the Supervision and Administration of Medical Devices as effective on April 1, 2000 and most recently amended by the State Council on December 6, 2024 regulates the research and development, production, operation, use as well as supervision and administration of medical devices in the PRC. Medical devices are classified according to their risk levels. Class I medical devices are medical devices with low risks, the safety and effectiveness of which can be ensured through routine administration. Class II medical devices are medical devices with moderate risks, which are strictly controlled and administered to ensure their safety and effectiveness. Class III medical devices are medical devices with relatively high risks, which are strictly controlled and administered through special measures to ensure their safety and effectiveness. The evaluation of the risk levels of medical devices take into consideration the expected objectives, structural features, methods of use and other factors of medical devices.

The Measures for the Supervision and Administration of the Operation of Medical Devices which issued by the SAMR and took effect on May 1, 2022 regulates the business activities involving medical devices as well as supervision and administration of such activities in the PRC. Business activities involving medical devices are regulated in accordance with the medical devices' risk levels. No filing or license is required for business activities involving Class I medical devices. Filing is required for business activities involving Class II medical devices. A license is required for business activities involving Class III medical devices. A purchase inspection recording system for the medical devices is required for purchased medical devices operators, and a recording system for sale is required for wholesalers of Class II and Class III medical devices and retailers of Class III medical devices also.

Our PRC subsidiaries, Miniso (Guangzhou) Co., Ltd., Miniso Youxuan Technology (Guangzhou) Co., Ltd. and Miniso International (Guangzhou) Co., Ltd., have obtained certificates issued by Guangzhou Administration for Market Regulation for the filing of their operation of Class II medical device.

Regulation related to product quality and consumers protection

According to the Product Quality Law of the PRC, which took effect on September 1, 1993 and was amended by the Standing Committee of National People's Congress or the SCNPC on July 8, 2000, August 27, 2009 and December 29, 2018 respectively, products for sale must satisfy relevant safety standards and sellers shall adopt measures to maintain the quality of products for sale. Sellers shall not mix impurities or imitations into products, or pass counterfeit goods off as genuine ones, or defective products as good ones or substandard products as standard ones. For sellers, any violation of state or industrial standards for health and safety or other requirements may result in civil liabilities and administrative penalties, such as compensation for damages, fines, confiscation of products illegally manufactured or sold and the proceeds from the sales of such products illegally manufactured or sold, and even revoking business license; in addition, severe violations may subject the responsible individual or enterprise to criminal liabilities. Consumers or victims who suffer injuries or property losses due to product defects may demand compensation from either the producer or the seller. Where the liability lies with the producer, the seller shall, after settling the claim, have the right to recover such claim from the producer, and vice versa.

According to the Consumers Rights and Interests Protection Law, which became effective on January 1, 1994 and was amended by the SCNPC on August 27, 2009 and October 25, 2013, respectively, business operators should guarantee that the products and services they provide satisfy the requirements for personal or property safety, and provide consumers with authentic information about the quality, function, usage and term of validity of the products or services. Where business operators have discovered any defect in the goods or services they provided, which may endanger personal or property safety, they shall forthwith report to relevant administrative authorities and notify consumers, and adopt measures such as suspension of selling, alerts, recalls, decontamination, destruction, and suspension of manufacturing or services. In the case where recall measures are adopted, the business operator shall bear necessary expenses incurred by consumers resulting from the recall of goods. Furthermore, if business operators deceive consumers or knowingly sell substandard or defective products, they should not only compensate consumers for their losses, but also pay additional damages equal to three times the price of the goods or services.

On January 6, 2017, the former State Administration for Industry and Commerce (later reorganized into the SAMR) issued the Interim Measures for Seven-day Unconditional Return of Online Purchased Goods, which became effective on March 15, 2017 and was amended on October 23, 2020, further clarifying the scope of consumers' rights to make returns without a reason, including exceptions to such rights, the standard of "good condition", and return procedures.

We sell lifestyle products to consumers and are subject to these product quality and consumer protection laws and regulations in China. For a detailed description on the risks associated with product quality and product liability, see "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—If we fail to offer high-quality products to consumers, our business, reputation, results of operations and financial condition will be materially and adversely affected" and also "—Should a product liability issue, recall or personal injury issue arise, it may damage our reputation and brand image, which may result in a material adverse effect on our business, reputation, results of operations and financial condition."

Regulation related to commercial franchising

Pursuant to the Regulations on the Administration of Commercial Franchising, or the Franchising Regulations, which took effect on May 1, 2007, commercial franchising refers to the business activities where a franchisor, being an enterprise possessing registered trademarks, corporate logos, patents, proprietary technology, or other business resources, licenses through contracts its business resources to the franchisees, being other business operators, and the franchisees carry out business operation under a uniform business model and pay franchising fees to the franchisor pursuant to the contracts. The Franchising Regulations set forth a number of prerequisite requirements for the franchisors, including the possession of a mature business model, the capability to provide business guidance, technical support, and business training to the franchisees, and the ownership of at least two direct stores which shall have been in operation for at least one year in China. The Franchising Regulations also set forth the requirements governing the franchise agreements. For example, the franchisors and franchisees are required to enter into franchising agreements containing certain required terms, and the franchise term thereunder shall be no less than three years unless otherwise agreed by the franchisee.

Pursuant to the Administrative Measures on the Filing of the Commercial Franchise, which was last amended on December 29, 2023, and the Franchising Regulations, within 15 days after executing the first franchise agreement, the franchisor shall file with the MOFCOM or its local counterparts for record, and if there occurs any change to the franchisor's business registration, business resources, and the franchisee store network throughout China, the franchisor shall apply to MOFCOM for alteration within 30 days after the occurrence of such change. Furthermore, within the first quarter of each year, the franchisor shall report the execution, revocation, termination, and renewal of the franchise agreements occurring in the previous year to MOFCOM or its local counterparts.

Furthermore, the franchisor is required to implement information disclosure system. The Administrative Measures on the Information Disclosure of Commercial Franchising, which took effect on April 1, 2012, provides a list of information that the franchisor shall disclose to franchisees in writing at least 30 days prior to the execution of the franchising agreements, except such agreements are renewed under the original terms.

We have been engaging in commercial franchising activities under our "MINISO" brand and "TOP TOY" brand. With respect to our core brands "MINISO" and "TOP TOY", our PRC subsidiary, Miniso (Hengqin) Enterprise Management Co., Ltd., and TOP TOY (Guangdong) Cultural Creativity Co., Ltd. has completed the filing for commercial franchising.

Regulation related to data, cyber and information security and privacy protection

On November 7, 2016, the SCNPC promulgated the Cyber Security Law of the PRC, or the Cyber Security Law, which was amended on October 28, 2025, to protect cyberspace security and order. Pursuant to the Cyber Security Law, any individual or organization using the network must comply with the constitution and the applicable laws, follow the public order and respect social moralities, and must not endanger cyber security, or leverage the network to engage in activities that endanger the national security, honor and interests, or infringe on the fame, privacy, intellectual property and other legitimate rights and interests of others. The Cyber Security Law sets forth various security protection obligations for network operators, which are defined as "owners and administrators of networks and network service providers." Pursuant to the Cyber Security Law, network operators shall follow the "lawful, justifiable and necessary" principle in collecting and using personal information, and shall disclose the rules for collection and use, expressly notify the purpose, methods and scope of such collection and use, and obtain the consent of the person whose personal information is to be collected.

Furthermore, on November 28, 2019, the Secretary Bureau of the Cyberspace Administration of China, the General Office of the Ministry of Industry and Information Technology, the General Office of the Ministry of Public Security, and the General Office of the State Administration for Market Regulation promulgated the Identification Method of Illegal Collection and Use of Personal Information Through App, which provides guidance for regulatory authorities to identify the illegal collection and use of personal information through mobile apps and for mobile app operators to conduct self-examination and self-correction.

On June 10, 2021, the SCNPC promulgated the Data Security Law, which took effect in September 2021. The Data Security Law provides for data security and privacy obligations on entities and individuals carrying out data activities. The Data Security Law also introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used. The appropriate level of protection measures is required to be taken for each respective category of data. For example, a processor of important data shall designate the personnel and the management body responsible for data security, carry out risk assessments for its data processing activities and file the risk assessment reports with the competent authorities. In addition, the Data Security Law provides a national security review procedure for those data activities which may affect national security and imposes export restrictions on certain data and information.

On July 6, 2021, the General Office of the CPC Central Committee and the General Office of the State Council jointly promulgated the Opinions on Strictly Cracking Down on Illegal Securities Activities in Accordance with the Law, which emphasized the need to strengthen cross-border regulatory collaboration and to improve relevant laws and regulations on data security, cross-border data transmission, and confidential information management, and provided that efforts will be made to amend the regulations on strengthening the confidentiality and file management framework relating to the offering and listing of securities overseas, to enforce the responsibility of overseas listed companies with respect to information security, and to strengthen and standardize the management of cross-border information transmission mechanisms and procedures.

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law, which integrates the scattered rules with respect to personal information rights and privacy protection and took effect in November 2021. The Personal Information Protection Law aims at protecting the personal information rights and interests, regulating the processing of personal information, ensuring the orderly and free flow of personal information in accordance with the law and promoting the reasonable use of personal information. Personal information, as defined in the Personal Information Protection Law, refers to information related to identified or identifiable individuals and is recorded by electronic or other means but excluding the anonymized information. The Personal Information Protection Law applies to personal information processing activities within China, as well as certain personal information processing activities outside China, including those for provision of products and services to individuals within China or for analyzing and assessing acts of individuals within China. The Personal Information Protection Law provides the circumstances under which a personal information processor could process personal information, which include but not limited to, where the consent of the individual concerned is obtained and where it is necessary for the conclusion or performance of a contract to which the individual is a contractual party. It also stipulates certain specific rules with respect to the obligations of a personal information processor, such as to inform the purpose, the method of processing, the type of personal information processed and retention period to the individuals, and the obligation of the third party who has access to the personal information by way of co-processing or delegation etc. Processors processing personal information exceeding the threshold to be set by the relevant authorities and critical information infrastructure operators are required to store, within the PRC territory, the personal information collected and produced within the PRC. Specifically, a personal information processor who use personal information to make automated decision-making shall ensure the transparency of decision-making and the fairness and impartiality of the results, and shall not impose unreasonable differential treatment on individuals in terms of pricing and other transaction conditions. The relevant governmental authorities shall organize assessment on mobile apps' personal information protection and publicize the outcome.

The mobile apps that are identified as not in compliance with personal information protection requirements under such law may be required to suspend or terminate the services and the operators may also be subject to penalties including confiscation of illegal revenues and fines. Furthermore, the Personal Information Protection Law also provides for the rights of individuals whose personal information is processed, and takes special care of the personal information of children under 14 and sensitive personal information.

On December 28, 2021, the CAC, together with other relevant departments, jointly promulgated the Cybersecurity Review Measures, which became effective from February 15, 2022. According to the Cybersecurity Review Measures, a network platform operator who possesses personal information of more than one million users shall apply for cybersecurity review before the listing of the network platform operator's securities abroad, and the relevant governmental authorities may initiate cybersecurity review if such governmental authorities consider relevant network products or services and data processing affect or may affect national security. We do not think listing in Hong Kong is listing abroad.

On September 24, 2024, the State Council published the Cyber Data Regulations, which became effective on January 1, 2025. The Cyber Data Regulations restates and further specifies the legal requirements for personal information, important data, cross-border data transfer, network platform services, and data security. If the network data processing activities have or may have impact on national security, such activities shall be subject to national security review in accordance with relevant laws and regulations. Any failure to comply with such requirements may subject us to, among others, suspension of services, fines, revoking relevant business permits or business licenses and penalties.

During the course of our business operations, we receive, retain and transmit certain personal information of our consumers with their consent when they purchase our products, enroll in promotional programs, participate in our membership program, or otherwise communicate and interact with us. As a result, we are subject to these laws and regulations related to information security and privacy protection. For a detailed description of the risks associated with the collection of personal information of consumers, see “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Failure to protect personal or confidential information against security breaches could subject us to significant reputational, financial and legal consequences and substantially harm our business and results of operations.”

Regulation related to intellectual property

Patent. Patents in the PRC are principally protected under the PRC Patent Law, which was initially promulgated in 1984 and was amended in 1992, 2000, 2008 and 2020. The duration of a patent right for inventions, utility models and designs shall be 20 years, 10 years and 15 years from the application date respectively.

Copyright. Copyrights in the PRC, including software copyrights, is principally protected under the PRC Copyright Law, which took effect on June 1, 1991 and was amended in 2001, 2010 and 2020 and related rules and regulations. The PRC Copyright Law specifies that works of Chinese citizens, legal persons or other organizations, namely ingenious intellectual achievements in the fields of literature, art and science that can be presented in a certain form, whether published or not, shall enjoy the copyright. The copyright holder can enjoy multiple rights, including the right of publication, the right of authorship, and the right of reproduction. Pursuant to the Regulations on the Protection of Computer Software, which was promulgated in 2001 and amended in 2013, the term of protection for software copyrights is 50 years. The Regulation on the Protection of the Right to Communicate Works to the Public over Information Networks, as most recently amended on January 30, 2013, provides specific rules on fair use, statutory license, and a safe harbor for use of copyrights and copyright management technology and specifies the liabilities of various entities for violations, including copyright holders, libraries and Internet service providers.

Trademark. Registered trademarks are protected under the PRC Trademark Law, which was adopted on August 23, 1982 and subsequently amended in 1993, 2001, 2013 and 2019 respectively as well as by the Implementation Regulations of the PRC Trademark Law adopted by the State Council in 2002 and amended in 2014 and related rules and regulations. The State Intellectual Property Office, formerly known as the Trademark Office of the State Administration for Industry and Commerce, handles trademark registrations and grants a protection term of ten years to registered trademarks and the term may be renewed for another ten years period upon request by the trademark owner.

Domain name. Domain names are protected under the Administrative Measures on Internet Domain Names promulgated by the MIIT on August 24, 2017 and effective since November 1, 2017. Domain name registrations are handled through domain name service agencies established under the relevant regulations, and applicants become domain name holders upon successful registration.

As a branded variety retailer, we design and sell lifestyle products. We rely on these laws and regulations in China to protect our intellectual property rights. As of December 31, 2025, we had about 2,874 trademarks, 385 patents (including invention patents, utility model patents, and appearance design patents), 1,138 copyrights, and approximately 10 registered domain names (including www.miniso.com) in China. In addition, we owned over 1,600 trademarks outside China as of December 31, 2025.

Regulation related to employment, social insurance and housing fund

Pursuant to the PRC Labor Law, which was initially promulgated in 1994 and was amended in 2009 and 2018 and the PRC Labor Contract Law, which was promulgated on June 29, 2007 and amended on December 28, 2012, employers must execute written labor contracts with full-time employees. All employers must comply with local minimum wage standards. Violations of the PRC Labor Contract Law and the PRC Labor Law may result in the imposition of fines and other administrative and criminal liability in the case of serious violations.

In addition, according to the PRC Social Insurance Law implemented on July 1, 2011 and most recently amended on December 29, 2018 and the Regulations on the Administration of Housing Funds, which was promulgated by the State Council in 1999 and most recently amended in 2019, employers in China must provide employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, and medical insurance and housing funds.

Our operations in China are subject to these laws and regulations. We have not made contributions in full to social insurance and housing provident fund for some of our employees based on relevant PRC regulations. See “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Failure to make adequate contributions to various government-sponsored employee benefits plans as required by PRC regulations may subject us to penalties” for risks associated with such non-compliance.

Regulation related to fire prevention

The Fire Prevention Law of the PRC, or the Fire Prevention Law, was adopted on April 29, 1998 and last amended on April 29, 2021. According to the Fire Prevention Law and other relevant laws and regulations of the PRC, the emergency management authority of the State Council and its local counterparts at or above county level shall monitor and administer the fire prevention affairs. The fire and rescue department of such a people’s government are responsible for implementation. The Fire Prevention Law provides that the fire prevention design or construction of a construction project must conform to the national fire prevention technical standards.

According to the Fire Prevention Law, the constructor or user entity shall apply to the fire and rescue department of the local people’s government at or above county level for a fire safety inspection before a public gathering place is put into use or opens for business. Any construction illegally putting into use or operating a public gathering place without being permitted by the rescue department or without conforming to the use and operation conditions as the constructor or user undertakes upon inspection shall be ordered to stop construction, stop use or stop production or business operation and be fined not less than RMB30,000 but not more than RMB300,000.

As of the date of this annual report, we have not obtained the certificate for fire control inspection for five of our directly operated TOP TOY stores and four of our directly operated MINISO stores in Chinese Mainland. For a detailed description of the risks associated with the lack of such certificate, see “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Any lack of requisite approvals, licenses or permits applicable to our business may have a material and adverse impact on our business, financial condition and results of operations.”

Regulation related to foreign exchange

The principal regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations, as most recently amended in 2008. Under PRC foreign exchange regulations, payments of current account items, such as profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the State Administration of Foreign Exchange, or SAFE, by complying with certain procedural requirements. By contrast, approval from or registration with appropriate government authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital account items, such as direct investments, repayment of foreign currency-denominated loans, repatriation of investments and investments in securities outside of China.

In 2012, SAFE promulgated the Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment, or Circular 59, which substantially amends and simplifies the previous foreign exchange procedure. Pursuant to Circular 59, the opening and deposit of various special purpose foreign exchange accounts, such as pre-establishment expenses accounts, foreign exchange capital accounts and guarantee accounts, the reinvestment of RMB proceeds derived by foreign investors in the PRC, and remittance of foreign exchange profits and dividends by a foreign-invested enterprise to its foreign shareholders no longer require the approval or verification of SAFE, and multiple capital accounts for the same entity may be opened in different provinces, which was not possible previously. In 2013, SAFE promulgated Notice of State Administration of Foreign Exchange on Promulgation of the Provisions on Foreign Exchange Control on Direct Investments in China by Foreign Investors and Supporting Documents, which specified that the administration by SAFE or its local branches over direct investment by foreign investors in the PRC must be conducted by way of registration and banks must process foreign exchange business relating to the direct investment in the PRC based on the registration information provided by SAFE and its branches. In February 2015, SAFE promulgated the Notice on Further Simplifying and Improving the Administration of the Foreign Exchange Concerning Direct Investment, or SAFE Notice 13. Instead of applying for approvals regarding foreign exchange registrations of foreign direct investment and overseas direct investment from SAFE, entities and individuals may apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of SAFE, may directly review the applications, conduct the registration and perform statistical monitoring and reporting responsibilities.

In March 2015, SAFE promulgated the Circular of the SAFE on Reforming the Management Approach regarding the Settlement of Foreign Capital of Foreign-invested Enterprise, or Circular 19, which expands a pilot reform of the administration of the settlement of the foreign exchange capitals of foreign-invested enterprises nationwide. Circular 19 allows all foreign-invested enterprises established in the PRC to settle their foreign exchange capital on a discretionary basis according to the actual needs of their business operation, provides the procedures for foreign invested companies to use RMB converted from foreign currency-denominated capital for equity investments and removes certain other restrictions under previous rules and regulations. However, Circular 19 continues to prohibit foreign-invested enterprises from, among other things, using RMB funds converted from their foreign exchange capital for expenditure beyond their business scope and providing entrusted loans or repaying loans between non-financial enterprises. SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account, or Circular 16, effective in June 2016, which reiterates some of the rules set forth in Circular 19. Circular 16 provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds and remitted foreign listing proceeds, and the corresponding RMB capital converted from foreign exchange may be used to extend loans to related parties or repay inter-company loans (including advances by third parties). However, there are substantial uncertainties with respect to interpretation and implementation of Circular 16 in practice.

In January 2017, SAFE promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification, or Circular 3, which stipulates several capital control measures with respect to the outbound remittance of profits from domestic entities to offshore entities, including (i) banks must check whether the transaction is genuine by reviewing board resolutions regarding profit distribution, original copies of tax filing records, audited financial statements and stamp with the outward remittance sum and date on the original copies of tax filing records and (ii) domestic entities must retain income to account for previous years' losses before remitting any profits. Moreover, pursuant to Circular 3, domestic entities must explain in detail the sources of capital and how the capital will be used, and provide board resolutions, contracts and other proof as a part of the registration procedure for outbound investment.

On October 23, 2019, SAFE issued Circular of the State Administration of Foreign Exchange on Further Promoting the Facilitation of Cross-border Trade and Investment, or the Circular 28, which took effect on the same day. Circular 28 allows non-investment foreign-invested enterprises to use their capital funds to make equity investments in China, with genuine investment projects and in compliance with effective foreign investment restrictions (negative list) and other applicable laws. On December 2023, SAFE promulgated the Notice on Further Deepening Reform to Promote Cross-border Trade and Investment Facilitation, or the 2023 Circular 28, which further amended and specified the requirements for such equity investments. The 2023 Circular 28 stipulates that, in such equity investments, the domestic transferor of the equity shall also perform registration and open a capital account settlement account to receive the equity transfer consideration.

Our PRC subsidiaries are subject to these regulations on foreign exchange in various aspects of their operations, such as profit distributions for those which are foreign-invested enterprises, trade and service-related foreign exchange transactions, conversion of foreign currency-denominated capital for expenditure and equity investments. For a detailed description of the risks associated with our ability to use foreign currency, see “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Chinese Mainland regulation of loans to and direct investment in Chinese Mainland entities by offshore holding companies and governmental administration of currency conversion may delay or prevent us from using the proceeds of our offshore offerings to make loans to or make additional capital contributions to our Chinese Mainland subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.”

Regulation related to dividend distribution

The principal regulation governing dividends distributions by companies is the PRC Company Law, pursuant to which both domestic companies and foreign-invested companies in the PRC are required to set aside as general reserves at least 10% of their after-tax profit, until the cumulative amount of their reserves reaches 50% of their registered capital. PRC companies are not permitted to distribute any profits until any losses from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

We are a holding company, and we may rely on dividends and other distributions on equity paid by our Chinese Mainland subsidiaries for our cash and financing requirements. For a detailed description of the risks associated with any limitation on the ability of our PRC subsidiaries to make payments to us, see “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—MINISO Group Holding Limited is a Cayman holding company and we may rely on dividends and other distributions on equity paid by our Chinese Mainland subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our Chinese Mainland or Hong Kong subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business.”

Regulation related to foreign exchange registration of overseas investment by PRC residents

In 2014, SAFE issued the SAFE Circular on Relevant Issues Relating to Domestic Resident’s Investment and Financing and Roundtrip Investment through Special Purpose Vehicles, or SAFE Circular 37. SAFE Circular 37 regulates foreign exchange matters in relation to the use of special purpose vehicles by PRC residents or entities to seek offshore investment and financing or conduct round trip investment in China. Under SAFE Circular 37, a “special purpose vehicle” refers to an offshore entity established or controlled, directly or indirectly, by PRC residents or entities for the purpose of seeking offshore financing or making offshore investment, using legitimate onshore or offshore assets or interests, while “round trip investment” refers to direct investment in China by PRC residents or entities through special purpose vehicles, namely, establishing foreign-invested enterprises to obtain ownership, control rights and management rights. SAFE Circular 37 provides that, before making a contribution into a special purpose vehicle, PRC residents or entities are required to complete foreign exchange registration with SAFE or its local branch. At the same time, SAFE has issued the Operation Guidance for the Issues Concerning Foreign Exchange Administration over Round-trip Investment regarding the procedures for SAFE registration under the SAFE Circular 37, which became effective on July 4, 2014 as an attachment of Circular 37.

In 2015, the SAFE Notice 13 amended SAFE Circular 37 by requiring PRC residents or entities to register with qualified banks rather than SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. PRC residents or entities who had contributed legitimate onshore or offshore interests or assets to special purpose vehicles but had not registered as required before the implementation of the SAFE Circular 37 must register their ownership interests or control in the special purpose vehicles with qualified banks. An amendment to the registration is required if there is a material change with respect to the special purpose vehicle registered, such as any change of basic information (including change of the PRC residents, name and operation term), increases or decreases in investment amount, transfers or exchanges of shares, and mergers or divisions. Failure to comply with the registration procedures set forth in SAFE Circular 37 and the subsequent notice, or making misrepresentations or failing to disclose the control of the foreign-invested enterprise that is established through round-trip investment, may result in restrictions being imposed on the foreign exchange activities of the relevant foreign-invested enterprise, including payment of dividends and other distributions, such as proceeds from any reduction in capital, share transfer or liquidation, to its offshore parent or affiliate, and the capital inflow from the offshore parent, and may also subject relevant PRC residents or entities to penalties under PRC foreign exchange administration regulations.

According to the above circulars and regulations, PRC residents who establish or control offshore special purpose vehicles for the purpose of financing or investment shall register with SAFE or its designated local entity. As of the date of this annual report, Mr. Guofu Ye and Ms. Yunyun Yang, who directly or indirectly hold our shares, have completed the initial foreign exchange registrations and are communicating with the bank designated by SAFE regarding updating their registration as required in connection with a recent restructuring of their respective offshore special purpose vehicles. For a detailed description of the risks associated with any failure by us, our shareholders or beneficial owners to comply with these regulations, see “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Chinese Mainland regulations relating to offshore investment activities by Chinese Mainland residents may limit our Chinese Mainland subsidiaries’ ability to increase their registered capital or distribute profits to us or otherwise expose us or our Chinese Mainland resident beneficial owners to liability and penalties under Chinese Mainland law.”

Regulation related to stock incentive plans

In February 2012, SAFE promulgated the Notice on Foreign Exchange Administration of PRC Residents Participating in Share Incentive Plans of Offshore Listed Companies, or the Stock Option Rules, replacing the previous rules issued by SAFE in March 2007. Under the Stock Option Rules and other relevant rules and regulations, domestic individuals, which means the PRC residents and non-PRC citizens residing in China for a continuous period of not less than one year, except for foreign diplomatic and consular agencies stationed in China and representative offices of international organizations stationed in China, subject to a few exceptions, who participate in a stock incentive plan in an overseas publicly-listed company are required to register with SAFE or its local branches and complete certain other procedures. Participants of a stock incentive plan who are PRC residents must retain a qualified PRC agent, which could be a PRC subsidiary of the overseas publicly-listed company or another qualified institution selected by the PRC subsidiary, to conduct the SAFE registration and other procedures with respect to the stock incentive plan on behalf of its participants. The participants must also retain an overseas entrusted institution to handle matters in connection with their exercise of stock options, the purchase and sale of corresponding stocks or interests and fund transfers. In addition, the PRC agent is required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan, the PRC agent or the overseas entrusted institution or other material changes. The PRC agents must, on behalf of the PRC residents who have the right to exercise the employee share options, apply to SAFE or its local branches for an annual quota for the payment of foreign currencies in connection with the PRC residents’ exercise of the employee share options. The foreign exchange proceeds received by the PRC residents from the sale of shares under the stock incentive plans granted and dividends distributed by the overseas listed companies must be remitted into the bank accounts in the PRC opened by the PRC agents before distribution to such PRC residents. In addition, SAFE Circular 37 provides that PRC residents who participate in a share incentive plan of an overseas unlisted special purpose company may register with SAFE or its local branches before exercising rights.

The above regulations apply to our directors, executive officers and other employees in connection with their exercise of stock options. For a detailed description of the risks associated with any failure to comply with these regulations, see “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Any failure to comply with PRC regulations regarding the registration requirements for employee stock incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.”

Regulation related to tax

Enterprise income tax. Under the Enterprise Income Tax Law of the PRC, or the EIT Law, which became effective on January 1, 2008 and was most recently amended on December 29, 2018, and its implementing rules, enterprises are classified as resident enterprises and non-resident enterprises. PRC resident enterprises typically pay an enterprise income tax at the rate of 25% while non-PRC resident enterprises without any branches in the PRC should pay an enterprise income tax in connection with their income from the PRC at the tax rate of 10%. An enterprise established outside of the PRC with its “de facto management bodies” located within the PRC is considered a “resident enterprise,” meaning that it can be treated in a manner similar to a PRC domestic enterprise for enterprise income tax purposes. The implementing rules of the EIT Law define a de facto management body as a managing body that in practice exercises “substantial and overall management and control over the production and operations, personnel, accounting, and properties” of the enterprise.

The EIT Law and its implementation rules provide that an income tax rate of 10% should normally be applicable to dividends payable to investors that are “non-resident enterprises,” and gains derived by such investors, which (a) do not have an establishment or place of business in the PRC or (b) have an establishment or place of business in the PRC, but the relevant income is not effectively connected with the establishment or place of business to the extent such dividends and gains are derived from sources within the PRC. Such income tax on the dividends may be reduced pursuant to a tax treaty between China and other jurisdictions. Pursuant to the Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation on Income, or the Double Tax Avoidance Arrangement, and other applicable PRC laws, if a Hong Kong resident enterprise is determined by the competent PRC tax authority to have satisfied the relevant conditions and requirements under such Double Tax Avoidance Arrangement and other applicable laws, the 10% withholding tax on the dividends the Hong Kong resident enterprise receives from a PRC resident enterprise may be reduced to 5% upon receiving approval from in-charge tax authority. On December 2023, SAFE promulgated the Notice on Further Deepening Reform to Promote Cross-border Trade and Investment Facilitation, or the 2023 Circular 28, which further amended and specified the requirements for such equity investments. The 2023 Circular 28 stipulates that, in such equity investments, the domestic transferor of the equity shall also perform registration and open a capital account settlement account to receive the equity transfer consideration. However, based on the Notice on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties issued on February 20, 2009 by the State Taxation Administration, or the STA, if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment; and based on the Announcement on Relevant Issues Concerning the “Beneficial Owners” in Tax Treaties issued on February 3, 2018 by the STA and effective from April 1, 2018, comprehensive analysis based on the stipulated factor therein and actual circumstances shall be adopted when recognizing the “beneficial owner” and agents and designated wire beneficiaries are specifically excluded from being recognized as “beneficial owners.”

Value-added tax and business tax. On December 25, 2024, the Standing Committee of the National People’s Congress promulgated the VAT Law of the PRC, which became effective on January 1, 2026, and the Regulation on the Implementation of the Value-Added Tax Law of the PRC, which came into effect on the same day. Pursuant to the Value-Added Tax Law of the PRC and its implementation regulation, unless otherwise stipulated by relevant laws and regulations, any entity or individual engaged in the sales of goods, provision of processing, repairs and replacement services and importation of goods into China is generally required to pay a value-added tax, or VAT, for revenues generated from sales of products, while qualified input VAT paid on taxable purchases can be offset against such output VAT. The VAT Law of the PRC provides that VAT rates generally applicable are simplified as 13%, 9% and 6%, and the VAT rate for simplified tax calculation method is 3%.

On April 4, 2018, the MOF and the STA issued the Notice on Adjustment of VAT Rates, which took effect on May 1, 2018 and provides that the taxable goods previously subject to VAT rates of 17% and 11% respectively are subject to lower VAT rates of 16% and 10% respectively starting from May 1, 2018. Furthermore, according to the Announcement on Relevant Policies for Deepening Value-added Tax Reform jointly promulgated by the MOF, the STA and the General Administration of Customs, which became effective on April 1, 2019, the taxable goods previously subject to VAT rates of 16% and 10% respectively become subject to lower VAT rates of 13% and 9% respectively starting from April 1, 2019.

M&A rules and overseas listings

On August 8, 2006, six PRC regulatory agencies, including the China Securities Regulatory Commission, or the CSRC, adopted the Regulations on Mergers of Domestic Enterprises by Foreign Investors, or the M&A Rules, which became effective on September 8, 2006 and was amended on June 22, 2009. Foreign investors shall comply with the M&A Rules when they purchase equity interests of a domestic company or subscribe the increased capital of a domestic company, and thus changing the nature of the domestic company into a foreign-invested enterprise; or when the foreign investors establish a foreign-invested enterprise in the PRC, purchase the assets of a domestic company and operate the assets; or when the foreign investors purchase the asset of a domestic company, establish a foreign-invested enterprise by injecting such assets and operate the assets. The M&A Rules purport, among other things, to require offshore special purpose vehicles formed for overseas listing purposes through acquisitions of PRC domestic companies and controlled by PRC companies or individuals, to obtain the approval of the CSRC prior to publicly listing their securities on an overseas stock exchange.

On February 17, 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) as well as five guidelines for the filing-based administration of overseas securities offerings and listings by PRC companies (collectively, the “New Filing Rules”), which came into effect on 31 March 2023. The New Filing Rules apply to (i) PRC companies that seek to directly offer or list securities on overseas markets; and (ii) PRC companies that seek to indirectly offer or list securities on overseas markets. PRC companies that seek to offer or list securities on overseas markets, both directly and indirectly, shall fulfill the filing procedure and report relevant information to the CSRC according to these rules. Subject to specific circumstances, the New Filing Rules require that, among other things, (i) initial public offerings or listings on overseas markets shall be filed with the CSRC within three working days after the relevant application is submitted overseas, (ii) subsequent securities offerings of an issuer on the same overseas market where it has previously offered and listed securities shall be filed with the CSRC within three working days after the offering is completed, and (iii) subsequent securities offerings or listings of an issuer on other overseas markets other than where it has offered and listed securities shall be filed with the CSRC within three working days after the relevant application is submitted overseas. If a PRC company fails to complete the filing procedure or the filing documents submitted by a PRC company contain misrepresentation, misleading statement or material omission, such PRC company may be subject to order to rectify, warnings and fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly responsible persons may also be subject to fines. However, since the New Filing Rules are newly promulgated, the interpretation, application and enforcement of the New Filing Rules remain uncertain.

Enforceability of Civil Liabilities in Chinese Mainland

JunHe LLP, our PRC counsel, has advised us that there is uncertainty as to whether the courts in Chinese Mainland would:

- recognize or enforce judgments of United States courts obtained against us or our directors or officers predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States; or
- entertain original actions brought in each respective jurisdiction against us or our directors or officers predicated upon the securities laws of the United States or any state in the United States.

JunHe LLP has further advised us that the recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. Courts in Chinese Mainland may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between China and the jurisdiction where the judgment is made or on principles of reciprocity between jurisdictions. China does not have any treaties or other forms of written reciprocity with the United States or the Cayman Islands that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the PRC Civil Procedures Law, courts in Chinese Mainland will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of laws in Chinese Mainland or national sovereignty, security, or public interest. As a result, it is uncertain whether and on what basis a court in Chinese Mainland would enforce a judgment rendered by a court in the United States or in the Cayman Islands. Under the PRC Civil Procedures Law, foreign shareholders may originate actions based on laws in Chinese Mainland against a company in Chinese Mainland for disputes if they can establish sufficient nexus to Chinese Mainland for a court in Chinese Mainland to have jurisdiction, and meet other procedural requirements, including, among others, that (i) the plaintiff must have a direct interest in the case, (ii) there must be a specific defendant, a concrete claim, a factual basis and a cause for the suit, and (iii) the action must fall within the range of civil actions accepted by the courts in Chinese Mainland and within the jurisdiction of the court in Chinese Mainland with which it is filed. The court in Chinese Mainland will determine whether to accept the complaint in accordance with the PRC Civil Procedures Law. It will be, however, difficult for U.S. investors to initiate actions against us in Chinese Mainland in accordance with laws in Chinese Mainland because we are incorporated under the laws of the Cayman Islands and it will be difficult for U.S. investors, by virtue only of holding the ADSs or ordinary shares, to establish a connection to Chinese Mainland for a court in Chinese Mainland to have jurisdiction as required under the PRC Civil Procedures Law.

Hong Kong

There is no specific statutory requirement for us to obtain any license to carry out our business in Hong Kong other than the requirement to have a business registration certificate under the Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong). We do not import any food, dutiable commodities under the Dutiable Commodities Ordinance (Cap. 109) or any prohibited articles under the Import and Export Ordinance (Cap. 60) in or into Hong Kong. Below is a summary of the laws and regulations in Hong Kong which are material to our business.

Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong)

For our operations in Hong Kong, we are required to apply for business registration and display a valid business registration certificate at the place of business under the Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong). We currently hold valid business registration certificates.

Sale of Goods Ordinance (Chapter 26 of the Laws of Hong Kong)

The Sale of Goods Ordinance (Chapter 26 of the Laws of Hong Kong) governs the formation, performance and remedies of contract for the sale of goods in Hong Kong and the transfer of title of goods sold. The ordinance also sets out certain implied terms or conditions and warranties generally relating to the safety and suitability of goods supplied under a contract of sale for goods in Hong Kong, including:

- (a) where there is a sale of goods by description, the goods shall correspond with the description;
- (b) where the seller sells goods in the course of a business, the goods shall be of a merchantable quality, i.e. (a) as fit for the purpose or purposes for which the goods of that kind are commonly bought; (b) of such standard of appearance and finish; (c) as free from defects (including minor defects); (d) as safe; and (e) as durable, as it is reasonable to expect having regard to any description applied to them, the price (if relevant) and all the other relevant circumstances; and
- (c) where the seller sells goods in the course of a business and the buyer makes known to the seller (whether expressly or by implication) any particular purpose for which the goods are being bought, the goods supplied under the contract shall be reasonably fit for that purpose.

Under section 55 of the Sale of Goods Ordinance, where there is a breach of warranty by the seller, the buyer is not, by reason only of such breach of warranty, entitled to reject the goods, but he may set up against the seller the breach of warranty in diminution or extinction of the price, or maintain an action against the seller for damages for the breach of warranty.

Consumer Goods Safety Ordinance (Chapter 456 of the Laws of Hong Kong)

The Consumer Goods Safety Ordinance (Chapter 456 of the Laws of Hong Kong) imposes a duty on manufacturers, importers and suppliers of consumer goods (i.e. goods which are ordinarily supplied for private use or consumption) to ensure that the consumer goods they supplied are safe and for incidental purposes.

Under section 6 of the Ordinance, a person shall not supply, manufacture or import into Hong Kong consumer goods, unless the consumer goods comply with the general safety requirement as provided under the ordinance or with the applicable safety standard(s) or safety specification(s) as approved by the Secretary for Commerce and Economic Development for the particular consumer goods. A person who contravenes section 6 commits an offence and is liable to (i) on first conviction, to a level 6 fine of HK\$100,000 and imprisonment for 1 year; (ii) on subsequent convictions, to a fine of HK\$500,000 and to imprisonment for 2 years; and (iii) where the offence is a continuing offence, in addition to the fine specified in (i) and (ii), the person shall be liable to a fine of HK\$1,000 for each day the offence continued.

Where the Commissioner of Customs and Excise reasonably believes that the consumer goods is non-compliant with the approved standard or a safety standard or safety specification established by regulation, the Commissioner is empowered under the Ordinance to (i) serve a prohibition notice prohibiting a person from supplying those consumer goods for a specified period not exceeding 6 months; and (ii) serve a recall notice requiring the immediate withdrawal of any consumer goods if there is a significant risk that the consumer goods will cause a serious injury and do not comply with the approved standard or a safety standard or safety specification established by regulation. Any person who is served with a notice and fails or refuses to comply with the notice commits an offence and is liable to a fine of up to HK\$500,000 and to imprisonment for 2 years and, where the offence is a continuing offence, a fine of HK\$1,000 for each day the offence continued.

Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong)

The Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) aims to prohibit false trade description, false, misleading or incomplete information, false marks and misstatements in respect of goods and services provided in the course of trade. The definition of trade description under section 2 of the ordinance covers a broad range of matters including but not limited to: quantity, method of manufacture, composition, fitness for purpose, availability, compliance with a standard specified or recognized by any person, price, approval by any person, a person by whom they have been acquired, the goods being of same kind as goods supplied to a person, place or date of manufacture.

Section 2 also provides that a trade description which is false to a material degree or which, though not false, is misleading, that is to say, likely to be taken for a trade description of a kind that would be false to a material degree, would be regarded as a false trade description.

Section 7 provides that it is an offence for any person who, in the course of any trade or business, applies a false trade description to any goods or supplies or offer to supply any goods to which a false description is applied. Section 7A provides that it is an offence for a trader who applies a false trade description to a service supplied or offered to be supplied to a consumer, or supplies or offers to supply to a consumer a service to which a false trade description is applied. Section 12 further prohibits any person from importing or exporting any goods to which a false trade description or forged trade mark is applied.

Sections 13E, 13F, 13G, 13H and 13I of the ordinance provide that a trader commits an offence if the trader engages, in relation to a consumer, in a commercial practice that is a misleading omission, or is aggressive, or constitutes bait advertising, or constitutes a bait and switch, or wrongly accepting payment for a product.

Any person who commits an offence under sections 7, 7A, 13E, 13F, 13G, 13H or 13I shall be liable, on conviction on indictment, to a fine of HK\$500,000 and to imprisonment for 5 years, and on summary conviction, to a level 6 fine of HK\$100,000 and imprisonment for 2 years.

Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong)

The Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong) makes provision in respect of the registration of trademarks and provides for connected matters.

The ordinance provides that a person infringes a registered trade mark if he uses in the course of trade or business a sign which is:

- (a) identical to the registered trade mark in relation to goods or services which are identical to those for which it is registered;
- (b) identical to the registered trade mark in relation to goods or services which are similar to those for which it is registered and such use is likely to cause confusion on the part of the public;
- (c) similar to the registered trade mark in relation to goods or services which are identical to or similar to those for which it is registered and such use is likely to cause confusion on the part of the public; or
- (d) identical or similar to the registered trade mark in relation to goods or services which are not identical or similar to those for which the trademark is registered, and the trade mark is entitled to protection under the Paris Convention as a well-known trade mark, and such use, being without due cause, takes unfair advantage of or is detrimental to the distinctive character or repute of a trade mark.

The ordinance further provides that the owner of a trade mark may bring infringement proceedings against the infringer for damages, injunction, accounts or any other relief available in law.

Import and Export Ordinance (Chapter 60 of the Laws of Hong Kong)

The Import and Export Ordinance (Chapter 60 of the Laws of Hong Kong) stipulates that all cargo which is imported or exported shall be recorded in a manifest which shall contain such particulars as the Commissioner of Customs and Excise may prescribe.

Import and Export (Registration) Regulations (Chapter 60E of the Laws of Hong Kong) provides that every person who imports or exports any article other than an exempted article shall lodge an accurate and complete import or export declaration relating to such article using the specified system, in accordance with the requirements that the Commissioner of Customs and Excise may specify, within 14 days after the importation or exportation of the article. Our Group imports products in Hong Kong. Any person who fails or neglects to declare within 14 days after importation or exportation without reasonable excuse is liable to a fine of HK\$2,000 upon summary conviction and HK\$100 in respect of every day such declaration has not been lodged. Penalty of up to HK\$200 shall also be payable for late lodgment of a declaration.

Competition Ordinance (Chapter 619 of the Laws of Hong Kong)

The Competition Ordinance (Chapter 619 of the Laws of Hong Kong) is intended to, among others, prohibit conduct that prevents, restricts or distorts competition in Hong Kong, and prohibit mergers that substantially lessen competition in Hong Kong. There are three competition rules under the Competition Ordinance, namely, the First Conduct Rule, the Second Conduct Rule and the Merger Rule.

The First Conduct Rule prohibits anti-competitive agreements if the object or effect of the agreement, concerted practice or decision is to prevent, restrict or distort competition in Hong Kong. The Second Conduct Rule prohibits abuse of market power if the object or effect of the conduct is to prevent, restrict or distort competition in Hong Kong. The Merger Rule prohibits anti-competitive mergers and acquisitions, and currently only applies to mergers involving carrier license holders within the meaning of the Telecommunications Ordinance (Chapter 106 of the Laws of Hong Kong).

Penalties for infringement of the First Conduct Rule and the Second Conduct Rule that may be imposed by the Competition Tribunal include a pecuniary penalty that may amount to 10% of the turnover of the companies concerned for up to 3 years in which the contravention occurs (section 93), disqualification order against a director (section 101) and prohibition order (section 151A) etc. Further, pursuant to section 67 of the Competition Ordinance, if the Competition Commissioner has reasonable cause to believe that (i) a contravention of the First Conduct Rule has occurred and the contravention involves serious anti-competitive conduct; or (ii) a contravention of the Second Conduct Rule has occurred, the Commissioner may, instead of commencing proceedings, issue an infringement notice to the person against whom it proposes to bring proceedings, offering not to bring those proceedings on the condition that the person makes a commitment to comply with the requirements of the notice. Pursuant to section 68, such person is not obliged to make a commitment to comply with the requirements of the infringement notice, but if he does not make the commitment within the compliance period, the Competition Commissioner may bring proceedings against that person in the Competition Tribunal in relation to the alleged contravention of the conduct rule.

Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong)

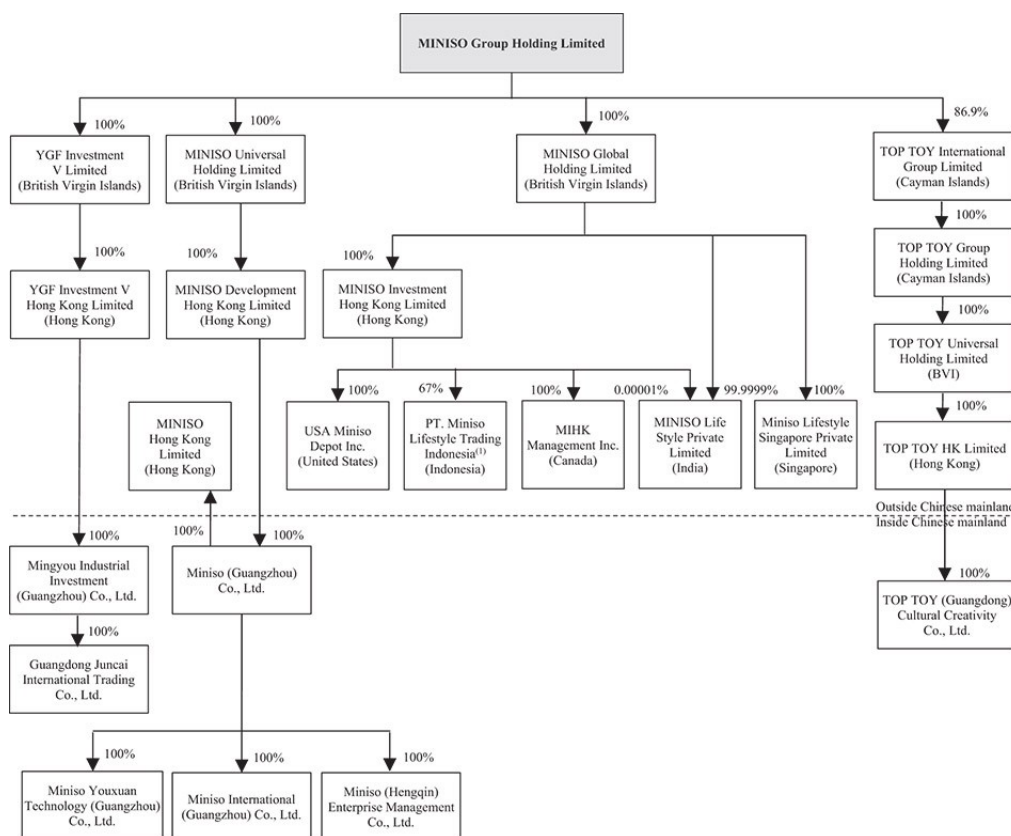
Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong), for a company carrying on a trade, profession or business in Hong Kong, its assessable profits arising in or derived from Hong Kong shall be chargeable to profits tax.

The Inland Revenue Ordinance also provides for the obligation to do the following:

- (a) to keep sufficient records of the company's income and expenditure to enable the assessable profit to be readily ascertained for at least 7 years;
- (b) to inform the Inland Revenue Department of its chargeability to tax;
- (c) to submit tax return as required; and
- (d) to inform the Inland Revenue Department of the commencement and cessation of employment of its employees.

C. Organizational Structure

The following diagram illustrates our corporate structure consisting of our principal subsidiaries as of the date of this annual report. We do not use a variable interest entity structure.



(1) The remaining shares of PT. Miniso Lifestyle Trading Indonesia is held by PT. Mitra Retail Indonesia and PT. Yar Noor International as to 20% and 13%, respectively.

D. Property, Plant and Equipment

Our corporate headquarters is located in Guangzhou, China, where we lease office space with an area of approximately 32,500 square meters. We generally make rental payments on a monthly or quarterly basis. In addition, as of December 31, 2025, we had also leased office space of approximately 14,000 square meters in over 20 other cities in China and approximately 6,800 square meters in over 10 countries and regions overseas. As of December 31, 2025, we had leased a number of warehouses inside China with a total size of over 258,000 square meters and about 22 warehouses outside of Chinese mainland. Ownership certificates or other similar proof of certain leased properties have not been provided to us by the relevant lessors, and the lease agreements for some of our leased properties in China have not been registered with the relevant PRC government authorities. See “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Our leased property interest may be defective and such defects may negatively affect our right to such leases.” As of December 31, 2025, we owned apartment units in Guangzhou with a total area of approximately 10,300 square meters for employee dormitory.

We purchased a parcel of land in Guangzhou of approximately 6,600 square meters for our headquarters building project. We obtained the land use rights certificate for this parcel of land on May 9, 2022. As of the date of this annual report, the foundation construction phase was completed and the construction of the headquarters building has commenced. We expect that the construction project will be completed by the end of 2026.

Our servers are primarily hosted at internet data centers owned by major internet data center providers in China. We believe that our current facilities are adequate and that we will be able to obtain additional facilities, principally through leasing, to accommodate any future expansion plans.

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

The following discussion of our financial condition and results of operations is based upon, and should be read in conjunction with, our audited consolidated financial statements and the related notes included in this annual report on Form 20-F. This report contains forward-looking statements. See "Forward-Looking Information." In evaluating our business, you should carefully consider the information provided under the caption "Item 3. Key Information—D. Risk Factors" in this annual report on Form 20-F. We caution you that our businesses and financial performance are subject to substantial risks and uncertainties.

A. Operating Results

We are a global high-growth value retailer offering a variety of trendy lifestyle products featuring distinctive IP designs. We have built our flagship brand "MINISO" as a globally recognized retail brand and established a store network worldwide. Observing an emerging pop toy culture, we introduced the "TOP TOY" brand with the goal of entering into the pop toy market and it has established a fully integrated platform across the pop toy value chain. In 2025, we launched an average of around 1,600 SKUs under the "MINISO" brand per month, and offered consumers a wide selection of SKUs, the vast majority of which are under the "MINISO" brand. Our MINISO product offerings are organized across three core pillars: lifestyle, beauty and toys. Under the TOP TOY brand, we offered around 17,000 SKUs as of December 31, 2025 across major pop toy categories that include model figures, 3D building blocks, vinyl plush toys and others. Our highly effective approach to retail, which mainly encompasses dynamic product development, an efficient supply chain and deep operational know-how backed by digitalization, is critical to the success and forms the backbone of our business.

We have three reportable segments: (i) MINISO brand - Chinese Mainland, including mainly the design, purchasing and sale of lifestyle products, (ii) Miniso brand - Overseas, including mainly the design, purchasing and sale of lifestyle products, and (iii) TOP TOY brand, including mainly the design, purchasing and sale of pop toys.

Our revenue was RMB11,473.2 million in the fiscal year ended 2023, RMB5,266.9 million and RMB7,632.5 million in the six months ended December 31, 2022 and 2023, and RMB13,838.8 million, RMB16,994.0 million and RMB21,443.8 million (US\$3,066.4 million) in the years ended December 31, 2023, 2024 and 2025, respectively. Our gross profit was RMB4,443.1 million in the fiscal year ended 2023, RMB1,985.7 million and RMB3,241.0 million in the six months ended December 31, 2022 and 2023, and RMB5,698.4 million, RMB7,637.1 million and RMB9,648.1 million (US\$1,379.7 million) in the years ended December 31, 2023, 2024 and 2025, respectively. We recorded a profit of RMB1,781.8 million in the fiscal year ended June 30, 2023, RMB763.9 million and RMB1,256.1 million in the six months ended December 31, 2022 and 2023, and RMB2,274.0 million, RMB2,635.4 million and RMB1,209.8 million (US\$173.0 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Major Factors Affecting Our Results of Operations

Our business and results of operations are affected by a number of general factors that impact the overall consumption and market for lifestyle and pop toy products, including overall economic trends and their impact on consumer behavior, production and procurement costs and the competitive environment. Unfavorable changes in any of these general conditions could materially and adversely affect our results of operations.

While our business is influenced by these general factors, our results of operations are more directly affected by the following company-specific factors.

Store network expansion in Chinese Mainland

Our ability to expand our store network in Chinese mainland is one of the key drivers of our revenue growth. Our revenue generated from China was RMB7,650.8 million in the fiscal year ended June 30, 2023, RMB3,360.2 million and RMB4,843.1 million in the six months ended December 31, 2022 and 2023, and RMB9,133.8 million, RMB10,312.1 million and RMB12,577.5 million (US\$1,798.6 million) in the years ended December 31, 2023, 2024 and 2025, respectively. As of December 31, 2025, apart from 18 directly operated MINISO stores and 35 directly operated TOP TOY stores, substantially all of our MINISO and TOP TOY stores in Chinese Mainland were operated under our Retail Partner model. Our store network expansion in Chinese mainland is primarily sustained by our continued success in encouraging our retail partners to open more MINISO stores at optimal locations. As a result, the number of MINISO stores in Chinese Mainland increased from over 3,600 as of June 30, 2023 to over 3,900 as of December 31, 2023, to 4,386 as of December 31, 2024, and further to 4,568 as of December 31, 2025. Additionally, the fast growth of our new brand TOP TOY since December 2020 has also contributed to the expansion of our store network in China. As of December 31, 2025, we had opened 304 TOP TOY stores in Chinese Mainland.

Globalization strategy

Our results of operations are affected by our ability to execute our globalization strategy, which primarily involves expanding into new international markets and growing our store network overseas. Our revenue from markets outside of Chinese Mainland was RMB3,822.4 million in the fiscal year ended June 30, 2023, RMB1,906.7 million and RMB2,789.3 million in the six months ended December 31, 2022 and 2023, and RMB4,705.0 million, RMB6,681.9 million and RMB8,866.4 million (US\$1,267.9 million) in the years ended December 31, 2023, 2024 and 2025, accounting for 33.3%, 36.2%, 36.5%, 34.0%, 39.3% and 41.3%, of our total revenue for the same periods, respectively. In the majority of the international markets, we expand our store network by using the distributor model. Depending on factors such as market environment and local regulations, we also utilize the Retail Partner model for international store network expansion in an asset-light manner and the direct operation model. The significant revenue contribution from international markets demonstrates the appeal of our “MINISO” brand across geographical and cultural boundaries. The number of MINISO stores outside of Chinese Mainland increased from approximately 2,200 as of June 30, 2023, to approximately 2,500 as of December 31, 2023, to over 3,100 as of December 31, 2024 and further to around 3,600 as of December 31, 2025.

Revenue per MINISO store

Revenue per MINISO store is one of the metrics that affect our results of operation. Our revenue per MINISO store, which is calculated by dividing (a) revenue of MINISO brand by (b) the average number of stores at the beginning and the end of the relevant period, has fluctuated significantly historically, and may continue to fluctuate in future periods. As a global high-growth value retailer offering a variety of trendy lifestyle products featuring distinctive IP designs, we expect to continue to face intense competition in a variety of the markets we operate. Our ability to take a disciplined approach in store network expansion while we keep penetrating into more lower-tier cities in Chinese mainland and expand internationally using a distributor, self-operating or retail partner model, and to develop efficient supply chains and deepen customer engagement in these new regions, will affect our revenue per MINISO store and our results of operations. Our revenue per MINISO store was RMB1.2 million in the six months ended December 31, 2023, and RMB2.2 million, RMB2.3 million and RMB2.5 million (US\$0.4 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Change in fiscal year-over-year same-store GMV

While we continue to expand our store network, our number of stores continues to grow and our results of operations are also affected by same-store GMV, which refers to GMV generated by those stores that opened prior to the beginning of the comparative periods and remained open as of the end of the comparative periods and closed for less than 30 days during both comparative periods, has fluctuated significantly historically, and may continue to fluctuate in future periods. As a global high-growth value retailer offering a variety of trendy lifestyle products featuring distinctive IP designs, we expect to continue to face intense competition in a variety of the markets we operate. Our ability to take a disciplined approach in store network improvement, to provide products that are favored by our customers, as well as to provide efficient in-store operation and satisfying customers experience, will affect our same-store GMV and our results of operations.

The following table breaks down our same-store GMV growth/(decline) by MINISO brand and TOP TOY brand, as well as geographic regions of MINISO brand for the periods presented:

Same-store GMV growth/(decline)	For the six months ended December 31,	For the year ended December 31,		
	2023	2023	2024	2025
MINISO stores in Chinese Mainland	35~40%	30~35%	(High-single digit)	Mid-single digit
MINISO stores in overseas markets⁽¹⁾	20%~25%	25%~30%	Mid-single digit	(Low-single digit)
Asia excluding China	Mid-teens	High-teens	High-single digit	(Mid-single digit)
North America	70-75%	75%~80%	Flat	Mid-single digit
Latin America	30-35%	35%~40%	Mid-single digit	(Mid-single digit)
Europe	Mid-teens	Mid-teens	Flat	Low-single digit
Others	(Low-single digit)	Low-single digit	(Mid-single digit)	High-single digit
TOP TOY stores in Chinese Mainland	80%~85%	45%~50%	Mid-single digit	Low-single digit

Note:

(1) The impact of foreign exchange is excluded by adopting a constant currency exchange rate in both comparative periods.

Product value propositions

We primarily generate revenues from sales of high-quality and affordable lifestyle and pop toy products that are responsive to the evolving tastes and needs of consumers. Our product managers identify market trends and collaborate closely with our designers and suppliers to develop and roll out products that balance appeal, quality and price. Furthermore, our co-branding collaborations with IP licensors owning popular brands unlock new product design possibilities and elevate our brand awareness. Further, we identify and cultivate new IPs and co-develop them with independent design artists into popular IP products, mostly under our TOP TOY brand. As a result of our distinctive approach to product design and development, our flagship brand "MINISO" are organized across three core pillars of products, with an average of around 1,600 SKUs launched per month in the year ended December 31, 2025. Under the fast-growing TOP TOY brand, we offered around 17,000 SKUs as of December 31, 2025 across major pop toy categories such as model figures, 3D building blocks, vinyl plush toys and others.

Efficient supply chain

Our ability to manage an integrated and seamless supply chain significantly impacts the results of our operations, as cost-effective procurement sets the foundation for our competitive product pricing, and efficient planning affects our speed to market. Leveraging China's large supply chain in the lifestyle product sector, we source from qualified suppliers who are able to meet our demands. As part of our efforts to optimize supply chain, we build mutually beneficial relationships with our suppliers by procuring products in large volumes, being punctual with our payments to them in the ordinary course of business and guiding them towards better production efficiency and enhanced cost control. In addition, we digitally integrate suppliers through our supply chain management system to better coordinate with them and streamline the supply chain process for enhanced productivity. These strengths of our supply chain have led to sustained advantages in both procurement cost and efficiency, which allows us to price competitively.

Key Components of Our Results of Operations

Revenue

We primarily derive our revenue from sales of lifestyle and pop toy products through sales to Retail Partners, sales to offline distributors, retail sales in directly operated stores and through online channels. Other sources of revenue mainly include license fees from Retail Partners and distributors, and sales-based royalties and sales-based management and consultation service fees income from Retail Partners. The following table sets forth the components of our revenue by amounts and percentages of our total revenue broken down by revenue source for the periods presented:

	For the fiscal year ended June 30,		For the six months ended December 31,				For the year ended December 31,					
	2023		2022		2023		2023		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%	RMB	US\$
			(Unaudited)				(Unaudited)					
(in thousands, except for percentages)												
Revenue:												
Sales of lifestyle and pop toy products	10,357,235	90.3	4,754,711	90.3	6,921,694	90.7	12,524,218	90.6	15,441,214	90.8	19,673,213	2,813,232
– Retail sales in self-operated stores	990,048	8.6	419,628	8.0	1,004,114	13.2	1,574,534	11.4	3,158,895	18.6	5,410,291	773,661
– Product sales to franchisees ⁽¹⁾	5,960,518	52.0	2,537,738	48.2	3,857,191	50.5	7,279,971	52.6	7,923,836	46.6	8,853,156	1,265,984
– Sales to offline distributors	2,612,742	22.8	1,381,140	26.2	1,660,860	21.7	2,892,462	20.9	3,369,238	19.8	3,887,954	555,970
– Online sales ⁽²⁾	706,397	6.2	374,502	7.1	355,380	4.7	687,275	5.0	941,055	5.5	1,412,624	202,003
– Other sales channels ⁽³⁾	87,530	0.8	41,703	0.8	44,149	0.6	89,976	0.7	48,190	0.3	109,188	15,614
License fees, sales-based royalties, and sales-based management and consultation service fees	687,575	6.0	303,835	5.7	426,369	5.6	810,109	5.8	869,182	5.2	1,061,883	151,847
– License fees	84,711	0.7	48,288	0.9	37,074	0.5	73,497	0.5	96,836	0.6	155,123	22,182
– Sales-based royalties	102,089	0.9	43,245	0.8	66,113	0.9	124,957	0.9	131,402	0.8	155,185	22,191
– Sales-based management and consultation service fees	500,775	4.4	212,302	4.0	323,182	4.2	611,655	4.4	640,944	3.8	751,575	107,474
Others ⁽⁴⁾	428,398	3.7	208,332	4.0	284,404	3.7	504,470	3.6	683,629	4.0	708,731	101,347
Total	11,473,208	100.0	5,266,878	100.0	7,632,467	100.0	13,838,797	100.0	16,994,025	100.0	21,443,827	3,066,426

(1) Represents sales to/revenue from Retail Partners.

(2) Online sales does not include sales through O2O platforms, which are accounted for in sales through offline channels.

(3) “Other sales channels” mainly represents group-buying channels.

(4) “Others” mainly represents sales of fixtures to franchisees and distributors.

The following table breaks down our revenue by geographic region for the periods presented:

	For the fiscal year ended June 30,		For the six months ended December 31,				For the year ended December 31,					
	2023		2022		2023		2023		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%	RMB	US\$
			(Unaudited)				(Unaudited)					
(in thousands, except for percentages)												
Revenue:												
Chinese Mainland	7,650,821	66.7	3,360,167	63.8	4,843,127	63.4	9,133,781	66.0	10,312,116	60.7	12,577,451	1,798,552
Other Asian countries excluding China	1,821,080	15.9	958,847	18.2	1,157,261	15.2	2,019,494	14.5	2,541,817	15.0	2,736,150	391,264
North America	729,702	6.4	314,839	6.0	743,897	9.7	1,158,760	8.4	1,985,051	11.7	3,342,918	478,031
Latin America	1,008,356	8.7	497,235	9.4	660,039	8.7	1,171,160	8.5	1,445,891	8.5	1,560,169	223,101
Europe	151,496	1.3	76,464	1.5	154,737	2.0	229,769	1.7	414,493	2.4	703,771	100,638
Others	111,753	1.0	59,326	1.1	73,406	1.0	125,833	0.9	294,857	1.7	523,368	74,840
Total	11,473,208	100.0	5,266,878	100.0	7,632,467	100.0	13,838,797	100.0	16,994,025	100.0	21,443,827	3,066,426

Cost of sales

Our cost of sales mainly consists of cost of inventories. Cost of inventories accounted for 97.6% of our total cost of sales for the fiscal year ended June 30, 2023, 97.4% and 97.8% for the six months ended December 31, 2022 and 2023, and 97.7%, 97.2% and 97.8% for the years ended December 31, 2023, 2024 and 2025, respectively. Cost of inventories comprises carrying amount of inventories sold and inventory write-down. Other than cost of inventories, cost of sales also include logistics expenses and depreciation and amortization expense. Logistics expenses mainly represent shipping expenses for the products sold to customers through e-commerce channels. Our cost of sales was RMB7,030.2 million in the fiscal year ended June 30, 2023, RMB3,281.2 million and RMB4,391.4 million in the six months ended December 31, 2022 and 2023, and RMB8,140.4 million, RMB9,357.0 million and RMB11,795.7 million (US\$1,686.8 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Gross profit and margin

The following table sets forth our gross profit and gross margin for the periods presented:

	For the fiscal year ended June 30,	For the six months ended December 31,		For the year ended December 31,			
	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	US\$
		(Unaudited)	(in thousands)	(Unaudited)			
Gross profit	4,443,052	1,985,660	3,241,039	5,698,431	7,637,060	9,648,119	1,379,662
Gross margin (%)	38.7	37.7	42.5	41.2	44.9	45.0	45.0

Other income

Other income consists of tax refund, government grants and income from depositary bank. Government grants mainly represented unconditional cash awards granted by the local authorities in China. There is no assurance that we will continue to receive any government grants in the future.

Selling and distribution expenses

Selling and distribution expenses primarily consist of (i) payroll and employee benefits, which cover salaries, wages and bonus, contributions to social security contribution plan, welfare expenses, and equity-settled share-based payment expenses, (ii) rental and related expenses, (iii) depreciation and amortization expenses, (iv) promotion and advertising expenses, (v) licensing expenses, (vi) logistics expenses, and (vii) travelling expenses. Our selling and distribution expenses were RMB1,716.1 million in the fiscal year ended June 30, 2023, RMB798.1 million and RMB1,363.1 million in the six months ended December 31, 2022 and 2023, and RMB2,281.1 million, and RMB3,519.5 million and RMB5,265.8 million (US\$753.0 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

General and Administrative Expenses

General and administrative expenses primarily consist of (i) payroll and employee benefits, which cover salaries, wages and bonus, contributions to social security contribution plan, welfare expenses, and equity-settled share-based payment expenses, (ii) depreciation and amortization expenses, (iii) travelling expenses, (iv) IT service fees, and (v) professional service fees. Our general and administrative expenses were RMB633.6 million in the fiscal year ended June 30, 2023, RMB313.9 million and RMB357.7 million in the six months ended December 31, 2022 and 2023, and RMB677.4 million, RMB931.7 million and RMB1,225.4 million (US\$175.2 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Other net income

Other net income mainly consists of (i) net foreign exchange gain/(loss), (ii) investment income from other investments, and (iii) net change in fair value of other investments. Our other net income were RMB114.1 million in the fiscal year ended June 30, 2023, RMB72.9 million and RMB21.1 million in the six months ended December 31, 2022 and 2023, and RMB62.4 million, RMB114.7 million and RMB195.6 million (US\$28.0 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Net finance income/(costs)

Net finance income or costs mainly consist of finance income that mainly include interest income, and finance costs that mainly include (i) interest on loans and borrowings, (ii) interest on lease liabilities, and (iii) interest on the 2032 Securities. Our net finance income were RMB110.6 million in the fiscal year ended June 30, 2023, RMB48.3 million and RMB98.8 million in the six months ended December 31, 2022 and 2023, RMB161.0 million and RMB25.8 million in the years ended December 31, 2023 and 2024, respectively. Our net finance costs were RMB326.5 million (US\$46.7 million) in the year ended December 31, 2025

Share of profit/(loss) of equity-accounted investees, net of tax

Share of profit of equity-accounted investees, net of tax were RMB268.0 thousand in the six months ended December 31 2023, and RMB268.0 thousand, RMB6.0 million in the years ended December 31, 2023 and 2024. Share of loss of equity-accounted investees, net of tax was RMB834.5 million (US\$119.3 million) in the year ended December 31, 2025.

Other expenses

Other expenses were mainly attributable to loss from fair value change of derivatives under mark-to-market impact and issuance cost of derivatives. Our other expenses were RMB70.3 million (US\$10.1 million) in the year ended December 31, 2025.

Changes in fair value of redemption liabilities

Changes in fair value of redemption liabilities were RMB158.5 million (US\$22.7 million) in the year ended December 31, 2025, which was a loss arising from preferred shares issued by TOP TOY in connection with its strategic financing in 2025.

Taxation

Our income tax expense represented a significant portion of our profit for the year/period for the fiscal year ended June 30, 2023, the six months ended December 31, 2022 and 2023 and the years ended December 31, 2023, 2024 and 2025, primarily because of the occurrence of non-deductible losses at the consolidation level in these periods. The effect of unused tax losses not recognized was RMB44.9 million and RMB23.0 million in the fiscal year ended June 30, 2023 and in the six months ended December 31, 2022, respectively, and the effect of utilization of tax losses previously not recognized was RMB8.0 million in the six months ended December 31, 2023. The effect of unused tax losses not recognized was RMB7.9 million and the effect of unused tax losses being utilized was RMB56.3 million and RMB16.5 million (US\$2.4 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Cayman Islands

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation.

British Virgin Islands

Our BVI subsidiaries and all dividends, interest, rents, royalties, compensation and other amounts paid by our BVI subsidiaries to persons who are not resident in the BVI and any capital gains realized with respect to any shares, debt obligations, or other securities of our BVI subsidiaries by persons who are not resident in the BVI are exempt from all provisions of the Income Tax Ordinance in the BVI.

Hong Kong

Under the current Hong Kong Inland Revenue Ordinance, our Hong Kong subsidiaries generally are subject to Hong Kong Profits Tax at the rate of 16.5% on their taxable income generated from the operations in Hong Kong.

Chinese Mainland

Under the Enterprise Income Tax Law, our subsidiaries established in Chinese Mainland are generally subject to a unified statutory enterprise income tax rate of 25%. One subsidiary of ours established in Hengqin New Area of Zhuhai and another established in Guangzhou Nansha district, both pilot free trade zones in China, met the criteria for a preferential income tax rate of 15%. Furthermore, enterprises that are recognized as high and new technology enterprises in accordance with the Administrative Measures for the Determination of High and New Tech Enterprises issued by the Ministry of Science, the Ministry of Finance and the State Administration of Taxation are entitled to enjoy a preferential income tax rate of 15%. A subsidiary of ours established in Guangzhou obtained the High and New Technology Enterprise qualification and is thus eligible for high and new technology enterprise preferential income tax rate of 15% for the three years ending December 31, 2027. This subsidiary can reapply for such qualification as a High and New Technology Enterprise after the current certificate expires.

United States

Under United States Internal Revenue Code, our subsidiaries established in the United States are subject to a Federal corporate income tax rate of 21% and various state income taxes.

Indonesia

Our subsidiary established in Indonesia is subject to a corporate income tax rate of 22%.

India

Under the Income Tax Act 1961 enacted in India, our subsidiary established in India is subject to a corporate income tax rate of 26% for fiscal year ended March 31, 2022 and 25.17% from fiscal year ended March 31, 2023 and onwards.

Canada

Under the Canadian federal and provincial tax rules, our subsidiaries established in Canada are subject to the combined Canadian federal and provincial statutory income tax rates ranging from 23% to 31% depending on the location of the operation.

Singapore

Under the Income Tax Act enacted in Singapore, the subsidiaries established in Singapore are subject to a tax rate of 17%.

Vietnam

Under the Law on Corporate Income Tax enacted in Vietnam, the subsidiary incorporated in Vietnam is subject to a tax rate of 20%.

Results of Operations

The following table sets forth a summary of our consolidated results of operations for the periods indicated, both in absolute amounts and as percentages of our total net revenues. This information should be read together with our consolidated financial statements and related notes included elsewhere in this annual report. The results of operations in any period are not necessarily indicative of the results that may be expected for any future period.

	For the fiscal year ended June 30,	For the six months ended December 31,		For the year ended December 31,			
	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	US\$
		(Unaudited)	(in thousands)	(Unaudited)			
Revenue	11,473,208	5,266,878	7,632,467	13,838,797	16,994,025	21,443,827	3,066,426
Cost of sales	(7,030,156)	(3,281,218)	(4,391,428)	(8,140,366)	(9,356,965)	(11,795,708)	(1,686,764)
Gross profit	4,443,052	1,985,660	3,241,039	5,698,431	7,637,060	9,648,119	1,379,662
Other income	17,935	14,311	18,993	22,617	21,595	19,377	2,771
Selling and distribution expenses	(1,716,093)	(798,127)	(1,363,114)	(2,281,080)	(3,519,534)	(5,265,758)	(752,993)
General and administrative expenses	(633,613)	(313,908)	(357,689)	(677,394)	(931,651)	(1,225,373)	(175,226)
Other net income	114,106	72,850	21,105	62,361	114,696	195,610	27,972
Reversal/(credit loss) of credit loss on trade and other receivables	1,072	(3,716)	(2,080)	2,708	2,469	(33,241)	(4,753)
Impairment loss on non-current assets	(3,448)	—	(4,547)	(7,995)	(8,846)	(35,611)	(5,092)
Operating profit	2,223,011	957,070	1,553,707	2,819,648	3,315,789	3,303,123	472,341
Finance income	145,225	64,684	123,969	204,510	118,672	104,421	14,932
Finance costs	(34,622)	(16,345)	(25,202)	(43,479)	(92,915)	(430,930)	(61,622)
Net finance income/(costs)	110,603	48,339	98,767	161,031	25,757	(326,509)	(46,690)
Share of profit/(loss) of equity-accounted investees, net of tax	—	—	268	268	5,986	(834,453)	(119,325)
Other expenses	—	—	—	—	—	(70,332)	(10,057)
Changes in fair value of redemption liabilities	—	—	—	—	—	(158,491)	(22,664)
Profit before taxation	2,333,614	1,005,409	1,652,742	2,980,947	3,347,532	1,913,338	273,605
Income tax expense	(551,785)	(241,498)	(396,665)	(706,952)	(712,104)	(703,524)	(100,603)
Profit for the year/period	1,781,829	763,911	1,256,077	2,273,995	2,635,428	1,209,814	173,002

Note:

- (1) The unaudited financial results for the twelve months ended December 31, 2023 presented here and below are derived from the arithmetic combination of our audited financial results for the six months ended December 31, 2023 and the twelve months ended June 30, 2023, after arithmetic adjustments made to exclude the financial results of the first six months of the year ended June 30, 2023. Such information is included for comparison purposes only.

Year ended December 31, 2024 compared to year ended December 31, 2025

Revenue

Revenue was RMB21,443.8 million (US\$3,066.4 million), representing an increase of 26.2% year over year.

Revenue from MINISO brand increased by 22.0% to RMB19,524.9 million (US\$2,792.0 million), including (i) an increase of 16.8% in revenue from MINISO brand in Chinese mainland, and (ii) an increase of 29.3% in revenue from MINISO brand in overseas markets. The overseas revenue contributed to 44.2% of revenue from MINISO brand.

Revenue from TOP TOY brand increased by 94.8% to RMB1,915.6 million (US\$273.9 million).

During the period, the total number of MINISO stores, including those in China and overseas markets, increased from 7,504 as of December 31, 2024 to 8,151 as of December 31, 2025. Our revenue per MINISO store, however, increased by around 8.5% from RMB2.3 million in 2024 to RMB2.5 million (US\$0.4 million) in 2025. Same-store GMV growth of MINISO brand in Chinese mainland in 2025 was mid-single digit, compared to a same-store GMV decline of high-single digit in 2024. Same-store GMV decline of MINISO brand in overseas markets was low-single digit, compared to same-store GMV growth of mid-single digit in 2024. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Our revenue per MINISO store has experienced, and may continue to experience, significant fluctuations from period to period." and "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Our fiscal year-over-year same-store GMV has experienced, and may continue to experience, significant fluctuations from period to period."

Cost of sales

Our cost of sales was RMB11,795.7 million (US\$1,686.8 million), representing an increase of 26.1% year over year.

Gross profit and gross margin

Gross profit was RMB9,648.1 million (US\$1,379.7 million), representing an increase of 26.3% year over year. Gross margin was 45.0%, compared to 44.9% last year.

Other income

Our other income was RMB19.4 million (US\$2.8million) in 2025, compared to RMB21.6 million in 2024.

Selling and distribution expenses

Our selling and distribution expenses were RMB5,265.8 million (US\$753.0 million), compared to RMB3,519.5 million, increased by 49.6% year over year. Excluding share-based compensation expenses, selling and distribution expenses were RMB5,045.7 million (US\$721.5 million), increased by 43.9% year over year. The year-over-year increase was mainly attributable to our investments into directly operated stores to pursue the future success of our business, especially in strategic overseas markets such as the U.S. market. As of December 31, 2025, total number of directly operated stores on the Group level was 768, compared to 568 as of December 31, 2024. For the fiscal year ended December 31, 2025, the revenue from directly operated stores increased by 71.3%, while related expenses including rental and related expenses, depreciation and amortization expenses together with payroll excluding share-based compensation expenses increased by 50.2%. Licensing expenses increased by 44.6%, as a percentage of revenue ranging from 2.5% to 2.8% for the fiscal year ended December 31, 2025 and its comparative period, respectively. Promotion and advertising expenses increased by 23.0%, as a percentage of revenue stabilizing at around 3.3% for the fiscal year ended December 31, 2025, compared to 3.4% in its comparative period. Logistics expenses increased by 23.0% year over year.

General and administrative expenses

Our general and administrative expenses were RMB1,225.4 million (US\$175.2 million) for the fiscal year ended December 31, 2025, compared to RMB931.7 million for the fiscal year ended December 31, 2024, increased by 31.5% year over year. Excluding equity-settled share-based payment expenses, our general and administrative expenses were RMB1,077.5 million (US\$154.1 million) for the fiscal year ended December 31, 2025, compared to RMB859.9 million for the fiscal year ended December 31, 2024, increased by 25.3% year over year.

Other net income

Our other net income was RMB195.6 million (US\$28.0 million) for the fiscal year ended December 31, 2025, compared to RMB114.7 million for the fiscal year ended December 31, 2024. The year-over-year increase was mainly due to (i) an increase in fair value of other investments, and (ii) an increase of investment income in wealth management products.

Impairment loss on non-current assets

Our impairment loss on non-current assets was RMB35.6 million (US\$5.1 million) for the fiscal year ended December 31, 2025, compared to RMB8.8 million for the fiscal year ended December 31, 2024. We recorded impairment loss on non-current assets of directly operated stores.

Operating profit

As a result of the foregoing, we recorded operating profit of RMB3,303.1 million (US\$472.3 million) for the fiscal year ended December 31, 2025, compared to RMB3,315.8 million for the fiscal year ended December 31, 2024.

Net finance costs

Our net finance costs was RMB326.5 million (US\$46.7 million) for the fiscal year ended December 31, 2025, compared to net finance income of RMB25.8 million for the fiscal year ended December 31, 2024. The year-over-year increase in net finance costs was due to (i) increased interest expenses in relation to the 2032 Securities and the bank loans used for acquisition of the equity interest of Yonghui Superstores Co., Ltd., both of which have been excluded in non-IFRS financial measures, and (ii) increased interest expenses on lease liabilities corresponding to our investment in directly operated stores.

Share of loss of equity-accounted investee, net of tax

Our share of loss of equity-accounted investees, net of tax was RMB834.5 million (US\$119.3 million) for the fiscal year ended December 31, 2025, compared to share of profit of RMB6.0 million for the fiscal year ended December 31, 2024. The year-over-year change was mainly attributable to share of loss of Yonghui Superstores Co., Ltd., which has been excluded in non-IFRS financial measures.

Changes in Fair Value of Redemption Liabilities

Our changes in fair value of redemption liabilities was RMB158.5 million (US\$22.7 million) for the fiscal year ended December 31, 2025, compared to nil for the fiscal year ended December 31, 2024, which was a loss arising from preferred shares issued by TOP TOY in connection with its strategic financing in 2025 and has been excluded in non-IFRS financial measures.

Other expenses

Our other expenses were RMB59.1 million (US\$8.5 million), mainly attributable to loss from fair value change of derivatives under mark-to-market impact, which was in relation to the Equity Linked Securities and has been excluded in non-IFRS financial measures.

Income tax expense

We recorded income tax expense of RMB703.5 million (US\$100.6 million) in 2025, compared to RMB712.1 million for the fiscal year ended December 31, 2024.

Profit for the year

As a result of the foregoing, our profit for the year was RMB1,209.8 million (US\$173.0 million) in 2025, compared to RMB2,635.4 million for the fiscal year ended December 31, 2024.

Year ended December 31, 2023 compared to year ended December 31, 2024

Revenue

Revenue was RMB16,994.0 million, representing an increase of 22.8% year over year, primarily driven by an 18.3% year-over-year increase in average store count.

Revenue from MINISO brand increased by 22.0% to RMB16,002.6 million, driven by (i) an increase of 10.9% in revenue from MINISO brand in Chinese Mainland, and (ii) an increase of 41.9% in revenue from MINISO brand in overseas markets. The year-over-year increase was primarily due to an increase of 21.8% in average store count. The overseas revenue contributed 41.7% of revenue from MINISO brand, compared to 35.9% in 2023.

Revenue from TOP TOY brand increased by 44.7% to RMB983.5 million, primarily powered by a low-single digit same-store sales growth and a rapid growth in average store counts.

During the period, the total number of MINISO stores, including those in China and overseas markets, increased from 6,413 as of December 31, 2023 to 7,504 as of December 31, 2024. Our revenue per MINISO store, however, increased by 3.9% from RMB2.2 million in 2023 to RMB2.3 million in 2024. See “Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry—Our revenue per MINISO store has experienced, and may continue to experience, significant fluctuations from period to period.”

Cost of sales

Our cost of sales was RMB9,357.0 million in 2024, which was stable compared to cost of sales of RMB8,140.4 million in 2023.

Gross profit and gross margin

Gross profit increased by 34.0% from RMB5,698.4 million in the year ended December 31, 2023 to RMB7,637.1 million in 2024, and gross margin increased from 41.2% to 44.9% during the same period. The increase in gross profit and gross margin was mainly driven by (i) higher gross margin in overseas markets contributed by product optimization and higher revenue contribution from directly operated markets, and (ii) higher gross margin of TOP TOY due to a shift in product mix towards more profitable products.

Other income

Our other income was RMB21.6 million in 2024, compared to RMB22.6 million in 2023.

Selling and distribution expenses

Our selling and distribution expenses increased by 54.3% from RMB2,281.1 million in 2023 to RMB3,519.5 million in 2024. Excluding equity-settled share-based payment expenses, our selling and distribution expenses increased from RMB2,211.4 million to RMB3,506.1 million during the same period. The year-over-year increase was mainly attributable to our investments into directly operated stores to pursue the future success of our business, especially in strategic overseas markets such as the U.S. market. As of December 31, 2024, total number of directly operated stores in overseas markets was 505, doubling from a year ago. In 2024, revenue from directly operated stores also doubled, while related expenses including rental and related expenses, depreciation and amortization expenses together with payroll excluding share-based compensation expenses increased by 72.2%. Promotion and advertising expenses increased by 37.7% in 2024, as a percentage of revenue stabilizing at around 3% in both comparative periods. Licensing expenses increased by 29.2%, as a percentage of revenue stabilizing at around 2% in both comparative periods. Logistics expenses increased by 51.0%, mainly reflecting the rising freight costs caused by the tension in international shipping.

General and administrative expenses

Our general and administrative expenses increased by 37.5% from RMB677.4 million in 2023 to RMB931.7 million in 2024. Excluding equity-settled share-based payment expenses, our general and administrative expenses increased by 29.4% from RMB664.4 million to RMB859.9 million during the same period, which was primarily due to the increase of personnel-related expenses in relation to the growth of our business.

Other net income

Our other net income was RMB114.7 million in 2024, as compared to other net income of RMB62.4 million in 2023. The year-over-year increase was mainly due to an increase in investment income in wealth management products, and an increase in fair value of an investment, partially offset by a net foreign exchange loss.

Impairment loss on non-current assets

Our impairment loss on non-current assets was RMB8.0 million and RMB8.8 million in 2023 and 2024, respectively. The impairment loss on non-current assets was related to our directly operated stores.

Operating profit

As a result of the foregoing, we recorded operating profit of RMB3,315.8 million in 2024, representing an increase of 17.6% from RMB2,819.6 million in 2023.

Net finance income

Our net finance income was RMB25.8 million, compared to RMB161.0 million in 2023. The year-over-year decrease was mainly due to a decrease in interest income as a result of lower interest rate and reduced bank deposits principal as we reallocated certain resources to wealth management products, coupled with an increase in finance cost due to increased interest expenses on lease liabilities in line with our investment in directly operated stores.

Share of profit/(loss) of equity-accounted investee, net of tax

For the year ended December 31, 2024, our share of loss of an equity-accounted investee, net of tax was RMB6.0 million, which was mainly due to our investment(s) into and share of profit of the associate companies. For the year ended December 31, 2023, our share of profit of an equity-accounted investee, net of tax was RMB0.3 million.

Income tax expense

We recorded income tax expense of RMB712.1 million in 2024, compared to RMB707.0 million in 2023.

Profit for the year

As a result of the foregoing, our profit for the year increased by 15.9% from RMB2,274 million in 2023 to RMB2,635.4 million in 2024.

Six months ended December 31, 2022 compared to six months ended December 31, 2023

Revenue

Our revenue increased by 44.9% from RMB5,266.9 million in the six months ended December 31, 2022 to RMB7,632.5 million in the six months ended December 31, 2023, attributable to (i) an increase of 46.3% in revenue from overseas markets, and (ii) an increase of 44.1% in revenue from China.

Revenue generated from our operations in China was RMB4,843.1 million in the six months ended December 31, 2023, increasing by 44.1% from RMB3,360.2 million in the six months ended December 31, 2022. The increase in revenue from the China market was primarily due to (i) an increase of 44.6% in revenue from MINISO brand in China, and (ii) an increase of 65.8% in revenue from TOP TOY in China.

Revenue generated from overseas markets was RMB2,789.3 million in the six months ended December 31, 2023, increasing by 46.3% from RMB1,906.7 million in the six months ended December 31, 2022.

The total number of MINISO stores, including those in China and overseas markets, increased from 5,440 as of December 31, 2022 to 6,413 as of December 31, 2023. Our revenue per MINISO store increased by 26.6% from RMB0.9 million in the six months ended December 31, 2022 to RMB1.2 million in the six months ended December 31, 2023.

Cost of sales

Our cost of sales increased by 33.8% from RMB3,281.2 million for the six months ended December 31, 2022 to RMB4,391.4 million for the six months ended December 31, 2023.

Gross profit and gross margin

Gross profit increased by 63.2% from RMB1,985.7 million in the six months ended December 31, 2022 to RMB3,241.0 million in the six months ended December 31, 2023, and gross margin increased from 37.7% to 42.5% for the same periods. The increase in gross margin was mainly driven by (i) higher gross margin in overseas markets contributed by product optimization and higher revenue contribution from directly operated markets, (ii) higher gross margin in China contributed by newly launched products in relation to our execution of strategic brand upgrade of MINISO, and the cost-saving measures we adopted to reduce the costs of certain products, and (iii) higher gross margin of TOP TOY due to a shift in product mix towards more profitable products.

Other income

Our other income increased by 32.7% from RMB14.3 million in the six months ended December 31, 2022 to RMB19.0 million in the six months ended December 31, 2023, primarily due to an increase in income from depositary bank.

Selling and distribution expenses

Our selling and distribution expenses increased by 70.8% from RMB798.1 million in the six months ended December 31, 2022 to RMB1,363.1 million in the six months ended December 31, 2023. The increase was primarily attributable to (i) increased personnel-related expenses, logistics expenses and IP licensing expenses in relation to the growth of our business, (ii) increased depreciation expenses of the right-of-use assets in relation to directly operated stores, and (iii) increased promotion and advertising expenses, mainly in connection with our brand upgrade and the opening of new stores in overseas markets.

General and administrative expenses

Our general and administrative expenses increased by 13.9% from RMB313.9 million in the six months ended December 31, 2022 to RMB357.7 million in the six months ended December 31, 2023. This increase was primarily due to increased personnel-related expenses in relation to the growth of our business.

Other net income

Our other net income was RMB21.1 million in the six months ended December 31, 2023, compared to other net income of RMB72.9 million in the six months ended December 31, 2022. The decrease was mainly due to net foreign exchange loss, partially offset by net change in fair value of other investments.

Impairment loss on non-current assets

For the six months ended December 31, 2022, we did not record any impairment loss on non-current assets. For the six months ended December 31, 2023, we recorded impairment loss on non-current assets of RMB4.5 million, which was related to our directly operated stores.

Operating profit

As a result of the foregoing, we recorded operating profit of RMB1,553.7 million in the six months ended December 31, 2023, representing an increase of 62.3% from RMB957.1 million in the six months ended December 31, 2022.

Net finance income

Our net finance income increased by 104.3% from RMB48.3 million in the six months ended December 31, 2022 to RMB98.8 million in the six months ended December 31, 2023, mainly due to an increase in interest income as a result of increased principal in bank deposits.

Income tax expense

We recorded income tax expense of RMB396.7 million in the six months ended December 31, 2023, compared to RMB241.5 million in the six months ended December 31, 2022.

Profit for the period

As a result of the foregoing, our profit for the period increased by 64.4% from RMB763.9 million in the six months ended December 31, 2022 to RMB1,256.1 million in the six months ended December 31, 2023.

Non-IFRS Financial Measure

In evaluating the business, we consider and use adjusted operating profit, adjusted net profit, adjusted EBITDA, adjusted basic and diluted net earnings per ADS as supplemental measures to review and assess our operating performance. We define adjusted operating profit as operating profit for the period excluding equity-settled share-based payment expenses. We also define adjusted net profit as profit excluding equity-settled share-based payment expenses, gain or loss from fair value change of derivatives, issuance cost of derivatives and interest expenses related to equity linked securities, interest expenses related to the bank loans used for acquisition of the equity interest in Yonghui Superstores Co., Ltd., share of profit or loss of Yonghui Superstores Co., Ltd., net of tax, and changes in fair value of redemption liabilities arising from preferred shares. MINISO defines adjusted EBITDA as adjusted net profit plus depreciation and amortization, finance costs excluding interest expenses related to equity linked securities and interest expenses related to the bank loans used for acquisition of the equity interest in Yonghui Superstores Co., Ltd. and income tax expense. MINISO computes adjusted basic and diluted net earnings per ADS by dividing adjusted net profit attributable to the equity shareholders of the Company by the number of ADSs represented by the number of ordinary shares used in the basic and diluted earnings per share calculation on an IFRS basis. MINISO computes adjusted basic and diluted net earnings per share in the same way as it calculates adjusted basic and diluted net earnings per ADS, except that it uses the number of ordinary shares used in the basic and diluted earnings per share calculation on an IFRS basis as the denominator instead of the number of ADSs represented by these ordinary shares.

We present the non-IFRS financial measure because it is used by our management to evaluate our operating performance and formulate business plans. The non-IFRS financial measure enables our management to assess our operating results without considering the impacts of the aforementioned non-cash items that we do not consider to be indicative of our operating performance in the future. Accordingly, we believe that the use of the non-IFRS financial measure provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and board of directors.

The non-IFRS financial measure is not defined under IFRS nor presented in accordance with IFRS. The non-IFRS financial measure has limitations as analytical tools. One of the key limitations of using the non-IFRS financial measure is that it does not reflect all items of income and expense that affect our operations. Further, the non-IFRS financial measure may differ from non-IFRS information used by other companies, including peer companies, and therefore their comparability may be limited.

The non-IFRS financial measure should not be considered in isolation or construed as an alternative to profit or any other measure of performance prepared and presented in accordance with IFRS. Investors are encouraged to review our historical non-IFRS financial measure in light of the most directly comparable IFRS measure, as shown below. The non-IFRS financial measure presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting the usefulness of such measure when analyzing our data comparatively. We encourage you to review our financial information in its entirety and not rely on a single financial measure.

We recorded adjusted operating profit of RMB2,902.4 million, RMB3,401.0 million and RMB3,671.0 million (US\$524.9 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

We recorded adjusted net profit of RMB2,356.7 million, RMB2,720.6 million and RMB2,898.2 million (US\$414.4 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

We recorded adjusted EBITDA of RMB3,571.4 million, RMB4,334.3 million and RMB4,959.9 million (US\$709.3 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

The following table reconciles our adjusted operating profit, adjusted net profit and adjusted EBITDA for the years ended December 31, 2023, 2024 and 2025 to the most directly comparable financial measures calculated and presented in accordance with IFRS, which includes operating profit and profit for the year/period.

	For the year ended December 31,			
	2023	2024	2025	
	RMB	RMB	RMB	US\$
	(Unaudited)			
	(in thousands)			
Operating profit	2,819,648	3,315,789	3,303,123	472,341
<i>Add back:</i>				
Equity-settled share-based payment expenses	82,734	85,184	367,869	52,605
Adjusted operating profit	2,902,382	3,400,973	3,670,992	524,946
	For the year ended December 31,			
	2023	2024	2025	
	RMB	RMB	RMB	US\$
	(Unaudited)			
	(in thousands, except for per ordinary share and per ADS data)			
Profit for the year/period	2,273,995	2,635,428	1,209,814	173,002
<i>Add back:</i>				
Equity-settled share-based payment expenses	82,734	85,184	367,869	52,605
Loss from fair value change of derivatives ⁽¹⁾⁽²⁾	—	—	25,668	3,670
Issuance cost of derivatives ⁽¹⁾⁽³⁾	—	—	44,664	6,387
Interest expenses related to equity linked securities and the bank loans used for acquisition of the equity interest in Yonghui Superstores Co., Ltd. ⁽¹⁾	—	—	278,973	39,893
-Interest expenses related to equity linked securities ⁽⁴⁾	—	—	192,342	27,505
-Interest expenses related to the bank loans used for acquisition of the equity interest in Yonghui Superstores Co., Ltd.	—	—	86,631	12,388
Share of loss of Yonghui Superstores Co., Ltd., net of tax ⁽¹⁾	—	—	812,684	116,212
Changes in fair value of redemption liabilities ⁽¹⁾	—	—	158,491	22,664
Adjusted net profit	2,356,729	2,720,612	2,898,163	414,433
Adjusted net earnings per ordinary share⁽⁵⁾				
-Basic	1.88	2.18	2.36	0.34
-Diluted	1.87	2.17	2.34	0.33
Adjusted net earnings per ADS (Each ADS represents 4 ordinary shares)				
-Basic	7.52	8.72	9.44	1.35
-Diluted	7.48	8.68	9.36	1.34

Notes:

- (1) These adjustment items have been excluded from the calculation of adjusted net profit as the Company does not consider such items to be indicative of its operating performance of core business in the future.
- (2) The gain or loss from fair value change of derivatives was a non-cash gain or expense that was related to the fair value of equity linked securities and call spread. It was determined primarily by movements in the underlying share price.
- (3) The issuance cost of derivatives was a one-off expense that was related to equity linked securities.
- (4) For the year ended December 31, 2025, the RMB192.3 million interest expenses related to equity linked securities included RMB173.4 million non-cash portion and RMB18.9 million cash expense.
- (5) Adjusted basic and diluted net earnings per ordinary share are computed by dividing adjusted net profit attributable to the equity shareholders of the Company by the number of ordinary shares used in the basic and diluted earnings per ordinary share calculation on an IFRS basis.

	For the year ended December 31,			
	2023	2024	2025	
	RMB	RMB	RMB	US\$
	(Unaudited)	(in thousands)		
Adjusted net profit	2,356,729	2,720,612	2,898,163	414,433
<i>Add back:</i>				
Depreciation and amortization	464,245	808,694	1,206,305	172,499
Finance costs excluding interest expenses related to equity linked securities and the bank loans used for acquisition of the equity interest in Yonghui Superstores Co., Ltd.	43,479	92,915	151,957	21,729
Income tax expense	706,952	712,104	703,524	100,603
Adjusted EBITDA	3,571,405	4,334,325	4,959,949	709,264

Critical Accounting Policies and Estimates

We prepare our financial statements in accordance with IFRS issued by the IASB, which requires us to make judgments, estimates, and assumptions. We continually evaluate these estimates and assumptions based on the most recently available information, our own historical experience, and various other assumptions that we believe to be reasonable under the circumstances. Since the use of estimates is an integral component of the financial reporting process, actual results could differ from our expectations as a result of changes in our estimates. Some of our accounting policies require a higher degree of judgment than others in their application and require us to make significant accounting estimates. The following descriptions of significant accounting policies, judgments, and estimates should be read in conjunction with our consolidated financial statements and other disclosures included in this annual report. When reviewing our financial statements, you should consider (i) our selection of significant accounting policies, (ii) the judgments and other uncertainties affecting the application of such policies, and (iii) the sensitivity of reported results to changes in conditions and assumptions.

Revenue recognition

Product sales to retail partners. We have entered into a series of agreements with retail partners, which mainly include a license agreement and a sales agreement (collectively "Franchise Agreements"), whereby the retail partners are licensed to operate the retail partners stores and are authorized to sell, in their own retail stores, the products that they have purchased from us.

For product sales to retail partners, we have determined that the retail partners are the customers of us. The retail partners operate retail stores at their own chosen locations under the framework set out under the Franchise Agreements.

The retail partners employ and manage their own staff to operate the stores and serve their customers (i.e. end consumers who visit the stores), and bear the costs associated with the operation. The retail partners' retail stores generally carry a wide range of merchandise that they exercise discretion to select from our array of product categories.

Revenue from sales to these retail partners is recognized at the point when they obtain the legal title of the products and become obliged to pay for the products, which is when the retail partners sell the products to their customers in their own retail stores.

Impairments of property, plant and equipment and right-of-use assets related to self-operated stores

In considering the impairment losses that may be required for certain property, plant and equipment and right-of-use assets related to self-operated stores, recoverable amount of these assets needs to be determined, being the higher of fair value less costs of disposal and value in use. In determining the recoverable amount of these assets, we evaluate market rental rates with the assistance of valuation professionals.

Recent Accounting Pronouncements

A list of recent accounting pronouncements that are relevant to us is included in note 2 to our consolidated financial statements, which are included in this annual report.

B. Liquidity and Capital Resources

Source of Liquidity and Working Capital Sufficiency

Cash flows from operating activities and financing activities have been our primary sources of liquidity. Our cash and cash equivalents were RMB6,489.2 million, RMB6,415.4 million, RMB6,328.1 million and RMB6,817.1 million (US\$974.8 million) as of June 30, 2023 and December 31, 2023, 2024 and 2025, respectively. As of December 31, 2025, 44.5%, 41.8%, 0.5% and 13.1% of our cash and cash equivalents were denominated in Renminbi, U.S. dollars, Hong Kong dollars and other currencies, respectively. Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash. As of December 31, 2025, we had unused banking facilities of around RMB3,578.3 million (US\$511.7 million).

As of December 31, 2025, we had an outstanding borrowing, including current and non-current loans and borrowings, totaling RMB7,166.4 million (US\$1,024.8 million), which mainly represented a loan from commercial banks with a principal amount of RMB3.5 billion used for the acquisition of equity interest of Yonghui Superstores Co., Ltd., and bond components of RMB2.4 billion related to the 2032 Securities.

In January 2025, we issued equity linked securities due 2032, or the 2032 Securities, which are convertible debt securities that shall be settled wholly in cash, with an aggregate principal amount of US\$550,000,000 and an expected maturity date on January 14, 2032. The 2032 Securities constitute direct, unconditional, unsubordinated and, subject to the terms and conditions of the 2032 Securities, unsecured obligations of ours and bear interest at a rate of 0.5% per year, payable semiannually in arrears on January 14 and July 14 of each year, beginning on July 14, 2025. Holders of the 2032 Securities may exchange their 2032 Securities for cash at any time on or after the date which is six years after the closing date to the date falling 10 scheduled trading days prior to the maturity date. The 2032 Securities will mature on January 14, 2032, unless earlier redeemed, repurchased or converted in accordance with their terms prior to such date. The exercise price at which the 2032 Securities will be exchanged will initially be HK\$64.395 per ordinary share, subject to adjustment upon the occurrence of certain events. Holders may exchange their 2032 Securities for cash: (i) at any time on or after January 14, 2031 to the date falling 70 scheduled trading days prior to the maturity date, or the Initial Exercise Period; and (ii) at any time from the date falling 69 scheduled trading days preceding the maturity date to the date falling 10 scheduled trading days preceding the maturity date, or the Final Exercise Period, in accordance with the terms of the Securities. Upon exercise by a holder of their 2032 Securities, the holder will receive a cash settlement amount in U.S. dollars and equal to the number of cash settled shares underlying the exercised securities (a notional concept calculated by dividing the principal amount of the Securities by the applicable exercise price on the exercise date) multiplied by (i) if exercised during the Initial Exercise Period, the volume weighted average price of an ordinary share over a specified period of trading days; or (ii) if exercised during the Final Exercise Period, the higher of (a) the applicable exercise price of the 2032 Securities, and (b) the volume weighted average price of an ordinary share over a specified period of trading days, calculated in accordance with the terms and conditions of the 2032 Securities. Holders of the 2032 Securities may require us to redeem all or some of such holder's 2032 Securities on January 14, 2028 and January 14, 2030 or in the event of certain fundamental changes. We may redeem the 2032 Securities in the event of certain changes to tax laws or if less than 10% of the aggregate principal amount of the 2032 Securities originally issued remains outstanding at such time.

Based on our current cash and cash equivalents and anticipated cash flows from operations, we believe that we will have sufficient funds to meet our working capital and capital expenditure requirements for at least the next 12 months from December 31, 2025.

In utilizing the proceeds from our offerings, we may make additional capital contributions to our PRC subsidiaries, establish new PRC subsidiaries and make capital contributions to these new PRC subsidiaries, make loans to our PRC subsidiaries, or acquire offshore entities with operations in China in offshore transactions. However, most of these uses are subject to PRC regulations. See "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Chinese Mainland regulation of loans to and direct investment in Chinese Mainland entities by offshore holding companies and governmental administration of currency conversion may delay or prevent us from using the proceeds of our offshore offerings to make loans to or make additional capital contributions to our Chinese Mainland subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business."

We may decide to enhance our liquidity position or increase our cash reserve for future investments through additional capital and finance funding. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations. We cannot assure you that financing will be available in amounts or on terms acceptable to us, if at all.

Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated:

	For the fiscal year ended June 30,	For the six months ended December 31,		For the year ended December 31,			
	2023	2022	2023	2023	2024	2025	
	RMB	RMB	RMB	RMB	RMB	RMB	US\$
		(Unaudited)	(Unaudited)	(Unaudited)			
Net cash generated from operating activities	1,666,030	433,256	1,097,541	2,330,315	2,168,334	2,577,891	368,634
Net cash (used in)/generated from investing activities	(293,406)	(485,719)	177,073	369,386	(533,254)	(7,019,506)	(1,003,776)
Net cash (used in)/generated from financing activities	(325,956)	(149,789)	(1,320,899)	(1,497,066)	(1,720,623)	4,969,234	710,591
Net increase/(decrease) in cash and cash equivalents	1,046,668	(202,252)	(46,285)	1,202,635	(85,543)	527,619	75,449
Cash and cash equivalents at beginning of year as presented in the consolidated statement of cash flows	5,348,492	5,348,492	6,489,213	5,186,601	6,415,441	6,328,121	904,909
Effect of movements in exchange rates on cash held	94,053	40,361	(27,487)	26,205	(1,777)	(38,611)	(5,521)
Cash and cash equivalents at the end of the fiscal year	6,489,213	5,186,601	6,415,441	6,415,441	6,328,121	6,817,129	974,836

Operating activities

Net cash generated from operating activities for the fiscal year ended December 31, 2025 was RMB2,577.9 million (US\$368.6 million). This amount was primarily attributable to a profit of RMB1,209.8 million (US\$173.0 million) for the year, as adjusted by certain non-cash items, primarily consisting of (i) depreciation and amortization of RMB1,206.3 million (US\$172.5 million), and (ii) share of loss of equity-accounted investees, net of tax of RMB834.5 million (US\$119.3 million), (iii) income tax of RMB703.5 million (US\$100.6 million), and (iv) equity-settled share-based payment expenses of RMB367.9 million (US\$52.6 million), which were partially offset by interest income of RMB104.4 million (US\$14.9 million), investment income from other investments of RMB103.7 million (US\$14.8 million), net change in fair value of other investments of RMB77.2 million (US\$11.0 million) and changes in certain working capital accounts that affected operating cash flows, primarily consisting of an increase in trade and other payables of RMB576.2 million (US\$82.4 million), partially offset by (i) an increase of trade and other receivables of RMB1,028.8 million (US\$ 147.1 million) and (ii) an increase in inventories of RMB916.7 million (US\$131.1 million). The increase in trade and other receivables was mainly due to an increase in trade receivables, VAT recoverable, miscellaneous expenses paid on behalf of franchisees, as well as rental deposit. The increase in inventories was mainly due to an increase in the number of stores and precautionary inventory buildup in anticipation of potential tariffs.

Net cash generated from operating activities for the fiscal year ended December 31, 2024 was RMB2,168.3 million. This amount was primarily attributable to a profit of RMB2,635.4 million for the year, as adjusted by certain non-cash items, primarily consisting of (i) depreciation and amortization of RMB808.7 million, and (ii) income tax of RMB712.1 million, which were partially offset by an interest income of RMB118.7 million, and changes in certain working capital accounts that affected operating cash flows, primarily consisting of an increase in trade and other payables of RMB561.4 million, partially offset by (i) an increase in inventories of RMB828.1 million and (ii) an increase in trade and other receivables of RMB836.8 million. The increase in inventory was mainly due to an increase in the number of stores. The increase in trade and other receivables was mainly due to an increase in miscellaneous expenses paid on behalf of franchisees, trade receivables and prepayments for repurchase of shares.

Net cash generated from operating activities for the six months ended December 31, 2023 was RMB1,097.5 million, as compared to a profit for the period of RMB1,256.1 million. The difference was due to the adjustment of certain non-cash items, primarily consisting of (i) depreciation and amortization of RMB285.2 million, and (ii) income tax of RMB396.7 million, which were partially offset by an interest income of RMB124.0 million, and changes in certain working capital accounts that affected operating cash flows, primarily consisting of (i) an increase in inventory of RMB471.7 million, and (ii) an increase in trade and other receivables of RMB316.5 million. The increase in inventory was mainly due to an increase in the number of stores. The increase in trade and other receivables was mainly due to an increase in trade receivable.

Net cash generated from operating activities for the fiscal year ended June 30, 2023 was RMB1,666.0 million. This amount was primarily attributable to a profit of RMB1,781.8 million for the year, as adjusted by certain non-cash items, primarily consisting of (i) depreciation and amortization of RMB391.2 million, and (ii) income tax of RMB551.8 million, which were partially offset by an interest income of RMB145.2 million, and changes in certain working capital accounts that affected operating cash flows, primarily consisting of (i) an increase in inventory of RMB250.9 million, and (ii) an increase in trade and other receivables of RMB185.8 million. The increase in inventory was mainly due to an increase in the number of stores. The increase in trade and other receivables was mainly due to an increase in VAT recoverable.

Investing activities

Net cash used in investing activities for the fiscal year ended December 31, 2025 was RMB7,019.5 million (US\$1,003.8 million), consisting primarily of proceeds from disposal of other investments of RMB25.1 billion (US\$3.6 billion), partially offset by payments for purchases of other investments of RMB25.1 billion (US\$3.6 billion) and payments for investments in equity-accounted investees of RMB6,285.8 million (US\$898.9 million).

Net cash used in investing activities for the fiscal year ended December 31, 2024 was RMB533.3 million, consisting primarily of proceeds from disposal of other investments of RMB14.3 billion, partially offset by payments for purchases of other investments of RMB14.1 billion and payments for purchases of property, plant, equipment and intangible assets of RMB762.5 million.

Net cash generated from investing activities for the six months ended December 31, 2023 was RMB177.1 million, consisting primarily of proceeds from disposal of other investments of RMB2,504.0 million, release of term deposits of RMB581.4 million and interest income of RMB122.2 million, partially offset by payment for purchases of other investments of RMB2,554.0 million, payment for purchases of property, plant, equipment and intangible assets of RMB264.8 million and placement of term deposits of RMB210.4 million.

Net cash generated from investing activities for the fiscal year ended June 30, 2023 was RMB293.4 million, consisting primarily of payment for purchases of other investments of RMB7,880.8 million, placement of term deposits of RMB761.4 million and payment for purchases of property, plant, equipment and intangible assets of RMB174.1 million, partially offset by proceeds from disposal of other investment of RMB7,808.4 million, refund of prepayments of RMB200.0 million and release of term deposits of RMB316.5 million.

Financing activities

Net cash generated from financing activities for the fiscal year ended December 31, 2025 was RMB4,969.2 million (US\$710.6 million), primarily due to proceeds from loans and borrowings of RMB4,737.1 million (US\$677.4 million) and proceeds from issue of equity linked securities, net of issuance costs of RMB3,842.9 million (US\$549.5 million), partially offset by dividends paid to equity shareholders of the Company of RMB1,357.7 million (US\$194.2 million), payment for purchases of options of RMB1,207.8 million (US\$172.7 million), payment of capital element and interest element of lease liabilities of RMB897.5 million (US\$128.3 million), repayment of loans and borrowings of RMB595.2 million (US\$85.1 million) and payments of repurchase of shares of RMB535.2 million (US\$76.5 million).

Net cash used in financing activities for the fiscal year ended December 31, 2024 was RMB1,720.6 million, primarily due to dividends paid to equity shareholders of our company of RMB1,244.3 million, payment of capital element and interest element of lease liabilities of RMB725.1 million and prepayments for repurchase of shares of RMB313.4 million, partially offset by proceeds from loans and borrowings of RMB563.8 million.

Net cash used in financing activities for the six months ended December 31, 2023 was RMB1,320.9 million, primarily due to dividends payment of RMB923.7 million, payment of capital element and interest element of lease liabilities of RMB236.5 million, prepayments for repurchase of shares of RMB87.3 million and payments for repurchase of shares of RMB73.6 million.

Net cash used in financing activities for the fiscal year ended June 30, 2023 was RMB326.0 million, primarily due to proceeds from Hong Kong public offering and exercise of the over-allotment option, net of underwriting commissions and other issuance costs of RMB469.7 million, payment of capital element and interest element of lease liabilities of RMB346.0 million and dividends payment of RMB370.8 million.

Holding company structure

MINISO Group Holding Limited is a holding company with no material operations of its own. We conduct our operations through our subsidiaries. As a result, MINISO Group Holding Limited's ability to pay dividends, to some extent, depends upon dividends paid by our subsidiaries. If our existing subsidiaries or any newly formed ones incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our wholly foreign-owned subsidiary in China is permitted to pay dividends to us only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Under PRC law, each of our foreign invested subsidiaries in China may pay dividend from the after-tax profit after (i) it sets aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of its registered capital, and (ii) any losses of such PRC subsidiary from prior fiscal years have been offset. The statutory reserve funds are not distributable as cash dividends. Remittance of dividends by a wholly foreign-owned company out of China is subject to examination by the banks designated by SAFE. See "Item 4. Information on the Company—B. Business Overview—Regulations—Chinese Mainland—Regulation related to dividend distribution."

Contingent Liabilities and Treasury Policy

Contingent liabilities

Commitment of tax payments

On October 13, 2020, Mingyou Industrial Investment (Guangzhou) Co., Ltd., or Mingyou, being a subsidiary of our equity-accounted investee prior to October 27, 2021 and a subsidiary of MINISO Group since October 27, 2021, was set up to acquire the land use right of a parcel of land and to establish a new headquarters building for MINISO Group in a district in Guangzhou, the PRC. In connection with the acquisition of the land use right and the construction of new headquarter building by Mingyou, MINISO Guangzhou entered into a letter of intent on November 26, 2020 with the local government of the district where our new headquarters building is located and committed to pay an aggregate amount of tax levies of no less than RMB965.0 million to a local government in Guangzhou for a five-year period starting from January 1, 2021, with RMB160.0 million in 2021, RMB175.0 million in 2022, RMB190.0 million in 2023, RMB210.0 million in 2024 and RMB230.0 million in 2025. If the above entities fail to meet the committed amount for any of the five calendar years, MINISO Guangzhou will be liable to compensate for the shortfall.

We had met the commitments for the five calendar years of 2021, 2022, 2023, 2024 and 2025. Therefore, we were not required to make any compensation to the local government. As such, no provision has been made in respect of this matter as of December 31, 2025.

Securities class action

In August 2022, a putative federal securities class action was filed against our company and certain officers and directors, alleging that we made misleading misstatements or omissions regarding its business operations and financials in violation of the Securities Act of 1933 and the Securities Exchange Act of 1934. The action is captioned *In re MINISO Group Holding Limited Securities Litigation*, 1:22-cv-09864 (S.D.N.Y.). Lead plaintiff was appointed in November 2022 and filed the operative complaint to the court. We and other defendants filed a motion to dismiss the complaint, and the motion was granted by the court in February 2024, with leave to amend. Plaintiffs filed a motion for reconsideration of the court's decision, which was rejected by the court. Plaintiffs filed a further amended complaint on April 30, 2025. We and other defendants filed a motion to dismiss that complaint, which was granted by the court on March 31, 2026, with prejudice. Plaintiffs have until May 1, 2026 to file a notice to appeal the court decision.

Off-balance sheet arrangements

We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any third parties. In addition, we have not entered into any derivative contracts that are indexed to our shares and classified as shareholder's equity or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or product development services with us.

Treasury policy

We believe we can make better use of our cash by making appropriate investments in short-term investment products, which generate income without interfering with our business operation or capital expenditures. Our investment decisions with respect to financial products are made on a case-by-case basis and after due and careful consideration of a number of factors, including, but not limited to, the market conditions, the economic developments, the anticipated investment conditions, the investment cost, the duration of the investment and the expected benefit and potential loss of the investment. We have established a set of internal control measures which allow us to achieve reasonable returns on our investment while mitigating our exposure to high investment risks. These policies and measures were formulated by our senior management.

In order to make full use of idle funds, improve the utilization rate of surplus funds, and increase our income, under the premise of not affecting our normal business activities, subject to approval from our chief financial officer, we may purchase a certain amount of wealth management products from financial institutions. According to our internal policies, the manager of our treasury department should make proposals to invest in wealth management products to our chief financial officer and such proposals must be reviewed and approved by our chief financial officer. In assessing a proposal to invest in wealth management products, a number of criteria must be met, including but not limited to the following:

- the purchase of wealth management products is limited to low-risk products such as term deposits, principal-guaranteed and interest-paying products, treasury notes issued by banks, and wealth management products with risk level below R2. The purchase of high-risk financial instruments such as securities and futures is strictly prohibited.
- the expected return of the purchased wealth management products should be not lower than bank's deposit interest rate for term deposits of the same period, the product structure should be relatively simple, and the purchases should be made from financial institutions with large operation scale, overall strength and good credit standing.
- the treasury department is responsible for setting up a detailed ledger for wealth management products, the manager of the treasury department manages the financial products, and tracks the progress and safety of wealth management products. In the event of an abnormal situation, the manager of the treasury department should report the situation to the chief financial officer in a timely manner so that we can take effective measures immediately to reduce potential losses.

Material Cash Requirements

Our material cash requirements as of December 31, 2025 and any subsequent interim period primarily include capital expenditures, purchase of inventories, contractual obligations and obligations under our 2032 Securities, and we intend to fund those requirements with our cash balance. We will continue to make cash commitments, including capital expenditures, to meet the expected growth of our business.

Capital expenditures

Our capital expenditures are primarily incurred for the purposes of building our new headquarters project, purchasing IT systems and renovating MINISO stores that we directly operated. Our capital expenditures were RMB264.8 million in the fiscal year ended June 30, 2023, RMB78.0 million and RMB264.8 million in the six months ended December 31, 2022 and 2023, and RMB360.9 million, RMB762.5 million and RMB997.7 million (US\$142.7 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Purchases of inventories

Our purchase of inventories primarily includes lifestyle and pop toy products. Our inventories purchase amount were RMB7,068.7 million in the fiscal year ended June 30, 2023, RMB3,420.5 million and RMB4,721.4 million in the six months ended December 31, 2022 and 2023, and RMB8,369.6 million, RMB9,901.0 million and RMB13,709.2 million (US\$1,960.4 million) in the years ended December 31, 2023, 2024 and 2025, respectively.

Contractual obligations

Capital commitments

Our capital commitments mainly include contracted purchases of software, property, construction projects, property improvements. Our capital commitments were RMB982.6 million, RMB837.2 million, RMB633.5 million and RMB394.2 million (US\$56.4 million) as of June 30, 2023 and December 31, 2023, 2024 and 2025, respectively. The capital commitments as of December 31, 2025 were mainly attributable to the construction of the headquarters building.

Lease liabilities

Our lease liabilities are in relation to properties that we lease primarily for our office premises, directly operated stores and warehouses. Our lease liabilities were RMB885.7 million, RMB1,245.3 million, RMB2,538.5 million and RMB3,664.6 million (US\$524.0 million) as of June 30, 2023 and December 31, 2023, 2024 and 2025, respectively.

2032 Securities obligations

2032 Securities obligations consist of the principal amount and cash interests in connection with our 2032 Securities. The 2032 Securities bear interest at a rate of 0.5% per year, payable semiannually in arrears on January 14 and July 14 of each year, beginning on July 14, 2025. Holders of the 2032 Securities may exchange their 2032 Securities for cash at any time on or after the date which is six years after the closing date to the date falling 10 scheduled trading days prior to the maturity date. Holders of the 2032 Securities may require us to redeem all or some of such holder's 2032 Securities on January 14, 2028 and January 14, 2030 or in the event of certain fundamental changes. We may redeem the 2032 Securities in the event of certain changes to tax laws or if less than 10% of the aggregate principal amount of the 2032 Securities originally issued remains outstanding at such time.

C. Research and Development

See "Item 4. Information on the Company—B. Business Overview—Technology Capabilities" and "Item 4. Information on the Company—B. Business Overview—Intellectual Property."

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events for the period since January 1, 2025 that are reasonably likely to have a material and adverse effect on our net revenues, income, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future results of operations or financial conditions.

E. Critical Accounting Estimates

For our critical accounting estimates, see “Item 5. Operating and Financial Review and Prospects—A. Operating Results—Critical Accounting Policies and Estimates.”

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management

The following table sets forth information regarding our executive officers and directors as of the date of this annual report.

Directors and executive officers	Age	Position/Title
Guofu Ye	48	Founder, Chairman of the Board of Directors and Chief Executive Officer
Lili Xu	44	Independent Non-executive Director
Yonghua Zhu	45	Independent Non-executive Director
Yongping Wang	57	Independent Non-executive Director
Yunyun Yang	49	Vice President
Jingjing Zhang	39	Chief Financial Officer and Vice President

Mr. Guofu Ye has served as a director of our company since January 2020 and was re-designated as executive director upon the listing of our ordinary shares on the Hong Kong Stock Exchange in July 2022. Mr. Ye is our founder and has served as the chairman of our company and the chief executive officer of our company since February 2020. Mr. Ye is responsible for the overall strategy, business development and management of our operations. Mr. Ye founded Miniso Corporation, our predecessor, in August 2009 and has since then served as the chief executive officer of Miniso Corporation until August 2018. After Miniso Guangzhou, our PRC holding entity before we established our offshore holding structure, was established in October 2017, Mr. Ye has since then been serving as a director and the general manager of Miniso Guangzhou. Mr. Ye accumulated immense mastery in trendy fashion during the period of Chinese economic transformation and seized the opportunity to improve the social quality consumption patterns, bringing a new business model in China. Mr. Ye has also served as a director of Yonghui Superstores Co., Ltd (SSE: 601933) since March 2025. Mr. Ye received his junior college diploma in economic management from Zhongnan University of Economics and Law in China in July 2001.

Ms. Lili Xu has served as our independent director since October 2020 and was re-designated as an independent non-executive director upon our listing on the Hong Kong Stock Exchange on July 13, 2022. Ms. Xu has served as an independent director of Yalla Group Limited (NYSE: YALA), a social networking and entertainment platform company listed on the New York Stock Exchange, since February 2021, an independent director of WEILONG Delicious Global Holdings Ltd. (HKEX: 9985), a snack food company listed on the Main Board of the Hong Kong Stock Exchange, since April 2021, and an independent director of PATEO CONNECT Technology (Shanghai) Cooperation. (HKEX: 2889), a company listed on the Main Board of the Hong Kong Stock Exchange and engaged in smart cockpit solutions in China, since September 2025. In addition, Ms. Xu has served as the chief financial officer of ClouDr Group Limited (HKEX: 9955), a chronic condition management solution provider in China listed on the Main Board of the Hong Kong Stock Exchange, since October 2020. Prior to that, Ms. Xu served as the chief financial officer of Tongdao Liepin Group (HKEX: 6100), a company engaging in the provision of a variety of talent acquisition services to individual, businesses and head hunters listed on the Main Board of the Hong Kong Stock Exchange, from March 2014 to September 2020 and an executive director from March 2018 to September 2020. Prior to that, Ms. Xu held various positions at General Electric Company (NYSE: GE), a high-tech industrial company listed on the New York Stock Exchange, including as the chief financial officer of GE Power Generation Services China, from January 2005 to March 2014. Ms. Xu received a bachelor's degree in international business from Nanjing University in China in June 2003 and a master of science degree in local economic development from the London School of Economics and Political Science in the United Kingdom in November 2004. Ms. Xu is a public accountant certified by the Board of Accountancy of Washington State of the United States since June 2012.

Mr. Yonghua Zhu has served as our independent director since October 2020 and was re-designated as an independent non-executive director upon our listing on the Hong Kong Stock Exchange on July 13, 2022. Mr. Zhu has been the founding partner of Long-Z (formerly Meituan DragonBall Capital), a venture capital fund, since January 2017 in charge of the overall investment of Long-Z and a vice president of Meituan (HKEX: 3690) (formerly known as Meituan Dianping). Mr. Zhu served as an executive director of the department of investment in modern agriculture and food at Legend Holdings Corporation (HKEX: 3396), a leading industrial investment and operations company in China listed on the Main Board of the Hong Kong Stock Exchange, from November 2014 to December 2016. Mr. Zhu worked at Tiantu Capital, an investment management company, from July 2007 to October 2014, including as a partner from December 2013 to October 2014. Mr. Zhu received a master's degree in finance from Newcastle University in the United Kingdom in December 2005.

Mr. Yongping Wang has served as our independent director since November 2021 and was re-designated as an independent non-executive director upon our listing on the Hong Kong Stock Exchange on July 13, 2022. Mr. Wang has served as the president of China Commercial Real Estate Association since August 2016 and as a vice chairman of the Commerce Economy Association of China since April 2018. Mr. Wang has also served as an independent non-executive director of SCE Intelligent Commercial Management Holdings Limited (HKEX: 0606), a China-based investment holding company that mainly provides integrated property management services listed on the Main Board of the Hong Kong Stock Exchange, since June 2021, and an independent director of NanJi E-Commerce Co., Ltd. (SZSE: 002127), a China-based company providing integrated brand services, distributor brand authorization services and mobile internet marketing business and listed on the Shen Zhen Stock Exchange, since September 2024, and a director of Yonghui Superstores Co., Ltd (SSE: 601933) since March 2025. From April 2017 to May 2020, he served as an independent director at Winner Technology Co., Ltd. (SZSE: 300609), a China-based company principally engaged in offline consumer behavior data analysis and listed on the Shen Zhen Stock Exchange. From December 2019 to December 2025, he also served as an independent director of Easyhome New Retail Group Co., Ltd. (SZSE: 0785), a China-based company engaging in investment, development, merchandize distributorship, marketing and service of the home building material industry and listed on the Shen Zhen Stock Exchange. Mr. Wang was an independent director of Shanghai Youyouto Investment Development Co., Ltd., a limited liability company established in China principally engaged in the operation of children's indoor amusement park, from March 2016 to March 2019, where he was primarily responsible for providing independent advice on its operations and management. Before joining us, Mr. Wang held various senior management positions in several national commercial real estate institutions. Mr. Wang served as an executive vice secretary-general, vice chairman and secretary-general at China Federation of Urban Commercial Outlets Construction Administration from November 2003 to July 2010. Mr. Wang also served as an executive editor-in-chief and editor-in-chief at Journal of Commercial Economics from May 2002 to September 2018 and as a reporter and a chief reporter, mainly responsible for business news gathering and editing at China Business Herald from September 1990 to April 2002. Mr. Wang received his bachelor's degree in economics from Hangzhou College of Commerce (now known as Zhejiang Gongshang University) in China in July 1990.

Ms. Yunyun Yang has served as a vice president of our company since February 2020. Ms. Yang is responsible for the risk management and internal controls of our operations. Ms. Yang has been serving as a director of Miniso Corporation since August 2009 and served as an executive vice president of the risk management center of Miniso Corporation from September 2009 to August 2018. After Miniso Guangzhou was established, Ms. Yang has served as an executive vice president of Miniso Guangzhou in charge of risk management since August 2018 and served as a director of Miniso Guangzhou from December 2018 to March 2020. Ms. Yang completed a specialist online course on mental health education at Beijing Normal University in July 2020.

Mr. Jingjing Zhang has served as the chief financial officer of our company since January 2023. Prior to his promotion as the chief financial officer, Mr. Zhang served as the vice president of capital markets of our company from September 2022, in charge of our company's capital markets matters, including investor relations, strategic investment and acquisitions, as well as corporate strategy and treasury. Mr. Zhang joined us in January 2021 as the director of capital markets. Mr. Zhang has over 14 years of experience in capital markets. Before joining us, Mr. Zhang started his career in auditing at PricewaterhouseCoopers, after which he served in various roles mainly in capital markets in the U.S., Hong Kong and China A share markets, including Qutoutiao Inc. (NASDAQ: QTT) and Weibo Corp. (NASDAQ: WB). Mr. Zhang has served as a director of Yonghui Superstores Co., Ltd (SSE: 601933) since March 2025. Mr. Zhang received his dual bachelor degrees in World History and Business Administration from Nankai University in June 2011, and graduated from the finance executive program at China Europe International Business School in 2025. Mr. Zhang is a Chartered Financial Analyst and a non-practicing member of the Chinese Institute of Certified Public Accountants.

B. Compensation

For the fiscal year ended December 31, 2025, we paid an aggregate of RMB8.0 million (US\$1.1 million) in cash to our executive officers and an aggregate of RMB2.8 million (US\$0.4 million) in cash to our non-executive directors. We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our directors and executive officers. Our PRC subsidiaries are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund.

Employment Agreements and Indemnification Agreements

We have entered into employment agreements with each of our executive officers. Under these agreements, each of our executive officers is employed for a specified time period. We may terminate employment for cause, at any time, for certain acts of the executive officer, such as continued failure to satisfactorily perform, willful misconduct or gross negligence in the performance of agreed duties, conviction or entry of a guilty or nolo contendere plea of any felony or any misdemeanor involving moral turpitude, or dishonest act that results in material to our detriment or material breach of the employment agreement. We may also terminate an executive officer's employment without cause upon 60-day advance written notice. In such case of termination by us, we will pay the executive officer, in lieu of benefits under any severance plan or policy of us, any such amount as may be agreed between the executive officer and us. The executive officer may resign at any time with a 60-day advance written notice.

Each executive officer has agreed to hold, both during and after the termination or expiry of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her duties in connection with the employment or pursuant to applicable law, any of our confidential information or trade secrets, any confidential information or trade secrets of our clients or prospective clients, or the confidential or proprietary information of any third party received by us and for which we have confidential obligations. The executive officers have also agreed to disclose in confidence to us all inventions, designs and trade secrets which they conceive, develop or reduce to practice during the executive officer's employment with us and to assign all right, title and interest in them to us, and assist us in obtaining and enforcing patents, copyrights and other legal rights for these inventions, designs and trade secrets.

In addition, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment and typically for one year following the last date of employment. Specifically, each executive officer has agreed not to (i) solicit from any customer doing business with us during the effective term of the employment agreement business of the same or of a similar nature to our business; (ii) solicit from any of our known potential customer business of the same or of a similar nature to that which has been the subject of our known written or oral bid, offer or proposal, or of substantial preparation with a view to making such a bid, proposal or offer; (iii) solicit the employment or services of, or hire or engage, any person who is known to be employed or engaged by us; or (iv) otherwise interfere with our business or accounts, including, but not limited to, with respect to any relationship or agreement between any vendor or supplier and us.

We have also entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or officer of our company.

Share Incentive Plan

In September 2020, our shareholders and board of directors approved a share incentive plan to attract and retain qualified personnel, provide incentives to employees, directors and consultants, and promote the success of our business. The share incentive plan amended and restated share incentive plan(s) we, our predecessor or any of our subsidiaries adopted previously, if any, in its/their entirety and all awards granted and outstanding thereunder survived the termination of previous share incentive plan(s). The terms and conditions of the survived awards remain unchanged and continue to be effective and binding under the share incentive plan. To comply with Chapter 17 of the HKEx Listing Rules, on June 24, 2022, our board of directors amended and restated the 2020 share incentive plan, which we refer to as the Amended and Restated 2020 Share Incentive Plan in this annual report.

The maximum aggregate number of ordinary shares that may be issued under Amended and Restated 2020 Share Incentive Plan is 147,301,128, consisting of (i) 92,586,048 ordinary shares, which have been issued to several share incentive awards holding vehicles for the grant of restricted shares, options or other type of awards, and (ii) 54,715,080 ordinary shares reserved for issuance pursuant to any awards to be granted under the Amended and Restated 2020 Share Incentive Plan. On October 18, 2022, we transferred all of the 1,546,909 ADSs that we repurchased as of September 22, 2022 pursuant to a share repurchase program we adopted in December 2021 to our share incentive awards holding vehicles under the Amended and Restated 2020 Share Incentive Plan for future grants of share incentive awards. The 6,187,636 ordinary shares underlying the 1,546,909 repurchased ADSs were deemed to be issued from the pool of 54,715,080 reserved shares under the Amended and Restated 2020 Share Incentive Plan, and thus the amount of reserved shares available for future grants was reduced to 48,527,444. On March 20, 2024, we granted 20,871,490 RSUs representing the same number of new shares from the pool of 48,527,444 reserved shares, and thus the amount of reserved shares available for future grants was reduced to 27,655,954. Following the departure of certain employees, 3,334,946 ordinary shares were forfeited, and consequently, as of March 31, 2026, we retained the capacity to issue up to 30,990,900 shares under the 2020 Plan. On April 3, 2026, we granted 327,558 RSUs representing the same number of new shares from the pool of 30,990,900 reserved shares, and thus the amount of reserved shares available for future grants was reduced to 30,663,342.

As of March 31, 2026, we had outstanding options to purchase a total of 2,936,968 ordinary shares and 21,964,040 restricted share units that were outstanding under the Amended and Restated 2020 Share Incentive Plan.

Survived share incentive awards

The following paragraphs summarize the principal terms of share incentive awards we adopted previously and survived the termination of our previous share incentive plan(s), if any. Other than these terms, the survived share incentive awards are also bound by the terms of the Amended and Restated 2020 Share Incentive Plan.

Restricted shares

Our board of directors approved grants of 79,425,248 restricted shares to our employees and issued these restricted shares to several share incentive holding vehicles to hold these restricted shares on behalf of our employees. The total number of restricted shares granted to our employees and held by those share incentive holding vehicles was subsequently reduced to 78,528,548 in September 2020. All restricted shares granted are subject to repurchase arrangements and transfer restrictions. As of March 31, 2026, other than 2,785,136 restricted shares that had been forfeited or repurchased, all restrictions on 75,743,412 previously granted restricted shares had been lifted. As of March 31, 2026, no restricted shares remained available for future grant share incentive awards.

Repurchase arrangements. Within certain period(s) after the grant date, certain portion(s) of restricted shares granted are subject to repurchases by the actual controlling person of our company or its designed person or entity. Upon a termination of employment for cause, the actual controlling person of our company or its designed person or entity has the right to repurchase not only the portion that is subject to repurchase arrangements, but the portion that is not subject to repurchase arrangements. The award agreements also provide whether, how and in what prices the repurchases are going to be made in the case of a change-in-control, dissolution and liquidation, debt settlement, change of position and different types of termination of employment.

Transfer restrictions. Unless otherwise approved by the board of directors of our company or pursuant to laws governing succession by will or intestacy, the grantees are not allowed to transfer any restricted shares granted prior to and within certain periods after our company's initial public offering. Within five years after our company's initial public offering, the amount of shares that can be transferred by each grantee in each year shall not be higher than 20% of the total amount of restricted shares granted to such grantee. Such transfer shall be interpreted to include pledge, encumber, guarantee arrangements or any other forms of transfer.

Options

We issued a total of 31,618,125 ordinary shares to MCYP Management Limited, the holding vehicle that holds ordinary shares underlying the options granted and/or to be granted to grantees. The total number of ordinary shares issued to MCYP Management Limited for the grant of options was subsequently reduced to 14,057,500 in September 2020.

As of March 31, 2026, options to purchase a total of 2,936,968 ordinary shares granted to our employees are outstanding. The following paragraphs summarize key terms of the option award agreements.

Vesting schedule. Options granted are subject to a five-year vesting schedule set forth in each award agreement with 20% of granted options become vested in each anniversary and the options granted will vest in accordance with, among other factors, such vesting schedule.

Exercise, forfeiture and repurchase. In the event that a grantee's employment with us is terminated for cause, unless otherwise determined by the board of directors, unvested portion of options granted to such grantee will be forfeited upon such termination of employment. With respect to the portion vested but not yet exercised and the portion vested and exercised, the actual controlling person of our company or its designated person or entity has the right to repurchase such portion of options/ordinary shares at a price determined by the board of directors. The award agreements also provide how options will be vested, forfeited, or exercised in the case of a change-in-control, dissolution and liquidation, debt settlement, change of position and different types of termination of employment.

Transfer restrictions. Unless otherwise approved by the board of directors of our company or pursuant to laws governing succession by will or intestacy, the grantees are not allowed to transfer any restricted shares granted prior to and within certain periods after our company's initial public offering. Within five years after our company's initial public offering, the amount of ordinary shares received after exercise that can be transferred by each grantee in each year shall not be higher than 20% of the total amount of options granted to such grantee. Such transfer shall be interpreted to include pledge, encumber, guarantee arrangements or any other forms of transfer.

Expiration. The options granted will not expire until the tenth anniversary of the grant date.

Restricted share units

To make full use of the ordinary shares held by MCYP Management Limited, we started to grant restricted share units in December 2022 based on ordinary shares held by MCYP Management Limited that were available for further grant of awards. The ordinary shares underlying the restricted share units granted are held by MCYP Management Limited. Upon vesting of granted restricted share units, the corresponding ordinary shares will be deemed to be issued to the relevant grantees. As of March 31, 2026, we had a total of 21,964,040 restricted share units granted and outstanding.

New share incentive awards

Apart from the survived share incentive awards, the Amended and Restated 2020 Share Incentive Plan also reserved certain amount of ordinary shares to be issued pursuant to any new awards to be granted under the Amended and Restated 2020 Share Incentive Plan. On March 20, 2024, we granted 20,871,490 RSUs representing the same number of new shares from the pool of 48,527,444 reserved shares, and thus the amount of reserved shares available for future grants was reduced to 27,655,954. Following the departure of certain employees, 3,334,946 ordinary shares were forfeited, and consequently, as of March 31, 2026, we retained the capacity to issue up to 30,990,900 shares under the 2020 Plan. On April 3, 2026, we granted 327,558 RSUs representing the same number of new shares from the pool of 30,990,900 reserved shares, and thus the amount of reserved shares available for future grants was reduced to 30,663,342.

The following paragraphs summarize the principal terms of the Amended and Restated 2020 Share Incentive Plan.

Type of Awards. The Amended and Restated 2020 Share Incentive Plan permits the awards of options, restricted share units, restricted shares or other types of award approved by a committee that administers the plan.

Plan Administration. Our board of directors or a committee appointed by the board of directors will administer the Amended and Restated 2020 Share Incentive Plan. The plan administrator will determine the participants to receive awards, the type and number of awards to be granted to each participant, and the terms and conditions of each grant.

Award Agreement. Awards granted under the Amended and Restated 2020 Share Incentive Plan are evidenced by an award agreement that sets forth the terms, conditions and limitations for each award, which may include the term of the award, the provisions applicable in the event that the grantee's employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. We may grant awards to our directors, employees and consultants.

Vesting Schedule. In general, the plan administrator determines the vesting schedule, which is specified in the relevant award agreement.

Exercise of Options. The plan administrator determines the exercise price for each award, which is stated in the relevant award agreement. Options that are vested and exercisable will terminate if they are not exercised prior to the time as the plan administrator determines at the time of grant. However, the maximum exercisable term is ten years from the date of effectiveness of the Amended and Restated 2020 Share Incentive Plan.

Transfer Restrictions. Awards may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the Amended and Restated 2020 Share Incentive Plan or the relevant award agreement or otherwise determined by the plan administrator, such as transfers by will or the laws of descent and distribution.

Termination and Amendment. Unless terminated earlier, the Amended and Restated 2020 Share Incentive Plan has a term of ten years from the date of effectiveness of the plan. Our board of directors has the authority to terminate, amend, suspend or modify the plan in accordance with our articles of association. However, without the prior written consent of the participant, no such action may adversely affect in any material way any award previously granted pursuant to the Amended and Restated 2020 Share Incentive Plan. To the extent required by the HKEx Listing Rules, amendments to the Amended and Restated 2020 Share Incentive Plan shall be subject to approval by our shareholders in a general meeting.

The following table summarizes, as of March 31, 2026, the number of granted and outstanding options and restricted share units held by our directors and executive officers.

Name	Options/Restricted Share Units	Grant/Exercise Price	Date of Grant	Date of Expiration
Lili Xu	20,000	US\$0 per share	October 15, 2020	January 16, 2030
All directors and executive officers as a group	20,000			

As of March 31, 2026, our employees other than directors and executive officers as a group held (i) outstanding options to purchase 2,916,968 ordinary shares with an exercise price of US\$0.036 per share, and (ii) 21,964,040 outstanding restricted share units.

C. Board Practices

Board of Directors

Our board of directors consists of four directors. A director is not required to hold any shares in our company by way of qualification. A director who is in any way, whether directly or indirectly, interested in a contract or transaction or proposed contract or transaction with our company is required to declare the nature of his interest at a meeting of our directors. Subject to the NYSE rules, the HKEx Listing Rules and disqualification by the chairman of the relevant board meeting, a director may vote in respect of any contract or transaction or proposed contract or transaction notwithstanding that he may be interested therein, and if he does so his vote shall be counted and he shall be counted in the quorum at any meeting of our directors at which any such contract or transaction or proposed contract or transaction is considered. Our directors may exercise all the powers of our company to raise or borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof, to issue debentures, debenture stock, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of our company or of any third party.

Committees of the Board of Directors

We have established three committees under the board of directors: an audit committee, a compensation committee, and a nominating and corporate governance committee. We have adopted a charter for each of the three committees. Each committee's members and functions are described below.

Audit Committee

Our audit committee consists of Lili Xu, Yonghua Zhu and Yongping Wang. Lili Xu is the chairwoman of our audit committee. We have determined that Lili Xu, Yonghua Zhu and Yongping Wang satisfy the “independence” requirements of Section 303A of the Corporate Governance Rules of the NYSE and Rule 10A-3 under the Exchange Act. We have determined that Lili Xu qualifies as an “audit committee financial expert.” The audit committee is in compliance with Rule 3.21 of the HKEx Listing Rules and the Corporate Governance Code set out in Appendix 14 to the HKEx Listing Rules, or the Corporate Governance Code. Lili Xu, being the chairwoman of our audit committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the HKEx Listing Rules. The audit committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee is responsible for, among other things:

- appointing the independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing with the independent auditors any audit problems or difficulties and management’s response;
- discussing the annual audited financial statements with management and the independent auditors;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing the yearly report prepared by management assessing the effectiveness of our internal control over financial reporting and stating management’s responsibility for establishing and maintaining adequate internal control over financial reporting prior to its inclusion in our annual report on Form 20-F;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent auditors;
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance; and
- assuming other duties and responsibilities as required under the NYSE Listed Company Manual and the HKEx Listing Rules.

Compensation Committee

Our compensation committee consists of Lili Xu, Yonghua Zhu, Yongping Wang and Guofu Ye. Yonghua Zhu is the chairman of our compensation committee. We have determined that Lili Xu, Yonghua Zhu and Yongping Wang satisfy the “independence” requirements of Section 303A of the Corporate Governance Rules of the NYSE. The compensation committee assists the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee is in compliance with Rule 3.25 of the HKEx Listing Rules and the Corporate Governance Code. The compensation committee is responsible for, among other things:

- reviewing and approving, or recommending to the board for its approval, the compensation for our chief executive officer and other executive officers;
- reviewing and recommending to the board for determination with respect to the compensation of our non-employee directors;
- reviewing periodically and approving any incentive compensation or equity plans, programs or similar arrangements;

- selecting compensation consultant, legal counsel or other adviser only after taking into consideration all factors relevant to that person's independence from management; and
- assuming other duties and responsibilities as required under the NYSE Listed Company Manual and the HKEx Listing Rules.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Lili Xu, Yonghua Zhu, Yongping Wang and Guofu Ye. Yongping Wang is the chairman of our nominating and corporate governance committee. Lili Xu, Yonghua Zhu and Yongping Wang satisfy the "independence" requirements of Section 303A of the Corporate Governance Rules of the NYSE. The nominating and corporate governance committee also complies with the requirements in respect of nomination committee in the Corporate Governance Code. The nominating and corporate governance committee assists the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees. The nominating and corporate governance committee is responsible for, among other things:

- selecting and recommending to the board nominees for election by the shareholders or appointment by the board;
- reviewing annually with the board the current composition of the board with regards to characteristics such as independence, knowledge, skills, experience and diversity;
- making recommendations on the frequency and structure of board meetings and monitoring the functioning of the committees of the board;
- advising the board periodically with regards to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any remedial action to be taken; and
- assuming other duties and responsibilities as required under the NYSE Listed Company Manual and the HKEx Listing Rules.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly and a duty to act in what they consider in good faith to be in our best interests. Our directors must also exercise their powers only for a proper purpose. Our directors also owe to our company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth Courts have moved toward an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time, and the class rights vested thereunder in the holders of the shares. In certain limited exceptional circumstances, a shareholder may have the right to seek damages in our name if a duty owed by our directors is breached.

Our board of directors has all the powers necessary for managing, and for directing and supervising, our business affairs. The functions and powers of our board of directors include, among others:

- convening shareholders' annual and extraordinary general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and distributions;
- appointing officers and determining the term of office of the officers;

- exercising the borrowing powers of our company and mortgaging the property of our company; and
- approving the transfer of shares in our company, including the registration of such shares in our share register.

Terms of Directors and Executive Officers

Our directors may be appointed by an ordinary resolution of our shareholders. Alternatively, our board of directors may, by the affirmative vote of a simple majority of the directors present and voting at a board meeting appoint any person as a director to fill a casual vacancy on our board or as an addition to the existing board, any director so appointed shall hold office only until the first annual general meeting after his or her appointment and shall then be eligible for re-election at that meeting. Save for the foregoing, our directors are not automatically subject to a term of office and hold office until such time as they are removed from office by an ordinary resolution of our shareholders. In addition, a director will cease to be a director if he (i) becomes bankrupt or makes any arrangement or composition with his creditors; (ii) dies or is found to be or becomes of unsound mind; (iii) resigns his office by notice in writing; (iv) without special leave of absence from our board, is absent from meetings of our board for three consecutive meetings and our board resolves that his office be vacated; or (v) is removed from office pursuant to any other provision of our articles of association.

Our officers are appointed by and serve at the discretion of the board of directors, and may be removed by our board of directors.

D. Employees

We had a total of 8,329 full-time employees as of December 31, 2025. 3,204 of our full-time employees were located in Chinese mainland and 5,125 full-time employees were located in overseas countries. The following table sets forth the number of our employees in China by function as of December 31, 2025.

Functions	Number of Employees
Product Development and Supply Chain Management	1,503
General and Administrative	697
Operations	5,684
Sales and Marketing	214
Technology	231
Total	8,329

Our total remuneration cost incurred for the fiscal year ended December 31, 2025 was RMB2,296.5 million, as compared to RMB1,475.9 million for the year ended December 31, 2024.

Our success depends on our ability to attract, motivate, train and retain qualified personnel. We adopt high standards in recruitment with strict procedures to ensure the quality of new hires. We use various methods for our recruitment, including campus recruitment, online recruitment, internal recommendation and recruitment through headhunter firms or agents, to satisfy our demand for different types of talents. We believe we offer our employees competitive compensation packages and an environment that encourages self-development and creativity. We provide training programs for our employees in order to enhance their professional and technical skills and understanding of our industry. We design and offer different training programs for employees at different positions and departments based on their differing needs. As a result, we have generally been able to attract and retain qualified personnel. We believe that we maintain a good working relationship with our employees, and we have not experienced any work stoppages due to labor disputes in the past. None of our employees are represented by labor unions.

Under applicable laws, we participate in various government statutory employee benefit plans, including social insurance funds, namely, medical insurance, maternity insurance, workplace injury insurance, unemployment insurance, and pension benefits, as well as a housing provident fund. We are required under applicable laws to contribute to employee benefit plans at specified percentages of the salaries, bonuses, and certain allowances of our employees up to a maximum amount specified by the local government from time to time. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of our business. We have granted, and plan to continue to grant, share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development. Certain of our PRC subsidiaries made insufficient contributions to social security insurance and housing provident fund. If we were ordered to make such payment, we would do so within the prescribed period. As of the date of this annual report, no material administrative action, fine or penalty had been taken or imposed by the relevant regulatory authorities against us with respect to our social security insurance contributions or housing provident fund, nor had we received any order or been informed to settle the under-contributions. Moreover, as of the date of this annual report, we were not aware of any complaint filed by any of our employees regarding our social security insurance and housing provident fund policy. For social security insurance, pursuant to the Urgent Notice on Enforcing the Requirement of the General Meeting of the State Council and Stabilizing the Levy of Social Security Insurance Payment promulgated on September 21, 2018, administrative enforcement authorities are prohibited from organizing and conducting centralized collection of enterprises' historical social security insurance arrears.

We enter into standard labor contracts with our employees. We also enter into standard confidentiality agreements with all of our employees and non-compete agreements with our key employees. The non-compete restricted period typically expires two years after the termination of employment period.

E. Share Ownership

For information regarding the share ownership of our directors and officers, see "Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders." For information as to stock options granted to our directors, executive officers and other employees, see "Item 6. Directors, Senior Management and Employees—B. Compensation—Share Incentive Plan."

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

The following table sets forth information with respect to the beneficial ownership of our shares as of March 31, 2026 by:

- each of our current directors and executive officers; and
- each person known to us to own beneficially 5% or more of our total outstanding ordinary shares.

Upon listing on the Hong Kong Stock Exchange, we unwound our dual-class shareholding structure by converting and re-designating issued shares, consisting of Class A ordinary shares, each of which entitled the holder thereof to one vote, and Class B ordinary shares, each of which entitled the holder thereof to three votes, into ordinary shares, each of which entitles the holder thereof to one vote.

Percentage of beneficial ownership is based on a total of 1,238,960,393 outstanding ordinary shares of our company as of March 31, 2026. Beneficial ownership is determined in accordance with the rules and regulations of the SEC. Accordingly, in computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days, including through the exercise of any option, warrant or other right or the conversion of any other security, in both the numerator and the denominator. These shares, however, are not included in the computation of the percentage ownership of any other person.

Directors and executive officers*:	Ordinary Shares Beneficially Owned	
	Amount	%†
Guofu Ye ⁽¹⁾	789,541,061	63.7 %
Lili Xu	20,000	—
Yonghua Zhu	42,528	—
Yongping Wang	—	—
Yunyun Yang ⁽²⁾	789,541,061	63.7 %
Jingjing Zhang	243,874	—
All directors and executive officers as a group	789,847,463	63.8 %
Principal shareholders:		
Mini Investment Limited ⁽³⁾	328,290,482	26.5 %
YYY MC LIMITED ⁽⁴⁾	257,849,197	20.8 %
YGF MN LIMITED ⁽⁵⁾	194,465,382	15.7 %
Norges Bank ⁽⁶⁾	62,502,740	5.0 %

Notes:

* Unless otherwise specified in this annual report, the business address of our directors and executive officers is 8F, M Plaza, No. 109, Pazhou Avenue, Haizhu District, Guangzhou 510000, Guangdong Province, the People's Republic of China. The business address of Ms. Lili Xu is Room 1001, No. 355 Hongqiao Road, Xuhui District, Shanghai, the People's Republic of China. The business address of Mr. Yonghua Zhu is Hengdian Plaza, 4 Wangjing East Road, Chaoyang District, Beijing, the People's Republic of China. The business address of Mr. Yongping Wang is Room 1910, Block B, SOHO Plaza, 8 Gongren Stadium North Road, Chaoyang District, Beijing, the People's Republic of China.

† For each person or group included in this column, percentage of ownership is calculated by dividing the number of ordinary shares beneficially owned by such person or group, including shares that such person or group has the right to acquire within 60 days of March 31, 2026, by the sum of (i) the total number of outstanding ordinary shares as of March 31, 2026, and (ii) the number of ordinary shares that such person or group has the right to acquire within 60 days of March 31, 2026, such as ordinary shares underlying share options, restricted shares, and warrants held by such person or group that are exercisable within 60 days of March 31, 2026.

(1) Represents (i) 314,290,482 ordinary shares held by Mini Investment Limited, a limited liability company incorporated under the laws of British Virgin Islands, (ii) 14,000,000 ordinary shares held by Mini Investments SP1 Limited, a limited liability company incorporated under the laws of British Virgin Islands, (iii) 8,936,000 ordinary shares (including 96,000 ordinary shares in the form of ADSs) held by YGF MC LIMITED, a limited liability company incorporated under the laws of British Virgin Islands, (iv) 194,465,382 ordinary shares held by YGF MN LIMITED, a limited liability company incorporated under the laws of British Virgin Islands, and (v) 257,849,197 ordinary shares held by YYY MC LIMITED, a limited liability company incorporated under the laws of British Virgin Islands.

Mini Investments SP1 Limited is a wholly owned subsidiary of Mini Investment Limited. Mini Investment Limited is wholly owned by YGF Development Limited, a limited liability company incorporated under the laws of British Virgin Islands. All shares of YGF Development Limited are held by TMF (Cayman) Ltd. on behalf of YGF Trust, with TMF (Cayman) Ltd. as the trustee, and Mr. Ye and his family members as beneficiaries. Mr. Guofu Ye is deemed to be the controlling person of the trust. YGF MC Limited is wholly-owned by Mr. Guofu Ye. YYY MC Limited is wholly owned by YYY Development Limited, a limited liability company incorporated under the laws of British Virgin Islands. All shares of YYY Development Limited are held by TMF (Cayman) Ltd. on behalf of YYY Trust, with TMF (Cayman) Ltd. as the trustee, and Ms. Yang and her family members as beneficiaries. Ms. Yunyun Yang is deemed to be the controlling person of the trust. Ms. Yunyun Yang is Mr. Guofu Ye's spouse. Mr. Guofu Ye and Ms. Yunyun Yang make joint decisions on the exercise of the voting power of the shares owned by them through their holding vehicles. As a result, both Mr. Guofu Ye and Ms. Yunyun Yang are deemed to be beneficial owners of the shares directly held by Mini Investment Limited, Mini Investments SP1 Limited, YGF MC Limited and YYY MC Limited.

(2) Represents (i) 314,290,482 ordinary shares held by Mini Investment Limited, a limited liability company incorporated under the laws of British Virgin Islands, (ii) 14,000,000 ordinary shares held by Mini Investments SP1 Limited, a limited liability company incorporated under the laws of British Virgin Islands, (iii) 203,401,382 ordinary shares (including 8,896,000 ordinary shares in the form of ADSs) held by YGF MC LIMITED, a limited liability company incorporated under the laws of British Virgin Islands, and (iv) 257,849,197 ordinary shares held by YYY MC LIMITED, a limited liability company incorporated under the laws of British Virgin Islands.

Mini Investments SP1 Limited is a wholly owned subsidiary of Mini Investment Limited. Mini Investment Limited is wholly owned by YGF Development Limited, a limited liability company incorporated under the laws of British Virgin Islands. All shares of YGF Development Limited are held by TMF (Cayman) Ltd. on behalf of YGF Trust, with TMF (Cayman) Ltd. as the trustee, and Mr. Ye and his family members as beneficiaries. Mr. Guofu Ye is deemed to be the controlling person of the trust. YGF MC Limited is wholly-owned by Mr. Guofu Ye. YYY MC Limited is wholly owned by YYY Development Limited, a limited liability company incorporated under the laws of British Virgin Islands.

All shares of YYY Development Limited are held by TMF (Cayman) Ltd. on behalf of YYY Trust, with TMF (Cayman) Ltd. as the trustee, and Ms. Yang and her family members as beneficiaries. Ms. Yunyun Yang is deemed to be the controlling person of the trust. Ms. Yunyun Yang is Mr. Guofu Ye's spouse. Mr. Guofu Ye and Ms. Yunyun Yang make joint decisions on the exercise of the voting power of the shares owned by them through their holding vehicles. As a result, both Mr. Guofu Ye and Ms. Yunyun Yang are deemed to be beneficial owners of the shares directly held by Mini Investment Limited, Mini Investments SP1 Limited, YGF MC Limited and YYY MC Limited.

- (3) Represents (i) 314,290,482 ordinary shares held by Mini Investment Limited, a limited liability company incorporated under the laws of British Virgin Islands, and (ii) 14,000,000 ordinary shares held by Mini Investments SP1 Limited, a limited liability company incorporated under the laws of British Virgin Islands. Mini Investments SP1 Limited is a wholly owned subsidiary of Mini Investment Limited. Mini Investment Limited is wholly owned by YGF Development Limited, a limited liability company incorporated under the laws of British Virgin Islands. All shares of YGF Development Limited are held by TMF (Cayman) Ltd. on behalf of YGF Trust, with TMF (Cayman) Ltd. as the trustee, and Mr. Ye and his family members as beneficiaries. Mr. Guofu Ye is both the settlor and the protector of YGF Trust and is deemed to be the controlling person of the trust. Ms. Yunyun Yang is Mr. Guofu Ye's spouse. Mr. Guofu Ye and Ms. Yunyun Yang make joint decisions on the exercise of the voting power of the shares owned by them through their holding vehicles. As a result, both Mr. Guofu Ye and Ms. Yunyun Yang are deemed to be beneficial owners of the shares held by Mini Investment Limited. The business address of Mini Investment Limited is c/o 8F, M Plaza, No. 109, Pazhou Avenue, Haizhu District, Guangzhou 510000, Guangdong Province, the People's Republic of China.
- (4) Represents 257,849,197 ordinary shares held by YYY MC LIMITED, a limited liability company incorporated under the laws of British Virgin Islands. YYY MC LIMITED is wholly owned by YYY Development Limited, a limited liability company incorporated under the laws of British Virgin Islands. All shares of YYY Development Limited are held by TMF (Cayman) Ltd. on behalf of YYY Trust, with TMF (Cayman) Ltd. as the trustee, and Ms. Yang and her family members as beneficiaries. Ms. Yunyun Yang is both the settlor and the protector of YYY Trust and is deemed to be the controlling person of the trust. Mr. Guofu Ye and Ms. Yunyun Yang make joint decisions on the exercise of the voting power of the shares owned by them through their holding vehicles. As a result, both Mr. Guofu Ye and Ms. Yunyun Yang are deemed to be beneficial owners of the shares held by YYY MC LIMITED. The business address of YYY MC LIMITED is c/o 8F, M Plaza, No. 109, Pazhou Avenue, Haizhu District, Guangzhou 510000, Guangdong Province, the People's Republic of China.
- (5) Represents 194,465,382 ordinary shares held by YGF MN LIMITED, a limited liability company incorporated under the laws of British Virgin Islands. YGF MN LIMITED is held by YGF MC LIMITED, a limited liability company incorporated under the laws of British Virgin Islands, as to 1%, and held by YY Capital Ltd., a limited liability company incorporated under the laws of British Virgin Islands, as to 99%. All shares of YY Capital Ltd. are held by Cantrust (Far East) Limited on behalf of Y Group Trust, with Cantrust (Far East) Limited as the trustee and Mr. Guofu Ye as the settlor. The business address of YGF MN LIMITED is c/o 8F, M Plaza, No. 109, Pazhou Avenue, Haizhu District, Guangzhou 510000, Guangdong Province, the People's Republic of China. Mr. Guofu Ye and Ms. Yunyun Yang make joint decisions on the exercise of the voting power of the shares owned by them through their holding vehicles. As a result, both Mr. Guofu Ye and Ms. Yunyun Yang are deemed to be beneficial owners of the shares held by YGF MN LIMITED.
- (6) Represents 62,502,740 ordinary shares beneficially owned by Norges Bank based on a Schedule 13G/A filed by Norges Bank on July 28, 2025. The shares reported therein are invested on behalf of the Government of Norway. The address of Norges Bank is Bankplassen 2, PO Box 1179 Sentrum, Oslo, NO-0107, Oslo, Norway.

To our knowledge, as of March 31, 2026, on the same basis of calculation as above, about 9% of our total issued and outstanding ordinary shares were held by one record shareholder in the United States, namely, The Bank of New York Mellon, the depositary of our ADS program, which held 114,672,816 ordinary shares represented by 28,668,204 ADSs. The number of beneficial owners of the ADSs in the United States is likely to be much larger than the number of record holders of our ordinary shares in the United States.

Except for the above, we are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

B. Related Party Transactions

Shareholders Agreement

We entered into a shareholder agreement on February 26, 2020 with our shareholders, consisting of holders of ordinary shares and holders of Series A preferred shares. The shareholders agreement provides for certain shareholders' rights, including rights of first refusal and rights of co-sale, preemptive rights, redemption rights, liquidation preference, information and inspection rights, and contains provisions governing our board of directors and other corporate governance matters. These special rights, as well as the corporate governance provisions, terminated immediately after the completion of our initial public offering in October 2020.

Registration Rights

Under this shareholders agreement, we have also granted certain registration rights to holders of our Series A preferred shares. Set forth below is a description of such registration rights.

Demand Registration Rights. If, at any time following the earlier of 180 days after the effective date of the registration statement of our initial public offering, we receive a request from holders of registrable securities holding at least 5% of the registrable securities then outstanding requesting us to effect a registration of the registrable securities under the Securities Act of such requesting shareholder's registrable securities where the anticipated gross proceeds (before the deduction of any discounts or commissions) would be at least US\$200 million, then we need to promptly give notice of such requested registration to the other shareholders and thereupon shall use our reasonable best efforts to effect, as expeditiously as possible, the registration under the Securities Act of all registrable securities for which the requesting shareholder has requested registration and all other registrable securities that other shareholders requested us to register. If the number of registrable securities requested to be included in such registration (including any securities that we proposes to be included that are not registrable securities) exceeds the largest number of shares that can be sold without having an adverse effect on such offering, the amount of securities that will actually be included in the registration will follow a priority list agreed by our shareholders and us. We are not be obligated to effect more than a total of three demand registrations and in no event shall we be required to effect more than one demand registration within any six-month period. We shall pay all registration expenses in connection with each demand registration.

Piggyback Registration Rights. If, at any time following 180 days after the effective date of the registration statement of our initial public offering, we propose to register any of our securities under the Securities Act, we shall at each such time give prompt notice to each holder of registrable securities at least 20 business days prior to the anticipated filing date of the registration statement relating to such registration, offering such shareholder(s) the opportunity to include in such registration statement the number of registrable securities such shareholder(s) may request. Upon the request of any such shareholder(s) made within five business days after the receipt of notice from us, we shall use our reasonable best efforts to effect the registration under the Securities Act of all registrable securities that we have been so requested to register by all such shareholders. If the number of registrable securities that we and such shareholders intend to include in such registration exceeds the largest number of shares that can be sold without having an adverse effect on such offering, the amount of securities that will actually be included in the registration will follow a priority list agreed by our shareholders and us. Holders of registrable securities may make unlimited number of requests to register registrable securities under this piggyback registration. We shall pay all registration expenses in connection with each piggyback registration.

Termination of Registration Rights. The registration rights will terminate with respect to any holder of registrable securities upon the earliest of: (i) the date of the completion of a liquidation event, (ii) when all registrable securities held by that shareholder may be sold without restriction under Rule 144(k) within a 90-day period, (iii) the date that is the fifth anniversary following the completion of our initial public offering, and (iv) another date as may be mutually agreed in writing by us and that holder of registrable securities.

Other Related Party Transactions

Provision of information technology support and consulting services

We entered into an information technology support and consulting services agreement with Haydon (Shanghai) Technology Co., Ltd., a company controlled by Mr. Guofu Ye. Pursuant to the agreement, we provided business management systems deployment and support services during the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025 for a consideration of RMB0.9 million, RMB26.0 thousand, RMB50.0 thousand and nil, respectively.

We entered into an information technology support and consulting services agreement with Wow Colour Beauty Guangdong Technology Limited, a company controlled by Mr. Guofu Ye. Pursuant to the agreement, we provided business management systems deployment and support services during the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025 for a consideration of RMB2.7 million, RMB1.5 million, RMB3.0 million and RMB0.7 million (US\$0.1 million), respectively.

We entered into an information technology support and consulting services agreement with ACC Super Accessories Shenzhen Technology Limited, a company significantly influenced by Mr. Guofu Ye. Pursuant to the agreement, we provided business management systems deployment and support services during the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025 for a consideration of RMB0.2 million, RMB0.1 million, RMB81.0 thousand and nil, respectively.

We entered into an information technology support and consulting services agreement with Henhaohe Tea Guangdong limited, a company controlled by Mr. Guofu Ye. Pursuant to the agreement, we provided business management systems deployment and support services during the fiscal year ended June 30, 2023 for a consideration of RMB0.2 million.

We entered into an information technology support and consulting services agreement with Vision (Guangdong) Enterprise Management Co., Ltd., a company controlled by Mr. Guofu Ye. Pursuant to the agreement, we provided business management systems deployment and support services during the year ended December 31, 2025 for a consideration of RMB1.9 million (US\$0.3 million).

Sales of products

During the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, we sold goods of RMB18.0 million, RMB11.6 million, RMB15.7 million and nil to Miniso Lifestyle Nigeria Limited, a company controlled by Mr. Guofu Ye.

For the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, we sold goods of RMB4.0 million, RMB3.0 million, RMB5.6 million and nil, respectively, to Miniso (Zhaoqing) Industrial Investment Co., Ltd., a company controlled by Mr. Guofu Ye.

For the fiscal year ended June 30, 2023 and the fiscal years ended December 31, 2024 and 2025, we sold goods of RMB85.0 thousand, RMB3.0 thousand and RMB29.0 thousand (US\$4.1 thousand), respectively, to WoW Colour Beauty Guangdong Technology Limited, a company controlled by Mr. Guofu Ye.

For the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, we sold goods of RMB10.0 million, RMB78.7 million and RMB136.8 million (US\$19.6 million), respectively, to KOURITEN LIMITED, one of our equity investees.

For the fiscal years ended December 31, 2024 and 2025, we sold goods of RMB5.6 million and RMB43.4 million (US\$6.2 million), respectively, to Miniso Winky Italy S.r.l., one of our equity investees. In May 2025, the Company purchased the remaining equity interest of Miniso Winky Italy S.r.l. and it ceased be a related party since then.

For the fiscal year ended December 31, 2025, we sold goods of RMB12.7 million (US\$1.8 million) to Miniso France Travel Retail, one of our equity investees.

For the fiscal year ended December 31, 2025, we sold goods of RMB750.0 thousand (US\$107.2 thousand) Miniso France Development, one of our equity investees.

For the fiscal year ended December 31, 2025, we sold goods of RMB745.0 thousand (US\$106.5 thousand) to Fujian Yuntong Supply Chain Co., Ltd., one of our equity investees.

License Fee

We entered into an licensing agreement with KOURITEN LIMITED, one of our equity investees. Pursuant to the agreement, we provided licensing right during the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025 for a consideration of RMB87.0 thousand, RMB4.1 million and RMB5.8 million (US\$0.8 million), respectively.

We entered into an licensing agreement with MINISO France Travel Retail, one of our equity investees. Pursuant to the agreement, we provided licensing right during the fiscal years ended December 31, 2025 for a consideration of RMB2.1 million (US\$0.3 million).

We entered into an licensing agreement with MINISO France Development, one of our equity investees. Pursuant to the agreement, we provided licensing right during the fiscal years ended December 31, 2025 for a consideration of RMB91.0 thousand (US\$13.0 thousand).

Purchases of products

For the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, we purchased goods from Shanghai Kerong Networks Limited, a company that Mr. Guofu Ye has significant influence, for a consideration of RMB12.1 million, RMB2.3 million, RMB2.4 million and RMB430.0 thousand (US\$61.5 thousand), respectively. As of December 31, 2025, the outstanding payable amount to Shanghai Kerong Networks Limited was RMB100.0 thousand (US\$14.3 thousand).

For the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025, we purchased lifestyle products from Wow Colour Beauty Guangdong Technology Limited, a company controlled by Mr. Guofu Ye, for a consideration of RMB1.0 thousand, RMB23.0 thousand, RMB0.1 million and RMB542.0 thousand (US\$77.5 thousand), respectively. As of December 31, 2025, the outstanding payable amount to Wow Colour Beauty Guangdong Technology Limited was RMB3.0 thousand (US\$0.4 thousand).

For the fiscal year ended June 30, 2023, we purchased lifestyle products from ACC Super Accessories Shenzhen Technology Limited, a company significantly influenced by Mr. Guofu Ye, for a consideration of RMB0.2 million. As of December 31, 2025, the outstanding payable amount to ACC Super Accessories Shenzhen Technology Limited was nil.

For the fiscal year ended June 30, 2023, we purchased lifestyle products from ACC Super Accessories International Trade (Shenzhen) Co., Ltd., a company significantly influenced by Mr. Guofu Ye, for a consideration of RMB0.5 million. As of December 31, 2025, the outstanding payable amount to ACC Super Accessories Shenzhen Technology Limited was nil.

For the fiscal year ended June 30, 2023, we purchase goods of RMB0.4 million, from Guangzhou Mingyou Business Development Co., Ltd., a company significantly influenced by Mr. Guofu Ye. As of December 31, 2025, outstanding payable amount to Guangzhou Mingyou Business Development Co., Ltd. was RMB44.0 thousand (US\$6.3 thousand).

For the fiscal year ended December 30, 2024, we purchased lifestyle products from Add a friend (Guangzhou) Co., Ltd., a company significantly influenced by Mr. Guofu Ye, for a consideration of RMB80.0 thousand. As of December 31, 2025, the outstanding payable amount to Add a friend (Guangzhou) Co., Ltd. was nil.

Purchase of catering services

For the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal year ended December 31, 2024, we purchased catering services from Guangzhou Chuyunju Catering Management Co., Ltd., a company controlled by Mr. Guofu Ye, for a consideration of RMB6.1 million, RMB3.9 million, RMB7.6 million and RMB7.8 million (US\$1.1 million), respectively. As of December 31, 2025, our outstanding payable amount to Guangzhou Chuyunju Catering Management Co., Ltd. was RMB2.0 million (US\$0.3 million).

Rental and related expenses

During the fiscal year ended June 30, 2023, we entered into lease agreements with Miniso (Zhaoqing) Industrial Investment Co., Ltd. for lease of additional properties for storage of inventories with fixed lease payments ranging from two to three years. We recognized right-of-use assets and lease liabilities of RMB69.3 million in total at the commencement dates of these new leases. We also settled payment of rental deposits of RMB10.6 million, RMB0.1 million, RMB5.9 million and RMB5.8 million (US\$0.8 million), respectively, in connection with these leases during the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025. Total rental and related expenses incurred in connection with the lease of this property during the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025 were RMB200.0 thousand, RMB5.8 million and RMB2.3 million (US\$0.3 million). For the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the year ended December 31, 2024, we paid lease payments of RMB26.6 million, RMB19.3 million, RMB43.4 million and RMB58.6 million (US\$8.4 million), respectively, to Miniso (Zhaoqing) Industrial Investment Co., Ltd. As of December 31, 2025, lease liabilities due to Miniso (Zhaoqing) Industrial Investment Co., Ltd. was RMB128.5 million (US\$18.4 million).

In March 2023, we entered into a five-year lease agreement with fixed lease payments with Guangzhou Mingyou Business Development Co., Ltd., a company significantly influenced by Mr. Guofu Ye, in respect of a property for store operation. In April 2023, the five-year lease agreement was cancelled and replaced with a short-term lease agreement for the same property out of commercial considerations. A right-of-use asset and a lease liability of RMB35,993,000 were initially recognized at the commencement date of the five-year lease agreement and were subsequently derecognized upon the cancellation of the agreement. In January 2024, we entered into another twelve-month lease agreement with Guangzhou Mingyou Business Development Co., Ltd. for the same property. Total rental and related expenses incurred in connection with the lease of this property during the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal years ended December 31, 2024 and 2025 were RMB2.4 million, RMB4.0 million, RMB8.0 million and RMB2.0 million (US\$0.3 million), respectively. We also paid rental deposit of RMB1.7 million in connection with the lease of this property during the fiscal year ended June 30, 2023.

In August 2023, we entered into a lease agreement with fixed lease payments with Guangzhou Mingyou Business Management Co., Ltd., a company significantly influenced by Mr. Guofu Ye, in respect of a property for an one-off marketing campaign. During the six months ended December 31, 2023, we had a payment of earnest money in connection with lease of a property for store operation of RMB1.0 million to Guangzhou Mingyou Business Management Co., Ltd.

Loan to Related Party

In June 2024, we entered into a loan agreement with Miniso Winky Italy S.r.l., one of our equity investees. During the fiscal year ended December 31, 2024 and 2025, we lent an amount of RMB19.7 million and RMB27.3 million (US\$3.9 million) to Miniso Winky Italy S.r.l. pursuant to the loan agreement. As of December 31, 2025, the current trade and other receivables from Miniso Winky Italy S.r.l. was nil. In May 2025, the Company purchased the remaining equity interest of Miniso Winky Italy S.r.l. and it ceased be a related party since then.

Employment Agreements and Indemnification Agreements

See "Item 6. Directors, Senior Management and Employees—B. Compensation—Employment Agreements and Indemnification Agreements."

Share Incentive Plan

See "Item 6. Directors, Senior Management and Employees—B. Compensation—Share Incentive Plan."

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

We have appended consolidated financial statements filed as part of this annual report.

Legal Proceedings

In August 2022, a putative federal securities class action was filed against us and certain of our officers and directors, or the Defendants, alleging that Defendants made misleading misstatements or omissions regarding our business operations and financials in violation of the Securities Act of 1933 and the Securities Exchange Act of 1934. The action is captioned *In re MINISO Group Holding Limited Securities Litigation*, 1:22-cv-09864 (S.D.N.Y.). The lead plaintiff selection process was completed in November 2022 and an amended complaint was filed shortly thereafter. The court granted Defendants' motion to dismiss in February 2024 with leave to amend. Plaintiffs filed a motion for reconsideration of the court's decision in late March 2024, which was rejected by the court. Plaintiffs filed a further amended complaint on April 30, 2025. We and other defendants filed a motion to dismiss that complaint, which was granted by the court on March 31, 2026, with prejudice. Plaintiffs have until May 1, 2026 to file a notice to appeal the court decision.

We have been involved in labor disputes in California. In two of the cases, two employees of our subsidiary in the United States alleged that, among others, we failed to pay minimum wage and overtime wages, authorize or permit meal periods and rest periods, and provide complete and accurate wage statements. The plaintiffs in these two cases have reached a settlement agreement with us for US\$1,250,000, which was granted final approval by the court in February 2024. We have settled the payment with the plaintiffs.

Besides, we are also involved in lawsuits in relation to illicit competition. See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources Contingent Liabilities and Treasury Policy—Contingent liabilities" for further details.

Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention. See "Item 3. Key Information on the Company—D. Risk Factors—Risks Related to Our Business and Industry—We may, from time to time, be subject to legal proceedings during the course of our business operations. Our directors, management, shareholders and employees may also from time to time be subject to legal proceedings, which could adversely affect our reputation and results of operations" and "Item 3. Key Information on the Company—D. Risk Factors—Risks Related to Our Business and Industry—Our company and certain of our officers and directors have been named as defendants in a shareholder class action lawsuit."

Dividend Policy

On July 27, 2023, our board of the directors has approved and adopted a dividend policy, effective immediately upon approval. On March 31, 2026, the Board has approved the amendment of the dividend policy adopted by the Company to amend the definition of adjusted net profit under the dividend policy, pursuant to which the Company could declare and distribute dividends in an amount equal to approximately 50% of the adjusted net profit, a non-IFRS measure defined as profit for the period after excluding certain items as determined by the management such as share-based payments, non-cash charges, non-operating items and non-recurring items, with the exact calculation and amount to be determined and announced by our board from time to time based on the Company's financial performance and cash position prior to the declaration and distribution. For details, see "Item 5. Operating and Financial Review and Prospects — A. Operating Results — Non-IFRS Financial Measure" for further details. Our board of directors will take into account the actual and expected operations and profitability conditions, capital requirements and surplus, overall financial position, contractual restrictions and other factors that our board of directors may deem relevant in evaluating the decision to declare dividend and the exact amount of dividends for distribution. Although we intend to distribute dividends in the future, the amount, timing, and whether or not we actually distribute dividends at all are at the discretion of our board of directors.

On August 19, 2021, our board of directors declared a cash dividend in the amount of US\$0.156 per ADS, or US\$0.039 per ordinary share, payable as of the close of business on September 9, 2021 to shareholders of record as of the close of business on August 31, 2021. The aggregate amount of cash dividends paid was US\$47.2 million, which was funded by surplus cash on our balance sheet.

On August 17, 2022, our board of directors declared a cash dividend in the amount of US\$0.172 per ADS, or US\$0.043 per ordinary share, payable to the holders of the ADSs as of the close of business on September 9, 2022 and to shareholders of record as of the close of business on August 31, 2022. The aggregate amount of cash dividends paid was approximately US\$53.6 million, which was funded by surplus cash on our balance sheet.

On August 22, 2023, our board of directors approved the distribution of a final cash dividend in the amount of US\$0.412 per ADS or US\$0.103 per ordinary share, payable as of the close of business on September 19, 2023 to the holders of ADSs and ordinary shares of record as of the close of business on September 7, 2023, New York Time and Beijing/Hong Kong Time, respectively. The aggregate amount of cash dividend paid was US\$128.8 million.

On March 12, 2024, our board of directors approved the distribution of a special cash dividend in the amount of US\$0.2900 per ADS or US\$ 0.0725 per ordinary share, to holders of ADSs and ordinary shares of record as of the close of business on March 28, 2024, New York Time and Beijing/Hong Kong Time, respectively. The aggregate amount of cash dividend paid was US\$90.6 million.

On August 30, 2024, our board of directors approved the distribution of an interim cash dividend in the amount of US\$0.2744 per ADS or US\$0.0686 per ordinary share, to holders of ADSs and ordinary shares of record as of the close of business on September 13, 2024, New York Time and Beijing/Hong Kong Time, respectively. The aggregate amount of cash dividend paid was US\$85.2 million.

On March 21, 2025, our board of directors declared a final cash dividend in the amount of US\$ 0.3268 per ADS, or US\$0.0817 per ordinary share, to shareholders of record as of the close of business on April 8, 2025. The aggregate amount of cash dividends paid was US\$101.3 million, which is approximately 50% of our adjusted net profit for the six months ended December 31, 2024.

On August 21, 2025, our board declared an interim cash dividend in the amount of US\$0.2896 per ADS, or US\$0.0724 per ordinary share, to shareholders of record as of the close of business on September 5, 2025. The aggregate amount of cash dividend paid was US\$88.9 million (RMB630.9 million).

On March 31, 2026, our board of directors declared a final cash dividend in the amount of US\$0.3764 per ADS, or US\$0.0941 per ordinary shares, to the shareholders of record as of the close of business on April 20, 2026. The aggregate amount of cash dividend to be paid is approximately US\$115.8 million (RMB809.7 million). The payment date is expected to be on April 29, 2026 for holders of Shares and around May 4, 2026 for holders of ADSs.

Our board of directors has discretion on whether to distribute dividends, subject to certain requirements of Cayman Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our board of directors. In either case, all dividends are subject to certain restrictions under Cayman Islands law, namely that our company may only pay dividends out of profits or share premium account, and provided always that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business. Even if we decide to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

We are a holding company incorporated in the Cayman Islands. We may rely on dividends from our subsidiaries in China and overseas for our cash requirements, including any payment of dividends to our shareholders. PRC and other regulations may restrict the ability of our subsidiaries to pay dividends to us. In particular, PRC laws require that dividends be paid by PRC companies only out of the profit for the year calculated according to PRC accounting principles. PRC laws also require a PRC company to set aside at least 10% of its after-tax profits, if any, to fund its statutory reserves, which are not available for distribution as cash dividends. Pursuant to the PRC Company Law, each of our PRC subsidiaries may pay dividend from the after-tax profit after (i) it sets aside as general reserves at least 10% of its after-tax profit until the cumulative amount of its reserves reaches 50% of its registered capital, and (ii) any losses of such PRC subsidiary from prior fiscal years have been offset. See "Item 4. Information on the Company—B. Business Overview—Regulations— Chinese Mainland —Regulation related to dividend distribution."

If we pay any dividends on our ordinary shares, with respect to holders of the ADSs, our depositary, as the registered holder of ordinary shares, will pay such amounts to the ADS holders to the same extent as holders of our ordinary shares, in proportion to the ordinary shares underlying the ADSs held by such ADS holders, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See “Item 12. Description of Securities Other than Equity Securities—D. American Depositary Shares.” Cash dividends on our ordinary shares, if any, will be paid in U.S. dollars.

B. Significant Changes

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

Item 9. The Offer and Listing

A. Offering and Listing Details

Our ADSs have been listed on The New York Stock Exchange since October 15, 2020. Our ADSs currently trade on The New York Stock Exchange under the symbol “MNSO.” One ADS represented four ordinary shares.

Our ordinary shares have been listed on the Hong Kong Stock Exchange since July 13, 2022 under the stock code “9896.”

B. Plan of Distribution

Not applicable.

C. Markets

Our ADSs have been listed on The New York Stock Exchange since October 15, 2020 under the symbol “MNSO.”

Our ordinary shares have been listed on the Hong Kong Stock Exchange since July 13, 2022 under the stock code “9896.”

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

We are a Cayman Islands exempted company with limited liability and our affairs are governed by our memorandum and articles of association, as amended and restated from time to time, and the Companies Act (As Revised) of the Cayman Islands, which is referred to as the Companies Act below, and the common law of the Cayman Islands.

On July 11, 2022, we held a general meeting and, among others, (i) altered our authorized share capital by re-designating all authorized shares (whether issued or unissued) as ordinary shares, (ii) unwound our dual-class shareholding structure by converting and re-designating all issued shares, consisting of Class A ordinary shares, each of which entitled the holder thereof to one vote, and Class B ordinary shares, each of which entitled the holder thereof to three votes, into ordinary shares, each of which entitles the holder thereof to one vote, (iii) adopted the third amended and restated memorandum and articles of association, and (iv) adopted “名創優品集團控股有限公司” as our dual foreign name. The following are summaries of material provisions of our third amended and restated memorandum and articles of association which became effective on July 13, 2022 and of the Companies Act, insofar as they relate to the material terms of our ordinary shares.

Objects of our company. Under our third amended and restated memorandum and articles of association, the objects of our company are unrestricted and we have the full power and authority to carry out any object not prohibited by the laws of the Cayman Islands.

Dividends. Our directors may from time to time declare dividends (including interim dividends) and other distributions on our shares in issue and authorize payment of the same out of the funds of our company lawfully available therefor. In addition, our shareholders may declare dividends by ordinary resolution, but no dividend shall exceed the amount recommended by our directors. Our third amended and restated memorandum and articles of association provide that dividends may be declared and paid out of the funds of our Company lawfully available therefor. Under the laws of the Cayman Islands, our company may pay a dividend out of share premium account, capital redemption reserve and profit and loss account; provided that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business.

Ordinary shares. Our ordinary shares are issued in registered form and are issued when registered in our register of members. We may not issue shares to bearer. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their shares.

Voting rights. In respect of all matters subject to a shareholders' vote, each holder of ordinary shares is entitled to one vote per share on all matters subject to vote at our general meetings. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll save that the chairman of the meeting may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the HKEx Listing Rules to be voted on by a show of hands.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast at a meeting, while a special resolution requires the affirmative vote of no less than three-fourths of the votes attaching to the ordinary shares cast at a meeting. A special resolution will be required for important matters such as a change of name or making changes to our memorandum and articles of association. Our shareholders may, among other things, divide or consolidate their shares by ordinary resolution.

General meetings of shareholders. As a Cayman Islands exempted company, we are not obliged by the Companies Act to call shareholders' annual general meetings. However, our third amended and restated memorandum and articles of association provide that we shall hold a general meeting as our annual general meeting in each financial year. The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as may be determined by our directors. Shareholders' general meetings may be convened by the chairman of our board of directors or by our directors (acting by a resolution of our board). Advance written notice of at least twenty-one (21) days is required for the convening of the annual general meeting and advance written notice of at least fourteen (14) days is required for the convening of any other general meeting of our shareholders (including an extraordinary general meeting). We may, however convene a general meeting on a shorter notice if it is agreed (a) in the case of an annual general meeting, by all shareholders (or their proxies) entitled to attend and vote thereat; and (b) in the case of an extraordinary general meeting, by a majority of the shareholders having a right to attend and vote at the meeting and present at the meeting. A quorum required for any general meeting of shareholders consists of, at the time when the meeting proceeds to business, one or more of our shareholders holding shares which carry in aggregate (or representing by proxy) not less than one-third of all votes attaching to all of our shares in issue and entitled to vote at such general meeting.

The Companies Act provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our third amended and restated memorandum and articles of association provide that upon the requisition of any one or more of our shareholders holding shares which carry in aggregate not less than one-tenth of the paid up capital of our company, on a one vote per share basis, that carry the right to vote at general meetings, our board will convene an extraordinary general meeting and put the resolutions so requisitioned to a vote at such meeting.

Transfer of ordinary shares. Subject to the restrictions set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

Our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which we have a lien. Our board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of ordinary shares;
- the instrument of transfer is properly stamped, if required;
- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four; and
- a fee of such maximum sum as the NYSE or the Hong Kong Stock Exchange may determine to be payable or such lesser sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer they shall, within three months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on ten calendar days' notice being given by advertisement in such one or more newspapers, by electronic means or by any other means in accordance with the rules of the NYSE be suspended and the register closed at such times and for such periods as our board of directors may from time to time determine; provided, however, that the registration of transfers shall not be suspended nor the register closed for more than 30 days in any year as our board may determine.

Liquidation. On the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay all of the paid-up capital, such the assets will be distributed so that, as nearly as may be, the losses are borne by our shareholders in proportion to the par value of the shares held by them.

Calls on shares and forfeiture of shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least 14 days prior to the specified time and place of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, repurchase and surrender of shares. We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner as may be determined, before the issue of such shares, by our board of directors or by our shareholders by special resolution. Our company may also repurchase any of our shares (including any redeemable shares) on such terms and in such manner as have been approved by our board of directors or by an ordinary resolution of our shareholders, provided always that any such repurchase shall only be made in accordance with any relevant code, rules or regulations issued by the Hong Kong Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time in force. Under the Companies Act, the redemption or repurchase of any share may be paid out of our Company's profits or out of the proceeds of a new issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account and capital redemption reserve) if our company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Act no such share may be redeemed or repurchased (i) unless it is fully paid up, (ii) if such redemption or repurchase would result in there being no shares outstanding, or (iii) if the company has commenced liquidation. In addition, our company may accept the surrender of any fully paid share for no consideration.

Variations of rights of shares. Whenever the capital of our company is divided into different classes the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class, only be materially adversely varied with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the shares of that class, be deemed to be varied by the creation, allotment or issue of further shares ranking *pari passu* with or subsequent to them or the redemption or purchase of any shares of any class by our company.

Issuance of additional shares. Our third amended and restated memorandum and articles of association authorize our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares, without the need for any approval or consent from our shareholders.

Our third amended and restated memorandum and articles of association also authorize our board of directors, subject to compliance with the HKEx Listing Rules and the Codes on Takeovers and Mergers and Share Buy-backs, without the need for any approval or consent from our shareholders, to establish from time to time one or more series of preferred shares and to determine, with respect to any series of preferred shares, the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series;
- the dividend rights, dividend rates, conversion rights, voting rights; and
- the rights and terms of redemption and liquidation preferences.

Our board of directors may, subject to compliance with the HKEx Listing Rules and the Codes on Takeovers and Mergers and Share Buy-backs, issue preferred shares, without the need for any approval or consent from, or other action by, our shareholders to the extent authorized but unissued. Issuance of these shares may dilute the voting power of holders of ordinary shares.

Inspection of books and records. Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records (other than copies of our memorandum and articles of association, our register of mortgages and charges, any special resolutions passed by our shareholders, and a list of the names of the current director of the company upon payment of a fee to the Cayman Registrar). Our directors have discretion under our third amended and restated memorandum and articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders, except as conferred by law or authorized by our directors or by an ordinary resolution of our shareholders and save that any register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as our board of directors may impose) be open to inspection by our shareholder without charge and any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the HKEx Listing Rules as our board of directors may determine for each inspection, provided that we may be permitted to close the register in terms equivalent to section 632 of the Companies Ordinance. However, we intend to provide our shareholders with annual audited financial statements.

Anti-takeover provisions. Some provisions of our third amended and restated memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that:

- authorize our board of directors, subject to compliance with the HKEx Listing Rules and the Codes on Takeovers and Mergers and Share Buy-backs, to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders; and
- limit the ability of shareholders to requisition and convene general meetings of shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our third amended and restated memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company and the exercise of such rights and powers is subject to our overriding obligations to comply with all applicable Hong Kong laws and regulations, the HKEx Listing Rules, and the Codes on Takeovers and Mergers and Share Buy-backs.

Exempted company. We are an exempted company incorporated with limited liability under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- does not have to file an annual return of its shareholders with the Registrar of Companies;
- is not required to open its register of members for inspection;
- does not have to hold an annual general meeting;
- may issue shares with no par value;
- may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;

- may register as a limited duration company; and
- may register as a segregated portfolio company.

“Limited liability” means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

Exclusive forum. The United States District Court for the Southern District of New York (or, if the United States District Court for the Southern District of New York lacks subject matter jurisdiction over a particular dispute, the state courts in New York County, New York) shall be the exclusive forum within the United States for the resolution of any complaint asserting a cause of action arising out of or relating in any way to the federal securities laws of the United States, regardless of whether such legal suit, action, or proceeding also involves parties other than our company. For the avoidance of doubt, any complaint that asserts a cause of action arising out of or relating in any way to the Securities Act or the Exchange Act shall be subject to the exclusive forum selection clause above, regardless of whether the putative cause of action under the Securities Act or the Exchange Act is alleged to be direct or derivative in nature. Any person or entity purchasing or otherwise acquiring any of our ordinary shares, the ADSs or other securities shall be deemed to have notice of and consented to the provisions of our articles of association. For the avoidance of doubt and without limiting the jurisdiction of the courts of the Cayman Islands and the courts of Hong Kong to hear, settle and/or determine disputes related to our company and without prejudice to the foregoing exclusive forum selection in relation to the resolution of any complaint asserting a cause of action, whether alleged to be direct or derivative, arising out of or relating in any way to the federal securities laws of the United States, our company, our shareholders, our directors and officers agree to submit to the jurisdiction of the courts of the Cayman Islands and Hong Kong, to the exclusion of other jurisdictions, for (i) any derivative action or proceeding brought on behalf of our company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of our company to our company or our shareholders, (iii) any action asserting a claim arising pursuant to any provision of the Companies Act (as revised) of the Cayman Islands or our memorandum and articles of association including but not limited to any purchase or acquisition of shares, security, or guarantee, provided in consideration thereof, or (iv) any action asserting a claim against our company which if brought in the United States would be a claim arising under the internal affairs doctrine (as such concept is recognized under the laws of the United States from time to time). See “Item 3. Key Information—D. Risk Factors—Risks Related to the ADSs and Our Ordinary Shares—Forum selection provisions in our third amended and restated memorandum and articles of association and our deposit agreement with the depositary bank could limit the ability of holders of our ordinary shares, the ADSs or other securities to obtain a favorable judicial forum for disputes with us, our directors and officers, the depositary bank, and potentially others.”

Registered Office and Objects

Our registered office in the Cayman Islands is located at the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands, or at such other location within the Cayman Islands as our directors may from time to time decide. The objects for which our company is established are unrestricted and we have full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.

Differences in Corporate Law

The Companies Act is derived, to a large extent, from the older Companies Acts of England but does not follow recent English statutory enactments and accordingly there are significant differences between the Companies Act and the current Companies Act of England. In addition, the Companies Act differs from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of certain significant differences between the provisions of the Companies Act applicable to us and the laws applicable to companies incorporated in the United States and their shareholders.

Mergers and similar arrangements. The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (i) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (ii) a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

A merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders of that Cayman subsidiary if a copy of the plan of merger is given to every member of that Cayman subsidiary to be merged unless that member agrees otherwise. For this purpose a company is a "parent" of a subsidiary if it holds issued shares that together represent at least ninety percent (90%) of the votes at a general meeting of the subsidiary.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Save in certain limited circumstances, a shareholder of a Cayman constituent company who dissents from the merger or consolidation is entitled to payment of the fair value of his shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) upon dissenting to the merger or consolidation, provide the dissenting shareholder complies strictly with the procedures set out in the Companies Act. The exercise of dissenter rights will preclude the exercise by the dissenting shareholder of any other rights to which he or she might otherwise be entitled by virtue of holding shares, save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful.

Separate from the statutory provisions relating to mergers and consolidations, the Companies Act also contains statutory provisions that facilitate the reconstruction and amalgamation of companies by way of schemes of arrangement, provided that the arrangement is approved by (a) 75% in value of the shareholders or class of shareholders, as the case may be, or (b) a majority in number representing 75% in value of the creditors or each class of creditors, as the case may be, with whom the arrangement is to be made, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Act.

The Companies Act also contains a statutory power of compulsory acquisition which may facilitate the “squeeze out” of dissentient minority shareholder upon a tender offer. When a tender offer is made and accepted by holders of 90.0% of the shares affected within four months, the offeror may, within a two-month period commencing on the expiration of such four-month period, require the holders of the remaining shares to transfer such shares to the offeror on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction by way of scheme of arrangement is thus approved and sanctioned, or if a tender offer is made and accepted in accordance with the foregoing statutory procedures, a dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholders’ suits. In principle, we will normally be the proper plaintiff to sue for a wrong done to us as a company, and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands court can be expected to follow and apply the common law principles (namely the rule in *Foss v. Harbottle* and the exceptions thereto) so that a non-controlling shareholder may be permitted to commence a class action against or derivative actions in the name of the company to challenge actions where:

- a company acts or proposes to act illegally or ultra vires (and is therefore incapable of ratification by the shareholders);
- the act complained of, although not ultra vires, could only be effected duly if authorized by more than a simple majority vote that has not been obtained; and
- those who control the company are perpetrating a “fraud on the minority.”

Indemnification of directors and executive officers and limitation of liability. Cayman Islands law does not limit the extent to which a company’s memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our third amended and restated memorandum and articles of association provide that that we shall indemnify our officers and directors against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such directors or officer, other than by reason of such person’s dishonesty, willful default or fraud, in or about the conduct of our company’s business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including, without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such director or officer in defending (whether successfully or otherwise) any civil proceedings concerning our company or its affairs in any court whether in the Cayman Islands or elsewhere. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation. In addition, we have entered into indemnification agreements with each of our directors and executive officers that will provide such persons with additional indemnification beyond that provided in our third amended and restated memorandum and articles of association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Directors' fiduciary duties. Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director acts in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he owes the following duties to the company—a duty to act bona fide in the best interests of the company, a duty not to make a profit based on his position as director (unless the company permits him to do so), a duty not to put himself in a position where the interests of the company conflict with his personal interest or his duty to a third party, and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to exercise the skill they actually possess and such care and diligence that a reasonably prudent person would exercise in comparable circumstances. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

Shareholder action by written consent. Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Cayman Islands law and our third amended and restated memorandum and articles of association provide that our shareholders may approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

Shareholder proposals. Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders; provided that it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Companies Act provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our third amended and restated memorandum and articles of association allow any one or more of our shareholders holding shares which carry in aggregate not less than one-tenth of the paid up capital of our company, on a one vote per share basis that carry the right to vote at general meetings of our company, in which case our board is obliged to convene an extraordinary general meeting and to put the resolutions so requisitioned to a vote at such meeting. Other than this right to requisition a shareholders' meeting, our third amended and restated memorandum and articles of association do not provide our shareholders other right to put proposal before a meeting. As an exempted Cayman Islands company, we are not obliged by law to call shareholders' annual general meetings, however, our third amended and restated memorandum and articles of association provide that we shall hold a general meeting as our annual general meeting in each financial year.

Cumulative voting. Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. There are no prohibitions in relation to cumulative voting under the laws of the Cayman Islands but our third amended and restated memorandum and articles of association do not provide for cumulative voting.

Removal of directors. Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the issued and outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our third amended and restated memorandum and articles of association, directors may be removed with or without cause, by an ordinary resolution of our shareholders. An appointment of a director may be on terms that the director shall automatically retire from office (unless he has sooner vacated office) at the next or a subsequent annual general meeting or upon any specified event or after any specified period in a written agreement between the company and the director, if any; but no such term shall be implied in the absence of express provision. In addition, a director's office shall be vacated if the director (i) becomes bankrupt or makes any arrangement or composition with his creditors; (ii) dies or is found to be or becomes of unsound mind; (iii) resigns his office by notice in writing to the company; (iv) without special leave of absence from our board of directors, is absent from three consecutive meetings of the board and the board resolves that his office be vacated; or (v) is removed from office pursuant to any other provisions of our third amended and restated memorandum and articles of association.

Transactions with interested shareholders. The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting shares within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions must be entered into bona fide in the best interests of the company and not with the effect of constituting a fraud on the minority shareholders.

Restructuring. A company may present a petition to the Grand Court of the Cayman Islands for the appointment of a restructuring officer on the grounds that the company:

- (a) is or is likely to become unable to pay its debts; and
- (b) intends to present a compromise or arrangement to its creditors (or classes thereof) either pursuant to the Companies Act, the law of a foreign country or by way of a consensual restructuring.

The Grand Court may, among other things, make an order appointing a restructuring officer upon hearing of such petition, with such powers and to carry out such functions as the court may order. At any time (i) after the presentation of a petition for the appointment of a restructuring officer but before an order for the appointment of a restructuring officer has been made, and (ii) when an order for the appointment of a restructuring officer is made, until such order has been discharged, no suit, action or other proceedings (other than criminal proceedings) shall be proceeded with or commenced against the company, no resolution to wind up the company shall be passed, and no winding up petition may be presented against the company, except with the leave of the court. However, notwithstanding the presentation of a petition for the appointment of a restructuring officer or the appointment of a restructuring officer, a creditor who has security over the whole or part of the assets of the company is entitled to enforce the security without the leave of the court and without reference to the restructuring officer appointed.

Dissolution; Winding up. Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by either an order of the courts of the Cayman Islands or by the board of directors.

Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Variation of rights of shares. Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under our third amended and restated memorandum and articles of association, if our share capital is divided into more than one class of shares, the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class, only be materially adversely varied with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the shares of that class, be deemed to be varied by the creation, allotment or issue of further shares ranking *par passu* with or subsequent to them or the redemption or purchase of any shares of any class by our company. The rights of the holders of shares shall not be deemed to be varied by the creation or issue of shares with preferred or other rights including, without limitation, the creation of shares with enhanced or weighted voting rights.

Amendment of governing documents. Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. As permitted by Cayman Islands law, our third amended and restated memorandum and articles of association may only be amended with a special resolution of our shareholders.

Rights of non-resident or foreign shareholders. There are no limitations imposed by our third amended and restated memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our third amended and restated memorandum and articles of association that require our company to disclose shareholder ownership above any particular ownership threshold.

C. Material Contracts

We have not entered into any material contracts other than in the ordinary course of business and other than those described in "Item 4. Information on the Company" or elsewhere in this annual report on Form 20-F.

D. Exchange Controls

See "Item 4. Information on the Company—B. Business Overview—Regulations— Chinese Mainland —Regulation related to foreign exchange."

E. Taxation

The following summary of the Cayman Islands, PRC and U.S. federal income tax considerations of an investment in the ADSs or ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this annual report, all of which are subject to change. This summary does not deal with all possible tax considerations relating to an investment in the ADSs or ordinary shares, such as the tax considerations under U.S. state and local tax laws or under the tax laws of jurisdictions other than the Cayman Islands, the People's Republic of China and the United States.

Cayman Islands Taxation

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of our ordinary shares and ADSs will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of our ordinary shares or the ADSs, nor will gains derived from the disposal of our ordinary shares or the ADSs be subject to Cayman Islands income or corporation tax.

People's Republic of China Taxation

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC with a “de facto management body” within the PRC is considered a resident enterprise and will be subject to the enterprise income tax at the rate of 25% on its global income. The implementation rules define the term “de facto management body” as the body that exercises full and substantial control over and overall management of the business, production, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation issued a circular, known as SAT Circular 82, which provides certain specific criteria for determining whether the “de facto management body” of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the State Administration of Taxation’s general position on how the “de facto management body” test should be applied in determining the tax resident status of all offshore enterprises. According to SAT Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its “de facto management body” in China and will be subject to the enterprise income tax at the rate of 25% for its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC; (ii) decisions relating to the enterprise’s financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise’s primary assets, accounting books and records, company seals, and board and shareholder resolutions are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC. Further to the SAT Circular 82, the SAT issued the SAT Bulletin 45, which became effective since September 2011, to provide more guidance on the implementation of the SAT Circular 82. The SAT Bulletin 45 provides for detailed procedures and administration with respect to determination of residence status and administration of post-determination matters.

We believe that MINISO Group Holding Limited is not a PRC resident enterprise for PRC tax purposes. MINISO Group Holding Limited is not controlled by a PRC enterprise or PRC enterprise group and we do not believe that MINISO Group Holding Limited meets all of the conditions above. MINISO Group Holding Limited is a company incorporated outside the PRC. As a holding company, its key assets are its ownership interests in its subsidiaries, and its key assets are located, and its records (including the resolutions of its board of directors and the resolutions of its shareholders) are maintained, outside the PRC. Therefore, we do not believe that MINISO Group Holding Limited meets all of these conditions or MINISO Group Holding Limited is a PRC resident enterprise for PRC tax purposes even if the conditions for “de facto management body” prescribed in the SAT Circular 82 are applicable. For the same reasons, we believe our other entities outside of China are not PRC resident enterprises either. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term “de facto management body.” There can be no assurance that the PRC government will ultimately take a view that is consistent with us.

If the PRC tax authorities determine that MINISO Group Holding Limited is a PRC resident enterprise for enterprise income tax purposes, we may be required to withhold a 10% withholding tax from dividends we pay to our shareholders that are non-resident enterprises, including the holders of the ADSs. In addition, non-resident enterprise shareholders (including the ADS holders) may be subject to a 10% PRC tax on gains realized on the sale or other disposition of ADSs or ordinary shares, if such income is treated as sourced from within the PRC. It is unclear whether our non-PRC individual shareholders (including the ADS holders) would be subject to any PRC tax on dividends or gains obtained by such non-PRC individual shareholders in the event we are determined to be a PRC resident enterprise. If any PRC tax were to apply to such dividends or gains, it would generally apply at a rate of 20% unless a reduced rate is available under an applicable tax treaty. It is also unclear whether non-PRC shareholders of MINISO Group Holding Limited would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that MINISO Group Holding Limited is treated as a PRC resident enterprise.

Provided that our Cayman Islands holding company, MINISO Group Holding Limited, is not deemed to be a PRC resident enterprise, holders of the ADSs and ordinary shares who are not PRC residents will not be subject to PRC income tax on dividends distributed by us or gains realized from the sale or other disposition of our shares or ADSs. However, under SAT Public Notice 7 and SAT Bulletin 37, where a non-resident enterprise conducts an “indirect transfer” by transferring taxable assets, including, in particular, equity interests in a PRC resident enterprise, indirectly by disposing of the equity interests of an overseas holding company, the non-resident enterprise, being the transferor, or the transferee, or the PRC entity which directly owns such taxable assets may report to the relevant tax authority such indirect transfer. Using a “substance over form” principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, and the transferee or other person who is obligated to pay for the transfer is obligated to withhold the applicable taxes, currently at a rate of 10% for the transfer of equity interests in a PRC resident enterprise. We and our non-PRC resident investors may be at risk of being required to file a return and being taxed under SAT Public Notice 7 and SAT Bulletin 37, and we may be required to expend valuable resources to comply with SAT Public Notice 7 and SAT Bulletin 37, or to establish that we should not be taxed under these circulars. See “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—We face uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.”

U.S. Federal Income Tax Considerations

The following discussion is a summary of U.S. federal income tax considerations generally applicable to the ownership and disposition of our ADSs or ordinary shares by U.S. Holders (as defined below) that will hold our ADSs or ordinary shares as “capital assets” (generally, property held for investment) under Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”). This discussion is based upon applicable provisions of the Code, Treasury regulations promulgated thereunder (“Regulations”), pertinent judicial decisions, interpretive rulings of the Internal Revenue Service (the “IRS”), and other applicable authorities, all as currently in effect as of the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to particular investors in light of their individual investment circumstances, including investors subject to special tax rules (for example, certain financial institutions, insurance companies, broker-dealers, pension plans, regulated investment companies, real estate investment trusts, cooperatives, tax-exempt organizations (including private foundations), partnerships (or other entities or arrangements treated as partnerships for U.S. federal income tax purposes) and their partners, holders who are not U.S. Holders, holders who own (directly, indirectly or constructively) 10% or more of our equity (by vote or value), investors that will hold their ADSs or ordinary shares as part of a straddle, hedge, conversion, constructive sale, or other integrated transaction for U.S. federal income tax purposes, investors that are traders in securities that have elected the mark-to-market method of accounting, investors that have a functional currency other than the U.S. dollar or certain former citizens or long-term residents of the United States), all of whom may be subject to tax rules that differ significantly from those discussed below.

In addition, this discussion does not address any non-U.S., state, local or any U.S. federal estate, gift, any minimum tax or Medicare tax considerations. You should consult your tax advisor regarding the U.S. federal, state, local and non-U.S. income and other tax considerations of owning and disposing of our ADSs or ordinary shares.

General

For the purposes of this discussion, a “U.S. Holder” is a beneficial owner of our ADSs or ordinary shares that is for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created in, or organized under the law of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (iv) a trust that (A) is subject to the primary supervision of a court within the United States and all substantial decisions of which one or more U.S. persons have the authority to control or (B) has a valid election in effect under applicable Regulations to be treated as a U.S. person.

If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our ADSs or ordinary shares, the tax treatment of a partner in such partnership will generally depend on the status of the partner and the activities of the partnership. Partners in a partnership holding our ADSs or ordinary shares should consult their tax advisors regarding the tax considerations of holding and disposing of our ADSs or ordinary shares.

For U.S. federal income tax purposes, a U.S. Holder that holds ADSs will generally be treated as the holder of the underlying ordinary shares represented by those ADSs, and therefore deposits or withdrawals of ordinary shares for ADSs will generally not be subject to U.S. federal income tax. The remainder of this discussion assumes that a U.S. Holder of the ADSs or ordinary shares will be treated in this manner.

Passive Foreign Investment Company Considerations

A non-U.S. corporation, such as our company, will be classified as a passive foreign investment company (a “PFIC”) for U.S. federal income tax purposes for any taxable year, if either (i) 75% or more of its gross income for such year consists of certain types of “passive” income or (ii) 50% or more of the value of its assets (generally determined on the basis of a quarterly average) during such year produce or are held for the production of passive income (the “asset test”). Passive income generally includes dividends, interest, royalties, rents, annuities, and net gains from the sale or exchange of property producing such income. For this purpose, cash is generally categorized as a passive asset and the company’s unbooked intangibles associated with active business activity are taken into account as non-passive assets. We will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, at least 25% (by value) of the stock.

Based on the current and anticipated value of our assets and the composition of our income and assets, including goodwill and other unbooked intangibles, we do not believe we were a PFIC for our taxable year ended December 31, 2025 and we do not presently expect to be a PFIC for the current taxable year. However, there can be no assurance in this regard because our PFIC status is a factual determination made annually that will depend, in part, upon the value of our assets and the composition of our income and assets. Fluctuations in the market price of our ADSs or ordinary shares may cause us to become a PFIC for the current or subsequent taxable years because the value of our assets for purposes of the asset test, including the value of our goodwill and unbooked intangibles, may be determined by reference to the market price of our ADSs or ordinary shares from time to time (which may be volatile). Recent declines in the market price of our ADSs increased our risk of being or becoming a PFIC. The market price of our ADSs may continue to fluctuate considerably and, consequently, we cannot assure you of our PFIC status for any taxable year. In addition, the composition of our income and our assets will be affected by how, and how quickly, we spend our liquid assets. Under circumstances where our revenue from activities that produce passive income significantly increases relative to our revenue from activities that produce non-passive income, or where we determine not to deploy significant amounts of cash for active purposes, our risk of becoming classified as a PFIC may substantially increase. If we are classified as a PFIC for any taxable year during which a U.S. Holder holds our ADSs or ordinary shares, the PFIC tax rules discussed below under “—Passive Foreign Investment Company Rules” will generally apply to such U.S. Holder for such taxable year and, unless the U.S. Holder makes certain elections, will generally apply in future years even if we cease to be a PFIC. The discussion below under “—Dividends” and “—Sale or Other Disposition of ADSs or Ordinary Shares” assumes that we will not be classified as a PFIC for U.S. federal income tax purposes.

Dividends

Any cash distributions (including the amount of any PRC tax withheld if we are deemed to be a PRC resident enterprise under PRC tax law) paid on our ADSs or ordinary shares out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, will generally be includible in a U.S. Holder’s gross income as dividend income on the day actually or constructively received by such holder, in the case of ordinary shares, or by the depository, in the case of ADSs. Because we do not intend to determine our earnings and profits on the basis of U.S. federal income tax principles, any distribution paid will generally be treated as dividend income for U.S. federal income tax purposes. Dividends received on our ADSs or ordinary shares will not be eligible for the dividends received deduction allowed to corporations under the Code.

Individuals and other non-corporate U.S. Holders will be subject to tax on any such dividends at the lower capital gains tax rate applicable to “qualified dividend income,” provided that certain conditions are satisfied, including that (i) our ADSs or ordinary shares on which the dividends are paid are readily tradable on an established securities market in the United States, or, in the event that we are deemed to be a PRC resident enterprise under the PRC tax law, we are eligible for the benefits of the U.S.-PRC income tax treaty (the “Treaty”), (ii) we are neither a PFIC nor treated as such with respect to the U.S. Holder (as discussed below) for the taxable year in which the dividend was paid or the preceding taxable year and (iii) certain holding period requirements are met. Our ADSs, but not our ordinary shares, are listed on the New York Stock Exchange so we anticipate that our ADSs should qualify as readily tradable on an established securities market in the United States.

For U.S. foreign tax credit purposes, dividends paid on our ADSs or ordinary shares will generally be treated as income from foreign sources and will generally constitute passive category income. If we are deemed to be a PRC resident enterprise under PRC tax law, a U.S. Holder may be subject to PRC withholding taxes on dividends paid on our ADSs or ordinary shares. Depending on a U.S. Holder's particular circumstances, such holder may be eligible, subject to a number of complex limitations, to claim a foreign tax credit in respect of any nonrefundable foreign withholding taxes imposed on dividends received on our ADSs or ordinary shares. If a U.S. Holder does not elect to claim a foreign tax credit for foreign tax withheld, such holder is permitted instead to claim a deduction, for U.S. federal income tax purposes, for the foreign tax withheld, but only for a year in which such holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex. U.S. Holders should consult their tax advisors regarding the availability of the foreign tax credit or deductions under their particular circumstances.

Sale or Other Disposition of ADSs or Ordinary Shares

A U.S. Holder will generally recognize capital gain or loss upon the sale or other disposition of our ADSs or ordinary shares in an amount equal to the difference, if any, between the amount realized upon the disposition and such holder's adjusted tax basis in such ADSs or ordinary shares, both determined in U.S. dollars. Any capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period in the ADSs or ordinary shares exceeds one year at the time of disposition and such gain or loss will generally be U.S.-source gain or loss for U.S. foreign tax credit purposes, which will generally limit the availability of foreign tax credits. Long-term capital gains of individuals and other non-corporate U.S. Holders generally are eligible for a reduced rate of taxation. The deductibility of a capital loss may be subject to limitations.

As described in "—E. Taxation—People's Republic of China Taxation," if we are deemed to be a PRC resident enterprise under the Enterprise Income Tax Law, gains from the disposition of our ADSs or ordinary shares may be subject to PRC income tax and will generally be U.S.-source, which may limit the ability to receive a foreign tax credit. If a U.S. Holder is eligible for the benefits of the Treaty, such holder may be able to elect to treat such gain as PRC-source income under the Treaty. However, if a U.S. Holder is not eligible for the benefits of the Treaty or does not elect to apply the Treaty, then such holder may not be able to claim a foreign tax credit arising from any PRC tax imposed on the disposition of our ADSs or ordinary shares. The rules regarding foreign tax credits and deduction of foreign taxes are complex. U.S. Holders should consult their tax advisors regarding the availability of a foreign tax credit or deduction in light of their particular circumstances, including their eligibility for benefits under the Treaty.

Passive Foreign Investment Company Rules

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or ordinary shares, such holder will be subject to special tax rules with respect to any "excess distribution" that such holder receives and any gain such holder realizes from a sale or other disposition (including a pledge) of our ADSs or ordinary shares, unless such holder makes a "mark-to-market" election as discussed below. Distributions a U.S. Holder receives in a taxable year that are greater than 125% of the average annual distributions such holder received during the shorter of the three preceding taxable years or such holder's holding period for the ADSs or ordinary shares will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over such holder's holding period for the ADSs or ordinary shares;
- amounts allocated to the current taxable year and any taxable years in such holder's holding period prior to the first taxable year in which we are classified as a PFIC (a "pre-PFIC year") will be taxable as ordinary income; and
- amounts allocated to each prior taxable year, other than the current taxable year or a pre-PFIC year, will be subject to tax at the highest tax rate in effect applicable to such holder for that year, and such amounts will be increased by an additional tax equal to interest on the resulting tax deemed deferred with respect to such years.

Any distributions other than "excess distributions" will be treated as discussed above under "Item 10. Additional Information—E. Taxation—U.S. Federal Income Taxation—Dividends."

Alternatively, a U.S. Holder of “marketable stock” (as defined below) in a PFIC may make a mark-to-market election for such stock of a PFIC to elect out of the tax treatment discussed in the preceding paragraph. If a U.S. Holder makes a valid mark-to-market election for the ADSs or ordinary shares, such holder will include in income for each year that we are a PFIC an amount equal to the excess, if any, of the fair market value of the ADSs or ordinary shares as of the close of such holder’s taxable year over such holder’s adjusted basis in such ADSs or ordinary shares. The U.S. Holder will be allowed a deduction for the excess, if any, of the adjusted basis of the ADSs or ordinary shares over their fair market value as of the close of the taxable year. However, deductions will be allowable only to the extent of any net mark-to-market gains on the ADSs or ordinary shares included in the U.S. Holder’s income for prior taxable years. Amounts included in the U.S. Holder’s income under a mark-to-market election, as well as gain on the actual sale or other disposition of the ADSs or ordinary shares in a year that we are a PFIC, will be treated as ordinary income. Ordinary loss treatment will also apply to the deductible portion of any mark-to-market loss on the ADSs or ordinary shares, as well as to any loss realized on the actual sale or disposition of the ADSs or ordinary shares in a year that we are a PFIC, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included in income for such ADSs or ordinary shares. A U.S. Holder’s basis in the ADSs or ordinary shares will be adjusted to reflect any such gain or loss amounts. If a U.S. Holder makes a mark-to-market election, tax rules that apply to distributions by corporations that are not PFICs would apply to distributions by us (except that the lower applicable capital gains rate would not apply). If a U.S. Holder makes a valid mark-to-market election, and we subsequently cease to be classified as a PFIC, such holder will not be required to take into account the mark-to-market income or loss described above during any period during which we are not classified as a PFIC.

The mark-to-market election is available only for “marketable stock” which is stock that is traded other than in de minimis quantities on at least 15 days during each calendar quarter (“regularly traded”) on a qualified exchange or other market, as defined in applicable Regulations. Our ADSs are listed on the New York Stock Exchange, which is a qualified exchange for these purposes, and, consequently, assuming that the ADSs are regularly traded, it is expected that the mark-to-market election will be available to U.S. Holders of ADSs if we are or become a PFIC. However, there can be no assurance that our ADSs will continue to be regularly traded on a qualified exchange in later years. Our ordinary shares are listed on the Hong Kong Stock Exchange, which must meet certain trading, listing, financial disclosure and other requirements to be treated as a qualified exchange for these purposes, and no assurance can be given that our ordinary shares will be regularly traded for purposes of the mark-to-market election.

Because a mark-to-market election cannot technically be made for any lower-tier PFICs that we may own (as discussed below), a U.S. Holder may continue to be subject to the general PFIC rules with respect to such holder’s indirect interest in any investment held by us that is treated as an equity interest in a PFIC for U.S. federal income tax purposes.

We do not intend to provide the information necessary for U.S. Holders to make qualified electing fund elections, which, if available, would result in tax treatment different from (and generally less adverse than) the general tax treatment for PFICs described above.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or ordinary shares and any of our non-U.S. subsidiaries are also PFICs, such holder will be treated as owning a proportionate amount (by value) of the shares of each such non-U.S. subsidiary classified as a PFIC for purposes of the application of these rules.

If we are classified as a PFIC, a U.S. Holder must generally file an annual report with the IRS. U.S. Holders should consult their tax advisors concerning the U.S. federal income tax considerations of owning and disposing of our ADSs or ordinary shares if we are or become a PFIC, including the unavailability of a qualified electing fund election, the possibility of making a mark-to-market election and the annual PFIC filing requirements, if any.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Under the Exchange Act, we are required to file reports and other information with the SEC. Specifically, we are required to file annually a Form 20-F within four months after the end of each fiscal year, which is December 31. All information filed with the SEC can be obtained over the internet at the SEC's website at www.sec.gov. As a foreign private issuer, (i) we are exempt from the rules under the Exchange Act prescribing the furnishing and content of quarterly reports and proxy statements, (ii) our officers and directors are exempt from the short-swing rules contained in Section 16 of the Exchange Act, and (iii) our principal shareholders are exempt from the reporting and short-swing rules contained in Section 16 of the Exchange Act.

We will furnish The Bank of New York Mellon, the depositary of our ADSs, with our annual reports, which will include a review of operations and annual audited consolidated financial statements prepared in conformity with IFRS, and all notices of shareholders' meetings and other reports and communications that are made generally available to our shareholders. The depositary will make such notices, reports and communications available to holders of ADSs and, upon our request, will mail to all record holders of ADSs the information contained in any notice of a shareholders' meeting received by the depositary from us.

In accordance with NYSE Rule 203.01, we will post this annual report on Form 20-F on our website at <http://ir.miniso.com>. In addition, we will provide hardcopies of our annual report free of charge to shareholders and ADS holders upon request.

I. Subsidiary Information

Not applicable.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our exposure to interest rate risk primarily relates to the 2032 Securities and interest income generated by excess cash, which is mostly held in interest-bearing bank deposits and wealth management products. The interest rate risk may result from many factors, including, among others, government monetary and tax policies, domestic and international economic and political considerations that are beyond our control.

We account for our 2032 Securities on an amortized cost basis and our recognized value of the 2032 Securities does not reflect changes in fair value. Also, because our 2032 Securities bear interest at a fixed rate, we have not incurred financial statement impact resulting from changes in interest rates. However, changes in market interest rates impact the fair value of the 2032 Securities along with other variables such as our credit spreads and the market price and volatility of our ADSs and ordinary shares. Increases in market interest rates would result in a decrease in the fair value of our outstanding 2032 Securities and decreases in market interest rates would result in an increase in the fair value of our outstanding 2032 Securities.

In addition, we may from time to time invest in interest-earning instruments. Investments in both fixed rate and floating rate interest-earning instruments carry certain interest rate risk associated with our investment return. Fixed rate securities may have their fair market value adversely impacted due to a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall.

Foreign Exchange Risk

Our financial reporting currency is the RMB and changes in foreign exchange rates can significantly affect our reported results and consolidated trends. In addition, our results of operations, including margins, are affected by the fluctuation in foreign exchange rates. Our international operations generate revenues primarily in U.S. dollars. Generally, a weakening of the RMB against the U.S. dollar has a positive effect on our results of operations, while a strengthening of the RMB against the U.S. dollar has the opposite effect. We have not used any derivative financial instruments to hedge exposure to such risk for the fiscal year ended December 31, 2025.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the U.S. dollar in the future. To the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amounts available to us.

To the extent that we need to convert U.S. dollars into RMB for our operations, appreciation of the RMB against the U.S. dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert RMB into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the RMB would have a negative effect on the U.S. dollar amounts available to us.

As of December 31, 2025, our net exposure arising from U.S. dollar-denominated recognized assets and liabilities, including cash and cash equivalents, trade and other receivables, and trade and other payables, and expressed in Renminbi, were RMB255.4 million. If the U.S. dollar had appreciated or depreciated by 1% against the RMB, our profit after tax and retained earnings for the fiscal year ended December 31, 2025 would have increased or decreased by RMB2.1 million.

Item 12. Description of Securities Other than Equity Securities

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Fees and Charges Our ADS holders May Have to Pay

The Bank of New York Mellon, as depositary, will register and deliver American Depositary Shares, also referred to as ADSs. Each ADS will represent four ordinary shares (or a right to receive four ordinary shares) deposited with The Hongkong and Shanghai Banking Corporation Limited, as custodian for the depositary in Hong Kong. Each ADS will also represent any other securities, cash or other property that may be held by the depositary. The deposited shares together with any other securities, cash or other property held by the depositary are referred to as the deposited securities. The depositary's office at which the ADSs will be administered and its principal executive office are located at 240 Greenwich Street, New York, New York 10286.

Persons depositing or withdrawing shares or ADS holders must pay:	For
\$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
\$0.05 (or less) per ADS	Any cash distribution to ADS holders
A fee equivalent to the fee that would be payable if securities distributed to you had been shares and the shares had been deposited for issuance of ADSs	Distribution of securities distributed to holders of deposited securities (including rights) that are distributed by the depositary to ADS holders
\$0.05 (or less) per ADS per calendar year	Depositary services
Registration or transfer fees	Transfer and registration of shares on our share register to or from the name of the depositary or its agent when you deposit or withdraw shares
Expenses of the depositary	Cable (including SWIFT) and facsimile transmissions (when expressly provided in the deposit agreement) Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian has to pay on any ADSs or shares underlying ADSs, such as stock transfer taxes, stamp duty or withholding taxes	As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	As necessary

Fees and Other Payments Made by the Depositary to Us

The depositary has agreed to reimburse us for a portion of certain expenses we incur that are related to establishment and maintenance of the ADR program, including investor relations expenses. There are limits on the amount of expenses for which the depositary will reimburse us, but the amount of reimbursement available to us is not related to the amounts of fees the depositary collects from investors. Further, the depositary has agreed to reimburse us certain fees payable to the depositary by holders of ADSs. Neither the depositary nor we can determine the exact amount to be made available to us because (i) the number of ADSs that will be issued and outstanding, (ii) the level of service fees to be charged to holders of ADSs, and (iii) our reimbursable expenses related to the program are not known at this time.

For the fiscal year ended December 31, 2025, we were entitled to receive RMB5.5 million (US\$0.8 million) from the depositary as reimbursement for our expenses incurred for establishment and maintenance of the ADR program. This amount has been fully paid to us as of the date of this annual report.

Conversion between Ordinary Shares and ADSs

Our ordinary shares commenced trading on the Hong Kong Stock Exchange on July 13, 2022. Dealings in our ordinary shares on the Hong Kong Stock Exchange are conducted in Hong Kong dollars. Our ordinary shares are traded on the Hong Kong Stock Exchange in board lots of 200 ordinary shares.

Dealings and settlement of shares in Hong Kong

The transaction costs of dealings in our ordinary shares on the Hong Kong Stock Exchange include:

- Hong Kong Stock Exchange trading fee of 0.005% of the consideration of the transaction, charged to each of the buyer and seller;
- Securities and Futures Commission of Hong Kong, or SFC, transaction levy of 0.0027% of the consideration of the transaction, charged to each of the buyer and seller;
- Accounting and Financial Reporting Council, or AFRC, transaction levy of 0.00015% of the consideration of the transaction, charged to each of the buyer and seller;
- trading tariff of HK\$0.50 on each and every purchase or sale transaction. The decision on whether or not to pass the trading tariff onto investors is at the discretion of brokers;
- transfer deed stamp duty of HK\$5.00 per transfer deed (if applicable), payable by the seller;
- ad valorem stamp duty at a total rate of 0.26% of the value of the transaction, with 0.13% payable by each of the buyer and the seller;
- stock settlement fee, which is currently 0.002% of the gross transaction value, subject to a minimum fee of HK\$2.00 and a maximum fee of HK\$100.00 per side per trade;
- brokerage commission, which is freely negotiable with the broker; and
- Computershare Hong Kong Investor Services Limited, or the Hong Kong Share Registrar, will charge between HK\$2.50 to HK\$20, depending on the speed of service (or such higher fee as may from time to time be permitted under the HKEx Listing Rules), for each transfer of ordinary shares from one registered owner to another, each share certificate cancelled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong.

Investors in Hong Kong must settle their trades executed on the Hong Kong Stock Exchange through their brokers directly or through custodians. For an investor in Hong Kong who has deposited his/her ordinary shares in his/her stock account or in his/her designated CCASS Participant's stock account maintained with CCASS, settlement will be effected in CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. For an investor who holds the physical certificates, settlement certificates and the duly executed transfer forms must be delivered to his/her broker or custodian before the settlement date.

An investor may arrange with his/her broker or custodian on a settlement date in respect of his/her trades executed on the Hong Kong Stock Exchange. Under the HKEx Listing Rules and the General Rules of CCASS and CCASS Operational Procedures in effect from time to time, the date of settlement must be the second settlement day (a day on which the settlement services of CCASS are open for use by CCASS Participants) following the trade date (T+2). For trades settled under CCASS, the General Rules of CCASS and CCASS Operational Procedures in effect from time to time provided that the defaulting broker may be compelled to compulsorily buy-in by HKSCC the day after the date of settlement (T+3), or if it is not practicable to do so on T+3, at any time thereafter. HKSCC may also impose fines from T+2 onwards.

Transfer of ordinary shares to Hong Kong share register

For the purposes of trading on the Hong Kong Stock Exchange, the ordinary shares must be registered in the Hong Kong Share Registrar maintained by Computershare Hong Kong Investor Services Limited. Our Cayman share registrar will continue to be maintained by Maples Fund Services (Cayman) Limited. An investor who holds ordinary shares and wishes to trade ADSs on the NYSE must deposit or have his/her broker deposit with The Hongkong and Shanghai Banking Corporation Limited, as custodian of our depositary bank (the "Depositary's Custodian"), ordinary shares, or evidence of rights to receive ordinary shares, so as to receive the corresponding ADSs as described below.

Converting shares trading in Hong Kong to ADSs

An investor who holds ordinary shares registered in Hong Kong and who intends to deposit them for delivery of ADSs to trade on the NYSE must deposit or have his or her broker deposit the ordinary shares with the depositary's Hong Kong custodian, The Hongkong and Shanghai Banking Corporation Limited, in exchange for ADSs.

A deposit of ordinary shares trading in Hong Kong in exchange for ADSs involves the following procedures:

- If ordinary shares have been deposited with CCASS, the investor must transfer ordinary shares to the depositary's account with the custodian within CCASS by following the CCASS procedures for transfer and submit and deliver a duly completed and signed letter of transmittal to the custodian via his or her broker.
- If ordinary shares are held outside CCASS, the investor must arrange to deposit his or her ordinary shares into the CCASS for delivery to the depositary's account with the custodian within CCASS, and must submit ADS delivery instructions to the custodian via his or her broker.
- Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depositary will register the corresponding number of ADSs in the name(s) requested by an investor and will deliver the ADSs as instructed by the depositor.

For ordinary shares deposited in CCASS, under normal circumstances, the above steps generally require two business days, provided that the investor has provided timely and complete instructions. For ordinary shares held outside CCASS in physical form, the above steps may take 14 business days, or more, to complete, because the ordinary shares must be moved from the Cayman register to the Hong Kong register in order to be eligible for CCASS. Other delays in ADS delivery may arise, in either case. For example, the transfer books of the depositary may from time to time be closed to ADS issuances. The investor will be unable to trade the ADSs until the procedures are completed.

Surrender of ADSs for delivery of shares trading in Hong Kong

An investor who holds ADSs and who wishes to receive ordinary shares that trade on the Hong Kong Stock Exchange must surrender the ADSs to the depositary to receive delivery of ordinary shares from the ADS program and cause his or her broker or other financial institution to trade such ordinary shares on the Hong Kong Stock Exchange.

An investor that holds ADSs indirectly through a broker or other financial institution should follow the procedure of the broker or financial institution and instruct the broker to arrange for surrender of the ADSs, and delivery of the underlying ordinary shares from the depositary's account with the custodian within the CCASS system to the investor's Hong Kong stock account.

For investors holding ADSs directly, the following steps must be taken:

- To withdraw ordinary shares from the ADS program, an investor who holds ADSs may surrender such ADSs at the office of the depositary (and physically deliver the applicable ADR(s) if the ADSs are held in certificated form), and send an instruction to cancel such ADSs to the depositary.

- Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, if applicable, and subject in all cases to the terms of the deposit agreement, the depositary will instruct the custodian to deliver ordinary shares underlying the canceled ADSs to the CCASS account designated by the surrendering investor.
- If an investor prefers to receive ordinary shares outside CCASS, he or she must receive ordinary shares in CCASS first and then arrange for withdrawal from CCASS. Investors can then obtain a transfer form signed by HKSCC Nominees Limited (as the transferor) and register ordinary shares in their own names with the Hong Kong Share Registrar.

For ordinary shares to be received in CCASS, under normal circumstances, the above steps generally require two business days, provided that the investor has provided timely and complete instructions.

For ordinary shares to be received outside CCASS in physical form, the above steps may take 14 business days, or more, to complete. The investor will be unable to trade the ordinary shares on the Hong Kong Stock Exchange until the procedures are completed.

Temporary delays may arise. For example, the transfer books of the depositary may from time to time be closed to ADS cancellations. In addition, completion of the above steps and procedures for delivery for ordinary shares in a CCASS account is subject to there being a sufficient number of ordinary shares on the Hong Kong share register to facilitate a withdrawal from the ADS program directly into the CCASS system. We are not under any obligation to maintain or increase the number of ordinary shares on the Hong Kong share register to facilitate such withdrawals.

Depository requirements

Before the depositary delivers ADSs or permits withdrawal of ordinary shares, the depositary may require:

- production of satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and
- compliance with procedures it may establish, from time to time, consistent with the deposit agreement, including completion and presentation of transfer documents.

The depositary may refuse to deliver, transfer, or register issuances, transfers and cancellations of ADSs generally when the transfer books of the depositary or our Hong Kong share registrar or Cayman share registrar are closed or at any time if the depositary or we determine it advisable to do so, subject to such refusal complying with U.S. federal securities laws.

All costs attributable to the transfer of ordinary shares to effect a withdrawal from or deposit of ordinary shares into the ADS program will be borne by the investor requesting the transfer. In particular, holders of ordinary shares and ADSs should note that the Hong Kong Share Registrar will charge between HK\$2.50 to HK\$20, depending on the speed of service (or such higher fee as may from time to time be permitted under the HKEx Listing Rules), for each transfer of ordinary shares from one registered owner to another, each share certificate canceled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong. In addition, holders of ordinary shares and ADSs must pay up to US\$5.00 per 100 ADSs (or portion thereof) for each issuance of ADSs and each cancellation of ADSs, as the case may be, in connection with the deposit of ordinary shares into, or withdrawal of ordinary shares from, the ADS program.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Material Modifications to the Rights of Security Holders

None.

Use of Proceeds from Our Initial Public Offering in the United States

The following "Use of Proceeds" information relates to the registration statement on Form F-1 (File Number: 333-248991) relating to our initial public offering of 30,400,000 ADSs representing 121,600,000 then Class A ordinary shares, without taking into account over-allotment, at an initial offering price of US\$20.00 per ADS. The registration statement was declared effective by the SEC on October 14, 2020. Goldman Sachs (Asia) L.L.C. and BofA Securities, Inc. were the representatives of the underwriters.

We raised approximately US\$625.3 million in net proceeds from our initial public offering, after deducting underwriting commissions and the offering expenses payable by us. None of the transaction expenses included payments to directors or officers of our company or their associates, persons owning more than 10% or more of our equity securities or our affiliates. None of the net proceeds we received from the initial public offering were paid, directly or indirectly, to any of our directors or officers or their associates, persons owning 10% or more of our equity securities or our affiliates.

As of December 31, 2025, we had used approximately US\$241.4 million of the net proceeds from our initial public offering, including approximately US\$42.8 million in purchasing IT systems and renovating MINISO stores that we directly operated, approximately US\$184.9 million in our new headquarters building project and US\$13.7 million in the lease of a warehouse. We still intend to use the proceeds from our initial public offering, as disclosed in our registration statements on Form F-1 for the initial public offering, to expand our store network, invest in our warehouse and logistics network, invest in our business and infrastructure expansion, technologies and information systems, and use the remainder for general corporate purposes.

Item 15. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, has performed an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report, as required by Rule 13a-15(b) under the Exchange Act.

Based upon that evaluation, our management has concluded that, as of December 31, 2025, our disclosure controls and procedures were effective in ensuring that the information required to be disclosed by us in the reports that we file and furnish under the Exchange Act was recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act, for our company. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As required by Section 404 of the Sarbanes-Oxley Act of 2002 and related rules promulgated by the Securities and Exchange Commission, our management, including our chief executive officer and chief financial officer, assessed the effectiveness of internal control over financial reporting as of December 31, 2025 using the criteria set forth in the report "Internal Control—Integrated Framework (2013)" published by the Committee of Sponsoring Organizations of the Treadway Commission (known as COSO). Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

Attestation Report of the Registered Public Accounting Firm

Our independent registered public accounting firm, Ernst & Young Hua Ming LLP, has audited our internal control over financial reporting as of December 31, 2025 based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, as stated in its report, which appears on page F-4 of this annual report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the period covered by this annual report on Form 20-F that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert

Our board of directors has determined that Ms. Lili Xu, an independent non-executive director and chairwoman of our audit committee, is an audit committee financial expert.

Item 16B. Code of Ethics

Our board of directors has adopted a code of ethics that applies to our directors, officers and employees, including certain provisions that specifically apply to our senior officers, including our chief executive officer, chief financial officer, other chief senior officers, senior finance officer, controller, senior vice presidents, vice presidents and any other persons who perform similar functions for us. We have filed our code of business conduct and ethics as Exhibit 99.1 to our registration statement on Form F-1 (File Number 333- 248991), as amended, initially filed with the SEC on September 23, 2020. The code is also available on our official website under the corporate governance section at our investor relations website <http://ir.miniso.com>.

Item 16C. Principal Accountant Fees and Services

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by our independent registered public accounting firms for the periods indicated:

	Year ended December 31, 2024	Year ended December 31, 2025*
	(in RMB thousands)	
Audit fees ⁽¹⁾	15,000	14,700
Audit-related fees ⁽²⁾	2,000	—
Tax fees ⁽³⁾	609	1,639
All other fees ⁽⁴⁾	317	30

Notes:

* On June 12, 2025, our previous auditors, KPMG Huazhen LLP, retired upon the expiration of their term of office, and Ernst & Young and Ernst & Young Hua Ming LLP were appointed as our auditors following the retirement of KPMG Huazhen LLP. See also "Item 16F. Change in Registrant's Certifying Accountant."

- (1) "Audit fees" represents the aggregate fees billed for each of the fiscal years listed above for professional services rendered by our principal accounting firm for the audit of our annual financial statements or services that are normally provided by the auditors in connection with statutory and regulatory filings or engagements.
- (2) "Audit-related fees" represents the aggregate fees billed for each of the fiscal years listed above for assurance and related services by our principal accounting firm that are reasonably related to the performance of the audit or review of our financial statements and are not reported under audit fees in footnote (1) above.
- (3) "Tax fees" represents the aggregate fees billed for each of the fiscal years listed above for professional services rendered by our principal accounting firm for tax compliance and tax advice.
- (4) "All other fees" represents the aggregate fees for services rendered by our principal accounting firm other than services reported under "audit fees," "audit-related fees" and "tax fees."

The policy of our audit committee is to pre-approve all audit and non-audit services provided by our independent registered public accounting firm, including audit services, audit-related services and tax services as described above, other than those for de minimis services which are approved by the audit committee prior to the completion of the audit.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Our board of directors authorized and approved a new share repurchase program on August 30, 2024, under which we may repurchase up to HK\$2 billion (US\$256.4 million) in value of our outstanding ordinary shares and/or the ADSs representing our ordinary shares over a period of 12 months starting from the date on which the new share repurchase program was approved. On March 21, 2025, our board of directors authorized and approved for an extension of the duration of this share repurchase program to June 30, 2026.

The table below is a summary of the shares repurchased by us during the effective period of the share repurchase program. All shares were repurchased in the open market pursuant to the share repurchase program adopted on August 30, 2024, as extended on March 21, 2025.

Period	Total Number of ADSs/Ordinary Shares Purchased ⁽²⁾	Average Price Paid Per ADS/Ordinary Share	Total Number of ADSs/Ordinary Shares Purchased ⁽²⁾ as Part of the Publicly Announced Plan	Approximate Dollar Value of ADSs that May Yet Be Purchased ⁽¹⁾
August 2024 (August 31)	—	—	—	US\$256.4 million
September 2024	935,351 ADSs 2,466,000 ordinary shares	US\$14.9 HK\$27.34	935,351 ADSs 2,466,000 ordinary shares	US\$233.8 million
October 2024	50,200 ADSs	US\$15.34	50,200 ADSs	US\$233.1 million
November 2024	—	—	—	US\$233.1 million
December 2024	—	—	—	US\$233.1 million
January 2025	—	—	—	US\$233.1 million
February 2025	—	—	—	US\$233.1 million
March 2025	13,150 ADSs 1,266,600 ordinary shares	US\$18.4 HK\$37.07	13,150 ADSs 1,266,600 ordinary shares	US\$226.8 million
April 2025	405,306 ADSs 5,163,200 Ordinary shares	US\$16.28 HK\$29.94	405,306 ADSs 5,163,200 Ordinary shares	US\$200.4 million
May 2025	146,413 ADSs 554,600 ordinary shares	US\$17.89 HK\$34.95	146,413 ADSs 554,600 ordinary shares	US\$195.3 million
June 2025	260,092 ADSs 1,183,200 ordinary shares	US\$17.90 HK\$34.85	260,092 ADSs 1,183,200 ordinary shares	US\$185.3 million
July 2025	263,200 ADSs 1,015,800 ordinary shares	US\$18.19 HK\$35.28	263,200 ADSs 1,015,800 ordinary shares	US\$176 million
August 2025	23,534 ADSs 159,000 ordinary shares	US\$18.95 HK\$37.37	23,534 ADSs 159,000 ordinary shares	US\$174.7 million
September 2025	—	—	—	US\$174.7 million
October 2025	—	—	—	US\$174.7 million
November 2025	42,223 ADSs 972,000 ordinary shares	US\$19.22 HK\$36.94	42,223 ADSs 972,000 ordinary shares	US\$169.3 million
December 2025	96,956 ADSs 2,280,400 ordinary shares	US\$19.28 HK\$37.55	96,956 ADSs 2,280,400 ordinary shares	US\$156.5 million
January 2026	103,617 ADSs 557,800 ordinary shares	US\$19.07 HK\$37.41	103,617 ADSs 557,800 ordinary shares	US\$151.8 million
February 2026	183,769 ADSs 586,600 ordinary shares	US\$18.93 HK\$36.91	183,769 ADSs 586,600 ordinary shares	US\$145.6 million
March 2026	346,038 ADSs 1,380,200 ordinary shares	US\$16.61 HK\$32.70	346,038 ADSs 1,380,200 ordinary shares	US\$134 million
April 2026 (as of April 2, 2026)	15,396 ADSs 60,600 ordinary shares	US\$16.38 HK\$32.24	15,396 ADSs 60,600 ordinary shares	US\$133.5 million
Total	2,885,245 ADSs 17,646,000 ordinary shares	US\$16.70 HK\$33.01	2,885,245 ADSs 17,646,000 ordinary shares	US\$133.5 million

(1) The amounts are originally denominated in HK\$ and have been translated into US\$ at the rate of HK\$7.80 to US\$1.00. The conversion rate and the Hong Kong dollar equivalent is for illustration purposes only.

(2) Several repurchases consisted of ADSs repurchased on the NYSE and ordinary shares repurchased on the Hong Kong Stock Exchange.

As of the date of this annual report, 2,885,245 of the ADSs and 17,646,000 of the ordinary shares repurchased by our company under the share repurchase program adopted on August 30, 2024 and among which 2,097,246 of the ADSs and 11,792,400 of the ordinary shares have been cancelled.

Item 16F. Change in Registrant's Certifying Accountant

At the conclusion of the annual general meeting of our shareholders held on June 12, 2025, our previous auditors, KPMG and KPMG Huazhen LLP, retired upon the expiration of their term of office and did not stand for reelection. The appointment of Ernst & Young, or EY, and Ernst & Young Hua Ming LLP, or EY HM, as our auditors following the retirement of KPMG and KPMG Huazhen LLP was approved by our shareholders at the same annual general meeting. The engagement of EY and EY HM had been recommended by our audit committee and approved by our board of directors.

The reports of KPMG Huazhen LLP on our consolidated financial statements for the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal year ended December 31, 2024 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principle.

During the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal year ended December 31, 2024 and the subsequent period through June 12, 2025, there were no disagreements between the Company and KPMG Huazhen LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of KPMG Huazhen LLP, would have caused KPMG Huazhen LLP to make reference to the subject matter of the disagreements in its report on the consolidated financial statements, and there were no “reportable events,” as the term is described in Item 16F(a)(1)(v) of Form 20-F, requiring disclosure by us.

We provided KPMG Huazhen LLP with a copy of the foregoing disclosure and requested from KPMG Huazhen LLP a letter addressed to the SEC indicating whether it agrees with such disclosure. A copy of KPMG Huazhen LLP’s letter dated April 24, 2026 is hereby filed as Exhibit 16.1 to this annual report.

During the fiscal year ended June 30, 2023, the six months ended December 31, 2023 and the fiscal year ended December 31, 2024 and the subsequent interim period through June 12, 2025, neither we nor anyone on behalf of us has consulted with EY HM regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on our consolidated financial statements, and neither a written report nor oral advice that EY HM concluded was an important factor considered by us in reaching a decision as to any accounting, auditing, or financial reporting issue, or (ii) any matter that was the subject of a disagreement (as defined in Item 16F(a)(1)(iv) of the instructions to Form 20-F and the related instructions therein) or a reportable event.

Item 16G. Corporate Governance

As a Cayman Islands company listed on the NYSE, we are subject to the NYSE corporate governance listing standards. NYSE rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Furthermore, we are also permitted to rely on exemptions afforded to controlled companies. We are a “controlled company” as defined under the NYSE because Mr. Guofu Ye, our chairman of the board of directors and our chief executive officer, and Ms. Yunyun Yang, our vice president, own more than 50% of our total voting power. For so long as we remain a controlled company under that definition, we are permitted to elect to rely, and may rely, on certain exemptions from corporate governance rules, including an exemption from the rule that a majority of our board of directors must be independent directors or that we have to establish a nominating committee and a compensation committee composed entirely of independent directors. Currently, we rely on the exemption with respect to the requirements that (i) a nominating committee composed entirely of independent directors, and (ii) a compensation committee composed entirely of independent directors. If we choose to rely on additional exemptions in the future, our shareholders may not be afforded the same protection that they would otherwise enjoy under these exempted NYSE corporate governance listing standards.

Other than the requirements discussed above, there are no significant differences between our corporate governance practices and those followed by domestic listed companies as required under the NYSE Listed Company Manual. Since we have chosen to rely on exemptions afforded to controlled companies, our shareholders may be afforded less protection than they otherwise would enjoy under the NYSE corporate governance listing standards applicable to issuers that are not controlled companies. See “Item 3. Key Information—D. Risk Factors—Risks Related to the ADSs and Our Ordinary Shares—As an exempted company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the NYSE listing standards; these practices may afford less protection to shareholders than they would enjoy if we complied fully with such corporate governance listing standards.”

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Item 16J. Insider Trading Policies

Our board of directors has established insider trading policies and procedures governing the purchase, sale, and other dispositions of our securities by our directors, officers, employees and other relevant persons to promote compliance with applicable insider trading laws, rules and regulations, and listing standards.

Our Amended and Restated Statement of Policies Governing Material Non-Public Information and The Prevention of Insider Trading is filed as Exhibit 11.2 to this annual report on Form 20-F.

Item 16K. Cybersecurity

Risk Management and Strategy

We have implemented comprehensive cybersecurity risk assessment procedures to ensure effectiveness in cybersecurity management, strategy and governance and reporting cybersecurity risks. We have also integrated cybersecurity risk management into our overall enterprise risk management system.

We have developed a comprehensive cybersecurity threat defense system to address both internal and external threats. We strive to manage cybersecurity risks and protect sensitive information through various means, such as technical safeguards, procedural requirements, intensive and comprehensive monitoring on our corporate network, continuous testing of aspects of our security posture internally and with outside vendors, a robust incident response program and regular cybersecurity awareness training for employees. Our IT department conducts real-time monitoring of the performance of our platforms, apps and infrastructure to enable us to respond quickly to potential problems, including potential cybersecurity threats and ensure the security of our digital assets.

As of the date of this annual report, we have not experienced any material cybersecurity incidents or identified any material cybersecurity threats that have affected or are reasonably likely to materially affect us, our business strategy, results of operations or financial condition.

Governance

Our board of directors is responsible for overseeing our cybersecurity risk management and be informed on risks from cybersecurity threats, assuming the following responsibilities: (i) maintaining oversight of the disclosure related to cybersecurity matters in our periodic reports, (ii) reviewing updates to the status of any material cybersecurity incidents or material risks from cybersecurity threats to our company, and the relevant disclosure issues, if any, presented by our chief executive officer, chief financial officer and cybersecurity officer, if necessary, on a quarterly basis, and (iii) review disclosure concerning cybersecurity matters in our annual report on Form 20-F, along with a report highlighting particular disclosure issues, if any, presented by our chief executive officer, chief financial officer and cybersecurity officer if necessary. The chief executive officer, chief financial officer and cybersecurity officer are responsible for assessing, identifying and managing material risks from cybersecurity threats to our company, monitoring the prevention, detection, mitigation and remediation of material cybersecurity incident, and maintaining oversight of the disclosure in Form 6-K for material cybersecurity incidents, if any.

PART III

Item 17. Financial Statements

We have elected to provide financial statements pursuant to Item 18.

Item 18. Financial Statements

The consolidated financial statements of MINISO Group Holding Limited and its subsidiaries are included at the end of this annual report.

Item 19. Exhibits

Exhibit Number	Description of Document
1.1	Third amended and restated memorandum and articles of association of the Registrant (incorporated by reference to Exhibit 1.1 of the annual report on Form 20-F (file no. 001-39601), filed with the SEC on October 19, 2022).
2.1	Registrant's specimen American depositary receipt (included in Exhibit 2.3).
2.2	Registrant's specimen certificate for ordinary shares (incorporated by reference to Exhibit 4.1 of Form 6-K (file no. 001-39601) furnished with the SEC on July 5, 2022).
2.3	Deposit agreement dated October 14, 2020 among the Registrant, The Bank of New York Mellon as depositary and owners and holders of American Depositary Shares issued thereunder dated October 14, 2020 (incorporated by reference to Exhibit 4.3 of the registration statement on Form S-8 (file no. 333-255274) filed with the SEC on April 16, 2021).
2.4	The Shareholders Agreement among the Registrant and other parties thereto dated February 26, 2020 and Deed of Adherence between the Registrant (on behalf of itself and all the then-existing shareholders of the Registrant) and each of the new shareholders after the effectiveness of the Shareholders Agreement and a schedule of all executed Deeds of Adherence adopting the same form (incorporated by reference to Exhibit 4.4 of the registration statement on Form F-1, as amended (file no. 333-248991), filed with the SEC on October 14, 2020).
2.5	Description of Securities (incorporated by reference to Exhibit 2.5 of the annual report on Form 20-F (file no. 001-39601), filed with the SEC on October 19, 2023).
4.1	Amended and Restated 2020 Share Incentive Plan (incorporated by reference to Exhibit 4.1 of the annual report on Form 20-F (file no. 001-39601), filed with the SEC on October 19, 2022).
4.2	Form of indemnification agreement between the Registrant and each of its directors and executive officers (incorporated by reference to Exhibit 10.2 of the registration statement on Form F-1, as amended (file no. 333-248991), filed with the SEC on October 14, 2020).
4.4	Form of employment agreement between the Registrant and each of its executive officers (incorporated by reference to Exhibit 10.3 of the registration statement on Form F-1, as amended (file no. 333-248991), filed with the SEC on October 14, 2020).
4.5	Dairy Farm Share Purchase Agreement dated September 23, 2024, together with the Supplemental Agreement to Share Purchase Agreement dated December 18, 2024 between THE DAIRY FARM COMPANY, LIMITED and Guangdong Juncai International Trading Co., Ltd. (incorporated by reference to Exhibit 4.5 of the annual report on Form 20-F (file no. 001-39601) filed with the SEC on April 24, 2025).
4.6	Beijing Jingdong Share Purchase Agreement dated September 23, 2024 between Beijing Jingdong Century Trading Co., Ltd., Sugian Hanbang Investment Management Co., Ltd. and Guangdong Juncai International Trading Co., Ltd. (incorporated by reference to Exhibit 4.6 of the annual report on Form 20-F (file no. 001-39601) filed with the SEC on April 24, 2025).
4.7	Trust Deed, dated as of January 14, 2025, by and between the Registrant, as issuer, and The Bank of New York Mellon, London Branch, as trustee, related to US\$550 million 0.5 Per Cent Equity Linked Securities Due 2032 (incorporated by reference to Exhibit 4.7 of the annual report on Form 20-F (file no. 001-39601) filed with the SEC on April 24, 2025).
8.1*	List of principal subsidiaries of the Registrant
11.1	Code of business conduct and ethics of the Registrant (incorporated by reference to Exhibit 99.1 of the registration statement on Form F-1, as amended (file no. 333-248991), filed with the SEC on October 14, 2020).
11.2	Amended and Restated Statement of Policies Governing Material Non-Public Information and the Prevention of Insider Trading (incorporated by reference to Exhibit 11.2 of the annual report on Form 20-F (file no. 001-39601) filed with the SEC on April 24, 2025).
12.1*	Certification by Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	Certification by Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	Certification by Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Exhibit Number	Description of Document
13.2**	Certification by Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Ernst & Young Hua Ming LLP
15.2*	Consent of KPMG Huazhen LLP
15.3*	Consent of JunHe LLP
15.4*	Consent of Maples and Calder (Hong Kong) LLP
16.1*	Letter from KPMG Huazhen LLP to the SEC
97.1	Clawback Policy of the Registrant (incorporated by reference to Exhibit 97.1 of the annual report on Form 20-F (file no. 001-39601) filed with the SEC on April 24, 2025)
99.1***	Consolidated Financial Statements of Yonghui Superstores Co., Ltd. as of December 31, 2025 and for the nine months ended December 31, 2025
101.INS*	Inline XBRL Instance Document — the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104.*	Cover Page Interactive Data File — the cover page XBRL tags are embedded within the Exhibit 101 Inline XBRL document set

* Filed herewith

** Furnished herewith

*** To be filed by amendment within six months of December 31, 2025

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing its annual report on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

MINISO Group Holding Limited

By: /s/ Guofu Ye

Name: Guofu Ye

Title: Chief Executive Officer

Date: April 24, 2026

MINISO Group Holding Limited
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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of MINISO Group Holding Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of financial position of MINISO Group Holding Limited (the Company) as of December 31, 2025, the related consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025, and the results of its operations and its cash flows for the year then ended, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated April 24, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of impairment of property, plant and equipment and right-of-use assets related to certain self-operated stores

Description of the Matter

As discussed in Notes 11 and 12 to the consolidated financial statements, the Company had property, plant and equipment and right-of-use assets related to self-operated stores of RMB753,371 thousand and RMB3,210,178 thousand, respectively, as of December 31, 2025. As discussed in Note 2(h)(ii), each individual self-operated store is a separate cash-generating unit ("CGU"). For each CGU when an indication of impairment is identified, an impairment assessment will be performed by comparing the carrying value of the CGU with its recoverable amount. During the year ended December 31, 2025, the Company recognized impairment loss of RMB35,611 thousand on the property, plant and equipment and right-of-use assets related to certain CGUs.

Auditing management's impairment assessment was complex due to the estimation uncertainty involved in determining the recoverable amount of the related CGUs. The estimation uncertainty is primarily due to the underlying assumption used in estimating the recoverable amount, which is market rental rates. Changes in this assumption could have a material effect on the determination of the recoverable amount and, consequently, on the impairment assessment.

How We Addressed the Matter in Our Audit

We obtained an understanding, and evaluated the design and tested the operating effectiveness of internal controls over the Company's impairment assessment process including tests of controls over management's review of the market rental rates used in the impairment assessment.

To test the Company's impairment assessment, we performed audit procedures that included, among others, involving our valuation specialists in evaluating the methodology used in determining the recoverable amounts, and assessing the reasonableness of the significant assumption used on a sample basis. We tested the completeness and accuracy of underlying data used. We also performed sensitivity analyses on the significant assumption discussed above to evaluate the changes in the recoverable amount resulting from changes in the assumption.

/s/ Ernst & Young Hua Ming LLP

We have served as the Company's auditor since 2025.

Shanghai, the People's Republic of China
April 24, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of MINISO Group Holding Limited

Opinion on Internal Control Over Financial Reporting

We have audited MINISO Group Holding Limited's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, MINISO Group Holding Limited (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statement of financial position of the Company as of December 31, 2025, the related consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the related notes and our report dated April 24, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young Hua Ming LLP

Shanghai, the People's Republic of China
April 24, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
MINISO Group Holding Limited

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of MINISO Group Holding Limited and subsidiaries (the Company) as of December 31, 2024, the related consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity, and cash flows for years ended June 30, 2023, the six months ended December 31, 2023 and the year ended December 31, 2024, and the related notes (collectively, the consolidated financial statements).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations and its cash flows for the years ended June 30, 2023, the six months ended December 31, 2023 and the year ended December 31, 2024, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG Huazhen LLP

We served as the Company's auditor from 2019 to 2025.

Guangzhou, China
April 24, 2025

Consolidated statements of profit or loss
(Expressed in thousands of Renminbi, except for per share data)

	Notes	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Revenue	5	11,473,208	7,632,467	16,994,025	21,443,827
Cost of sales	6	(7,030,156)	(4,391,428)	(9,356,965)	(11,795,708)
Gross profit		4,443,052	3,241,039	7,637,060	9,648,119
Other income		17,935	18,993	21,595	19,377
Selling and distribution expenses	6	(1,716,093)	(1,363,114)	(3,519,534)	(5,265,758)
General and administrative expenses	6	(633,613)	(357,689)	(931,651)	(1,225,373)
Other net income	7	114,106	21,105	114,696	195,610
Reversal of credit loss/(credit loss) on trade and other receivables		1,072	(2,080)	2,469	(33,241)
Impairment loss on non-current assets		(3,448)	(4,547)	(8,846)	(35,611)
Operating profit		2,223,011	1,553,707	3,315,789	3,303,123
Finance income		145,225	123,969	118,672	104,421
Finance costs		(34,622)	(25,202)	(92,915)	(430,930)
Net finance income/(costs)	8	110,603	98,767	25,757	(326,509)
Share of profit/(loss) of equity-accounted investees, net of tax		—	268	5,986	(834,453)
Changes in fair value of redemption liabilities		—	—	—	(158,491)
Other expenses		—	—	—	(70,332)
Profit before taxation		2,333,614	1,652,742	3,347,532	1,913,338
Income tax expense	9	(551,785)	(396,665)	(712,104)	(703,524)
Profit for the year/period		<u>1,781,829</u>	<u>1,256,077</u>	<u>2,635,428</u>	<u>1,209,814</u>
Attributable to:					
Equity shareholders of the Company		1,768,926	1,248,405	2,617,560	1,205,045
Non-controlling interests		12,903	7,672	17,868	4,769
Profit for the year/period		<u>1,781,829</u>	<u>1,256,077</u>	<u>2,635,428</u>	<u>1,209,814</u>
Earnings per share					
Basic earnings per share (RMB)	10	1.42	1.00	2.11	0.98
Diluted earnings per share (RMB)	10	1.41	1.00	2.10	0.98

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of profit or loss and other comprehensive income
(Expressed in thousands of Renminbi, except for per share data)

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Profit for the year/period	1,781,829	1,256,077	2,635,428	1,209,814
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of financial statements of foreign operations	41,198	(32,504)	19,128	2,914
Share of other comprehensive loss of equity-accounted investees	—	—	—	(1,046)
Other comprehensive income/(loss) for the year/period	41,198	(32,504)	19,128	1,868
Total comprehensive income for the year/period	1,823,027	1,223,573	2,654,556	1,211,682
Attributable to:				
Equity shareholders of the Company	1,803,797	1,217,804	2,635,833	1,210,528
Non-controlling interests	19,230	5,769	18,723	1,154
Total comprehensive income for the year/period	1,823,027	1,223,573	2,654,556	1,211,682

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of financial position
(Expressed in thousands of Renminbi)

	Notes	As at December 31,	
		2024	2025
		RMB'000	RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	1,436,939	2,109,385
Right-of-use assets	12	4,172,083	5,121,039
Intangible assets	13	8,802	94,951
Goodwill	14	21,418	223,187
Deferred tax assets	9(c)	181,948	288,679
Other investments	15	123,399	201,727
Trade and other receivables	17	341,288	247,511
Term deposits		140,183	—
Financial derivative assets	29	—	774,103
Interests in equity-accounted investees	21	38,567	5,486,648
		6,464,627	14,547,230
Current assets			
Other investments	15	100,000	—
Inventories	16	2,750,389	3,691,238
Trade and other receivables	17	2,207,013	3,307,129
Cash and cash equivalents	18	6,328,121	6,817,129
Restricted cash	19	1,026	54,229
Term deposits		268,952	216,567
		11,655,501	14,086,292
Total assets		18,120,128	28,633,522
EQUITY			
Share capital	26(a)	94	94
Additional paid-in capital	26(a)	4,683,577	2,887,905
Other reserves	26(b)	1,329,126	2,232,854
Retained earnings		4,302,177	5,497,910
Equity attributable to equity shareholders of the Company		10,314,974	10,618,763
Non-controlling interests		40,548	100,508
Total equity		10,355,522	10,719,271
LIABILITIES			
Non-current liabilities			
Contract liabilities	5	35,145	22,418
Loans and borrowings	22	4,310	5,415,416
Other payables	23	59,842	72,586
Lease liabilities	24	1,903,137	2,713,798
Financial derivative liabilities	29	—	1,184,050
Deferred income		34,983	33,053
		2,037,417	9,441,321
Current liabilities			
Loans and borrowings	22	566,955	1,751,018
Trade and other payables	23	3,943,988	4,516,491
Contract liabilities	5	323,292	388,746
Lease liabilities	24	635,357	950,784
Deferred income		5,376	965
Current taxation		252,221	291,245
Redemption liabilities arising from preferred shares	25	—	573,681
		5,727,189	8,472,930
Total liabilities		7,764,606	17,914,251
Total equity and liabilities		18,120,128	28,633,522

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of changes in equity
(Expressed in thousands of Renminbi)

Notes	Attributable to equity shareholders of the Company								Non-controlling interests	Total equity	
	Share capital	Additional paid-in capital	Merger reserve	Treasury shares	Share-based payment reserve	Translation reserve	PRC statutory reserve	(Accumulated losses)/ retained earnings			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	earnings			
			Note 26(b)(i)	Note 26(b)(v)	Note 26(b)(iii)	Note 26(b)(ii)	Note 26(b)(iv)	RMB'000			
Balance at July 1, 2022	92	7,982,824	117,912	(83,796)	850,592	19,491	89,108	(1,944,581)	7,031,642	(4,242)	7,027,400
Changes in equity for the year ended June 30, 2023											
Profit for the year	—	—	—	—	—	—	—	1,768,926	1,768,926	12,903	1,781,829
Other comprehensive income for the year	—	—	—	—	—	34,871	—	—	34,871	6,327	41,198
Total comprehensive income for the year	—	—	—	—	—	34,871	—	1,768,926	1,803,797	19,230	1,823,027
Issuance of ordinary shares relating to Hong Kong public offering and exercise of the over-allotment option, net of underwriting commissions and other issuance costs	26(a)(iii)	3	408,018	—	—	—	—	—	408,021	—	408,021
Dividend declared	26(d)	—	(370,787)	—	—	—	—	—	(370,787)	—	(370,787)
Offset of accumulated losses	26(a)	—	(730,898)	—	—	—	—	730,898	—	—	—
Exercise of options and subscription of restricted share units	27	—*	380	—	—	—	—	—	380	—	380
Release of ordinary shares from share incentive plan		—*	(616)	—	616	—	—	—	—	—	—
Repurchase of shares	26(b)(v)	—	—	—	(32,711)	—	—	—	(32,711)	—	(32,711)
Cancellation of shares	26(a)(vi)	—*	(31,841)	—	31,841	—	—	—	—	—	—
Equity settled share-based transactions	27	—	—	—	62,882	—	—	—	62,882	—	62,882
Appropriation to statutory reserve	26(b)(iv)	—	—	—	—	—	15,912	(15,912)	—	—	—
Acquisition of non-controlling interests		—	(2,209)	—	—	—	—	—	(2,209)	2,166	(43)
Acquisition of a subsidiary with non-controlling interests		—	—	—	—	—	—	—	—	99	99
Balance at June 30, 2023	95	7,254,871	117,912	(84,050)	913,474	54,362	105,020	539,331	8,901,015	17,253	8,918,266

* The amount was less than RMB1,000.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of changes in equity (continued)
(Expressed in thousands of Renminbi)

Notes	Attributable to equity shareholders of the Company									Non-controlling interests	Total equity
	Share capital	Additional paid-in capital	Merger reserve	Treasury shares	Share-based payment reserve	Translation reserve	PRC statutory reserve	Retained earnings	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			Note 26(b)(i)	Note 26(b)(v)	Note 26(b)(iii)	Note 26(b)(ii)	Note 26(b)(iv)				
Balance at July 1, 2023	95	7,254,871	117,912	(84,050)	913,474	54,362	105,020	539,331	8,901,015	17,253	8,918,268
Changes in equity for the six months ended December 31, 2023											
Profit for the period	—	—	—	—	—	—	—	1,248,405	1,248,405	7,672	1,256,077
Other comprehensive loss for the period	—	—	—	—	—	(30,601)	—	—	(30,601)	(1,903)	(32,504)
Total comprehensive income for the period	—	—	—	—	—	(30,601)	—	1,248,405	1,217,804	5,769	1,223,573
Dividend declared	26(d)	(923,664)	—	—	—	—	—	—	(923,664)	—	(923,664)
Exercise of options and subscription of restricted share units	27	— *	168	—	—	—	—	—	168	—	168
Repurchase of shares	26(b)(v)	—	—	(73,560)	—	—	—	—	(73,560)	—	(73,560)
Equity settled share-based transactions	27	—	—	—	46,432	—	—	—	46,432	—	46,432
Appropriation to statutory reserve	26(b)(iv)	—	—	—	—	—	65,579	(65,579)	—	—	—
Balance at December 31, 2023	95	6,331,375	117,912	(157,610)	959,906	23,761	170,599	1,722,157	9,168,195	23,022	9,191,217

* The amount was less than RMB1,000.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of changes in equity (continued)
(Expressed in thousands of Renminbi)

Notes	Attributable to equity shareholders of the Company									Non-controlling interests RMB'000	Total equity RMB'000
	Share capital	Additional paid-in capital	Merger reserve	Treasury shares	Share-based payment reserve	Translation reserve	PRC statutory reserve	Retained earnings	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
	Note 26(a)	Note 26(a)	Note 26(b)(i)	Note 26(b)(v)	Note 26(b)(iii)	Note 26(b)(ii)	Note 26(b)(iv)				
Balance at January 1, 2024	95	6,331,375	117,912	(157,610)	959,906	23,761	170,599	1,722,157	9,168,195	23,022	9,191,217
Changes in equity for the year ended December 31, 2024											
Profit for the year	—	—	—	—	—	—	—	2,617,560	2,617,560	17,868	2,635,428
Other comprehensive income for the year	—	—	—	—	—	18,273	—	—	18,273	855	19,128
Total comprehensive income for the year	—	—	—	—	—	18,273	—	2,617,560	2,635,833	18,723	2,654,556
Dividend declared and paid to equity shareholders of the Company	26(d)	—	(1,244,251)	—	—	—	—	—	(1,244,251)	—	(1,244,251)
Dividend declared and paid to non-controlling interests		—	—	—	—	—	—	—	—	(1,612)	(1,612)
Exercise of options and subscription of restricted share units	27	— *	649	—	—	—	—	—	649	—	649
Repurchase of shares	26(b)(v)	—	—	—	(330,221)	—	—	—	(330,221)	—	(330,221)
Cancellation of shares	26(a)(vii)	(1)	(403,781)	—	403,782	—	—	—	—	—	—
Equity settled share-based transactions	27	—	—	—	—	85,184	—	—	85,184	—	85,184
Appropriation to statutory reserve	26(b)(iv)	—	—	—	—	—	37,540	(37,540)	—	—	—
Acquisition of non-controlling interests		—	(415)	—	—	—	—	—	(415)	415	—
Balance at December 31, 2024	94	4,683,577	117,912	(84,049)	1,045,090	42,034	208,139	4,302,177	10,314,974	40,548	10,355,522

* The amount was less than RMB1,000.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of changes in equity (continued)
(Expressed in thousands of Renminbi)

Attributable to equity shareholders of the Company													
Notes	Share capital RMB'000 Note 26(a)	Additional paid-in capital RMB'000 Note 26(a)	Merger reserve RMB'000 Note 26(b)(i)	Treasury shares RMB'000 Note 26(b)(v)	Call option on equity RMB'000	Share-based payment reserve RMB'000 Note 26(b)(iii)	Translation reserve RMB'000 Note 26(b)(ii)	PRC statutory reserve RMB'000 Note 26(b)(iv)	Share of other comprehensive loss of equity-accounted investees RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at January 1, 2025	94	4,683,577	117,912	(84,049)	—	1,045,090	42,034	208,139	—	4,302,177	10,314,974	40,548	10,355,522
Changes in equity for the year ended December 31, 2025													
Profit for the year	—	—	—	—	—	—	—	—	—	1,205,045	1,205,045	4,769	1,209,814
Other comprehensive income for the year	—	—	—	—	—	—	6,529	—	(1,046)	—	5,483	(3,615)	1,868
Total comprehensive income for the year	—	—	—	—	—	—	6,529	—	(1,046)	1,205,045	1,210,528	1,154	1,211,682
Dividend declared and paid to equity shareholders of the Company	26(d)	—	(1,357,748)	—	—	—	—	—	—	—	(1,357,748)	—	(1,357,748)
Repurchase of shares	26(b)(v)	—	—	—	(549,237)	—	—	—	—	—	(549,237)	—	(549,237)
Cancellation of shares	26(a)(viii)	— *	(419,784)	—	419,784	—	—	—	—	—	—	—	—
Equity settled share-based transactions	27	—	—	—	—	367,869	—	—	—	—	367,869	—	367,869
Issuance of shares in respect of vesting of restricted share units	26(a)(iv)	— *	—	—	—	—	—	—	—	—	— *	—	—
Exercise of share options and subscription of restricted share units	27	— *	303	—	—	—	—	—	—	—	303	—	303
Recognition of Upper-strike call option	29	—	—	—	650,711	—	—	—	—	—	650,711	—	650,711
Capital contribution from non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	6,980	6,980
Appropriation to statutory reserve	26(b)(iv)	—	—	—	—	—	—	9,312	—	(9,312)	—	—	—
Disposal of a subsidiary	—	—	—	—	—	—	—	(194)	—	—	(194)	—	(194)
Acquisition of non-controlling interests	—	(18,443)	—	—	—	—	—	—	—	—	(18,443)	14,838	(3,605)
Acquisition of a subsidiary with non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	36,988	36,988
Balance at December 31, 2025	94	2,887,905	117,912	(213,502)	650,711	1,412,959	48,563	217,257	(1,046)	5,497,910	10,618,763	100,508	10,719,271

* The amount was less than RMB1,000.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of cash flows
(Expressed in thousands of Renminbi)

	Notes	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Cash flows from operating activities					
Cash generated from operations	20(a)	2,084,952	1,448,307	2,995,609	3,347,298
Income tax paid		(418,922)	(350,766)	(827,275)	(769,407)
Net cash from operating activities		1,666,030	1,097,541	2,168,334	2,577,891
Cash flows from investing activities					
Payment for purchases of property, plant, equipment and intangible assets		(174,147)	(264,766)	(762,538)	(997,651)
Proceeds from disposal of property, plant and equipment and intangible assets		5,224	427	12,446	55,684
Refund of prepayments		200,000	—	—	—
Payments for purchases of other investments		(7,880,763)	(2,553,982)	(14,117,719)	(24,957,607)
Proceeds from disposal of other investments		7,808,395	2,503,982	14,267,719	25,062,179
Placement of term deposits		(761,371)	(210,405)	(302,158)	(125,477)
Release of term deposits		316,542	581,371	213,521	290,289
Interest income		145,225	122,231	112,404	95,126
Investment income from other investments		42,921	14,281	81,145	103,675
Loan to an equity-accounted investee		—	—	(19,926)	(34,072)
Payments for investments in equity-accounted investees		—	(16,066)	(18,148)	(6,285,796)
Acquisition of subsidiaries, net of cash acquired	28	4,568	—	—	(225,856)
Net cash (used in)/from investing activities		(293,406)	177,073	(533,254)	(7,019,506)
Cash flows from financing activities					
Proceeds from Hong Kong public offering and exercise of the over-allotment option, net of underwriting commissions and other issuance costs		469,683	—	—	—
Proceeds from capital injection from shareholders, subscription of restricted shares, restricted share units and exercise of share options		382	168	649	303
Proceeds from loans and borrowings	20(b)	—	—	563,800	4,737,057
Repayment of loans and borrowings	20(b)	(206)	—	(718)	(595,228)
Payment of capital element and interest element of lease liabilities	20(b)	(346,008)	(236,519)	(725,075)	(897,480)
Interest paid	20(b)	—	—	—	(96,451)
Payments of repurchase of shares		(32,711)	(73,560)	(313,416)	(535,249)
Prepayments for repurchase of shares		(3,693)	(87,324)	—	—
Dividends paid to equity shareholders of the Company	26(d)	(370,787)	(923,664)	(1,244,251)	(1,357,748)
Dividends paid to non-controlling interests		—	—	(1,612)	—
Payments of listing expenses relating to Hong Kong public offering		(42,616)	—	—	—
Payment for purchases of options		—	—	—	(1,207,782)
Proceeds from issue of options		—	—	—	650,711
Proceeds from issue of the Equity Linked Securities, net of issuance costs	20(b)	—	—	—	3,842,864
Proceeds from issue of preferred share		—	—	—	424,862
Payment for acquisition of non-controlling interest		—	—	—	(3,605)
Capital injection from non-controlling interests		—	—	—	6,980
Net cash (used in)/from financing activities		(325,956)	(1,320,899)	(1,720,623)	4,969,234
Net increase/(decrease) in cash and cash equivalents		1,046,668	(46,285)	(85,543)	527,619
Cash and cash equivalents at the beginning of the year/period		5,348,492	6,489,213	6,415,441	6,328,121
Effect of movements in exchange rates on cash held		94,053	(27,487)	(1,777)	(38,611)
Cash and cash equivalents at the end of the year/period	18	6,489,213	6,415,441	6,328,121	6,817,129

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements
(Expressed in thousands of Renminbi, unless otherwise indicated)

1 General information and list of principal subsidiaries

1.1 General information

MINISO Group Holding Limited (the “Company”) was incorporated in the Cayman Islands on January 7, 2020, as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company completed its initial public offering (“IPO”) on October 15, 2020 and the Company’s American Depositary Shares (“ADSs”) have been listed on the New York Stock Exchange since then. Each ADS of the Company represents four ordinary shares. The Company’s ordinary shares have also been listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) since July 13, 2022.

The accompanying consolidated financial statements comprise the Company and its subsidiaries (together, the “Group”). The Group is principally engaged in the retail and wholesale of lifestyle and pop toy products across the People’s Republic of China (the “PRC”) and other countries in Asia, America, and Europe, etc. The Company does not conduct any substantive operations of its own but conducts its primary business operations through its subsidiaries.

1.2 List of principal subsidiaries

Set out below is a list of the Company’s principal subsidiaries as at December 31, 2025:

Company name	Place of incorporation/ establishment and business	Issued and paid-up capital	Group’s effective interest (direct or indirect)	Principal activities
MINISO Universal Holding Limited	BVI	USD-	100%	Investment holding
MINISO Global Holding Limited	BVI	USD-	100%	Investment holding
YGF Investment V Limited	BVI	RMB405,516	100%	Investment holding
MINISO Development Hong Kong Limited	Hong Kong	HKD-	100%	Investment holding and wholesale of lifestyle products
MINISO Investment Hong Kong Limited	Hong Kong	HKD80,100,000	100%	Investment holding and wholesale of lifestyle products
MINISO Hong Kong Limited	Hong Kong	HKD350,000,000	100%	Wholesale of lifestyle products
YGF Investment V Hong Kong Limited	Hong Kong	RMB8,272	100%	Investment holding
MINISO Life Style Private Limited	India	INR669,540,570	100%	Wholesale and retail of lifestyle products
USA MINISO Depot Inc.	United States	USD67,041,441	100%	Wholesale and retail of lifestyle products
Pt. MINISO Lifestyle Trading Indonesia	Indonesia	IDR53,289,350,000	67%	Wholesale and retail of lifestyle products
MIHK Management Inc.	Canada	CAD73,923,820	100%	Wholesale and retail of lifestyle products
Miniso Lifestyle Singapore Private Limited	Singapore	SGD3,000	100%	Wholesale and retail of lifestyle products
MINISO (Guangzhou) Co., Ltd. (i)(ii)	PRC	RMB139,693,019	100%	Wholesale and retail of lifestyle products
MINISO Youxuan Technology (Guangzhou) Co., Ltd. (ii)	PRC	RMB10,000,000	100%	Online sales of lifestyle products
MINISO International (Guangzhou) Co., Ltd. (ii)	PRC	RMB65,000,000	100%	Wholesale of lifestyle products
MINISO (Hengqin) Enterprise Management Co., Ltd. (ii)	PRC	RMB10,000,000	100%	Brand licensing
TOP TOY International Group Limited	Cayman Islands	USD8,800	86.9%	Investment holding
TOP TOY Group Holding Limited	Cayman Islands	USD-	100%	Investment holding
TOP TOY Universal Holding Limited	BVI	USD-	100%	Investment holding
TOP TOY HK Limited	Hong Kong	HKD-	100%	Wholesale of pop toy products
TOP TOY (Guangdong) Cultural Creativity Co., Ltd. (Formerly known as TOP TOY (Guangdong) Technology Co., Ltd.) (ii)	PRC	RMB5,000,000	100%	Wholesale and retail of pop toy products
Mingyou Industrial Investment (Guangzhou) Co., Ltd. (i)(ii)	PRC	RMB2,126,000,000	100%	Development of headquarters building
Guangdong Juncal International Trading Co., Ltd (ii)	PRC	RMB2,808,118,134	100%	Investment holding

Notes:

- (i) These entities are wholly-owned foreign companies established in the PRC.
- (ii) These entities are limited liability companies established in the PRC.

2 Material accounting policies

(a) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as approved by the International Accounting Standards Board ("IASB"), and were authorized for issue by the Company's board of directors on April 24, 2026.

Material accounting policies adopted by the Group are disclosed below. The Group has consistently applied these accounting policies to all periods presented in these consolidated financial statements, unless otherwise stated.

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these amendments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation

The Company has changed its financial year end date from June 30 to December 31 on January 17, 2024. The accompanying consolidated financial statements of the Group are for the years ended December 31, 2024 and 2025. The comparative information presented in these consolidated financial statements for the year ended June 30, 2023, and the six months ended December 31, 2023 are therefore not comparable.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for financial instruments that are measured at fair value, as explained in the accounting policies below.

(c) Changes in accounting policies

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The amendments do not have a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not early adopted any other standard or amendment that has been issued but is not yet effective for the year ended December 31, 2025 as set out in Note 36.

(d) Basis of consolidation

(i) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intra-group balances, transactions and cash flows and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Non-controlling interests are measured initially at their proportionate share of the subsidiary's net identifiable assets at the date of acquisition.

Non-controlling interests are presented in the consolidated statements of financial position within equity, separately from equity attributable to equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statements of profit or loss and consolidated statements of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the period between non-controlling interests and the equity shareholders of the Company.

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statements of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(h)(ii)).

(ii) *Interests in associates and joint ventures*

The Group's interests in equity-accounted investees comprises interests in associates and joint ventures.

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Note 2(h)(ii)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the reporting period are recognized in the consolidated statements of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognized in the consolidated statements of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in associates and joint ventures, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate and joint venture, after applying the ECL model to such other long-term interests where applicable (see Note 2(h)(i)).

Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent there is no evidence of impairment.

(iii) *Goodwill*

Goodwill represents the excess of:

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognized immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash-generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see Note 2(h)(ii)).

On disposal of a cash-generating unit during the reporting period, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(iv) *Business combinations*

Except for business combinations under common control, the Group accounts of business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see Note 2(d)(i)). In determining whether a particular set of activities and assets is a business, the Group assess whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

(v) *Asset acquisition*

Groups of assets acquired and liabilities assumed are assessed to determine if they are business or asset acquisitions. On an acquisition-by-acquisition basis, the Group chooses to apply a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

When a group of assets acquired and liabilities assumed do not constitute a business, the overall acquisition cost is allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of acquisition. An exception is when the sum of the individual fair values of the identifiable assets and liabilities differs from the overall acquisition cost. In such case, any identifiable assets and liabilities that are initially measured at an amount other than cost in accordance with the Group's policies are measured accordingly, and the residual acquisition cost is allocated to the remaining identifiable assets and liabilities based on their relative fair values at the date of acquisition.

When acquiring assets by obtaining a controlling interest in a legal entity that does not constitute a business as a step acquisition, the previously held equity interest is included as part of the cost of the acquisition and is not remeasured.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (see Note 2(h)(ii)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labor, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

No depreciation is provided in respect of the construction in progress.

The estimated useful lives of property, plant and equipment are as follows:

Apartments	30 years
Leasehold improvements	Over the shorter of lease term or the estimated useful lives of the assets
Office equipment	2 – 5 years
Store operating equipment	2 – 5 years
Motor vehicles	3 – 5 years
Moulds	1 – 2 years

Amortization methods, useful lives and residual values, if any, are reviewed at each reporting date and adjusted if appropriate.

(f) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortization (where the estimated useful life is finite) and accumulated impairment losses (see Note 2(h)(ii)).

Amortization is calculated to write off the cost of intangible assets with finite useful lives using straight-line method over their estimated useful lives and is generally recognized in profit or loss. Their estimated useful lives of intangible assets are as follows:

Software	5 years
Intellectual property rights	10 years

Amortization methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

(g) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalize the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalized are recognized as an expense on a systematic basis over the lease term.

Where the lease is capitalized, the lease liability is initially recognized at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortized cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Note 2(h)(ii)). Depreciation is calculated to write off the cost of items of right-of-use assets, using the straight-line method over the unexpired lease term.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are rent concessions that occurred as a direct consequence of the COVID-19 pandemic and met the conditions set out in paragraph 46B of IFRS 16 *Leases*. In such cases, the Group has taken advantage of the practical expedient not to assess whether the rent concessions are lease modifications, and recognized the change in consideration as negative variable lease payments in profit or loss in the period in which the event or condition that triggers the rent concessions occurred.

The Group presents right-of-use assets and presents lease liabilities separately in the consolidated statements of financial position.

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognizes a loss allowance for expected credit losses (ECLs) on financial assets measured at amortized cost (including cash and cash equivalents, restricted cash, term deposits, trade and other receivables).

Other financial assets measured at fair value through profit or loss, including other investments, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognizes a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or (ii) the financial asset is 30 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognized in accordance with Note 2(u)(iii) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortized cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it is becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, an impairment loss previously recognized no longer exists or may have decreased:

- property, plant and equipment;
- right-of-use assets;
- intangible assets;
- goodwill;
- interests in equity-accounted investees; and
- investments in subsidiaries in the Company's statement of financial position.

For cash-generating units ("CGUs") where an indication of impairment is identified, an impairment assessment is performed by comparing the carrying value of the CGUs with their recoverable amounts. If the carrying value of the CGUs exceeds their recoverable amounts, the Company writes down the assets which belong to the CGUs to the estimated recoverable amounts.

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount of an asset or a CGU.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior periods. Reversals of impairment losses are credited to profit or loss in the periods in which the reversals are recognized.

- Determination of CGUs

Assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs (e.g., the Group's individual self-operated stores).

- Calculation of recoverable amount

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and value in use.

(i) Inventories

Inventories are finished goods which are held for sale, including the products placed at franchisees' stores, and low value consumables to be consumed in the ordinary course of business.

Inventories are carried at the lower of cost and net realizable value.

Cost of inventories is calculated using the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized.

The amount of any write-down of inventories to net realizable value is recognized as an expense in the period the write-down occurs. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

(j) Contract liabilities

A contract liability is recognized when the customer pays non-refundable consideration before the Group recognizes the related revenue (see Note 2(u)). A contract liability would also be recognized if the Group has an unconditional right to receive non-refundable consideration before the Group recognizes the related revenue. In such cases, a corresponding receivable would also be recognized (see Note 2(k)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

(k) Trade and other receivables

A receivable is recognized when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortized cost using the effective interest method less allowance for credit losses (see Note 2(h)(i)).

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in Note 2(h)(i).

(m) Other investments

Other investments are classified as measured at fair value through profit or loss (FVTPL). Changes in the fair value of the investments are recognized in profit or loss.

(n) Trade and other payables

Trade and other payables are initially recognized at fair value and subsequently stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(o) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new shares are recognized in equity as a deduction, net of tax, from the proceeds.

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost using the effective interest method. Interest expense is recognized in accordance with the Group's accounting policy for borrowing costs (see Note 2(w)).

(q) Equity Linked Securities, lower strike call option and upper strike warrant

Derivative financial instruments

The Group's derivative financial instruments mainly include the lower strike call option and cash settlement options embedded in the equity linked securities (see Note 29(a)(b)). Such derivative financial instruments are initially recognized at fair value on the date of which the related derivative contracts are entered into and are subsequently measured at fair value. All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the consolidated statements of profit or loss. Reassessment occurs if there is a change in the terms of the contract that significantly modifies the cash flows.

Equity instrument

The Group's equity instrument mainly includes upper strike warrant. Such equity instrument issued by the Group is initially measured and subsequently measured at historical cost.

(r) Employee benefits

(i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Contributions to defined contribution plans

Pursuant to the relevant laws and regulations of the PRC, the Group's subsidiaries in Chinese Mainland participate in a defined contribution of basic pension insurance in the social insurance system established and managed by government organizations. The Group makes contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government. Basic pension insurance contributions are recognized as part of the cost of assets or charged to profit or loss as the related services are rendered by the employees.

The Group also participates in a pension scheme under the rules and regulations of the Mandatory Provident Fund Scheme Ordinance (the "MPF Scheme") for all employees in Hong Kong, which is a defined contribution retirement scheme. The contributions to the MPF Scheme are based on minimum statutory contribution requirement of 5% of eligible employees' relevant aggregate income. Contributions to the plan vest immediately. There are no forfeited contributions for the MPF Scheme as the contributions are fully vested to the employees upon payment to the scheme. The assets of this pension scheme are held separately from those of the Group in independently administered funds.

The Group participates in various defined contribution retirement benefit plans which are available to all other overseas subsidiaries. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a fund and the Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee services in the current and prior periods. The Group's contributions to the defined contribution plans are expensed as incurred.

(iii) *Share-based payments*

The Group operates certain equity-settled share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments of the Group.

The fair value of share awards granted to employees is recognized as an employee cost with a corresponding increase in the share-based payment reserve. The fair value is measured at grant date, taking into account the terms and conditions upon which the shares or share options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the shares or share options, the total estimated fair value of the shares or share options is spread over the vesting period, taking into account the probability that the shares or share options will vest.

During the vesting period, the number of shares that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to the profit or loss for the period of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based payment reserve. On vesting date, the amount recognized as an expense is adjusted to reflect the actual number of shares that vest (with a corresponding adjustment to equity).

If new equity instruments are granted to the employee and, on the date when those new equity instruments are granted, the entity identifies the new equity instruments granted as replacement equity instruments for the cancelled equity instruments, the entity shall account for the granting of replacement equity instruments in the same way as a modification of the original grant of equity instruments.

At the date the replacement awards are granted, the entity accounts for any incremental fair value in addition to the grant-date fair value of the original award. The incremental fair value is the difference between the fair value of the replacement award and the net fair value of the cancelled award, both measured at the date on which the replacement award is issued. The net fair value is the fair value of the cancelled award measured immediately before the cancellation, less any payment made to the employees on cancellation.

The Group recognizes the effects of modifications that increase the total fair value of the share-based payment arrangement or are otherwise beneficial to the employee. If the Group modifies the terms or conditions of the share awards granted without reducing the number of equity instruments granted in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the Group nevertheless continues to recognize as a minimum the original grant date fair value of the equity instruments granted (unless those equity instruments are forfeited) as if that modification had not occurred.

(iv) *Termination benefits*

Termination benefits are recognized at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognizes restructuring costs involving the payment of termination benefits.

(s) *Income tax*

Income tax for the period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to items recognized in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognized in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the end of each reporting period, and any adjustment to tax payable in respect of previous periods. The amount of current tax payable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Deferred tax is not recognized for:

- temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss) and does not give rise to equal taxable and deductible temporary differences;
- temporary differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future ; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development.

The Group recognized deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, the future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilized. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if all of the following conditions are met:

- the taxable entity has a legally enforceable right to set off current tax assets against current tax liabilities;
- they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(f) Provisions and contingent liabilities

Provisions are recognized when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(u) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of products and the provision of services.

Revenue is recognized when control over the product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled in exchange for the satisfaction of a specific performance obligation, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any sales rebates and sales return.

The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for the effects of any significant financing component if the expected period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sales of products

Retail sales in self-operated stores

Revenue from retail sales to customers in self-operated stores is recognized at the point when the end customer takes possession of and pays for the products.

Product sales to franchisees

The Group has entered into a series of agreements with franchisees, which mainly include a license agreement and a sales agreement (collectively "Franchise Agreements"), whereby the franchisees are licensed to operate the franchised stores and are authorized to sell, in their own retail stores, the products that they have purchased from the Group.

For product sales to franchisees, the Group has determined that the franchisees are the customers of the Group. The franchisees operate retail stores at their own chosen locations under the framework set out under the Franchise Agreements. The franchisees employ and manage their own staff to operate the stores and serve their customers (i.e., end consumers who visit the stores), and bear the costs associated with the operation. The franchisees' retail stores generally carry a wide range of merchandise that they exercise discretion to select from the Group's array of product categories.

Revenue from sales to these franchisees is recognized at the point when they obtain the legal title of the products and become obliged to pay for the products, which is when the franchisees sell the products to their customers in the franchisees' stores.

Sales to offline distributors

The Group has entered into a series of agreements with offline distributors, primarily overseas, which mainly include a master license agreement and a sales agreement, whereby the distributors are authorized to sub-license the operation of franchised stores in their authorized territories and sell the products that they have purchased from the Group to the franchised stores in their authorized territories. Revenue from sales of products to these distributors is recognized at the point in time when the control of the products has transferred to the distributors according to the contractually agreed shipping terms.

Online sales

Revenue from online sales to customers, which are conducted through the Group's self-operated online stores on third-party e-commerce platforms, is recognized at the point when the products are delivered to customers. The Group has also entered into agreements with online distributors, who are authorized to sell products purchased from the Group to customers through their online stores on various major e-commerce platforms. Revenue is recognized at the point in time when the control of the products has transferred to the online distributors according to the contractually agreed shipping terms.

(ii) License fees, sales-based royalties and sales-based management and consultation service fees

Franchisees and distributors are required to provide non-refundable upfront payments in exchange for the franchise right or sub-license right, which represent primarily their right to access the Group's brand name and trademarks. In addition, franchisees are also required to pay sales-based royalties and sales-based management and consultation service fees for such access. The fixed component of such royalties is recognized as revenue over the estimated license period, while the sales-based component is recognized as revenue when the related sales occur.

(iii) Interest income

Interest income is recognized as it accrues using the effective interest method.

(iv) Government grants

Government grants are recognized in the consolidated statements of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognized as other income in the consolidated statements of profit or loss based on the timing of when the related costs for which the grants are intended to compensate are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognized in the consolidated statements of profit or loss over the useful life of the asset by way of reduced depreciation expense.

(v) Translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity (the "functional currency"). The functional currency of the Company is United States Dollars ("USD"). As the major operations of the Group are within the PRC, the Group presents its consolidated financial statements in Renminbi ("RMB"), unless otherwise stated. All values are rounded to the nearest thousand except when otherwise indicated.

(ii) Transactions and balances

Foreign currency transactions during the reporting period are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the end of each reporting period. Exchange gains and losses are recognized in profit or loss and presented within other net income.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated at the exchange rate at the date when the fair value was determined.

(iii) Foreign operations

The results of foreign operations are translated into RMB at the exchange rates approximating the exchange rates at the dates of the transactions. Statement of financial position items are translated into RMB at the exchange rates at the end of each reporting period. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the translation reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences in the translation reserve relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognized.

(w) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an asset which necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(x) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - Both entities are joint ventures of the same third party.
 - One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - The entity is controlled or jointly controlled by a person identified in (a).
 - A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's chief operating decision maker, who is the chief executive officer, for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(z) Redemption liabilities arising from preferred shares

The Group designated the preferred shares with redemption rights issued by a subsidiary of the Company as financial liabilities at fair value through profit or loss. They are initially recognised at fair value. Any directly attributable transaction costs are recognised in the consolidated statements of profit or loss. Subsequent to initial recognition, the preferred shares are carried at fair value with changes in fair value recognised in the consolidated statements of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the consolidated statements of profit or loss.

3 Accounting judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Significant judgements and estimates made in applying accounting policies is as follows:

Impairments of property, plant and equipment and right-of-use assets related to self-operated stores

In considering the impairment losses that may be required for certain property, plant and equipment and right-of-use assets related to self-operated stores, recoverable amount of these assets needs to be determined, being the higher of fair value less costs of disposal and value in use. In determining the recoverable amount of these assets, the Group evaluates market rental rates with the assistance of valuation professionals.

4 Segment reporting

The Group manages its businesses by divisions, which are organized by a mixture of both brands and geography. In a manner consistent with the way in which information is reported internally to the Group's chief executive officer for the purposes of resource allocation and performance assessment, the Group has presented two reportable segments of MINISO brand and TOP TOY brand during the year ended and June 30, 2023 and the six months ended December 31, 2023 and the year ended December 31, 2024. On January 1, 2025, the Group changed its segment disclosure to separate MINISO brand into MINISO brand - Chinese Mainland and MINISO brand - Overseas. As a result, the Group has presented three reportable segments of MINISO brand - Chinese Mainland, MINISO brand - Overseas and TOP TOY brand for the year ended December 31, 2025. The Group retrospectively revised prior period segment information to conform to current period presentation.

Reportable segments	Operations
MINISO brand - Chinese Mainland	Design, buying and sale of lifestyle products
MINISO brand - Overseas	Design, buying and sale of lifestyle products
TOP TOY brand	Design, buying and sale of pop toys

(i) Segment results and other material items

Information related to each reportable segment is set out below. Segment profit before taxation is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments.

	For the year ended June 30, 2023					
	MINISO brand			TOP TOY brand RMB'000	Unallocated amounts RMB'000	Total RMB'000
	Chinese Mainland RMB'000	Overseas RMB'000	Sub-total RMB'000			
External revenue	8,672,058	2,189,164	10,861,222	533,367	78,619	11,473,208
Intersegment revenue	2,059,250	109,218	2,168,468	26,877	280,016	2,475,361
Segment revenue	10,731,308	2,298,382	13,029,690	560,244	358,635	13,948,569
Elimination of intersegment revenue						(2,475,361)
Consolidated revenue						11,473,208
Operating profit/(loss)	1,788,455	456,071	2,244,526	(16,750)	(4,765)	2,223,011
Finance income	133,669	5,908	139,577	1,201	4,447	145,225
Finance costs	(25,117)	(4,634)	(29,751)	(4,863)	(8)	(34,622)
Profit/(loss) before taxation	1,897,007	457,345	2,354,352	(20,412)	(326)	2,333,614
Income tax expense						(551,785)
Profit for the year						1,781,829
Other material items						
Depreciation and amortization	(97,309)	(204,761)	(302,070)	(64,405)	(24,692)	(391,167)
Reversal of credit loss/(credit loss) on trade and other receivables	—	1,409	1,409	(246)	(91)	1,072
Impairment loss on non-current assets	—	(1,433)	(1,433)	(2,015)	—	(3,448)
Additions to non-current assets during the year*	97,260	836,508	933,768	37,434	4,221	975,423

For the six months ended December 31, 2023						
MINISO brand						
	Chinese Mainland RMB'000	Overseas RMB'000	Sub-total RMB'000	TOP TOY brand RMB'000	Unallocated amounts RMB'000	Total RMB'000
External revenue	4,437,501	2,814,109	7,251,610	368,842	12,015	7,632,467
Intersegment revenue	2,100,894	22,154	2,123,048	7,221	185,435	2,315,704
Segment revenue	6,538,395	2,836,263	9,374,658	376,063	197,450	9,948,171
Elimination of intersegment revenue						(2,315,704)
Consolidated revenue						7,632,467
Operating profit/(loss)	850,718	697,099	1,547,817	7,985	(2,095)	1,553,707
Finance income	118,864	1,199	120,063	640	3,266	123,969
Finance costs	(105)	(22,937)	(23,042)	(2,146)	(14)	(25,202)
Share of profit of equity-accounted investees, net of tax	—	—	—	—	268	268
Profit before taxation	969,477	675,361	1,644,838	6,479	1,425	1,652,742
Income tax expense						(396,665)
Profit for the period						1,256,077
Other material items						
Depreciation and amortization	(79,181)	(166,615)	(245,796)	(31,906)	(7,539)	(285,241)
(Credit loss)/reversal of credit loss on trade and other receivables	—	(2,791)	(2,791)	988	(277)	(2,080)
Impairment loss on non-current assets	—	(3,682)	(3,682)	(865)	—	(4,547)
Additions to non-current assets during the period*	76,359	656,748	733,107	75,329	2,941	811,377

For the year ended December 31, 2024						
MINISO brand						
	Chinese Mainland RMB'000	Overseas RMB'000	Sub-total RMB'000	TOP TOY brand RMB'000	Unallocated amounts RMB'000	Total RMB'000
External revenue	9,328,231	6,674,334	16,002,565	983,525	7,935	16,994,025
Intersegment revenue	3,868,410	3,246	3,871,656	13,858	571,490	4,457,004
Segment revenue	13,196,641	6,677,580	19,874,221	997,383	579,425	21,451,029
Elimination of intersegment revenue						(4,457,004)
Consolidated revenue						16,994,025
Operating profit/(loss)	1,728,123	1,492,626	3,220,749	97,133	(2,093)	3,315,789
Finance income	105,689	9,742	115,431	1,093	2,148	118,672
Finance costs	(32,179)	(54,938)	(87,117)	(5,798)	—	(92,915)
Share of profit of equity-accounted investees, net of tax	—	5,986	5,986	—	—	5,986
Profit before taxation	1,801,633	1,453,416	3,255,049	92,428	55	3,347,532
Income tax expense						(712,104)
Profit for the year						2,635,428
Other material items						
Depreciation and amortization	(229,705)	(483,357)	(713,062)	(81,220)	(14,412)	(808,694)
(Credit loss)/reversal of credit loss on trade and other receivables	(226)	1,346	1,120	841	508	2,469
Impairment loss on non-current assets	(1,715)	(5,325)	(7,040)	(1,806)	—	(8,846)
Additions to non-current assets during the year*	253,501	2,180,306	2,433,807	214,698	292,993	2,941,498

For the year ended December 31, 2025						
	MINISO brand			TOP TOY brand RMB'000	Unallocated amounts RMB'000	Total RMB'000
	Chinese Mainland RMB'000	Overseas RMB'000	Sub-total RMB'000			
External revenue	10,896,147	8,628,754	19,524,901	1,915,618	3,308	21,443,827
Intersegment revenue	3,508,945	14,978	3,523,923	579,956	650,360	4,754,239
Segment revenue	14,405,092	8,643,732	23,048,824	2,495,574	653,668	26,198,066
Elimination of intersegment revenue						(4,754,239)
Consolidated revenue						21,443,827
Operating profit/(loss)	1,919,684	1,510,383	3,430,067	(106,156)	(20,788)	3,303,123
Finance income	63,277	34,118	97,395	5,512	1,514	104,421
Finance costs	(39,509)	(104,979)	(144,488)	(7,441)	(279,001)	(430,930)
Other expenses	—	—	—	—	(70,332)	(70,332)
Changes in fair value of redemption liabilities	—	—	—	(158,491)	—	(158,491)
Share of loss of equity-accounted investees, net of tax	—	(21,769)	(21,769)	—	(812,684)	(834,453)
Profit/(loss) before taxation	1,943,452	1,417,753	3,361,205	(266,576)	(1,181,291)	1,913,338
Income tax expense						(703,524)
Profit for the year						1,209,814
Other material items						
Depreciation and amortization	(280,900)	(783,732)	(1,064,632)	(134,340)	(7,333)	(1,206,305)
Credit loss on trade and other receivables	(12,860)	(9,103)	(21,963)	(11,278)	—	(33,241)
Impairment loss on non-current assets	(204)	(34,525)	(34,729)	(882)	—	(35,611)
Additions to non-current assets during the year*	330,601	2,507,251	2,837,852	397,851	2,110	3,237,813

Note:

* The additions to non-current assets include additions to property, plant and equipment, right-of-use assets and intangible assets.

(ii) Segment assets and liabilities

As at December 31, 2024						
	MINISO brand			TOP TOY brand RMB'000	Unallocated amounts RMB'000	Total RMB'000
	Chinese Mainland RMB'000	Overseas RMB'000	Sub-total RMB'000			
Segment assets	6,540,003	5,575,856	12,115,859	939,552	—	13,055,411
Assets relating to construction of headquarters building	—	—	—	—	2,275,477	2,275,477
Assets relating to an investment holding company	—	—	—	—	2,508,145	2,508,145
Apartments for use as staff quarters	—	—	—	—	229,252	229,252
Other unallocated assets	—	—	—	—	51,843	51,843
Consolidated total assets						18,120,128
Segment liabilities	3,738,723	3,186,945	6,925,668	681,475	—	7,607,143
Liabilities relating to construction of headquarters building	—	—	—	—	118,507	118,507
Other unallocated liabilities	—	—	—	—	38,956	38,956
Consolidated total liabilities						7,764,606

As at December 31, 2025						
	MINISO brand			TOP TOY brand RMB'000	Unallocated amounts RMB'000	Total RMB'000
	Chinese Mainland RMB'000	Overseas RMB'000	Sub-total RMB'000			
Segment assets	9,469,659	8,530,298	17,999,957	1,561,354	—	19,561,311
Assets relating to construction of headquarters building	—	—	—	—	2,581,183	2,581,183
Assets relating to an investment holding company	—	—	—	—	5,481,951	5,481,951
Apartments for use as staff quarters	—	—	—	—	203,972	203,972
Financial derivative assets	—	—	—	—	774,103	774,103
Other unallocated assets	—	—	—	—	31,002	31,002
Consolidated total assets						28,633,522
Segment liabilities	5,317,417	3,920,933	9,238,350	1,470,008	—	10,708,358
Liabilities relating to construction of headquarters building	—	—	—	—	108,064	108,064
Liabilities relating to an investment holding company	—	—	—	—	3,452,000	3,452,000
Liabilities relating to Equity Linked Securities	—	—	—	—	2,415,667	2,415,667
Financial derivative liabilities	—	—	—	—	1,184,050	1,184,050
Other unallocated liabilities	—	—	—	—	46,112	46,112
Consolidated total liabilities						17,914,251

(iii) Geographic information

The geographic information analyses the Group's revenue and non-current assets by the Group's country of domicile and other regions. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets are based on the geographic location of the assets.

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
i. Revenue				
Chinese Mainland	7,650,821	4,843,127	10,312,116	12,577,451
Asia excluding China	1,821,080	1,157,261	2,541,817	2,736,150
North America	729,702	743,897	1,985,051	3,342,918
Latin America	1,008,356	660,039	1,445,691	1,560,169
Europe	151,496	154,737	414,493	703,771
Other	111,753	73,406	294,857	523,368
	11,473,208	7,632,467	16,994,025	21,443,827
ii. Non-current assets				
Chinese Mainland			3,626,187	3,963,551
Asia excluding China			413,285	515,983
North America			1,725,032	2,210,602
Europe			72,168	633,333
Other			143,858	472,604
			5,980,530	7,796,073

Non-current assets exclude deferred tax assets, non-current other investments, non-current term deposits, financial derivative assets and interests in equity-accounted investees.

5 Revenue

The Group's revenue is primarily derived from the sale of lifestyle and pop toy products through self-operated stores, franchised stores, offline distributors in the PRC and overseas and online sales conducted through the Group's self-operated online stores on third-party e-commerce platforms and through online distributors. Other sources of revenue mainly include license fees, sales-based royalties and sales-based management and consultation service fees from franchisees and distributors.

(i) Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by major products and service lines and timing of revenue recognition.

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
<i>Major products/service lines</i>				
— Sales of lifestyle and pop toy products				
— Retail sales in self-operated stores	990,048	1,004,114	3,158,895	5,410,291
— Product sales to franchisees	5,960,518	3,857,191	7,923,836	8,853,156
— Sales to offline distributors	2,612,742	1,660,860	3,369,238	3,887,954
— Online sales	706,397	355,380	941,055	1,412,624
— Other sales channels	87,530	44,149	48,190	109,188
Sub-total	10,357,235	6,921,694	15,441,214	19,673,213
— License fees, sales-based royalties, and sales-based management and consultation service fees				
— License fees	84,711	37,074	96,836	155,123
— Sales-based royalties	102,089	66,113	131,402	155,185
— Sales-based management and consultation service fees	500,775	323,182	640,944	751,575
Sub-total	687,575	426,369	869,182	1,061,883
— Others*	428,398	284,404	683,629	708,731
	11,473,208	7,632,467	16,994,025	21,443,827
<i>Timing of revenue recognition</i>				
— Point in time	10,619,987	7,195,509	16,101,797	20,347,756
— Over time	853,221	436,958	892,228	1,096,071
Revenue from contracts with customers	11,473,208	7,632,467	16,994,025	21,443,827

Note:

* Others mainly represented sales of fixtures to franchisees and distributors.

For the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025, the Group did not have any customer with revenue exceeding 10% of the Group's total revenue for the respective reporting periods.

(ii) Contract balances

The following table provides information about receivables, contract liabilities from contracts with customers.

	Note	As at December 31,	
		2024	2025
		RMB'000	RMB'000
Receivables, which are included in 'trade and other receivables'			
— Current portion		674,923	1,150,500
— Non-current portion		14,635	3,259
Total receivables, which are included in 'trade and other receivables'	17	689,558	1,153,759
Contract liabilities			
— Current portion		(323,292)	(388,746)
— Non-current portion		(35,145)	(22,418)
Total contract liabilities		(358,437)	(411,164)
		As at December 31,	
		2024	2025
		RMB'000	RMB'000
Contract liabilities are analyzed as follows:			
— Advance payments received from customers for purchase of goods		262,412	283,832
— Deferred revenue related to license fees		66,128	54,083
— Deferred revenue related to others		29,897	73,249
		358,437	411,164

The Group requests 20% to 100% advance payment for purchase of goods from certain domestic and overseas distributors prior to delivery of goods. This gives rise to contract liabilities at the start of a sales order, until the revenue of sales of products recognized on the corresponding sale order exceeds the amount of payments received in advance.

Unamortized portion of upfront license fees and others were recognized as contract liabilities.

Movements in contract liabilities are as follows:

	Contract liabilities RMB'000
Balance at January 1, 2024	364,982
Decrease in contract liabilities as a result of recognizing revenue during the year that was included in the contract liabilities at the beginning of the year	(324,028)
Increase in contract liabilities as a result of receiving advance payment	317,483
Balance at December 31, 2024	358,437
Decrease in contract liabilities as a result of recognizing revenue during the year that was included in the contract liabilities at the beginning of the year	(323,292)
Increase in contract liabilities as a result of receiving advance payment	376,019
Balance at December 31, 2025	411,164

As of December 31, 2024 and 2025, contract liabilities expected to be recognized as revenue after one year were RMB35,145,000 and RMB22,418,000 respectively, mainly represented license fees.

(iii) Revenue expected to be recognized in the future arising from contracts with customers in existence at the reporting dates

Contracts within the scope of IFRS 15

As at December 31, 2024 and 2025, the aggregated amounts of the transaction price allocated to the remaining performance obligations under the Group's existing contracts were RMB96,025,000 and RMB127,332,000, respectively. These amounts represented revenue of license fees and others. Revenue of license fees is expected to be recognized in the future from license agreements entered into with the franchisees and distributors. The Group will recognize the expected revenue in future over the remaining licensing period, which is mainly expected to occur over the next 1 to 10 years as at December 31, 2024 and 2025.

6 Expenses by nature

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Cost of inventories (Note 16(a))	6,859,362	4,292,806	9,099,543	11,533,059
Payroll and employee benefits (i)	819,592	580,801	1,475,943	2,296,516
Rental and related expenses	69,174	80,847	279,429	444,216
Depreciation and amortization (ii)	391,167	285,241	808,694	1,206,305
Licensing expenses	249,437	178,241	420,895	608,764
Promotion and advertising expenses	315,976	246,883	572,435	704,285
Logistics expenses	295,933	203,024	535,021	594,235
Travelling expenses	66,544	45,827	121,506	141,143
Other expenses	312,677	198,561	494,684	758,316
Total cost of sales, selling and distribution and general and administrative expenses	9,379,862	6,112,231	13,808,150	18,286,839

Notes:

(i) Payroll and employee benefits are analyzed as follows:

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Salaries, wages and bonus	657,236	463,208	1,202,421	1,670,100
Contributions to social security contribution plan	75,168	53,977	140,311	181,962
Welfare expenses	24,306	17,184	48,027	76,585
Equity-settled share-based payment expenses (Note 27)	62,882	46,432	85,184	367,869
	819,592	580,801	1,475,943	2,296,516

The Group's contributions to the defined contribution plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions.

(ii) Depreciation and amortization are analyzed as follows:

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	RMB'000	RMB'000	RMB'000	RMB'000
Property, plant and equipment (Note 11)	70,706	59,652	157,214	270,000
Right-of-use assets (Note 12)	334,193	239,787	684,462	971,471
Less: amount capitalized as construction in progress	(33,907)	(22,604)	(45,210)	(45,210)
Intangible assets (Note 13)	20,175	8,406	12,228	10,044
	<u>391,167</u>	<u>285,241</u>	<u>808,694</u>	<u>1,206,305</u>

7 Other net income

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	RMB'000	RMB'000	RMB'000	RMB'000
Net foreign exchange gain/(losses) (i)	109,095	(15,025)	(33,730)	(19,357)
(Losses)/gain on disposal of property, plants and equipment and intangible assets	(5,350)	(1,632)	(2,534)	7,275
Investment income from other investments	42,921	14,281	81,145	103,675
Gains on revaluation of the previously held equity-accounted investees	—	—	—	8,600
Scrap income	12,137	5,912	10,742	11,935
Net change in fair value of other investments	(3,692)	14,270	29,930	77,227
(Provision)/reversal of litigation compensation (ii)	(37,710)	408	300	—
Gains relating to cancellation and modification of lease contracts	193	4,821	15,201	12,123
Gain on disposal of a subsidiary	—	—	8,759	194
Others	(3,488)	(1,930)	4,883	(6,062)
	<u>114,106</u>	<u>21,105</u>	<u>114,696</u>	<u>195,610</u>

Notes:

- (i) Net foreign exchange gain for the year ended June 30, 2023 was mainly caused by the appreciation of US dollar against Renminbi in certain subsidiaries whose functional currency are Renminbi whereas its holding net assets were mainly denominated in US dollar, which mainly comprised of the US dollar cash and cash equivalents and trade and other receivables.
- (ii) Litigation compensation for the year ended June 30, 2023 mainly represented the provisions made for the lawsuits relating to employees' compensation and illicit competition.

8 Net finance income/(costs)

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Finance income				
—Interest income	145,225	123,969	118,672	104,421
Finance costs				
—Interest on loans and borrowings	(226)	(90)	(1,292)	(111,759)
—Interest on lease liabilities	(34,396)	(25,112)	(91,623)	(126,829)
—Interest on the Equity Linked Securities	—	—	—	(192,342)
	(34,622)	(25,202)	(92,915)	(430,930)
Net finance income/(costs)	110,603	98,767	25,757	(326,509)

9 Income taxes

(a) Taxation recognized in consolidated profit or loss:

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Amounts recognized in consolidated profit or loss				
Current tax				
Provision for the year/period	557,630	339,409	789,640	813,713
Deferred tax				
Origination and reversal of temporary differences (Note 9(c))	(5,845)	57,256	(77,536)	(110,189)
Tax expense	551,785	396,665	712,104	703,524

1) Cayman Islands and the BVI

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

2) Hong Kong

Under the current Hong Kong Inland Revenue Ordinance, the Company's Hong Kong subsidiaries generally are subject to Hong Kong Profits Tax at the rate of 16.5% on their taxable income generated from the operations in Hong Kong.

3) Chinese Mainland

Under the Corporate Income Tax ("CIT") Law, the Company's subsidiaries established in Chinese Mainland generally are subject to a unified statutory CIT rate of 25%.

A subsidiary established in Hengqin New Area of Zhuhai, a pilot free trade zone in the PRC, met the criteria for a preferential income tax rate of 15%.

A subsidiary established in Guangzhou Nansha, a pilot free trade zone in the PRC, met the criteria for a preferential income tax rate of 15%.

A subsidiary established in Guangzhou, the PRC, is eligible for high and new technology enterprise preferential income tax rate of 15% for three years ended December 31, 2027.

4) United States

Under United States Internal Revenue Code, the Company's subsidiaries established in the United States are subject to a Federal CIT rate of 21% and various state income taxes.

5) Indonesia

A subsidiary established in Indonesia is subject to a CIT rate of 22%.

6) India

Under the Income Tax Act 1961 enacted in India, a subsidiary established in India is subject to a CIT rate of 26% for fiscal year ended March 31, 2022 and 25.17% from fiscal year ended March 31, 2023 and onwards.

7) Canada

Under the Canadian federal and provincial tax rules, the Company's subsidiaries established in Canada are subject to combined Canadian federal and provincial statutory income tax rates ranging from 23% to 31% depending on the location of the operation.

8) Singapore

Under the Income Tax Act enacted in Singapore, the Company's subsidiaries established in Singapore are subject to a tax rate of 17%.

9) Vietnam

Under the Law on Corporate Income Tax enacted in Vietnam, a subsidiary incorporated in Vietnam is subject to a tax rate of 20%.

(b) **Reconciliation between tax expense and accounting profit at applicable tax rates:**

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Profit before taxation	2,333,614	1,652,742	3,347,532	1,913,338
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	566,955	394,856	859,697	572,459
Tax effect of share-based compensation expenses (Note 6(ii))	15,435	11,401	20,127	54,151
Tax effect of other non-deductible expenses	13,666	7,310	13,060	2,696
Effect of preferential tax treatments on assessable profits of certain subsidiaries (Note 9(a)(3))	(42,739)	(10,756)	(101,522)	(96,588)
Tax effect of additional deduction on research and development costs	(4,217)	(3,476)	(6,179)	(3,364)
Tax effect of exempted and non-taxable income	(7,421)	(12,481)	(11,978)	(7,185)
Effect of unused tax losses not recognized/(being utilized)	22,956	(8,002)	(56,271)	(16,497)
Effect of deductible temporary differences (being utilized)/not recognized	(12,850)	13,718	1,736	197,984
Others	—	4,095	(6,566)	(132)
Actual tax expenses	551,785	396,665	712,104	703,524

(c) Movement in deferred tax assets

The components of deferred tax assets recognized in the consolidated statement of financial position and the movements during the reporting periods presented are as follows:

	Unused tax losses	Intra-group unrealized profits	Credit loss and impairment	Loss from waiver of intercompany receivables of discontinued operations	Right-of-use assets	Lease Liabilities	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets arising from:								
At January 1, 2024	23,013	27,820	31,181	6,825	(98,804)	108,687	5,408	104,130
Charged to profit or loss	82,060	19,694	7,029	(6,825)	(337,147)	333,059	(20,334)	77,536
Exchange rate difference	437	—	(78)	—	(815)	791	(53)	282
At December 31, 2024	105,510	47,514	38,132	—	(436,766)	442,537	(14,979)	181,948
Charged to profit or loss	12,003	36,429	27,922	—	(51,036)	85,156	(285)	110,189
Exchange rate difference	(1,655)	—	(1,305)	—	8,626	(9,317)	193	(3,458)
At December 31, 2025	115,858	83,943	64,749	—	(479,176)	518,376	(15,071)	288,679

The Group only recognizes deferred income tax assets for cumulative tax losses if it is probable that future taxable amounts will be available to utilize those tax losses.

(d) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items, because it is not probable that future taxable profit against which the losses can be utilized will be available in the relevant tax jurisdiction.

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Deductible temporary differences	63,546	865,741
Cumulative tax losses	447,814	715,191
Total	511,360	1,580,932

(e) Tax losses carried forward

Tax losses for which no deferred tax asset was recognized will expire as follows:

	As at December 31, 2024	Expiry date	As at December 31, 2025	Expiry date
	RMB'000		RMB'000	
Expire	368,235	2025-2045	358,255	2026-2046
Never expire	79,579		356,936	

Tax losses for which no deferred tax asset was recognized are related to subsidiaries that are not expected to derive sufficient taxable profits in the foreseeable future before the unused tax losses expire.

(f) Uncertain tax position

The Group evaluates whether it is probable that tax authority will accept the tax treatment for each uncertain tax position (including the potential application of interest and penalties) based on the technical merits, and measures the unrecognized benefits associated with the tax positions. As of December 31, 2024 and 2025, the Group did not have any significant unrecognized uncertain tax positions. The Group does not anticipate any significant increase to unrecognized tax benefit within the next 12 months. Interest and penalties related to income tax matters, if any, is included in income tax expense.

(g) Pillar Two income taxes

In 2021, the Organisation for Economic Co-operation and Development published the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") for a new global minimum tax reform applicable to large multinational enterprises. Certain jurisdictions in which the Group operates have implemented Pillar Two income tax legislation based on this framework, and those Pillar Two income tax laws became effective on January 1, 2024. As all subsidiaries within the Group in those jurisdictions have jurisdictional effective tax rates in excess of 15%, the Group has not recognized any Pillar Two related income tax expense for the year ended December 31, 2025.

Other jurisdictions in which the Group operates are in the process of implementing their Pillar Two income tax legislation. Therefore, it is possible that the Group may be subject to additional Pillar Two income taxes in those jurisdictions.

10 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(i) Profit attributable to ordinary shareholders (basic):

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Profit attributable to the equity shareholders of the Company	1,768,926	1,248,405	2,617,560	1,205,045
Less:				
Allocation of undistributed earnings to holders of unvested restricted shares	(424)	—	—	—
Profit used to determine basic earnings per share	1,768,502	1,248,405	2,617,560	1,205,045

The unvested restricted shares granted to employees under the 2020 Share Incentive Plan (see Note 27) are entitled to non-forfeitable dividends during the vesting period. For the purpose of calculating basic earnings per share, the numerators are thus be adjusted for the undistributed earnings attributed to these unvested shares in accordance with their participating rights, which have not been recognized in profit or loss.

(ii) *Weighted-average number of ordinary shares (basic):*

The weighted average number of ordinary shares were calculated as follows:

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	Number of shares	Number of shares	Number of shares	Number of shares
Issued ordinary share at the beginning of the year/period	1,202,646,619	1,244,854,689	1,243,332,789	1,233,993,805
Effect of shares issued relating to Hong Kong public offering and exercise of the over-allotment option	40,181,685	—	—	—
Effect of shares released from share incentive plan (Note 27)	2,878,812	281,729	1,311,146	1,615,301
Effect of repurchase of shares (Note 26(b)(v))	(2,386,739)	(209,553)	(5,249,672)	(9,147,380)
Weighted average number of ordinary shares	<u>1,243,320,377</u>	<u>1,244,926,865</u>	<u>1,239,394,263</u>	<u>1,226,461,726</u>

(b) *Diluted earnings per share*

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares.

For the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025, the calculation of diluted earnings per share were based on the profit attributable to ordinary equity shareholders of the Company of RMB1,768,926,000, RMB1,248,405,000, RMB2,617,560,000 and RMB1,205,045,000 respectively, and the weighted average number of ordinary shares, after adjusting by the dilutive effect of share incentive plan, calculated as follows:

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	Number of shares	Number of shares	Number of shares	Number of shares
Weighted average number of ordinary shares, basic	1,243,320,377	1,244,926,865	1,239,394,263	1,226,461,726
Dilutive effect of share incentive plan (Note 27)	7,224,739	6,708,997	7,423,354	7,075,845
Weighted average number of ordinary shares, diluted	<u>1,250,545,116</u>	<u>1,251,635,862</u>	<u>1,246,817,617</u>	<u>1,233,537,571</u>

11 Property, plant and equipment

	Apartments	Leasehold improvements	Office equipment	Store operating equipment	Motor vehicles	Moulds	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost:								
At January 1, 2024	242,639	226,283	61,838	49,831	3,369	50,903	355,485	990,348
Additions	—	139,312	32,187	24,352	2,067	21,792	626,541	846,251
Transfer from construction in progress	—	353,298	—	—	—	—	(353,298)	—
Disposals	—	(12,810)	(12,200)	(3,619)	—	(5,909)	—	(34,538)
Exchange adjustments	—	6,405	(1,998)	1,825	(8)	—	1,060	7,284
At December 31, 2024	242,639	712,488	79,827	72,389	5,428	66,786	629,788	1,809,345
Acquisition of subsidiaries	—	—	20,824	—	—	—	—	20,824
Additions	—	273,789	13,531	24,137	3,818	13,665	680,254	1,009,194
Transfer from construction in progress	—	267,709	—	3,000	—	23,584	(294,293)	—
Disposals	(6,738)	(44,538)	(10,677)	(7,211)	(346)	(5,141)	—	(74,651)
Exchange adjustments	—	(2,616)	(236)	(291)	(14)	(2,378)	(4,151)	(9,686)
At December 31, 2025	235,901	1,206,832	103,269	92,024	8,886	96,516	1,011,598	2,755,026
Accumulated depreciation:								
At January 1, 2024	(20,607)	(69,363)	(37,543)	(24,001)	(2,167)	(41,152)	—	(194,833)
Charge for the year	(8,278)	(109,297)	(12,211)	(8,363)	(457)	(18,608)	—	(157,214)
Written back on disposals	—	3,703	8,343	85	—	5,765	—	17,896
Exchange adjustments	—	(5,142)	641	(346)	—	—	—	(4,847)
At December 31, 2024	(28,885)	(180,099)	(40,770)	(32,625)	(2,624)	(53,995)	—	(338,998)
Charge for the year	(8,076)	(190,226)	(17,905)	(22,367)	(2,512)	(28,914)	—	(270,000)
Written back on disposals	5,032	10,655	635	559	12	597	—	17,490
Exchange adjustments	—	1,092	37	153	38	3,379	—	4,699
At December 31, 2025	(31,929)	(358,578)	(58,003)	(54,280)	(5,086)	(78,933)	—	(586,809)
Impairment:								
At January 1, 2024	—	(21,919)	(1,658)	(2,632)	—	—	—	(26,209)
Addition	—	(5,801)	—	(3,045)	—	—	—	(8,846)
Written back on disposals	—	1,662	—	—	—	—	—	1,662
Exchange adjustments	—	(545)	150	380	—	—	—	(15)
At December 31, 2024	—	(26,603)	(1,508)	(5,297)	—	—	—	(33,408)
Addition	—	(33,866)	—	(1,633)	—	—	—	(35,499)
Written back on disposals	—	3,039	—	5,713	—	—	—	8,752
Exchange adjustments	—	1,103	—	220	—	—	—	1,323
At December 31, 2025	—	(56,327)	(1,508)	(997)	—	—	—	(58,832)
Net book value:								
At December 31, 2024	213,754	505,786	37,549	34,467	2,804	12,791	629,788	1,436,939
At December 31, 2025	203,972	791,927	43,758	36,747	3,800	17,583	1,011,598	2,109,385

The Group had the net value of leasehold improvements and store operating equipment related to self-operated stores amounting to RMB475,771,000 and RMB753,371,000 as at December 31, 2024 and 2025, respectively.

In addition, certain of the store-level assets are measured at fair value based on unobservable inputs (Level 3) on a non-recurring basis, if determined to be impaired. The fair values of store-level assets, if determined to be impaired, are primarily represented by the price market participant would pay to sub-lease the operating lease of right-of-use assets, which reflects the highest and best use of the assets. Significant unobservable inputs used in the fair value measurement include market rental rates. The direct comparison approach is used as the valuation technique by assuming a sub-lease of each of the properties in its existing state with vacant possession. By making reference to lease transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for any difference in factors such as location and property size.

12 Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Property RMB'000 (i)	Warehouse equipment RMB'000 (ii)	Land use right RMB'000 (iii)	Total RMB'000
Cost:				
At January 1, 2024	1,652,404	10,648	1,782,410	3,445,462
Additions	2,093,794	—	—	2,093,794
Derecognition	(367,834)	(10,648)	—	(378,482)
Exchange adjustments	3,820	—	—	3,820
At December 31, 2024	3,382,184	—	1,782,410	5,164,594
Additions	2,097,560	13,666	—	2,111,226
Derecognition	(434,893)	—	—	(434,893)
Exchange adjustments	(35,394)	—	—	(35,394)
At December 31, 2025	5,009,457	13,666	1,782,410	6,805,533
Accumulated depreciation:				
At January 1, 2024	(437,087)	(9,172)	(98,343)	(544,602)
Charge for the year	(637,772)	(1,478)	(45,212)	(684,462)
Derecognition	227,072	10,650	—	237,722
Exchange adjustments	(1,169)	—	—	(1,169)
At December 31, 2024	(848,956)	—	(143,555)	(992,511)
Charge for the year	(918,624)	(7,637)	(45,210)	(971,471)
Derecognition	275,526	—	—	275,526
Exchange adjustments	4,074	—	—	4,074
At December 31, 2025	(1,487,980)	(7,637)	(188,765)	(1,684,382)
Impairment:				
At January 1, 2024 and December 31, 2024	—	—	—	—
Charge for the year	(112)	—	—	(112)
At December 31, 2025	(112)	—	—	(112)
Net book value:				
At December 31, 2024	2,533,228	—	1,638,855	4,172,083
At December 31, 2025	3,521,365	6,029	1,593,645	5,121,039

The analysis of expense items in relation to leases recognized in profit or loss is as follows:

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Depreciation charge of right-of-use assets by class of underlying asset:				
Property	285,393	215,399	637,772	918,624
Warehouse equipment	3,592	1,784	1,478	7,637
Land use right	45,208	22,604	45,212	45,210
Less: amount capitalized as construction in progress	(45,208)	(22,604)	(45,212)	(45,210)
	<u>288,985</u>	<u>217,183</u>	<u>639,250</u>	<u>926,261</u>
Interest on lease liabilities (Note 8)	34,396	25,112	91,623	126,829
Expense relating to short-term leases	15,322	13,729	75,755	108,656
Variable lease payments not included in the measurement of lease liabilities	18,614	24,802	47,314	46,313

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Note 20(c) and Note 24, respectively.

Notes:

(i) Property – right-of-use assets

The Group leases properties for its self-operated stores, warehouse storage and office spaces. The leases of self-operated stores typically run for two to twelve years. Leases of office spaces and warehouse storage typically run for a period of one to seven years.

As at December 31, 2024 and 2025, right-of-use assets related to leased properties for self-operated stores amounted to RMB2,264,064,000 and RMB3,210,178,000, respectively.

Variable lease payments based on sales

Some leases of self-operated stores contain variable lease payments, which typically range from 3% to 18% of the annual or monthly sales that each store makes in excess of a certain breakpoint predetermined with landlord. These terms are common in retail stores in countries such as United states where the Group operates.

(ii) Warehouse equipment – right-of-use assets

The Group leases warehouse equipment, with lease terms of three years.

(iii) Land use right

The Group acquired the land use right of a parcel of land located in the PRC through the acquisition of a subsidiary, with an original lease term of 40 years.

(iv) Rental deposits

The refundable rental deposit itself is not part of the lease payments and is in the scope of IFRS 9. Therefore, the rental deposit should be measured at fair value on initial recognition. The difference between the initial fair value and the nominal value of the deposit is an additional lease payment made by the Group and it is included in the measurement of the right-of-use assets.

13 Intangible Assets

	Intellectual property rights RMB'000	Others RMB'000	Total RMB'000
At December 31, 2024			
Net value at January 1, 2024	—	19,554	19,554
Additions	—	1,453	1,453
Disposals	—	—	—
Amortisation provided during the year	—	(12,228)	(12,228)
Exchange realignment	—	23	23
Net value at December 31, 2024	<u>—</u>	<u>8,802</u>	<u>8,802</u>
	Intellectual property rights RMB'000	Others RMB'000	Total RMB'000
At December 31, 2025			
Net value at January 1, 2025	—	8,802	8,802
Additions	19,750	1,819	21,569
Acquisition of subsidiaries	75,000	—	75,000
Disposals	—	—	—
Amortisation provided during the year	(3,874)	(6,170)	(10,044)
Exchange realignment	—	(376)	(376)
Net value at December 31, 2025	<u>90,876</u>	<u>4,075</u>	<u>94,951</u>

14 Goodwill

	RMB'000
Cost:	
At January 1, 2024	21,643
Exchange realignment	(225)
At December 31, 2024	21,418
Acquisition of subsidiaries (Note 28)	204,790
Exchange realignment	(3,021)
At December 31, 2025	<u>223,187</u>
Impairment:	
At January 1, 2024, December 31, 2024 and December 31, 2025	—
Carrying amount:	
At December 31, 2024	<u>21,418</u>
At December 31, 2025	<u>223,187</u>

Impairment tests for cash-generating unit (CGU) containing goodwill

For the purpose of impairment testing, goodwill has been allocated to the Group's CGU as follows.

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
MINISO SG Pte. Ltd.	21,418	21,970
MINISO Winky Italy S.r.l	—	23,449
MINISO France	—	177,768
	<u>21,418</u>	<u>223,187</u>

For MINISO France, the recoverable amount of CGU was determined based on its fair value less costs of disposal calculation using cash flow projections based on financial budgets covering a five-year period approved by management.

The pre-tax discount rate applied to the cash flow projections of MINISO France was 14.42% (2024: N/A) and reflects specific risks relating to the CGU. The cash flows beyond the five-year period were extrapolated using a growth rate of 2.0% (2024: N/A). This growth rate did not exceed the long-term average growth rate for the business in which the CGU operates.

Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amounts of the above CGUs that contain goodwill to exceed their recoverable amounts.

15 Other investments

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Financial assets measured at FVTPL:		
Non-current		
- Investment in an unlisted limited partnership enterprise (i)	<u>123,399</u>	<u>201,727</u>
Current		
- Investment in structured deposit (ii)	<u>100,000</u>	<u>—</u>

Notes:

- (i) In June 2023, the Group invested in an unlisted limited partnership enterprise (the "Partnership Enterprise") with consideration of USD10,409,000 (equivalent to RMB73,870,000). The Partnership Enterprise is specialized in equity investment. According to the partnership agreement, the Partnership Enterprise is managed by its general partner. The Group participates in the Partnership Enterprise as one of the limited partners who does not have power on selection nor removal of assets manager or general partner of the Partnership Enterprise. In addition, the Group does not have any right on making operating, investing and financing decision of the Partnership Enterprise. The director is of the opinion that the Group does not have any control nor significant influence to affect the variable returns through its investment in the Partnership Enterprise, and the investment's contractual cash flows are not solely payments of principal and interest on the principal amount outstanding, therefore, this investment is accounted for as a financial asset measured at FVTPL. The Group has an intention of holding such investment as a long-term investment.

- (ii) In December 2024, the Group invested in structured deposit managed by a bank in the PRC with the principal guaranteed amounting to RMB100,000,000. This structured deposit is redeemable every seven days and the investment return is settled every seven days. Investment return of the structured deposit is calculated at variable rates determined by reference to intermediate rates of Euro against US dollar.

Information about the Group's fair value measurement is included in Note 30(e).

16 Inventories

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Finished goods	2,742,092	3,676,409
Low-value consumables	8,297	14,829
	<u>2,750,389</u>	<u>3,691,238</u>

- (a) *The analysis of the amount of inventories recognized as an expense and included in profit or loss is as follows:*

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount of inventories sold	6,879,212	4,290,874	9,074,490	11,492,275
(Reversal of write-down)/write-down of inventories	(19,850)	1,932	25,053	40,784
Cost of inventories recognized in consolidated statements of profit or loss	<u>6,859,362</u>	<u>4,292,806</u>	<u>9,099,543</u>	<u>11,533,059</u>

17 Trade and other receivables

	Notes	As at December 31,	
		2024	2025
		RMB'000	RMB'000
Non-current			
Trade receivables		14,653	3,263
Less: loss allowance	30(a)	(18)	(4)
Trade receivables, net of loss allowance (iii)		14,635	3,259
Amounts due from related parties	33(c)	16,708	15,575
Deposits		193,810	171,039
Prepayments for lease		72,000	—
Value-added tax ("VAT") recoverable		44,135	57,638
		<u>341,288</u>	<u>247,511</u>
Current			
Trade receivables		742,622	1,228,178
Less: loss allowance	30(a)	(67,699)	(77,678)
Trade receivables, net of loss allowance		674,923	1,150,500
Amounts due from related parties	33(c)	45,424	78,052
Miscellaneous expenses paid on behalf of franchisees		642,073	737,986
VAT recoverable		208,221	361,691
Rental deposits		71,001	159,224
Receivables due from online payment platforms and banks (i)		77,990	113,841
Prepayments for inventories		73,538	99,738
Prepayments for licensing expenses		65,040	91,934
Prepayments for promotion and advertising expenses		30,349	32,970
Prepayments for repurchase of shares		70,518	56,530
Prepayment for rental		47,665	78,764
Prepaid income tax		82,304	69,270
Others		117,967	276,629
		<u>2,207,013</u>	<u>3,307,129</u>

Notes:

- (i) Receivables due from online payment platforms and banks mainly represented the proceeds of online sales through e-commerce platforms collected by and retained in third-party online payment platforms. Withdrawal of the balances retained in online payment platforms could be made anytime upon the Group's instructions. The amounts also included those due from banks for offline sales made through customer credit/debit cards and other online payment platforms that require overnight processing by the collection banks.
- (ii) All of trade and other receivables classified as current portion are expected to be recovered or recognized as expense within one year.
- (iii) Trade receivables relating to certain sales of fixtures to franchisees are collected by installments within the periods ranging from 18 to 38 months and the portion which is expected to be recovered after one year are classified as non - current. All other trade debtors are due within 30 to 180 days from the date of revenue recognition for domestic and overseas customers respectively.

18 Cash and cash equivalents

Cash and cash equivalents comprise:

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Cash on hand	4,465	9,666
Cash at bank	6,323,656	6,807,463
Cash and cash equivalents as presented in the consolidated statements of financial position and in the consolidated statements of cash flows	<u>6,328,121</u>	<u>6,817,129</u>

19 Restricted cash

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Bank deposits held in an escrow bank account (i)	1,026	3,462
Bank deposits frozen for legal proceedings	—	5,020
Marginal deposits frozen for the issuance of bank guarantees	—	39,625
Others	—	6,122
	<u>1,026</u>	<u>54,229</u>

Note:

- (i) The balance represented cash held in an escrow bank account in the PRC with designated usage of settlement with franchisees.

20 Cash flow information

(a) Reconciliation of profit for the reporting period to cash generated from operations:

		For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	Notes	RMB'000	RMB'000	RMB'000	RMB'000
Profit for the year/period		1,781,829	1,256,077	2,635,428	1,209,814
Adjustments for:					
Interest on lease liabilities	8	34,396	25,112	91,623	126,829
Depreciation and amortization	6	391,167	285,241	808,694	1,206,305
Interest on loans and borrowings	8	226	90	1,292	111,759
Interest on the Equity Linked Securities	8	—	—	—	192,342
Interest income	8	(145,225)	(123,969)	(118,672)	(104,421)
Investment income from other investments	7	(42,921)	(14,281)	(81,145)	(103,675)
Changes in fair value of redemption liabilities	25	—	—	—	158,491
Net change in fair value of other investments	7	3,692	(14,270)	(29,930)	(77,227)
Fair value changes of financial derivative assets and financial derivative liabilities	29	—	—	—	70,332
Gains/(losses) on disposal of property, plant and equipment and intangible assets	7	5,350	1,632	2,534	(7,275)
Impairment loss on non-current assets		3,448	4,547	8,846	35,611
Unrealized foreign exchange (gains)/ losses		(45,522)	(25,410)	8,258	4,168
Effect of lease contract cancellation	7	3,681	(4,821)	(15,201)	(12,123)
Gains on disposal of subsidiaries	7	—	—	(8,759)	(194)
Share of (profit)/loss of equity-accounted investees, net of tax		—	(268)	(5,986)	834,453
Gains on revaluation of the previously held equity-accounted investees	7	—	—	—	(8,600)
Equity-settled share-based payment expenses	6	62,882	46,432	85,184	367,869
Income tax	9(a)	551,785	396,665	712,104	703,524
Changes in working capital:					
Inventories		(250,851)	(471,722)	(828,148)	(916,651)
Trade and other receivables		(185,768)	(316,534)	(836,820)	(1,028,794)
Contract liabilities		(73,539)	25,341	(6,545)	30,931
Trade and other payables		(34,055)	363,327	561,422	576,214
Restricted cash		5,303	19,103	6,944	(16,043)
Deferred income		19,074	(3,985)	4,486	(6,341)
Cash generated from operations		2,084,952	1,448,307	2,995,609	3,347,298

(b) Reconciliation of liabilities arising from financing activities:

	Loans and borrowings RMB'000	Interest payable RMB'000	Lease liabilities RMB'000 Note 24	Total RMB'000
At July 1, 2022	6,948	43	651,065	658,056
Additions through business combination	—	—	15,313	15,313
Changes from financing cash flows:				
Repayment of loans and borrowings	(206)	—	—	(206)
Payment of capital element and interest element of lease liabilities	—	—	(346,008)	(346,008)
Total changes from financing cash flows	(206)	—	(346,008)	(346,214)
Exchange adjustments	576	—	25,267	25,843
Other changes:				
Increase in lease liabilities from entering into new leases during the year	—	—	718,985	718,985
Decrease in lease liabilities from derecognition	—	—	(213,284)	(213,284)
Increase in interest expenses	—	226	34,396	34,622
Forgiveness of loans and borrowings	(103)	—	—	(103)
Total other changes	(103)	226	540,097	540,220
At June 30, 2023	7,215	269	885,734	893,218
	Loans and borrowings RMB'000	Interest payable RMB'000	Lease liabilities RMB'000 Note 24	Total RMB'000
At July 1, 2023	7,215	269	885,734	893,218
Changes from financing cash flows:				
Repayment of loans and borrowings	—	—	—	—
Payment of capital element and interest element of lease liabilities	—	—	(236,519)	(236,519)
Total changes from financing cash flows	—	—	(236,519)	(236,519)
Exchange adjustments	44	—	(21,071)	(21,027)
Other changes:				
Increase in lease liabilities from entering into new leases during the period	—	—	622,916	622,916
Decrease in lease liabilities from derecognition	—	—	(30,867)	(30,867)
Increase in interest expenses	—	90	25,112	25,202
Total other changes	—	90	617,161	617,251
At December 31, 2023	7,259	359	1,245,305	1,252,923

	Loans and borrowings RMB'000	Interest payable RMB'000	Lease liabilities RMB'000 Note 24	Total RMB'000
At January 1, 2024	7,259	359	1,245,305	1,252,923
Changes from financing cash flows:				
Proceeds from loans and borrowings from third party	563,800	—	—	563,800
Repayment of loans and borrowings	(718)	—	—	(718)
Payment of capital element and interest element of lease liabilities	—	—	(725,075)	(725,075)
Total changes from financing cash flows	563,082	—	(725,075)	(161,993)
Exchange adjustments	(76)	—	(14,885)	(14,961)
Other changes:				
Increase in lease liabilities from entering into new leases during the year	—	—	2,093,794	2,093,794
Decrease in lease liabilities from derecognition	—	—	(152,268)	(152,268)
Increase in interest expenses	1,000	292	91,623	92,915
Total other changes	1,000	292	2,033,149	2,034,441
At December 31, 2024	571,265	651	2,538,494	3,110,410

	Loans and borrowings RMB'000	Interest payable RMB'000	Lease liabilities RMB'000 Note 24	Financial derivative liabilities RMB'000	Total RMB'000
At January 1, 2025	571,265	651	2,538,494	—	3,110,410
Increase arising from acquisition of subsidiaries (Note 28(a))	12,522	—	—	—	12,522
Changes from financing cash flows:					
Proceeds from loans and borrowings from third party	4,737,057	—	—	—	4,737,057
Proceeds from Equity Linked Securities	2,286,643	—	—	1,556,221	3,842,864
Repayment of loans and borrowings	(595,228)	—	—	—	(595,228)
Interest paid	(95,800)	(651)	—	—	(96,451)
Payment of capital element and interest element of lease liabilities	—	—	(897,480)	—	(897,480)
Total changes from financing cash flows	6,332,672	(651)	(897,480)	1,556,221	6,990,762
Exchange adjustments	(54,126)	—	(42,997)	(29,022)	(126,145)
Other changes:					
Increase in lease liabilities from entering into new leases during the year	—	—	2,111,226	—	2,111,226
Decrease in lease liabilities from derecognition	—	—	(171,490)	—	(171,490)
Fair value changes of financial derivative liabilities	—	—	—	(343,149)	(343,149)
Increase in interest expenses	304,101	—	126,829	—	430,930
Total other changes	304,101	—	2,066,565	(343,149)	2,027,517
At December 31, 2025	7,166,434	—	3,664,582	1,184,050	12,015,066

(c) **Total cash out flow for leases:**

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Within operating cash flows	(71,185)	(38,531)	(123,069)	(248,463)
Within financing cash flows	(346,008)	(236,519)	(725,075)	(897,480)
	<u>(417,193)</u>	<u>(275,050)</u>	<u>(848,144)</u>	<u>(1,145,943)</u>

21 Interests in equity-accounted investees

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Share of net assets from associates	38,567	2,193,937
Share of net assets from a joint venture	—	13,675
Goodwill on retaining interests in an associate	—	3,279,036
	<u>38,567</u>	<u>5,486,648</u>

The associates and the joint venture were accounted for using equity method. Unanimous agreements of all joint venture parties were required for key investments and operational decisions in the joint venture.

In September 2024, the Group entered into share purchase agreements with independent third parties to acquire an aggregate of 2,668,135,376 shares in Yonghui (representing approximately 29.4% of its entire issued share capital), at a consideration amounting to RMB 6,270,118,000. The acquisition date was March 17, 2025, on which the Group began to have significant influence over Yonghui.

Yonghui, which is considered a material associate of the Group, is a strategic partner of the Group engaged in retail industry and is accounted for using the equity method.

Particulars of the material associate are as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of ownership interest attributed to the Group	Principal activity
Yonghui Superstores Co., Ltd. ("Yonghui")	Ordinary shares	Chinese Mainland	29.4 %	Retail

Notes:

- (i) As at December 31, 2025, an investment in Yonghui with a carrying amount of RMB3,822,114,000 was pledged to secure certain bank borrowings (Note 22).
- (ii) As at December 31, 2025, the fair value of investment in Yonghui based on its quoted market share price was amounted to RMB12,513,555,000.

The following table illustrates the summarised financial information in respect of Yonghui adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

	As at December 31,
	2025
	RMB'000
Current assets	10,342,184
Non-current assets, excluding goodwill	27,615,155
Goodwill on acquisition of the associate	3,279,036
Current liabilities	(18,674,518)
Non-current liabilities	(11,950,509)
Net assets	10,611,348
Net assets, excluding goodwill	7,332,312
Non-controlling interests	86,486
Net assets attributable to the parent, excluding goodwill	7,418,798
Reconciliation to the Group's interest in the associate:	
Proportion of the Group's ownership	29.4 %
Group's share of net assets of the associate, excluding goodwill	2,181,127
Goodwill on acquisition (less cumulative impairment)	3,279,036
Carrying amount of the investment	<u>5,460,163</u>

	For the period from the acquisition date to December 31,
	2025
	RMB'000
Revenue	35,455,246
Loss for the period	(2,764,232)
Other comprehensive loss	(3,559)
Total comprehensive loss for the period	(2,767,791)
<i>(Where there is a quoted market price for the material associate)</i>	
Fair value of the Group's investment	12,513,555

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Share of the associates' profit for the year	22,915	13,663
Share of the associates' total comprehensive income	22,915	13,663
Aggregate carrying amount of the Group's investments in the associates	38,567	12,810

22 Loans and borrowings

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Non-current liabilities		
Borrowings from a non-controlling interest shareholder	4,310	2,210
Equity Linked Securities -liability component (Note 29)	—	2,406,744
Bank loans (i)	—	3,006,462
	4,310	5,415,416
Current liabilities		
Current portion of borrowings from a non-controlling interest shareholder	2,155	2,211
Equity Linked Securities - liability component (Note 29)	—	8,923
Bank loans (i)	—	966,789
Other borrowings (ii)	564,800	773,095
	566,955	1,751,018

Notes:

- (i) As at December 31, 2025, bank loans carried a weighted average effective interest rate ranging from 0.7% to 7.64% and will mature during the years from 2026 to 2032.
- Bank loans with a carrying amount of RMB3,452,000,000 were secured by certain interests in an equity-accounted investee.
- (ii) During the year ended December 31, 2025, the Group obtained certain bank facilities repayable in form of letters of credit to a bank with an aggregate amount of RMB777,422,000 (December 31, 2024: RMB575,578,000) and interest rates ranging from 1.05% to 1.45% (December 31, 2024: 2.07% to 2.20%). The letters of credit had a maturity less than 12 months as at December 31, 2025.

23 Trade and other payables

	As at December 31,	
	2024 RMB'000	2025 RMB'000
Non-current		
Payable relating to construction projects	59,842	72,586
Current		
Trade payables	1,278,535	1,551,682
Payroll payable	148,352	187,895
Accrued expenses	375,588	372,210
Other taxes payable	58,899	111,984
Deposits	1,839,844	1,913,182
Payable relating to leasehold improvements	93,514	104,523
Payable relating to construction projects	25,579	733
Amounts due to related parties (Note 33(c))	8,123	8,834
Others	115,554	265,448
	<u>3,943,988</u>	<u>4,516,491</u>

Information about the Group's exposure to currency and liquidity risk is included in Note 30.

The credit period granted by suppliers corresponding to trade payables is 30 to 90 days.

Deposits received from suppliers, distributors and franchisees are expected to be settled in its normal operating cycle and may be settled more than twelve months after the reporting period. All of the other trade payables, other payables, accruals and amounts due to related parties or franchisees are expected to be settled within one year or are repayable on demand.

24 Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting periods:

	As at December 31, 2024		As at December 31, 2025	
	Present value of the minimum lease payments RMB'000	Total minimum lease payments RMB'000	Present value of the minimum lease payments RMB'000	Total minimum lease payments RMB'000
Within 1 year	635,357	652,942	950,784	970,977
After 1 year but within 2 years	623,330	667,829	774,018	820,224
After 2 years but within 5 years	806,325	947,046	1,314,990	1,501,440
After 5 years	473,482	682,653	624,790	837,363
	<u>2,538,494</u>	<u>2,950,470</u>	<u>3,664,582</u>	<u>4,130,004</u>
Less: total future interest expenses		(411,976)		(465,422)
Present value of lease liabilities		<u>2,538,494</u>		<u>3,664,582</u>

25 Redemption liabilities arising from preferred shares

On July 24, 2025, a subsidiary of the Company, TOP TOY International Group Limited ("TOP TOY"), entered into Series A financing agreements with four Series A investors, pursuant to which, TOP TOY issued 47,632,778 Series A Preferred Shares at an issue price totaling USD59,426,000 on July 31, 2025.

The key terms of the Series A Preferred Shares are summarized as follows:

Redemption right

The holders of Series A Preferred Shares may require TOP TOY to redeem any or all of the Series A Preferred Shares held by them at any time after the occurrence of the following events (the "redemption events") whichever is earlier:

- (i) a qualified IPO of TOP TOY has not been consummated on or prior to the third anniversary of the issue date with respect to the relevant Series A Preferred Shares;
- (ii) TOP TOY or any of its affiliates is subject to any sanctions enacted or enforced by the PRC, the United States of America, or other relevant countries, or the United Nations or the European Union; or
- (iii) TOP TOY or the Controlling Shareholder has materially breached any of their respective representations, warranties, covenants or undertakings.

The redemption price shall be equal to the higher of (i) or (ii) below: (i) the issue price plus an interest at the simple rate of ten percent per annum accruing from the issue date to the date of payment of the redemption price; and (ii) the fair value of respective Series A Preferred Shares.

Financial effect

The Group has designated the preferred shares as financial liabilities as fair value through profit of loss and subsequently measured at fair value.

Accordingly, redemption liabilities were recognized at the issue price of USD59,426,000 upon the issuance of the Series A Preferred Shares.

The movement of redemption liabilities arising from preferred shares during year ended December 31, 2025 is set out as below:

	For the year ended December 31, 2025 RMB'000
At the beginning of the year	—
Recognition of redemption liabilities arising from issuance of preferred share	424,862
Changes in fair value of redemption liabilities	158,491
Exchange adjustments	(9,672)
At the end of the year	573,681

The Group had used the discounted cash flow method to determine the underlying equity value of TOP TOY, and adopted option-pricing method to determine the fair value of Series A Preferred Shares at the end of the reporting period, with the assistance of an independent third-party valuation firm.

Key valuation assumptions used to determine the fair value of Series A Preferred Shares were as follows:

	As at December 31 2025 RMB'000
Weighted average cost of capital	13.5%
Risk-free interest rate	1.2%-2.3%
Discount for lack of marketability ("DLOM")	5.5%
Expected volatility	38.7%-43.7%

Discount rate (post-tax) was estimated using the weighted average cost of capital as of each valuation date. The Group estimated the risk-free interest rate based on the yield of China Government Bond. The DLOM was estimated based on the option-pricing method. Under the option-pricing method, the cost of put option, which can hedge the price change before the private held share can be sold, was considered as a basis to determine the lack of marketability discount. Under the equity allocation model, volatility was estimated based on annualized standard deviation of daily stock price return of comparable companies for a period from the valuation date and with similar span as time to expected event dates. Probability weight under each of the redemption rights and liquidation preferences was based on the Group's best estimates. In addition to the assumptions adopted above, projections of future performance were also factored into the determination of the fair value of Series A Preferred Shares on the valuation date.

26 Capital and reserves

(a) Share capital and additional paid-in capital

As at December 31, 2024 and 2025, the Company authorized 10,000,000,000 ordinary shares, with a par value of USD0.00001 each.

As of December 31, 2024 and 2025, analysis of the Company's issued shares including treasury shares reserved for the share incentive plan, was as follows:

	As at December 31, 2024		As at December 31, 2025	
	Number of shares	Share capital RMB'000	Number of shares	Share capital RMB'000
Ordinary shares	1,249,871,833	94	1,237,564,177	94

- (i) Prior to the Company's listing on the Hong Kong Stock Exchange, the Company adopted a dual-class share structure, including Class A ordinary shares and Class B ordinary shares. Holders of the Class A ordinary shares and Class B ordinary shares had the same rights except for voting and conversion rights. In respect of matters requiring the votes of shareholders, the holder of Class B ordinary shares was entitled to three votes per share, while the holders of Class A ordinary shares entitled to one vote per share. Each Class B ordinary share was convertible into one Class A ordinary share at any time by the holder thereof, while Class A ordinary shares were not convertible into Class B ordinary shares under any circumstances.
- (ii) Pursuant to the annual general meeting of shareholders of the Company held on July 11, 2022, upon and with effect from the Company's listing on the Hong Kong Stock Exchange, all the authorized Class A ordinary shares (whether issued or unissued) and Class B ordinary shares (whether issued or unissued) are redesignated as ordinary shares of a par value of USD0.00001 each.
- (iii) On July 13, 2022, the Company completed its dual primary listing on the Hong Kong Stock Exchange. In connection with the dual primary listing, the Company completed a global offering and issued 41,586,200 ordinary shares, including 486,200 shares upon exercise of the over-allotment option, with a par value of USD0.00001 each and offer price of HKD13.80 each.
- (iv) During the year ended December 31, 2025, the Company issued 1,465,524 shares in respect of vesting of restricted share units.

- (v) During the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025, 4,161,100, 636,608, 2,320,360 and 1,274,624 of restricted shares, restricted shares units and options were vested and exercised, and were released from treasury shares into ordinary shares.
- (vi) During the year ended June 30, 2023, 3,462,870 shares were cancelled, which mainly including 3,462,868 shares repurchased under 2022 share repurchase program (see Note 26(b)(v)).
- (vii) During the year ended December 31, 2024, 13,817,852 shares were cancelled under 2023 and 2024 share repurchase program (see Note 26(b)(v)).
- (viii) During the year ended December 31, 2025, 13,773,180 shares were cancelled under 2024 share repurchase program (see Note 26(b)(v)).
- (ix) As at December 31, 2024 and 2025, among the ordinary shares issued, 15,878,028 and 18,428,520 shares were recognized as treasury shares (see Note 26(b)(v)), respectively.
- (x) Pursuant to a resolution approved by the board of directors of the Company on May 16, 2023, the Company transferred RMB730,898,000 (equivalent to USD105 million) of additional paid-in capital to set off its accumulated losses.

(b) Nature and purposes of reserves

(i) Merger reserve

The merger reserve mainly represents the difference between the consideration paid and the paid-in capital acquired arising from a previous business combination involving entities under common control.

(ii) Translation reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

(iii) Share-based payment reserve

The share-based payment reserve represents the portion of the grant date fair value of restricted shares, share options and restricted share units granted to the key management personnel and employees of the Group that has been recognized in accordance with the accounting policy adopted for share-based payments in Note 2(r)(iii).

(iv) PRC statutory reserve

PRC statutory reserves are established in accordance with the PRC Company Law and the Articles of Association of the subsidiaries which are established in the PRC. The subsidiaries being wholly foreign-owned enterprise or wholly domestic-owned enterprises, are required to allocate at least 10% of its net profits to a statutory surplus reserve. The transfer to this reserve must be made before distribution of dividends to equity shareholders can be made.

PRC statutory reserve can be used to make good previous years' losses, if any, and may be converted into capital in proportion to their existing equity holdings, provided that the balance of the statutory surplus reserve after such transfer is not less than 25% of the registered capital.

(v) Treasury shares

The 2020 Share Incentive Plan was administered by twelve special purpose vehicles, and the Group has the power to govern the relevant activities of the twelve special purpose vehicles and can derive benefits from the contributions of the employees who were awarded with the shares under the 2020 Share Incentive Plan, therefore, the twelve special purpose vehicles were consolidated.

The balance of treasury shares mainly includes the considerations received from special purpose vehicles for unvested and forfeited restricted shares, and the cost of the Company's shares held by the Group.

On December 21, 2021, the Board authorized a share repurchase program under which the Company may repurchase up to USD200 million of its shares until September 21, 2022 (the “2021 Share Repurchase Program”).

On September 29, 2022, the Board authorized a new share repurchase program under which the Company may repurchase up to USD100 million of its shares within a period of 12 months starting from September 29, 2022 (the “2022 Share Repurchase Program”).

During the year ended June 30, 2023, the Company repurchased 3,373,228 ordinary shares on the New York Stock Exchange and 166,000 ordinary shares on the Hong Kong Stock Exchange under the 2021 and 2022 Share Repurchase Program for total considerations of USD4,370,000 (equivalent to RMB31,175,000) and HKD1,696,000 (equivalent to RMB1,536,000), respectively.

Pursuant to 2021 Share Repurchase Program, the Company had repurchased a total of 6,187,636 ordinary shares on the New York Stock Exchange as of September 21, 2022, the expiry date of the program. In October 2022, the Board of the Company approved to transfer all these 6,187,636 repurchased shares to special purpose vehicles for future grants of share awards under the 2020 Share Incentive Plan.

Under the 2022 Share Repurchase Program, 166,000 shares repurchased on the Hong Kong Stock Exchange and 3,296,868 shares repurchased on the New York Stock Exchange were cancelled as of June 30, 2023.

On September 15, 2023, the Board authorized a new share repurchase program under which the Company may repurchase up to USD200 million of its shares within a period of 12 months starting from September 15, 2023 (the “2023 Share Repurchase Program”).

During the six months ended December 31, 2023, the Company repurchased 1,450,108 ordinary shares on the New York Stock Exchange and 708,400 ordinary shares on the Hong Kong Stock Exchange under the 2023 Share Repurchase Program for total considerations of USD6,981,000 (equivalent to RMB49,630,000) and HKD26,290,000 (equivalent to RMB23,930,000), respectively.

Under the 2023 Share Repurchase Program, 4,239,400 shares repurchased on the Hong Kong Stock Exchange and 3,170,248 shares repurchased on the New York Stock Exchange were cancelled as of December 31, 2024.

On August 30, 2024, the Board authorized a new share repurchase program under which the Company may repurchase up to HKD2 billion of its shares within a period of 12 months starting from August 30, 2024 (the “2024 Share Repurchase Program”).

During the year ended December 31, 2024, the Company repurchased 5,662,344 ordinary shares on the New York Stock Exchange and 5,997,000 ordinary shares on the Hong Kong Stock Exchange under the 2023 and 2024 Share Repurchase Program for total considerations of USD22,679,000 (equivalent to RMB160,687,000) and HKD186,479,000 (equivalent to RMB169,534,000), respectively.

On March 21, 2025, the Board authorized an extension on 2024 share repurchase program to be valid until June 30, 2026 under which the Company may further repurchase up to HKD1.8 billion of its shares within a period from March 28, 2025 to April 1, 2026.

During the year ended December 31, 2025, the Company repurchased ordinary shares under the 2024 Share Repurchase Program as follows, and the cost of these shares held by the Group was recorded in treasury shares:

Month	Shares repurchased on the New York Stock Exchange				Shares repurchased on the Hong Kong Stock Exchange			
	Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate price paid	Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate price paid
		USD	USD	USD'000		HKD	HKD	HKD'000
March 2025	52,600	4.63	4.59	242	1,266,600	38.00	34.85	47,037
April 2025	1,621,224	4.88	3.51	6,613	5,163,200	38.00	27.05	154,897
May 2025	585,652	4.71	4.19	2,625	554,600	38.00	33.10	19,421
June 2025	1,040,368	4.73	4.20	4,666	1,183,200	36.90	32.75	41,322
July 2025	1,052,800	4.88	4.35	4,790	1,015,800	38.00	33.95	35,912
August 2025	94,136	4.88	4.61	446	159,000	38.00	36.25	5,953
November 2025	168,892	4.88	4.67	813	972,000	38.00	36.36	35,973
December 2025	387,824	4.88	4.72	1,873	2,280,400	39.24	36.10	85,777
Total	5,003,496			22,068	12,594,800			426,292
Equivalent to RMB'000				158,158				391,079

Under the 2024 Share Repurchase Program, 9,326,400 ordinary shares repurchased on the Hong Kong Stock Exchange and 4,446,780 ordinary shares repurchased on the New York Stock Exchange were cancelled as of December 31, 2025.

(c) Capital management

The Group defines "capital" as including all components of equity. The Group's policy is to maintain a strong capital base to maintain investors, creditors and market confidence and to sustain future development of the business. There were no changes in the Group's approach to capital management during the reporting periods. The Group is not subject to any externally imposed capital requirements.

(d) Dividends

During the year ended June 30, 2023, special cash dividends of USD0.043 per ordinary share, amounting to USD53,640,000 (equivalent to RMB370,787,000), were declared and paid by the Company. The dividends were distributed from additional paid-in capital.

During the six months ended December 31, 2023, final dividends of USD0.103 per ordinary share, amounting to USD128,758,000 (equivalent to RMB923,664,000), in respect of the year ended June 30, 2023, were declared and paid by the Company. The dividends were distributed from additional paid-in capital.

During the year ended December 31, 2024, special cash dividends of USD0.0725 per ordinary share and interim cash dividends of USD0.0686 per ordinary share, amounting to USD90,635,000 (equivalent to RMB643,176,000) and USD85,221,000 (equivalent to RMB601,075,000), were declared and paid by the Company. The dividends were distributed from additional paid-in capital.

During the year ended December 31, 2025, final dividends of USD0.0817 per ordinary share and interim cash dividends of USD0.0724 per ordinary share, amounting to USD101,292,000 (equivalent to RMB726,875,000) and USD88,922,000 (equivalent to RMB630,873,000), were declared and paid by the Company. The dividends were distributed from additional paid-in capital.

Final dividends of USD0.0941 per ordinary share, amounting to approximately USD115.8 million, were proposed and approved by the board of directors of the Company on March 31, 2026. The dividends will be distributed from additional paid-in capital. The declaration of the final dividends is a non-adjusting event after the reporting period and has not been recognized as liabilities as of December 31, 2025.

27 Equity settled share-based payments

The 2020 Share Incentive Plan

The Group has adopted share-based compensation arrangements to incentivize outstanding performance. Pursuant to the 2020 Share Incentive Plan, as amended in June 2022, restricted shares, options, restricted share units or other approved awards may be granted to the Group's employees, directors, and consultants.

As at June 30, 2022, the maximum aggregate number of shares that could be issued under the 2020 Share Incentive Plan was 92,586,048. In October 2022, 6,187,636 repurchased shares were transferred to special purpose vehicles and reserved for future grants of share awards under the 2020 Share Incentive Plan (Note 26(b)(v)).

As at June 30, 2023, December 31, 2023, December 31, 2024 and December 31, 2025, the maximum aggregate number of shares that could be issued under the 2020 Share Incentive Plan was 98,773,684.

The 2020 Share Incentive Plan will remain in effect for a period of 103 months, commencing on January 7, 2020, unless terminated earlier by the Company's board of directors.

(a) *Share awards*

On August 27, 2018, the board of directors approved the grant of restricted shares of the Company to certain employees of the Group. Some of the restricted shares granted were immediately vested upon grant, while the remaining shares will vest according to individual vesting schedules ranging from two to four years from the grant date. The vesting is conditional upon employees remaining in service throughout a specified period ("Specified Service Period") without any performance requirements.

If employees leave the Group before a qualified IPO takes place, the awarded shares will be forfeited. The forfeited shares will be repurchased by a shareholder designated by the Group at the original exercise price, and with an additional 10% per annum interest, where applicable. As such, the actual vesting period of the restricted shares is dependent on the occurrence of an IPO. The Group considered that an IPO was probable to occur and has recognized the share-based compensation expenses over the estimated actual vesting period, which is based on the estimate of when an IPO will occur or the Specified Service Period, whichever is longer.

Movements in the number of restricted shares granted to employees and the respective weighted-average grant date fair values are as follows:

	Number of restricted shares	Weighted- average exercise price USD per restricted share	Weighted- average grant date fair value USD per restricted share
Outstanding as of July 1, 2022	2,540,420	0.036	7.67
Vested during the year	(2,496,668)	0.036	7.67
Forfeited during the year	(43,752)	0.036	7.67
Outstanding as of June 30, 2023, December 31, 2023, December 31, 2024, and December 31, 2025	—	—	—

Total share-based payment expense calculated based on the grant date fair value and the estimated forfeiture rate recognized in the consolidated statements of profit or loss for these share awards granted to the Group's employees were RMB613,000 for the year ended June 30, 2023.

(b) Share options

In January and September 2020, the board of directors approved the grants of share options to purchase ordinary shares of the Company to certain employees of the Group.

Each of 20% of the options granted will vest on the 1st trading day following each of the 1st, 2nd, 3rd, 4th and 5th anniversary of the grant date, respectively, on the condition that employees remain in service without any performance requirements. The options lapse on the tenth anniversary of the grant date.

The option activities during the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025 are summarized as follows:

	Number of options	Weighted- average exercise price USD per share	Weighted- average grant date fair value USD per share
Outstanding at July 1, 2022	8,918,492	0.036	3.67
Exercised	(1,376,096)	0.035	3.90
Forfeited	(1,841,000)	0.036	3.33
Outstanding at June 30, 2023	<u>5,701,396</u>	0.036	3.72
Exercisable at June 30, 2023	2,114,496	0.036	3.36
Non-vested at June 30, 2023	3,586,900	0.036	3.94
Outstanding at July 1, 2023	5,701,396	0.036	3.72
Exercised	(427,492)	0.036	4.20
Forfeited	(104,800)	0.036	4.74
Outstanding at December 31, 2023	<u>5,169,104</u>	0.036	3.66
Exercisable at December 31, 2023	2,237,104	0.036	3.57
Non-vested at December 31, 2023	2,932,000	0.036	3.73
Outstanding at January 1, 2024	5,169,104	0.036	3.66
Exercised	(1,040,440)	0.036	3.82
Forfeited	(221,200)	0.036	3.95
Outstanding at December 31, 2024	<u>3,907,464</u>	0.036	3.61
Exercisable at December 31, 2024	2,585,464	0.036	3.54
Non-vested at December 31, 2024	1,322,000	0.036	3.73
Outstanding at January 1, 2025	3,907,464	0.036	3.61
Exercised	(837,828)	0.036	3.78
Forfeited	(71,000)	0.036	4.89
Outstanding at December 31, 2025	<u>2,998,636</u>	0.036	3.53
Exercisable at December 31, 2025	2,998,636	0.036	3.53
Non-vested at December 31, 2025	—	—	—

Total share-based payment expenses calculated based on the grant date fair value and the estimated forfeiture rate recognized in the consolidated statements of profit or loss for the above options granted to the Group's employees were RMB33,306,000, RMB7,593,000, RMB5,879,000 and RMB109,000 for the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025, respectively.

(c) Restricted share units

(i) Granted during the year ended June 30, 2023

In October 2022, the board of directors approved the grant of restricted shares units ("RSUs") to purchase 143,436 ordinary shares of the Company to an independent non-executive director of the Group at nil purchase price. The RSUs were divided into two tranches. The first tranche immediately vested on the grant date, and the remaining tranche will vest in one year from the grant date, on the condition that director remains in service without any performance conditions.

The board of directors also approved the grant of RSUs to purchase 1,333,360 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.036 per share during the year ended June 30, 2023. These RSUs were divided into three to five tranches. Certain portions of these RSUs were immediately vested on the grant date, and the remaining tranches will vest based on individual vesting schedules ranging from two to four years from the grant dates, on the condition that the employees remain in service without any performance conditions.

In addition, the board of directors approved the grant of RSUs to purchase 5,084,800 ordinary shares of the Company to an employee of the Group at purchase price of USD0.036 per share in March 2023. Each of 20% of these RSUs granted will vest on the 1st trading day following each of the 1st, 2nd, 3rd, 4th and 5th anniversary of the grant date, on the condition that the employee remains in service and has fulfilled the respective annual net profit targets for the department which the employee is in charge of in each of the calendar years of 2023, 2024, 2025, 2026 and 2027.

(ii) Granted during the six months ended December 31, 2023

In October 2023, the board of directors approved the grant of RSUs to purchase 22,472 ordinary shares of the Company to an independent non-executive director of the Group at nil purchase price. The RSUs were divided into four tranches. The first tranche immediately vested on the grant date, and the remaining tranches vested on January 15, 2024, April 15, 2024 and July 15, 2024, respectively, on the condition that director remains in service without any performance conditions.

The board of directors also approved the grant of RSUs to purchase 103,200 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.036 per share during the six months ended December 31, 2023. These RSUs were divided into three to five tranches. Each tranche will vest based on individual vesting schedules ranging from three to five years from the grant dates, on the condition that the employees remain in service without any performance conditions.

(iii) Granted during the year ended December 31, 2024

In March 2024, the board of directors approved the grant of RSUs to purchase 20,871,490 ordinary shares of the Company to certain employees of the Group at purchase price of USD0.00001 per share with the performance targets to be determined and approved. For the service condition, 10%, 10%, 15%, 20% and 45% of these RSUs will vest on the 1st trading day following each of the 1st, 2nd, 3rd, 4th and 5th anniversary of the date of grant, on the condition that the employees remain in service and have fulfilled the respective performance targets in respective calendar years of 2024, 2025, 2026, 2027 and 2028. As the Company has discretion to set the relevant performance targets, the grant dates for financial reporting purposes are not considered established until the performance targets are determined and approved.

As of December 31, 2024, the Group has determined and approved the performance targets for the calendar year of 2024 and the grant date of the first tranche of RSUs to purchase 2,087,149 ordinary shares was considered to have been established, while the grant dates of subsequent tranches of RSUs to purchase 18,784,341 ordinary shares in total were not considered to have been established because the Group has not determined and approved the performance targets. Although the grant dates for the subsequent tranches of the RSUs have not been established, the respective service periods are considered to have commenced as at December 31, 2024. As such, the Group estimated and recognized equity-settled share-based payment expenses in respect of the subsequent tranches of the RSUs based on the fair value of Company's ordinary shares at each balance sheet date and reduced by the present value of the estimated dividends that the related employees will not be entitled to during the vesting periods. The amount of equity-settled share-based payment expenses for the subsequent tranches is being re-estimated at each balance sheet date until the grant dates are established.

In October 2024, the board of directors approved the grant of RSUs to purchase 39,300 ordinary shares of the Company to an independent non-executive director of the Group at nil purchase price. The RSUs were divided into four tranches. The first tranche immediately vested on the grant date, and the remaining tranches vested on January 15, 2025, April 15, 2025 and July 15, 2025, respectively, on the condition that director remains in service without any performance conditions.

The board of directors also approved the grant of RSUs to purchase 686,680 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.036 per share during the year ended December 31, 2024. These RSUs were divided into three to five tranches. Each tranche will vest based on individual vesting schedules ranging from three to five years from the grant dates, on the condition that the employees remain in service without any performance conditions.

(iv) Granted during the year ended December 31, 2025

In March 2025, June 2025, September 2025 and December 2025, the board of directors approved the grant of RSUs to purchase 240,960, 45,200, 102,000 and 93,800 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.036 per share, USD0.00001 per share, USD0.00001 per share and USD0.00001 per share, respectively. These RSUs were divided into three to five tranches. Each tranche will vest on individual vesting schedules ranging from three to five years from the grant dates, on the condition that the employees remain in service without any performance conditions.

In December 2025, the board of directors approved the grant of RSUs to purchase 13,440 ordinary shares of the Company in aggregate to one employee of the Group at purchase price of USD0.036 per share. These RSUs were divided into three tranches. Each tranche will vest on the 1st trading day following March 20, 2026, each of the 1st and 2nd anniversary of March 20, 2026, respectively, on the condition that the employee remain in service without any performance conditions.

In January 2025, the board of directors approved the grant of RSUs to purchase 108,460 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.00001 per share with the performance targets to be determined and approved. For the service condition, 10%, 10%, 15%, 20% and 45% of these RSUs granted will vest on the 1st trading day following March 20, 2025, each of the 1st, 2nd, 3rd and 4th anniversary of March 20, 2025, respectively, on the condition that the employees remain in service and have fulfilled the respective performance targets in each of the calendar years of 2024, 2025, 2026, 2027 and 2028.

In March 2025, June 2025 and September 2025, the board of directors approved the grant of RSUs to purchase 534,398, 69,700 and 46,470 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.00001 per share, respectively, with the performance targets to be determined and approved. For the service condition, 11.11%, 16.67%, 22.22%, and 50% of these RSUs granted will vest on the 1st trading day following each of the 1st, 2nd, 3rd, and 4th anniversary of the grant date, respectively, on the condition that the employees remain in service and have fulfilled the respective performance targets in each of the calendar years of 2025, 2026, 2027 and 2028.

In March 2025, the board of directors approved the grant of RSUs to purchase 77,440 ordinary shares of the Company in aggregate to one employee of the Group at purchase price of USD0.00001 per share. These RSUs were one tranche and will vest on March 20, 2029, on the condition that the employee remains in service and have fulfilled the performance targets in the calendar year of 2028.

In July 2025, the board of directors approved the grant of RSUs to purchase 557,640 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.00001 per share, respectively, with the performance targets to be determined and approved. For the service condition, 11.11%, 16.67%, 22.22%, and 50% of these RSUs granted will vest on the 1st trading day following March 20, 2026, each of the 1st, 2nd and 3rd anniversary of March 20, 2026, respectively, on the condition that the employees remain in service and have fulfilled the respective performance targets in each of the calendar years of 2025, 2026, 2027 and 2028.

In July 2025, the board of directors approved the grant of RSUs to purchase 1,208,850 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.00001 per share, respectively, with the performance targets to be determined and approved. For the service condition, 20%, 20%, 20%, 20% and 20% of these RSUs granted will vest on the 1st trading day following March 20, 2026, each of the 1st, 2nd, 3rd and 4th anniversary of March 20, 2026, respectively, on the condition that the employees remain in service and have fulfilled the respective performance targets in each of the calendar years of 2025, 2026, 2027, 2028 and 2029.

In July 2025, the board of directors approved the grant of RSUs to purchase 595,050 ordinary shares of the Company in aggregate to certain employees of the Group at purchase price of USD0.00001 per share, respectively, with the performance targets to be determined and approved. For the service condition, 20%, 20%, 20%, 20% and 20% of these RSUs granted will vest on the 1st trading day following June 20, 2026, each of the 1st, 2nd, 3rd and 4th anniversary of June 20, 2026, respectively, on the condition that the employees remain in service and have fulfilled the respective performance targets in each of the calendar years of 2025, 2026, 2027, 2028 and 2029.

As the Company has discretion to set the relevant performance targets, the grant dates of these RSUs described above with performance targets are not considered established for financial reporting purpose until the performance targets are determined and approved.

As at December 31, 2025, the Group has determined and approved the performance targets for the calendar year of 2024 and the grant date of the first tranche of RSUs granted in January 2025 to purchase 10,846 ordinary shares was considered to have been established, while the grant dates of subsequent tranches of RSUs granted in January 2025 to purchase 97,614 ordinary shares in total and all tranches of the RSUs granted in March, June, July and September 2025 to purchase 3,089,548 ordinary shares in total were not considered to have been established because the Group has not determined and approved the performance targets. Although the grant dates have not been established, the respective service periods are considered to have commenced as at December 31, 2025. As such, the Group estimated and recognized equity-settled share-based payment expenses in respect of each tranche of the RSUs for which the grant dates were not considered to have been established based on the fair value of Company's ordinary shares at each reporting date and reduced by the present value of the estimated dividends that the related employees will not be entitled to during the vesting periods. The amount of equity-settled share-based payment expenses for each tranche is being re-estimated at each reporting date until the grant dates are established.

(v) *Movements in the number of RSUs granted and the respective weighted-average grant date fair values are as follows:*

	Number of RSUs	Weighted-average purchase price USD per RSU	Weighted-average grant date fair value* USD per RSU
Outstanding as of July 1, 2023	6,165,460	0.036	4.22
Granted	125,672	0.030	5.37
Vested	(209,116)	0.024	3.55
Forfeited	(123,760)	0.036	3.16
Outstanding as of December 31, 2023	5,958,256	0.036	4.32
Granted	21,597,470	0.001	5.47
Vested	(1,279,920)	0.035	4.29
Forfeited	(1,557,522)	0.005	5.25
Outstanding as of December 31, 2024	24,718,284	0.008	5.27
Granted	3,693,408	0.002	4.39
Vested	(1,902,320)	0.008	5.53
Forfeited	(2,072,480)	0.002	4.40
Outstanding as of December 31, 2025	24,436,892	0.007	4.39

* The weighted-average grant date fair value includes those estimated for the purpose of recognizing the services from service commencement date before the grant dates have been established.

The grant date fair value of RSUs is determined with reference to the market price of the Company's ordinary shares on date of grant and is reduced by the present value of the estimated dividends that will not be entitled during the vesting periods.

The fair value of RSUs granted during the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025 was USD27,004,000 (equivalent to RMB186,116,000), USD674,000 (equivalent to RMB4,812,000), USD118,087,000 (equivalent to RMB847,747,000) and USD16,200,000 (equivalent to RMB115,902,000) in aggregate. Total compensation expenses calculated based on the grant date fair value and the estimated forfeiture rate recognized in the consolidated statements of profit or loss for aforementioned RSUs granted were RMB28,963,000, RMB38,839,000, RMB79,305,000 and RMB131,226,000 for the year ended June 30, 2023 and the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025.

The 2025 Share Incentive plan of TOP TOY (the "2025 Share Incentive Plan")

(a) *Restricted shares*

On July 10, 2025, the board of directors of TOP TOY approved the 2025 Share Incentive Plan. Pursuant to the 2025 Share Incentive Plan, restricted shares or other approved awards may be granted to the Group's employees and directors. The maximum aggregate number of shares of TOP TOY which could be issued under the 2025 Share Incentive Plan was 120,000,000.

Unless terminated earlier by the board of directors, the 2025 Share Incentive Plan will be valid and effective for a term of 10 years starting on July 10, 2025.

On the same date, 85,016,800 restricted shares of TOP TOY were granted to the directors and certain employees of the Group at a purchase price of USD0.0042 per restricted share. The restricted shares granted were subject to certain restrictions on transferability and forfeiture/repurchase conditions. 20% of the restricted shares are not subject to repurchase conditions from the grant date, while each of 20% of the remaining restricted shares will no longer be subject to repurchase conditions on the first business day in 2026, 2027, 2028 and 2029, respectively, on the condition that employees remain in service without any performance requirements ("Specified Service Period"). In addition, if employees leave the Group before an IPO of TOP TOY takes place, the awarded shares will be forfeited. The forfeited shares will be repurchased by TOP TOY at the original purchase price, and if applicable, plus 10% per annum interest. As such, the actual length of vesting period of the restricted shares is subject to an IPO condition. The Group considered that an IPO of TOP TOY is probable to incur and recognized the share-based payment expenses over the estimated actual vesting period, which is based on an estimate of when an IPO of TOP TOY will incur or the Specified Service Period, whichever is longer.

Movements in the number of restricted shares granted to employees and the weighted average grant date fair value are as follows:

	Number of restricted shares	Weighted-average grant date fair value USD per restricted share
Outstanding as of January 1, 2025	—	—
Granted during the year	85,016,800	1.1137
Outstanding as of December 31, 2025	85,016,800	1.1137

The aggregate fair value of restricted shares at the date of grant on July 10, 2025 was USD94,682,000 (equivalent to RMB677,074,000).

The fair value of services received in return for restricted shares is measured by reference to the fair value of restricted shares granted. The estimate of the fair value of restricted shares at the grant date was determined with reference to the fair value of the equity interest of TOP TOY which has been measured using discounted cash flow method.

The key inputs used in the measurement of the fair value of the equity interest of TOP TOY at the grant date were as follows:

	Inputs
Discount rate	12.8%
Perpetual growth rate	2.0%
Expected dividends	0.0%
DLOM	12.1%~13.9%
Expected volatility	42.1%-46.8%
Discount for lack of control	24.1%

Expected dividends are based on that no dividend plan is expected within the estimated actual vesting period. Changes in the subjective input assumptions could materially affect the fair value estimate.

The post-vesting restrictions on transferability have been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discounts have been determined using put option method.

Total share-based payment expense calculated based on the grant date fair value and the estimated forfeiture rate recognized in the consolidated statement of profit or loss for aforementioned share-based awards granted to the Group's employees was RMB236,534,000 for the year ended December 31, 2025.

28 Acquisition of subsidiaries

(a) Business combination

(i) MINISO Winky Italy S.r.l

The Group previously held 49% equity interest in MINISO Winky Italy S.r.l, which was accounted for equity method. On May 19, 2025, the Group acquired the remaining 51% equity interest from a third party at a consideration of EUR2,758,000 (equivalent to RMB22,685,000), settled through the offset of an existing receivable due from the counterparty.

The following summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

	RMB'000
Cash and cash equivalents	4,323
Trade and other receivables	65,528
Inventories	38,521
Trade and other payables	(54,466)
Contract liabilities	(48)
Loans and borrowings	(38,246)
Total identifiable net assets at fair value	15,612
Goodwill on acquisition (Note 14)	23,419
Fair value of previously held 49% equity interest	16,346
Satisfied by offset of an existing receivable due	22,685

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	RMB'000
Cash consideration	—
Cash and bank balances acquired	4,323
Total net cash inflow included in cash flows from investing activities	4,323

Since the acquisition, MINISO Winky Italy S.r.l contributed RMB74,616,000 to the Group's revenue and RMB18,773,000 to the consolidated loss for the year ended December 31, 2025.

Had the combination taken place at the beginning of the year, the revenue and the profit of the Group for the year would have been RMB21,450,058,000 and RMB1,254,324,000, respectively.

(ii) MINISO France

On July 17, 2025, the Group acquired a 100% interest in MINISO France from third parties, at a cash consideration of EUR23,500,000 (equivalent to RMB197,456,000).

The following summarizes the recognized amounts of assets acquired and liabilities of MINISO France assumed at the date of acquisition:

	RMB'000
Property, plant and equipment (Note 11)	20,721
Interest in an equity-accounted investee	4,890
Cash and cash equivalents	3,497
Trade and other receivables	18,986
Inventories	24,198
Trade and other payables	(41,896)
Contract liabilities	(1,789)
Loans and borrowings	(12,522)
Total identifiable net assets at fair value	<u>16,085</u>
Goodwill on acquisition (Note 14)	<u>181,371</u>
Satisfied by cash	<u>197,456</u>

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	RMB'000
Cash consideration	(197,456)
Cash and bank balances acquired	3,497
Total net cash outflow included in cash flows from investing activities	<u>(193,959)</u>

Since the acquisition, MINISO France contributed RMB69,310,000 to the Group's revenue and RMB5,526,000 to the consolidated loss for the year ended December 31, 2025.

Had the combination taken place at the beginning of the year, the revenue and the profit of the Group for the year would have been RMB21,479,899,000 and RMB1,259,283,000, respectively.

(b) Acquisition of assets and liabilities through acquisition of a subsidiary

In July 2025, the Group entered into a share transfer agreement with a third party to acquire 51% equity interest in a target entity at a cash consideration of RMB39,680,000. Upon the completion of this acquisition on August 1, 2025, the target entity has become a subsidiary of the Group. The identifiable assets of this target entity mainly comprise of two groups of intellectual property rights. The transaction was recognised as an acquisition of assets, rather than a business combination, given that substantially all of the fair value of the gross assets is concentrated in a group of similar identifiable assets being the major group of intellectual property rights.

The following summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

	RMB'000
Property, plant and equipment (Note 11)	103
Intangible assets (Note 13)	75,000
Cash and cash equivalents	3,460
Trade and other receivables	1,565
Trade and other payables	(3,090)
Contract liabilities	(7)
Current taxation	(363)
Total identifiable net assets at fair value	76,668
Non-controlling interest	36,988
Satisfied by cash	39,680

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	RMB'000
Cash consideration	(39,680)
Cash and bank balances acquired	3,460
Total net cash outflow included in cash flows from investing activities	(36,220)

The value of identifiable net assets acquired was determined by the Group with the assistance of an independent third-party valuation firm.

29 Equity Linked Securities, lower strike call option and upper strike warrant

(a) Equity Linked Securities

In January 2025, the Company issued equity linked securities ("Equity Linked Securities") at the issue price of USD550,000,000 (equivalent to approximately RMB3,953,345,000) (equal to 100 per cent of the principal amount of the securities). The holders of Equity Linked Securities have the right to require the Company to exchange their securities for cash with the settlement amount (the "Cash Settlement Amount").

The Cash Settlement Amount will be in USD and equal to the number of cash settled shares underlying the exercised Equity Linked Securities multiplied by the higher of the applicable exercise price per share (subject to adjustments pursuant to the terms and conditions of the Equity Linked Securities), and the volume weighted average price per share over a specified period of trading days. The cash settled shares are a notional concept used to calculate the Cash Settlement Amount, and no physical shares will be delivered to the holders of Equity Linked Securities.

The Equity Linked Securities carry interest at a rate of 0.5% per annum, which is payable semi-annually in arrears. The maturity date of the Equity Linked Securities is seven years from issue date.

The proceeds from the Equity Linked Securities have been split between liability and derivative component as the cash settlement option is not clearly and closely related to the host contract economically and is separately accounted for as an embedded derivative.

At initial recognition, the derivative component was recognized as financial liability at FVTPL by using the binomial option pricing model with the assistance of an independent third-party valuation firm and was subsequently re-measured at each balance sheet date, with any resulting fair value changes recognized as "other expenses" in the consolidated statements of profit or loss.

The remainder of the proceeds was allocated to the liability component and was subsequently carried at amortized cost calculated using the effective interest method by applying an effective interest rate of approximately 8.83%.

Issuance cost associated with the issuance of Equity Linked Securities is allocated to the liability and derivative components in proportion to the allocation of proceeds.

The movements during the year are as follows:

	Liability component RMB'000	Derivative component RMB'000
At January 1, 2025	—	—
Issuance of the Equity Linked Securities	2,352,383	1,600,962
Issuance cost	(65,740)	(44,741)
Interest expenses	192,342	—
Interest paid	(9,820)	—
Fair value changes for the year	—	(343,149)
Exchange adjustments	(53,498)	(29,022)
At December 31, 2025	<u>2,415,667</u>	<u>1,184,050</u>

(b) Lower strike call option

In January 2025, the Company entered into an agreement, under which the lower strike call option (the “Lower Strike Call Option”) was granted by the counterparties to the Company, with an amount of USD168,029,906 (equivalent to approximately RMB1,207,782,000). Subject to the terms of the Lower Strike Call Option, the Lower Strike Call Option is exercisable at the discretion of the Company entitling the Company to receive cash settlement. The cash settlement will be in USD and be calculated on the difference between the exercise price of the Lower Strike Call Option and the volume weighted average price per share over a specified period of trading days, and multiplied by the number of shares underlying the Lower Strike Call Option being exercised.

At initial recognition, the Lower Strike Call Option was recognized as financial asset at FVTPL by using the binomial option pricing model with the assistance of an independent third-party valuation firm and was subsequently re-measured at each balance sheet date, with any resulting fair value changes recognized as “other expenses” in the consolidated statements of profit or loss.

The movements during the year are as follows:

	As at December 31, 2025 RMB'000
At the beginning of year	—
Issuance of the lower strike call option	1,207,782
Fair value changes for the year	(413,481)
Exchange adjustments	(20,198)
At the end of year	<u>774,103</u>

The Group had used binomial option pricing model to determine the fair value of financial derivatives at the end of the reporting period, with the assistance of an independent third-party valuation firm.

Key inputs used to determine the fair value of financial derivatives were as follows:

	As at December 31, 2025 RMB'000
Discount rate	7.4 %
Risk-free interest rate	3.8 %
Expected volatility	56.0 %

Discount rate was derived based on yield of comparable bonds with similar credit ratings applicable for the Company, after adjustments for operating location risk premium, specific risk premium, etc.

The Company estimated the risk-free interest rate based on the market yield of US Government Bond with a maturity life equal to the time to maturity of the Equity Linked Securities as of the valuation date.

Under binomial option pricing model, volatility was estimated based on an average volatility derived by the daily stock prices of comparable companies for a period with length commensurate to the time to maturity of the Equity Linked Securities as of the valuation date.

(c) Upper strike warrant

In January 2025, the Company entered into an agreement, under which the upper strike warrant (the "Upper Strike Warrant") was granted by the Company to the warrant counterparties, with an amount of USD90,529,906 (equivalent to approximately RMB650,711,000). Subject to the terms of the Upper Strike Warrant, the warrant counterparties have the right to subscribe newly allotted and issued shares at an applicable exercise price, subject to adjustments.

At initial recognition, the Upper Strike Warrant was recognized as an equity instrument and was subsequently measured at historical cost.

30 Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents, restricted cash, term deposits and financial derivative assets is limited because the counterparties are banks and financial institutions with high-credit-quality, for which the Group considers having low credit risk.

Trade receivables

The Group's trade receivables mainly derive from sales of goods to distributors and franchisees. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At December 31, 2024 and 2025, 35% and 32% of the total trade receivables were due from the Group's five largest debtors, respectively.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's history of making payments when due and current ability to pay and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

Trade receivables relating to certain sales of fixtures to franchisees are collected by instalments within the periods ranging from 18 to 38 months. All other trade receivables are due within 30 to 180 days from the date of billing. Debtors with balances that are more than 6 months past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix.

The Group does not provide any guarantees which would expose the Group to credit risk.

Other receivables

In determining the ECLs for remaining other receivables, the management of the Group has taken into account the historical default experience and forward-looking information, as appropriate. The management of the Group has assessed that other receivables have not had a significant increase in credit risk since initial recognition and risk of default was insignificant, and therefore, no credit loss allowance of other receivables was considered necessary by management for the years ended December 31, 2024 and 2025.

(b) Liquidity risk

As at December 31, 2024 and 2025, the Group's net current assets amounted to RMB5,928,312,000 and RMB5,613,362,000, respectively. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash, readily realizable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer terms.

The Group relies on the cash generated from operating activities as the main source of liquidity. For the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025, the Group had net cash generated from operating activities of approximately RMB1,666,030,000, RMB1,097,541,000, RMB2,168,334,000 and RMB2,577,891,000 respectively. In addition, the management of the Group monitors the utilization of borrowings and ensures compliance with borrowing covenants, if any. The directors believe that the Group and the Company will have sufficient funds available from the operating activities to meet their financial obligations in the foreseeable future.

The following tables show the remaining contractual maturities at the end of each reporting period presented of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contracted rates or, if floating, based on rates current at the end of each reporting period presented) and the earliest date the Group can be required to pay.

	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount at December 31, 2024 RMB'000
Trade and other payables	3,943,988	—	59,842	—	4,003,830	4,003,830
Loans and borrowings	577,913	2,257	2,193	—	582,363	571,265
Lease liabilities	652,942	667,829	947,046	682,653	2,950,470	2,538,494
	<u>5,174,843</u>	<u>670,086</u>	<u>1,009,081</u>	<u>682,653</u>	<u>7,536,663</u>	<u>7,113,589</u>
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount at December 31, 2025 RMB'000
Trade and other payables	4,516,491	72,586	—	—	4,589,077	4,589,077
Loans and borrowings	1,850,008	3,080,403	2,039,590	520,564	7,490,565	7,166,434
Redemption liabilities arising from preferred shares	573,681	—	—	—	573,681	573,681
Lease liabilities	970,977	820,224	1,501,440	837,363	4,130,004	3,664,582
	<u>7,911,157</u>	<u>3,973,213</u>	<u>3,541,030</u>	<u>1,357,927</u>	<u>16,783,327</u>	<u>15,993,774</u>

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not account for any fixed-rate financial instruments at fair value through profit or loss at the end of each reporting period. Therefore, interest-bearing financial instruments at fixed rates do not expose the Group to fair value interest rate risk. The Group's interest rate risk arises primarily from restricted cash and cash at bank at variable rates, which exposes the Group to cash flow interest rate risk. The Group determines the appropriate weightings of the fixed and floating rate interest-bearing instruments based on the current market conditions and performs regular reviews and monitoring to achieve an appropriate mix of fixed and floating rate exposure. The Group does not enter into financial derivatives to hedge interest rate risk.

(i) Interest rate profile

The following table details the interest rate profile of the Group's interest-bearing financial instruments at the end of each reporting period presented:

	Interest rates	As at December 31, 2024 RMB'000	Interest rates	As at December 31, 2025 RMB'000
	%		%	
Fixed rate instrument:				
Loans and borrowings (Note 22)	2.07%~3.0%	(571,265)	0.7%~7.64%	(7,166,434)
Cash at bank (Note 18)	2.1%~4.36%	3,517	N/A	—
Term deposits	1.05%~4.8%	409,135	1.05%~4.8%	216,567
		<u>(158,613)</u>		<u>(6,949,867)</u>
Variable rate instrument:				
Restricted cash (Note 19)	0.1%~0.95%	1,026	0.05%~1.35%	54,229
Cash at bank (Note 18)	0%~4.31%	6,320,139	0.05%~4.5%	6,807,463
		<u>6,321,165</u>		<u>6,861,692</u>

(ii) *Sensitivity analysis*

At December 31, 2024 and 2025, it was estimated that a general increase/decrease of 100 basis points in interest rates, with all other variable held constant, would have increased/decreased the Group's profit for the reporting periods and retained earnings by approximately RMB47,805,000 and RMB57,502,000, respectively.

(d) **Currency risk**

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States Dollars, Euros, Great British Pound and Hong Kong Dollars. The Group manages this risk as follows:

(i) *Exposure to currency risk*

The following table details the Group's exposure at the end of the reporting periods to currency risk arising from recognized assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the end of the reporting periods. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

	Exposure to foreign currencies				
	As at December 31, 2024				
	United States Dollars RMB'000	Euros RMB'000	Hong Kong Dollars RMB'000	Renminbi RMB'000	Others RMB'000
Trade and other receivables	189,003	43,965	66,782	—	18
Cash and cash equivalents	173,001	93,281	2,112	8,928	1,687
Term deposits	359	—	—	—	—
Trade and other payables	(84,422)	(6,797)	(14,616)	(5,616)	(515)
Net exposure arising from recognized assets and liabilities	277,941	130,449	54,278	3,312	1,190

	Exposure to foreign currencies						
	As at December 31, 2025						
	United States Dollars RMB'000	Euros RMB'000	Great British Pound RMB'000	Hong Kong Dollars RMB'000	Singapore Dollars RMB'000	Renminbi RMB'000	Others RMB'000
Trade and other receivables	307,284	22,704	27,194	25,326	—	574	2,849
Cash and cash equivalents	51,247	61,137	5	4,804	7,087	4,084	5,461
Term deposits	7,480	—	—	—	—	—	—
Trade and other payables	(110,606)	(20,145)	(172)	(12,139)	—	(606)	(481)
Net exposure arising from recognized assets and liabilities	255,405	63,696	27,027	17,991	7,087	4,052	7,829

(ii) *Sensitivity analysis*

The following table indicates the instantaneous change in the Group's profit after tax and retained earnings that would arise if foreign exchange rates to which the Group has significant exposure at the end of each reporting period had changed at that date, assuming all other risk variables remained constant.

	As at December 31, 2024		As at December 31, 2025	
	Increase/ (decrease) in foreign exchange rates	Effect on profit for the year and retained earnings RMB'000	Increase/ (decrease) in foreign exchange rates	Effect on profit for the year and retained earnings RMB'000
United States Dollars	1 %	2,311	1 %	2,127
	(1)%	(2,311)	(1)%	(2,127)
Euros	1 %	1,089	1 %	544
	(1)%	(1,089)	(1)%	(544)
Great British Pound	1 %	(1)	1 %	226
	(1)%	1	(1)%	(226)
Hong Kong Dollars	1 %	561	1 %	186
	(1)%	(561)	(1)%	(186)
Singapore Dollars	1 %	12	1 %	60
	(1)%	(12)	(1)%	(60)
Renminbi	1 %	31	1 %	37
	(1)%	(31)	(1)%	(37)
Others	1 %	10	1 %	64
	(1)%	(10)	(1)%	(64)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, and then translated into Renminbi at the exchange rate ruling at the end of the reporting periods for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of each reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency.

(e) *Fair value measurement*

(i) *Financial assets and liabilities measured at fair value*

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period presented on a recurring basis, categorized into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*.

The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 : Fair value measured using only Level 1 inputs, i.e., unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 : Fair value measured using Level 2 inputs, i.e., observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 : Fair value measured using significant unobservable inputs.

The following table presents the Group's financial assets that are measured at fair value at the end of each reporting date:

	Fair value at December 31,	Fair value measurements as at December 31, 2024 categorized into		
	2024	Level 1	Level 2	Level 3
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement				
Assets:				
Other investments:				
- Investment in structured deposit	100,000	—	100,000	—
- Investment in an unlisted Partnership Enterprise	123,399	—	—	123,399

	Fair value at December 31,	Fair value measurements as at December 31, 2025 categorized into		
	2025	Level 1	Level 2	Level 3
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement				
Assets:				
Other investments:				
- Investment in an unlisted Partnership Enterprise	201,727	—	—	201,727
Financial derivative assets (Note 29)	774,103	—	—	774,103
Liabilities:				
Redemption liabilities arising from preferred shares (Note 25)	573,681	—	—	573,681
Financial derivative liabilities (Note 29)	1,184,050	—	—	1,184,050

During the years ended December 31, 2024 and 2025, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3. The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of each reporting period in which they occur.

Other investments in Level 2 as at December 31, 2024 mainly represented investments in trust investment schemes, a wealth management product and structured deposit. The fair value of these investments was determined by the Group with reference to the fair value quoted by the trust companies or bank, that established and managed the investments (see Note 15), using expected return rates currently available for instruments with similar terms, credit risk, remaining terms and other market data.

The Group invested in an unlisted Partnership Enterprise in late June 2023 with a consideration of USD10,409,000 (equivalent to RMB73,870,000).

At December 31, 2024 and 2025, the fair value of the investment in unlisted Partnership Enterprise was determined using summation method of cost approach, based on recent transaction price of the underlying enterprise invested by this Partnership Enterprise and the predetermined distribution mechanism of returns set out in the agreement of the Partnership Enterprise. This investment was classified as Level 3 as no observable inputs for which market data could be used to measure the fair value. The movement during the year ended December 31, 2025 in the balance of the Level 3 fair value measurement was attributable to the fair value adjustment.

Financial derivative assets in Level 3 on December 31, 2025 represented the lower strike call option (Note 29). The fair value of financial derivative assets was determined using binomial option pricing model with the assistance of an independent valuer. These assets classified as Level 3 because of using significant unobservable market inputs.

Financial derivative liabilities in Level 3 on December 31, 2025 were embedded derivative in the Equity Linked Securities (Note 29), which were measured at their fair value at the end of each reporting period. The fair value of financial derivative liabilities was determined using binomial option pricing model with the assistance of an independent valuer. These liabilities were classified as Level 3 because of using significant unobservable market inputs.

At December 31, 2025, the fair value of redemption liabilities arising from preferred shares (Note 25) was determined using the option-pricing method using unobservable market inputs and then were classified as Level 3.

The gains and losses arising from the remeasurement of fair value of other investments, financial derivative assets and liabilities and redemption liabilities arising from preferred shares are respectively included in other net income, other expenses and changes in fair value of redemption liabilities in the consolidated statements of profit or loss.

(ii) *Fair values of financial assets and liabilities carried at other than fair value*

The carrying amounts of the Group's financial instruments carried at amortized cost are not materially different from their fair values as at December 31, 2024 and 2025 because of the short-term maturities of these financial instruments.

31 Commitments

(a) *Capital commitments outstanding as at the end of each reporting period presented not provided for in the financial statements were as follows:*

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Contracted for construction projects	557,180	358,971
Authorized but not contracted for construction projects	76,366	35,268
Total	633,546	394,239

32 Contingencies

(a) *The commitment of tax payments*

On October 13, 2020, Mingyou Industrial Investment (Guangzhou) Co., Ltd. (“Mingyou”), being a subsidiary of the Group’s equity-accounted investee prior to October 27, 2021 and a subsidiary of the Group since October 27, 2021, was set up to acquire the land use right of a parcel of land and to establish a new headquarters building for the Group in a district in Guangzhou, the PRC. In connection with the acquisition of the land use right and the construction of new headquarter building by Mingyou, on November 26, 2020, Miniso (Guangzhou) Co., Ltd. (“MINISO Guangzhou”) entered into a letter of intent (“the Letter”) with the local government of that district, whereby MINISO Guangzhou committed to the local government that the aggregate amount of tax levies paid by the subsidiaries of MINISO Guangzhou in that district and Mingyou would be no less than RMB965,000,000 for a five-year period starting from January 1, 2021, with RMB160,000,000 for 2021, RMB175,000,000 for 2022, RMB190,000,000 for 2023, RMB210,000,000 for 2024 and RMB230,000,000 for 2025. If the above entities fail to meet such commitment, MINISO Guangzhou will be liable to compensate the shortfall.

The above entities had met the commitments for the calendar years of 2021, 2022, 2023, 2024 and 2025. Therefore, MINISO Guangzhou was not required to make any compensation to the local government. As such, no provision has been made in respect of this matter as at December 31, 2025.

(b) *Securities class action*

In August 2022, a putative federal securities class action was filed against the Company and certain officers and directors, alleging that the Company made misleading misstatements or omissions regarding its business operations and financials in violation of the Securities Act of 1933 and the Securities Exchange Act of 1934. The action is captioned *In re MINISO Group Holding Limited Securities Litigation*, 1:22-cv-09864 (S.D.N.Y.). Lead plaintiff was appointed in November 2022 and filed the operative complaint to the court. The company and other defendants filed a motion to dismiss the complaint, and the motion was granted by the court in February 2024, with leave to amend. Plaintiffs filed a motion for reconsideration of the court’s decision, which was rejected by the court. Plaintiffs filed a further amended complaint on April 30, 2025. The Company and other defendants filed a motion to dismiss that complaint, which was granted by the court on March 31, 2026, with prejudice. Plaintiffs have until May 1, 2026 to file a notice to appeal the court decision. As at December 31, 2025, the directors and the Group’s litigation counsel were still unable to assess the outcome of the action or reliably estimate the potential losses, if any.

33 Material related party transactions

(a) Name and relationship with related parties

The table below set forth the major related parties and their relationships with the Group:

Name of related parties	Relationship with the Group
Mr. Ye Guofu	Controlling shareholder
Wow Colour Beauty Guangdong Technology Limited	Under common control of the controlling shareholder
Haydon (Shanghai) Technology Co., Ltd.	Under common control of the controlling shareholder
Guangzhou Chuyunju Catering Service Co., Ltd.	Under common control of the controlling shareholder
Guangzhou Chuyunju Catering Management Co., Ltd.	Under common control of the controlling shareholder
Henhaohe Tea Guangdong limited (i)	Under common control of the controlling shareholder*
OasVision International Limited	Under common control of the controlling shareholder
MINISO (Zhaoqing) Industrial Investment Co., Ltd.	Under common control of the controlling shareholder
MINISO Lifestyle Nigeria Limited (ii)	Under common control of the controlling shareholder*
Add a friend (Guangzhou) Co., Ltd.(formerly known as MINISO Corporation) (iii)	Under common control of the controlling shareholder*
Multiple Friends (Shanghai) Cultural and Creative Co., Ltd.	Under common control of the controlling shareholder
Vision (Guangdong) Enterprise Management Co., Ltd.	Under common control of the controlling shareholder
Shanghai Kerong Networks Limited	Significantly influenced by the controlling shareholder
ACC Super Accessories Shenzhen Technology Limited	Significantly influenced by the controlling shareholder
ACC Super Accessories International Trade (Shenzhen) Co., Ltd.	Significantly influenced by the controlling shareholder
Guangzhou Mingyou Business Development Co., Ltd.	Significantly influenced by the controlling shareholder
Guangzhou Mingyou Business Management Co., Ltd.	Significantly influenced by the controlling shareholder
KOURITEN LIMITED (iv)	Subsidiary of an equity-accounted investee of the Group
KOURITEN HOLDINGS LTD (iv)	Subsidiary of an equity-accounted investee of the Group
Fujian Yuntong Supply Chain Co., Ltd. (v)	Subsidiary of an equity-accounted investee of the Group
MINISO France Travel Retail (vi)	An equity-accounted investee of the Group
MINISO France Development (vi)	An equity-accounted investee of the Group
MINISO Winky Italy S.r.l. (vii)	An equity-accounted investee of the Group

Notes:

- (i) As of September 6, 2022, Henhaohe Tea Guangdong Limited experienced a change in its shareholding structure. The entity was no longer under the common control of the controlling shareholder since then and therefore was no longer classified as a related party of the Group. The transactions between the Group and Henhaohe Tea Guangdong Limited before September 6, 2022 were included in Notes 33(b) and 33(c), respectively.

- (ii) As of November 29, 2024, MINISO Lifestyle Nigeria Limited entered into a termination agreement for the intellectual property license, sales, and distribution framework. The entity was no longer under the common control of the controlling shareholder since then and therefore was no longer classified as a related party of the Group. The transactions between the Group and MINISO Lifestyle Nigeria Limited before November 29, 2024 and the balances with MINISO Lifestyle Nigeria Limited as at December 31, 2024 were included in Notes 33(b) and 33(c), respectively.
- (iii) As of November 29, 2024, Add a friend (Guangzhou) Co., Ltd. experienced a change in its shareholding structure. The entity was no longer under the common control of the controlling shareholder since then and therefore was no longer classified as a related party of the Group. The transactions between the Group and Add a friend (Guangzhou) Co., Ltd. before November 29, 2024 were included in Notes 33(b) and 33(c), respectively.
- (iv) On October 26, 2023, the Group invested in the parent company of KOURITEN LIMITED and acquired 25% of its interest. KOURITEN LIMITED became a subsidiary of an equity accounted investee of the Group since then. The transactions between the Group and KOURITEN LIMITED since October 26, 2023 and the balances with KOURITEN LIMITED as at December 31, 2023, 2024 and 2025 were included in Notes 33(b) and 33(c), respectively.
- (v) On February 7 2025, the Group invested in the parent company of Fujian Yuntong Supply Chain Co., Ltd. and acquired 29.4% of its interest. Fujian Yuntong Supply Chain Co., Ltd. became a subsidiary of an equity accounted investee of the Group since then. The transactions between the Group and Fujian Yuntong Supply Chain Co., Ltd. since February 7 2025 and the balances with Fujian Yuntong Supply Chain Co., Ltd. as at December 31, 2025 were included in Notes 33(b) and 33(c), respectively.
- (vi) On July 17, 2025, the Group acquired a 100% interest in MINISO France, the shareholder of MINISO France Travel Retail and MINISO France Development (see Note 28(a)), and simultaneously acquired a 50% interest in MINISO France Travel Retail and a 10% interest in MINISO France Development. As a result, both entities became equity-accounted investees of the Group from that date. All related transactions and balances as at December 31, 2025, were included in Notes 33(b) and 33(c), respectively.
- (vii) On July 20, 2024, the Group invested in MINISO Winky Italy S.r.l. and acquired 49% of its interest. MINISO Winky Italy S.r.l. became an equity accounted investee of the Group since then. The transactions between the Group and MINISO Winky Italy S.r.l. since July 20, 2024 and the balances with MINISO Winky Italy S.r.l. as at December 31, 2024 were included in Notes 33(b) and 33(c), respectively. On May 19, 2025, the Group acquired the remaining 51% interest in MINISO Winky Italy S.r.l., and became wholly-owned subsidiaries of the Group since then (see Note 28(a)).

(b) Transactions with related parties

(i) Key management personnel compensation

Key management personnel compensation comprised the following:

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Short-term employee benefits	13,069	8,171	10,510	11,335
Equity-settled share-based payment expenses (Note 27)	718	508	6,368	24,126
	<u>13,787</u>	<u>8,679</u>	<u>16,878</u>	<u>35,461</u>

(ii) *Other transactions with related parties*

	For the year ended June 30, 2023 RMB'000	For the six months ended December 31, 2023 RMB'000	For the year ended December 31, 2024 RMB'000	For the year ended December 31, 2025 RMB'000
Sales of products				
- MINISO Lifestyle Nigeria Limited	18,046	11,577	15,743	—
- MINISO (Zhaoqing) Industrial Investment Co., Ltd.	4,020	3,026	5,556	—
- Wow Colour Beauty Guangdong Technology Limited	85	—	3	29
- KOURITEN LIMITED	—	10,048	78,662	136,846
- Miniso Winky Italy S.r.l.	—	—	5,581	43,411
- Miniso France Travel Retail	—	—	—	12,747
- Miniso France Development	—	—	—	750
- Fujian Yuntong Supply Chain Co., Ltd.	—	—	—	745
Provision of information technology support and consulting services				
- Haydon (Shanghai) Technology Co., Ltd. (i)	916	26	50	—
- Wow Colour Beauty Guangdong Technology Limited (i)	2,714	1,466	3,002	666
- ACC Super Accessories Shenzhen Technology Limited (i)	207	138	81	—
- Henhaohe Tea Guangdong Limited (i)	230	—	—	—
- Vision (Guangdong) Enterprise Management Co., Ltd. (i)	—	—	—	1,892
License fee income				
- KOURITEN LIMITED	—	87	4,138	5,817
- MINISO France Travel Retail	—	—	—	2,114
- MINISO France Development	—	—	—	91
Purchase of products				
- Shanghai Kerong Networks Limited	12,125	2,286	2,416	430
- Wow Colour Beauty Guangdong Technology Limited	1	23	102	542
- ACC Super Accessories Shenzhen Technology Limited	206	—	—	—
- ACC Super Accessories International Trade (Shenzhen) Co., Ltd.	452	—	—	—
- Guangzhou Mingyou Business Development Co., Ltd.	367	—	—	—
- Add a friend (Guangzhou) Co., Ltd.	—	—	80	—
Purchase of catering services				
- Guangzhou Chuyunju Catering Management Co., Ltd.	6,078	3,888	7,637	7,825
Rental and related expenses				
- Guangzhou Mingyou Business Development Co., Ltd. (iii)	2,359	4,016	8,016	1,987
- MINISO (Zhaoqing) Industrial Investment Co., Ltd.	—	200	5,785	2,317
- Guangzhou Mingyou Business Management Co., Ltd.	—	347	—	—
Payment of lease liabilities				
- MINISO (Zhaoqing) Industrial Investment Co., Ltd. (ii)	26,583	19,271	43,417	58,627
Payment of rental deposits				
- MINISO (Zhaoqing) Industrial Investment Co., Ltd. (ii)	10,647	113	5,947	5,831
- Guangzhou Mingyou Business Development Co., Ltd. (iii)	1,710	—	—	—
Loan provided to				
- MINISO Winky Italy S.r.l.	—	—	19,681	27,253
Payment of earnest money in connection with lease of a property				
- Guangzhou Mingyou Business Management Co., Ltd.	—	1,000	—	—

Notes:

- (i) Pursuant to the information technology support and consulting services agreements entered into between the Group and Haydon (Shanghai) Technology Co., Ltd., Wow Colour Beauty Guangdong Technology Limited, ACC Super Accessories Shenzhen Technology Limited, Henhaohe Tea Guangdong Limited and Vision (Guangdong) Enterprise Management Co., Ltd., the Group provided business management systems deployment and support services to these entities during the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025.

- (ii) The Group entered into lease agreements with MINISO (Zhaoqing) Industrial Investment Co., Ltd. for lease of properties for storage of inventories and employee dormitories with fixed lease payments for two to five years.

During the year ended June 30, 2023, the six months ended December 31, 2023 and the years ended December 31, 2024 and 2025, the Group recognized right-of-use assets and lease liabilities of RMB69,295,000, RMB2,065,000, RMB64,741,000 and RMB97,337,000 respectively at the commencement dates of these new leases.

- (iii) In March 2023, the Group entered into a five-year lease agreement with fixed lease payments in respect of a property for store operation with Guangzhou Mingyou Business Development Co., Ltd. In April 2023, the five-year lease agreement was cancelled and replaced with a nine-month lease agreement for the same property out of commercial considerations. A right-of-use asset and a lease liability of RMB35,993,000 were initially recognized at the commencement date of the five-year lease agreement and were subsequently derecognized upon the cancellation of the agreement. Total rental and related expenses incurred in connection with the lease of this property during the year ended June 30, 2023 and the six months ended December 31, 2023 were RMB2,359,000 and RMB4,016,000, respectively. The Group also paid rental deposit of RMB1,710,000 in connection with the lease of this property during the year ended June 30, 2023.

In January 2024, the Group entered into another twelve-month lease agreement with Guangzhou Mingyou Business Development Co., Ltd. for the same property. Total rental and related expenses incurred in connection with the lease of this property during the years ended December 31, 2024 and 2025 were RMB8,016,000 and RMB1,987,000, respectively.

(c) **Balances with related parties**

	As at December 31,	
	2024	2025
	RMB'000	RMB'000
Trade related:		
Included in non-current trade and other receivables from related parties:		
- MINISO (Zhaoqing) Industrial Investment Co., Ltd.	16,708	15,575
Included in current trade and other receivables from related parties:		
- Haydon (Shanghai) Technology Co., Ltd.	53	—
- Wow Colour Beauty Guangdong Technology Limited	899	78
- ACC Super Accessories Shenzhen Technology Limited	688	673
- MINISO Lifestyle Nigeria Limited	786	—
- MINISO (Zhaoqing) Industrial Investment Co., Ltd.	6,271	17,978
- Guangzhou Mingyou Business Development Co., Ltd.	3,173	—
- Guangzhou Mingyou Business Management Co., Ltd.	1,000	1,000
- KOURITEN LIMITED	12,629	17,778
- MINISO France Travel Retail	—	12,629
- MINISO France Development	—	479
- Multiple Friends (Shanghai) Cultural and Creative Co., Ltd.	—	362
- Vision (Guangdong) Enterprise Management Co., Ltd.	—	659
	25,499	51,636
Included in trade and other payables to related parties:		
- Shanghai Kerong Networks Limited	162	100
- Wow Colour Beauty Guangdong Technology Limited	51	3
- ACC Super Accessories Shenzhen Technology Limited	9	—
- Guangzhou Chuyunju Catering Service Co., Ltd.	4,204	—
- Guangzhou Chuyunju Catering Management Co., Ltd.	2,072	2,029
- Guangzhou Mingyou Business Development Co., Ltd.	83	44
- MINISO (Zhaoqing) Industrial Investment Co., Ltd.	542	—
- KOURITEN LIMITED	1,000	1,014
- MINISO France Travel Retail	—	5,230
- MINISO France Development	—	414
	8,123	8,834
Included in lease liabilities due to related parties:		
- MINISO (Zhaoqing) Industrial Investment Co., Ltd.	104,097	128,531
Included in contract liabilities due to related parties:		
- MINISO Lifestyle Nigeria Limited	4,850	—
- MINISO Winky Italy S.r.l.	1,115	—
- Wow Colour Beauty Guangdong Technology Limited	—	3
- KOURITEN LIMITED	—	1,951
	5,965	1,954
Non-trade related:		
Included in current trade and other receivables from related parties:		
- MINISO Winky Italy S.r.l.	19,925	—
- KOURITEN HOLDINGS LTD	—	26,416
	19,925	26,416

34 Company level financial information

The following presents condensed parent company financial information of the Group.

(i) Condensed statements of profit or loss

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	RMB'000	RMB'000	RMB'000	RMB'000
Other income	6,468	10,433	12,719	5,539
General and administrative expenses	(37,854)	(20,345)	(20,138)	(14,582)
Other net (loss)/income	(11,418)	5,558	(554)	63,113
Operating (loss)/income	(42,804)	(4,354)	(7,973)	54,070
Finance income/(costs)	25,608	44,400	8,750	(160,205)
Other expenses	—	—	—	(70,332)
(Loss)/profit before taxation	(17,196)	40,046	777	(176,467)
Income tax expense	—	(3,137)	—	(1,543)
(Loss)/profit for the year/period	(17,196)	36,909	777	(178,010)

(ii) Condensed statements of profit or loss and other comprehensive income

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	RMB'000	RMB'000	RMB'000	RMB'000
(Loss)/profit for the year/period	(17,196)	36,909	777	(178,010)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of financial statements of the Company	383,743	(86,224)	36,184	1,584
Other comprehensive income/(loss) for the year/period	383,743	(86,224)	36,184	1,584
Total comprehensive income/(loss) for the year/period	366,547	(49,315)	36,961	(176,426)

(iii) Condensed statements of financial position

		As at December 31,	
	Note	2024	2025
		RMB'000	RMB'000
ASSETS			
Non-current assets			
Investments in subsidiaries			
- Cost-accounted investments in subsidiaries		2,288,729	3,460,965
- Amounts due from subsidiaries		723,420	1,006,137
Financial derivative assets		—	774,103
		3,012,149	5,241,205
Current assets			
Other receivables		4,094	215
Cash and cash equivalents		8,706	2,036,747
		12,800	2,036,962
Total assets		3,024,949	7,278,167
EQUITY			
Share capital	26(a)	94	94
Additional paid-in capital	26(a)	4,686,201	2,908,972
Other reserves		(1,290,819)	403,687
Accumulated losses		(689,124)	(867,134)
Total equity		2,706,352	2,445,619
LIABILITIES			
Non-current liabilities			
Loans and borrowings		—	2,406,744
Financial derivative liabilities		—	1,184,050
		—	3,590,794
Current liabilities			
Other payables		313,221	1,241,754
Deferred income		5,376	—
		318,597	1,241,754
Total liabilities		318,597	4,832,548
Total equity and liabilities		3,024,949	7,278,167

(iv) Condensed statements of cash flows

	For the year ended June 30, 2023	For the six months ended December 31, 2023	For the year ended December 31, 2024	For the year ended December 31, 2025
	RMB'000	RMB'000	RMB'000	RMB'000
Net cash used in operating activities	(43,240)	(22,277)	(19,192)	(11,661)
Net cash from/(used in) investing activities	528,830	259,852	932,096	(220,726)
Net cash from/(used in) financing activities	43,396	(1,083,077)	(1,276,775)	2,283,638
Net increase/(decrease) in cash and cash equivalents	528,986	(845,502)	(363,871)	2,051,251
Cash and cash equivalents at beginning of the year/period	646,921	1,225,474	372,459	8,706
Effect of movements in exchange rates on cash held	49,567	(7,513)	118	(23,210)
Cash and cash equivalents at end of the year/period	1,225,474	372,459	8,706	2,036,747

As of December 31, 2025, RMB5,429,808,000 of the restricted capital and reserves were not available for distribution, and therefore, the condensed financial information of the Company as of December 31, 2024 and 2025 and for the year ended June 30, 2023, six months ended December 31, 2023 and years ended December 31, 2024 and 2025 has been presented.

35 Non-adjusting events after the reporting period

There were no significant events for which disclosures or adjustments are required after December 31, 2025, except for the dividend declaration disclosed in Note 26(d).

36 Amendments and new standards issued but not yet effective

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency²</i>
Annual Improvements to IFRS Accounting Standards – Volume 11	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7¹</i>
1	Effective for annual periods beginning on or after January 1, 2026
2	Effective for annual/reporting periods beginning on or after January 1, 2027
3	No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and amended standards upon initial application. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosure of management-defined performance measures in a note and introduces new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and disclosures of the Group's financial performance. So far, the Group considers that the new and revised standards are unlikely to have a significant impact on the Group's results of operations and financial position.

List of Principal Subsidiaries of the Registrant

Subsidiary	Place of Incorporation
MINISO Universal Holding Limited	British Virgin Islands
MINISO Global Holding Limited	British Virgin Islands
YGF Investment V Limited	British Virgin Islands
MINISO Development Hong Kong Limited	Hong Kong
MINISO Investment Hong Kong Limited	Hong Kong
MINISO Hong Kong Limited	Hong Kong
YGF Investment V Hong Kong Limited	Hong Kong
MINISO Life Style Private Limited	India
USA Miniso Depot Inc.	United States
PT. Miniso Lifestyle Trading Indonesia	Indonesia
MIHK Management Inc.	Canada
Miniso Lifestyle Singapore Private Limited	Singapore
Miniso (Guangzhou) Co., Ltd.	PRC
Miniso Youxuan Technology (Guangzhou) Co., Ltd.	PRC
Miniso International (Guangzhou) Co., Ltd.	PRC
Miniso (Hengqin) Enterprise Management Co., Ltd.	PRC
TOP TOY International Group Limited	Cayman Islands
TOP TOY Group Holding Limited	Cayman Islands
TOP TOY Universal Holding Limited	British Virgin Islands
TOP TOY HK Limited	Hong Kong
TOP TOY (Guangdong) Cultural Creativity Co., Ltd.	PRC
Mingyou Industrial Investment (Guangzhou) Co., Ltd.	PRC
Guangdong Juncai International Trading Co., Ltd.	PRC

**Certification by the Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Guofu Ye, certify that:

1. I have reviewed this annual report on Form 20-F of MINISO Group Holding Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 24, 2026

By: /s/ Guofu Ye

Name: Guofu Ye

Title: Chief Executive Officer

**Certification by the Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jingjing Zhang, certify that:

1. I have reviewed this annual report on Form 20-F of MINISO Group Holding Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 24, 2026

By: /s/ Jingjing Zhang

Name: Jingjing Zhang

Title: Chief Financial Officer

**Certification by the Principal Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of MINISO Group Holding Limited (the “Company”) on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Guofu Ye, the chief executive officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 24, 2026

By: /s/ Guofu Ye

Name: Guofu Ye

Title: Chief Executive Officer

**Certification by the Principal Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of MINISO Group Holding Limited (the “Company”) on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jingjing Zhang, the chief financial officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 24, 2026

By: /s/ Jingjing Zhang

Name: Jingjing Zhang

Title: Chief Financial Officer

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-255274) pertaining to the 2020 Share Incentive Plan and the Registration Statement (Form F-3 No. 333-268976) of MINISO Group Holding Limited of our reports dated April 24, 2026, with respect to the consolidated financial statements of MINISO Group Holding Limited, and the effectiveness of internal control over financial reporting of MINISO Group Holding Limited included in this Annual Report (Form 20-F) for the year ended December 31, 2025.

/s/ Ernst & Young Hua Ming LLP

Shanghai, the People's Republic of China
April 24, 2026

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement (No. 333-255274) on Form S-8 and the registration statement (No. 333-268976) on Form F-3 of our report dated April 24, 2025, with respect to the consolidated financial statements of MINISO Group Holding Limited.

/s/KPMG Huazhen LLP

Guangzhou, China
April 24, 2026



28/F, GDH BCC,
No.21 Zhujiang West Road, Zhujiang New Town
Tianhe District, Guangzhou 510627, P. R. China
T: (86-20) 2805-9088
F: (86-20) 2805-9099

April 24, 2026

MINISO Group Holding Limited

8F, M Plaza, No. 109, Pazhou Avenue
Haizhu District, Guangzhou 510000 Guangdong Province
People's Republic of China

Dear Sir/Madam,

We hereby consent to the references to our firm and the summaries of our opinions under the headings “Item 3. Key Information—D. Risk Factors —Risks Related to Our Business and Industry,” and Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China” included in the annual report of MINISO Group Holding Limited (the “Company”) on Form 20-F for the fiscal year ended December 31, 2025 (the “Annual Report”), which is filed with the Securities and Exchange Commission (the “SEC”) on April 24, 2026. We further consent to the incorporation by reference of the summaries of our opinions that appear in the Annual Report into the Registration Statement on Form S-8 (File No. 333-255274) filed on April 16, 2021 pertaining to 2020 Share Incentive Plan of the Company, and Form F-3 (File No. 333-268976) of the Company filed on December 23, 2022, respectively. We also consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report.

In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully,

/s/JunHe LLP

JunHe LLP

Our ref KKZ/763998-000001/27123389v2

MINISO Group Holding Limited
8F, M Plaza, No. 109, Pazhou Avenue
Haizhu District, Guangzhou 510000 Guangdong Province
The People's Republic of China

24 April 2026

Dear Sir and/or Madam

MINISO Group Holding Limited

We have acted as legal advisers as to the laws of the Cayman Islands to MINISO Group Holding Limited, an exempted limited liability company incorporated in the Cayman Islands (the “**Company**”), in connection with the filing by the Company with the United States Securities and Exchange Commission (the “**SEC**”) of an annual report on Form 20-F for the year ended 31 December 2025 (the “**Annual Report**”).

We hereby consent to the reference to our firm under the headings “Item 10. Additional Information—E. Taxation” and “Item 16G. Corporate Governance” in the Annual Report, and we further consent to the incorporation by reference of the summary of our opinions under these headings into the Company's registration statement on Form S-8 (File No. 333-255274) that was filed on 16 April 2021, pertaining to the Company's 2020 Share Incentive Plan, the Company's registration statement on Form F-3 (File No. 333-268976) that was filed on 23 December 2022.

We consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report. In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully

/s/ Maples and Calder (Hong Kong) LLP

Maples and Calder (Hong Kong) LLP

April 24, 2026

Securities and Exchange Commission
Washington, D.C. 20549

Ladies and Gentlemen:

We were previously principal accountants for MINISO Group Holding Limited and, under the date of April 24, 2025, we reported on the consolidated financial statements of MINISO Group Holding Limited as of June 30, 2023, December 31, 2023 and December 31, 2024 and for the years ended June 30, 2022 and 2023, the six months ended December 31, 2023 and the year ended December 31, 2024 and the effectiveness of internal control over financial reporting as of December 31, 2024. On June 12, 2025, we retired upon the expiration of our term of office and did not stand for reelection.

We have read MINISO Group Holding Limited's statements included under Item 16F of its Form 20-F dated April 24, 2026, and we agree with such statements, except that we are not in a position to agree or disagree with MINISO Group Holding Limited's statements that (i) the appointment of Ernst & Young, or EY, and Ernst & Young Hua Ming LLP, or EY HM, as MINISO Group Holding Limited's auditors following the retirement of KPMG and KPMG Huazhen LLP was approved by MINISO Group Holding Limited's shareholders at the same annual general meeting. The engagement of EY and EY HM had been recommended by MINISO Group Holding Limited's audit committee and approved by MINISO Group Holding Limited's board of directors and (ii) that neither MINISO Group Holding Limited, nor anyone on its behalf, has consulted EY HM regarding either (a) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on MINISO Group Holding Limited's consolidated financial statements, and neither a written report nor oral advice that EY HM concluded was an important factor considered by MINISO Group Holding Limited in reaching a decision as to any accounting, auditing, or financial reporting issue; or (b) any matter that was the subject of a disagreement (as defined in Item 16F(a)(1)(iv) of the instructions to Form 20-F and the related instructions therein) or a reportable event.

Very truly yours,

/s/ KPMG Huazhen LLP
