This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. Moreover, there are risks associated with any **[REDACTED]**. *Some of the particular risks of* **[REDACTED]** *in the* **[REDACTED]** *are set out in the section headed "Risk Factors". You should read the entire document carefully before you decide to* **[REDACTED]** *in the* **[REDACTED]**. *Various expressions used in this section are defined in the sections headed "Definitions" and "Glossary of Technical Terms".*

OVERVIEW

We are China's largest and fastest-growing pop toy collection brand. In 2025, we achieved GMV of RMB4.2 billion in Chinese Mainland, and our self-developed products accounted for over 55% of revenue — the highest among Chinese pop toy collection brands, according to Frost & Sullivan. From 2023 to 2025, we achieved a GMV CAGR exceeding 50%, making us the fastest-growing pop toy collection brand in China, according to Frost & Sullivan.

Since the launch of our first store in December 2020, we have established a fully integrated platform across the pop toy value chain. Leveraging deep insights into pop toy enthusiasts, we have developed industry-leading, consumer-oriented product design and IP operation capabilities. We have 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. This product portfolio, including model figures, 3D building blocks, vinyl plush toys and others, enables us to meet the diverse needs of pop toy consumers and continuously expand our customer base. Through broad channel consumer reach, we ensure every consumer can experience the pure joy of pop toys and find their unique source of fun and emotional connection.

Notes:

(1) Based on the Frost & Sullivan Report. Largest and highest proportion based on 2025 GMV in Chinese Mainland. Fastest-growing based on GMV CAGR from 2023 to 2025.

(2) As of the Latest Practicable Date.

(3) Including Tmall, Pinduoduo, JD.com, Douyin, Rednote, Weixin mini-program, and Meituan, among others.

OUR FULLY INTEGRATED POP TOY PLATFORM

We have built a fully integrated platform centered on maximizing IP value, covering all key segments of the industry value chain, which forms our competitive strengths.

IP Matrix and Operations

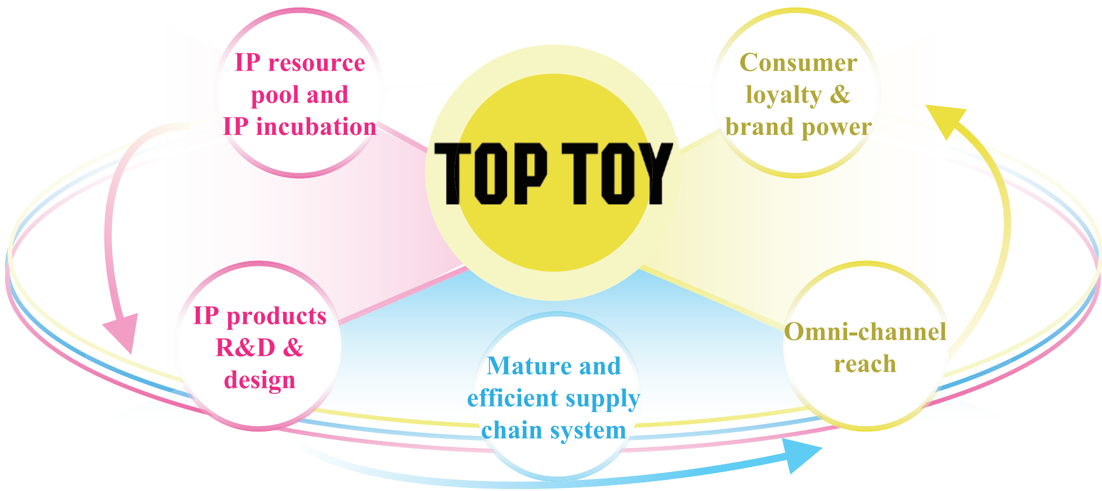
Through a diversified IP strategy, we have established a rich and high-quality IP resource pool, forming a comprehensive and expanding IP matrix that integrates proprietary, licensed, and third-party IPs. This approach is supported by our strong product R&D and design capabilities and expertise in derivative IP creation and operations. By constantly introducing proprietary IPs and partnering with renowned licensors such as Sanrio, Disney and Crayon Shin-chan, we ensure our portfolio remains dynamic and adaptive to market trends, enabling us to meet the diverse needs of all consumer groups with flexibility and speed.

Sales and Distribution Network

We have established broad and omni-channel consumer reach. Our offline store network offers immersive, interactive experiences and strong brand visibility, serving as a prime venue for direct consumer engagement. This allows us to gather direct and real-time feedback that informs our product design and channel selection strategies. In addition to our own Tmall flagship store and mini-programs, our products are available through other major Chinese e-commerce platforms, emerging content commerce platforms, large retailers such as Sam's Club and Don Don Donki, and a variety of other retail channels. We are also expanding into emerging overseas markets through adaptable business models.

End-to-End Integration

According to Frost & Sullivan, we are among the few brands in the industry to achieve comprehensive coverage of IP incubation, operation, and direct consumer engagement and a leading position across the entire pop toy value chain. Our strong IP operations enable us to create products that resonate with consumers and foster emotional connections through our omni-channel network. In terms of production, we provide design molds, engage in close collaboration with a network of qualified manufacturing partners, and implement rigorous quality control and supply chain management systems to improve manufacturing process and ensure our standards are consistently met. As a fully integrated pop toy platform, we build strong ecosystem partnerships, creating a virtuous cycle that maximizes IP value and promotes pop toy culture.



MARKET OPPORTUNITIES

"Pop toy", as an industry term, generally refers to the toys that are characterised by their high collectible value, reflecting all five of the following features: (1) high value-add derived from the unique design and IP-driven re-creation; (2) a high emphasis on material selection, trend-driven colour coordination and artistic design innovation; (3) integrating playful; (4) actively cater for fast-moving trends; and (5) distribute primarily through dedicated pop toy channels. China's pop toy market is experiencing rapid growth. According to Frost & Sullivan, its market size grew from RMB24.9 billion in 2020 to RMB87.5 billion in 2025 (representing a CAGR of 28.6%) and is expected to grow from RMB126.4 billion in 2026 to RMB331.0 billion by 2030 (representing a CAGR of 27.2%). In the future, pop toys are expected to diversify into a wider array of product categories, with consumer experiences becoming more integrated and multifaceted, delivering highly immersive, scenario-based interactions.

OUR IP AND PRODUCT PORTFOLIO

Our IP portfolio is underpinned by our ability to develop proprietary IPs as well as to attract collaborations with recognized IPs. As of the Latest Practicable Date, we had 24 proprietary IPs and 42 licensed IPs.

At the core of our offerings are our self-developed products, which are created through our active participation in the design process and are based on our proprietary IPs as well as licensed collaborations with established IPs. In addition, we enrich our assortment by directly sourcing products through vendor agreements. These items are offered in their original form or produced in partnership with suppliers who already hold the necessary IP licenses.

OUR CUSTOMERS AND SUPPLIERS

Our customers primarily include TOP TOY Retail Partners, distributors and consumers. For the years ended December 31, 2023, 2024 and 2025, revenue from our five largest customers in each period amounted to RMB1,117.8 million, RMB1,263.3 million and RMB2,130.8 million, representing 76.5%, 66.2% and 59.5% of our total revenue for the respective periods. For the years ended December 31, 2023, 2024 and 2025, revenue from MINISO Group amounted to RMB781.4 million, RMB922.8 million and RMB1,671.4 million, representing 53.5%, 48.3% and 46.6% of our total revenue for the respective periods.

Our suppliers primarily include pop toy and mold factories and IP licensors. For the years ended December 31, 2023, 2024 and 2025, purchases from our five largest suppliers in each period amounted to RMB242.6 million, RMB226.7 million and RMB616.6 million, representing 21.0%, 14.2% and 20.2% of our total purchase amount for the respective periods. For the years ended December 31, 2023, 2024 and 2025, purchases from our largest supplier in each period amounted to RMB62.6 million, RMB49.9 million and RMB214.6 million, representing 5.4%, 3.1% and 7.0% of our total purchase amount for the respective periods.

OUR COMPETITIVE STRENGTHS

The following strengths have enabled us to become who we are today and will support our continued success:

- Our robust brand momentum and commercialization capabilities;
- Our diverse IP matrix with unique IP crossover strategies;
- Our comprehensive and focused product portfolio;
- Our omni-channel and expanding sales network;
- We offer engaging consumer experiences that build brand and IP loyalty;
- Our adaptive and cost-effective supply chain; and
- Our strong shareholder support and management team.

OUR GROWTH STRATEGIES

We intend to pursue the following strategies to achieve further success.

- Enhance IP incubation and operations to drive product excellence;
- Deepen global market engagement through omni-channel expansion;
- Strengthen supply chain to enrich product offerings;
- Invest in branding to expand user base and enhance loyalty;
- Enhance full-process digital capabilities to improve operational efficiency; and
- Attract, cultivate, and retain talent to build a high-quality global team.

OPERATING AND FINANCIAL METRICS

The tables below set forth certain financial metrics for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Total Revenue from Sales of Pop Toy Products	**1,411,838**	**100.0**	**1,824,087**	**100.0**	**3,488,083**	**100.0**
By Product Source:						
– Self-developed Products	757,334	53.6	896,135	49.1	1,977,010	56.7
– Third-party Products	654,504	46.4	927,952	50.9	1,511,073	43.3
By Product Category:						
– Model Figures	1,016,523	72.0	1,255,596	68.8	1,781,976	51.1
– 3D Building Blocks	304,584	21.6	383,172	21.0	369,947	10.6
– Vinyl Plush Toys	1,147	0.1	63,791	3.5	1,102,409	31.6
– Others	89,584	6.3	121,528	6.7	233,751	6.7
By Sales Channel:						
– Retail Sales in Directly Operated Stores	109,490	7.8	172,543	9.5	444,280	12.7
– Product Sales to Franchisees	356,719	25.3	499,794	27.4	678,043	19.4
– Sales to Offline Distributors	855,457	60.6	1,008,144	55.3	2,044,333	58.6
– Online Sales	75,960	5.4	140,297	7.7	276,050	7.9
– Other Sales Channels	14,212	0.9	3,309	0.1	45,377	1.4
By IP Type:						
– Proprietary IP	8,486	0.6	6,847	0.3	198,827	5.7
– Licensed IP	748,848	53.0	889,288	48.8	1,778,183	51.0
– Third-party IP	654,504	46.4	927,952	50.9	1,511,073	43.3

	For the Year Ended December 31,					
	2023		2024		2025	
	Gross Profit/ (Loss)	Gross Profit/ (Loss) Margin	Gross Profit/ (Loss)	Gross Profit/ (Loss) Margin	Gross Profit/ (Loss)	Gross Profit/ (Loss) Margin
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Sales of Pop Toy Products	**430,292**	**30.5**	**584,772**	**32.1**	**1,092,314**	**31.3**
By Product Source:						
– Self-developed Products	314,188	41.5	396,605	44.3	802,486	40.6
– Third-party Products	116,104	17.7	188,167	20.3	289,828	19.2
By Product Category:						
– Model Figures	344,649	33.9	436,756	34.8	581,568	32.6
– 3D Building Blocks	75,300	24.7	100,981	26.4	103,847	28.1
– Vinyl Plush Toys	254	22.1	22,302	35.0	354,667	32.2
– Others	10,089	11.3	24,733	20.4	52,232	22.3
By Sales Channel:						
– Retail Sales in Directly Operated Stores	49,453	45.2	82,901	48.0	198,382	44.7
– Product Sales to Franchisees	28,174	7.9	75,916	15.2	94,245	13.9
– Sales to Offline Distributors	323,523	37.8	368,673	36.6	665,419	32.5
– Online Sales	23,845	31.4	56,170	40.0	117,970	42.7
– Other Sales Channels	5,297	37.3	1,112	33.6	16,298	35.9
By IP Type:						
– Proprietary IP	2,882	34.0	3,147	46.0	89,761	45.1
– Licensed IP	311,306	41.6	393,458	44.2	712,725	40.1
– Third-party IP	116,104	17.7	188,167	20.3	289,828	19.2

The table below set forth certain operating metrics for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Average GMV Per Store (RMB in thousands)[1]	6,143	5,467	5,977
Member Repurchase Rate (%)	29	33	36
Same Store Sales Growth of Directly-operated Stores and TOP TOY Retail Partner Stores (%)[1]	45.5	3.3	1.6

Notes:

(1) The average GMV per store is calculated by dividing the total GMV from directly operated stores and TOP TOY Retail Partner stores in Chinese Mainland by the average number of directly operated stores and TOP TOY Retail Partner stores in Chinese Mainland at the beginning and end of the period.

(2) Same store includes directly-operated stores and TOP TOY Retail Partner stores in Chinese Mainland that were open prior to the beginning of the comparison period, remained in operation through the end of the comparison period, and had not closed for more than 30 days during both comparison periods.

The table below sets forth the sales volume and average selling price of different product categories for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	Sales Volume	Average Selling Price	Sales Volume	Average Selling Price	Sales Volume	Average Selling Price
	In thousands	*RMB*	*In thousands*	*RMB*	*In thousands*	*RMB*
Model Figures	45,268	22.5	50,839	24.7	68,467	26.0
3D Building Blocks	15,949	19.1	17,408	22.0	13,900	26.6
Vinyl Plush Toys	23	50.6	1,367	46.7	28,328	38.9
Others	3,576	25.1	6,188	19.6	10,719	21.8
	64,816	**21.8**	**75,802**	**24.1**	**121,414**	**28.7**

Note:

(1) The average selling price is calculated based on the revenue generated from the sales of products of each product category divided by sales volume of such category.

COMPETITION

The pop toy market in China is competitive and fragmented. Our competitors comprise both brand-owned retailers and pop toy collection retailers. We believe that we are positioned favorably against our competitors on the basis of (i) our strong brand momentum and commercialization capabilities, (ii) our diverse IP matrix and comprehensive product portfolio, (iii) engaging in-store shopping experience and engagement driven operation, (iv) our fast-growing store network, (v) our agile, efficient and digitalized supply chain, (vi) our multi-channel operation, (vii) our global scalability and capability penetrating into various tiers of cities, and (viii) 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. See "Industry Overview" and "Business — Competition" for further details.

[REDACTED]

[**REDACTED**]

RISK FACTORS

Our operations and the [**REDACTED**] involve certain risks and uncertainties, some of which are beyond our control and may affect your decision to [**REDACTED**] in us and/or the value of your [**REDACTED**]. See the section headed "Risk factors" for details of our risk factors, which we strongly urge you to read in full before making an [**REDACTED**] in our Shares. Some of the major risks we face include:

- Our success depends upon the market recognition of our brands. If we are unable to maintain and enhance our brands, our business and operating results may be adversely affected.
- The industry in which we operate may not develop as we expected, and we may fail to compete effectively against our existing or potential competitors. We may not be able to sustain our historical growth rates and may lose market share and consumers if we fail to compete effectively.
- Our success is dependent on the continued popularity of our products, our continued innovation and successful launches of high-quality products at reasonable prices, and our anticipation of and timely responses to changes in consumer preferences.
- Any deterioration in the recognition or popularity of existing IPs in our IP matrix or any failure in successfully sourcing, developing or commercializing existing or new IPs may materially and adversely affect our business, financial condition 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.
- If we are unable to operate or expand our store network successfully, our business, results of operations would be adversely affected.

IMPACT OF COVID-19 ON OUR OPERATIONS

The COVID-19 pandemic severely and negatively affected the global macroeconomic environment. From 2020 to 2022, countries and regions around the world, including Chinese Mainland, imposed various measures to contain the spread of the COVID-19 pandemic, resulting in travel restrictions, business shutdowns, social distancing and quarantines.

Our business and results of operations were adversely affected by the COVID-19 pandemic. At the height of the COVID-19 pandemic, we experienced significant business disruptions. The shutdown policies had caused temporary closure of our offline stores, delay and disruption in logistics services, and a significant decrease in consumer demand, which affected our business and financial performance in 2022. As the effects of COVID-19 subsided from 2023, we achieved overall robust growth in our business and financial performance during the Track Record Period. See "Risk Factors — Risks Related to Our Business and Industry — 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."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth a summary of our historical financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I. The summary of combined financial data set forth below should be read together with, and is qualified in its entirety by reference to, the historical financial information in this documents, including the related notes. Our historical financial information has been prepared in accordance with IFRS.

Summary of Combined Statements of Profit or Loss

The following table sets forth a summary of our combined statements of profit or loss for the periods indicated in absolute amounts:

	For the Year ended December 31,		
	2023	2024	2025
	RMB	*RMB*	*RMB*
		(in thousands)	
Revenue	**1,461,107**	**1,908,825**	**3,586,960**
Cost of sales	(1,002,282)	(1,284,452)	(2,434,994)
Gross profit	**458,825**	**624,373**	**1,151,966**
Other income	50	69	143
Selling and distribution expenses	(152,022)	(201,857)	(543,590)
General and administrative expenses	(16,703)	(27,216)	(152,583)
Other net income/(loss)	1,805	1,058	(1,489)
Reversal of credit loss/(credit loss) on trade and other receivables	871	970	(10,483)
Impairment loss on non-current assets	(2,880)	(1,806)	(882)
Operating profit	**289,946**	**395,591**	**443,082**
Finance income	1,129	1,093	5,101
Finance costs	(4,287)	(5,798)	(8,990)

	For the Year ended December 31,		
	2023	2024	2025
	RMB	*RMB* (in thousands)	*RMB*
Net finance costs	(3,158)	(4,705)	(3,889)
Changes in the carrying amount of redemption liabilities	–	–	(158,491)
Profit before taxation	**286,788**	**390,886**	**280,702**
Income tax expense	(74,399)	(97,356)	(179,661)
Profit for the year	**212,389**	**293,530**	**101,041**
Attributable to:			
Equity shareholders of the Company	212,389	297,156	92,725
Non-controlling interests	–	(3,626)	8,316
Profit for the year	**212,389**	**293,530**	**101,041**

Note:

(1) Credit loss on trade and other receivables in 2025 mainly represents the credit loss of the deposit due from a third party amounting to RMB10 million.

Our net profit increased from RMB212.4 million in 2023 to RMB293.5 million in 2024, which was mainly attributable to (i) an increase in our total revenue primarily due to (a) the enhancement of our product portfolio, (b) the expansion in our sales network, and (c) the commencement of our globalization initiative; and (ii) an increase in our gross margin mainly resulted from improved pricing and higher margins due to our enhanced product portfolio with refined discount strategies in offline channels.

Our net profit decreased from RMB293.5 million in 2024 to RMB101.0 million in 2025, which was mainly attributable to an increase in equity-settled share-based payment expenses and the changes in the carrying amount of redemption liabilities.

Non-IFRS Financial Measure

In evaluating our business, we consider and use adjusted net (loss)/profit (Non-IFRS Measure) as a supplemental measure to review and assess our operating performance. The presentation of this non-IFRS financial measure is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. We define adjusted net (loss)/profit (Non-IFRS Measure) as (loss)/profit for the year excluding equity-settled share-based payment expenses, changes in the carrying amount of redemption liabilities and [**REDACTED**] expense. Our management considers that (i) equity-settled share-based payment expenses and changes in the carrying amount of redemption liabilities are non-cash in nature and do not result in cash outflow, and (ii) [**REDACTED**] are expenses relating to the [**REDACTED**].

The non-IFRS financial measure should not be considered in isolation or construed as an alternative to (loss)/profit for the year or any other measure of performance. [**REDACTED**] are encouraged to review our historical non-IFRS financial measure as shown below. The non-IFRS financial measure presented here may not be comparable to similarly titled measure presented by other companies. Other companies may calculate similarly titled measures differently, limiting the usefulness of such measures when analyzing our data comparatively. We encourage [**REDACTED**] and others to review our financial information in its entirety and not rely on a single financial measure.

The following table reconciles our adjusted net (loss)/profit (Non-IFRS Measure), for the years ended December 31, 2023, 2024 and 2025 presented in accordance with IFRS, which is profit for the year.

	For the Year Ended December 31,		
	2023	**2024**	**2025**
	RMB	*RMB*	*RMB*
		(in thousands)	
Reconciliation of profit for the year to adjusted net profit (Non-IFRS Measure):			
Profit for the year	**212,389**	**293,530**	**101,041**
Add back:			
Equity-settled share-based payment expenses	1,025	847	237,075
Changes in the carrying amount of redemption liabilities	–	–	158,491
[**REDACTED**] expense	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Adjusted net profit (Non-IFRS Measure)	**213,414**	**294,377**	**522,477**

Revenue

We primarily derive our revenue from the sale of pop toy products through directly operated stores, stores operated by TOP TOY Retail Partners, offline distributors and online channels. Other sources of revenue mainly include license fees, sales-based royalties and sales-based management and consultation service fees from TOP TOY 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 Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Revenue:						
– Sales of pop toy products						
– Retail sales in directly operated stores	109,490	7.5	172,543	9.0	444,280	12.4
– Product sales to franchisees[1]	356,719	24.4	499,794	26.2	678,043	18.9
– Sales to offline distributors	855,457	58.5	1,008,144	52.9	2,044,333	57.0
– Online sales[2]	75,960	5.2	140,297	7.3	276,050	7.7
– Other sales channels[3]	14,212	1.0	3,309	0.2	45,377	1.2
Sub-total	1,411,838	96.6	1,824,087	95.6	3,488,083	97.2
– License fees, sales-based royalties, and sales-based management and consultation service fees						
– License fees and sales-based royalties	6,563	0.4	9,093	0.5	12,843	0.4
– Sales-based management and consultation service fees	19,687	1.4	27,034	1.4	36,515	1.0
Sub-total	26,250	1.8	36,127	1.9	49,358	1.4
– Others[4]	23,019	1.6	48,611	2.5	49,519	1.4
Total	**1,461,107**	**100.0**	**1,908,825**	**100.0**	**3,586,960**	**100.0**

Notes:

(1) Product sales to franchisees represents sales to/revenue from TOP TOY Retail Partners.

(2) Online sales are conducted through our directly operated online stores on third-party e-commerce platform and through online distributors. Online sales does not include sales through online to offline ("O2O") platforms, which are accounted for in sales through offline channels as such orders are delivered or fulfilled offline.

(3) Other sales channels mainly represent group-buying channels and vending machines.

(4) Others mainly represented sales of fixtures to franchisees and distributors.

The following table breaks down our revenue by geographical market for the periods presented:

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Revenue:						
Chinese Mainland	1,461,107	100.0	1,897,015	99.4	3,291,146	91.8
Overseas	–	–	11,810	0.6	295,814	8.2
Total	**1,461,107**	**100.0**	**1,908,825**	**100.0**	**3,586,960**	**100.0**

Cost of Sales

The following table sets forth the components of our cost of sales by amounts and percentages of our total cost of sales for the periods presented:

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Cost of inventories	955,890	95.4	1,221,554	95.1	2,291,007	94.1
Depreciation and amortization	23,145	2.3	23,256	1.8	62,625	2.6
Licensing expenses	18,788	1.9	32,780	2.6	65,389	2.7
Logistics expenses	4,447	0.4	6,862	0.5	15,973	0.6
Total cost of sales	**1,002,282**	**100.0**	**1,284,452**	**100.0**	**2,434,994**	**100.0**

Our cost of sales mainly consists of cost of inventories. Cost of inventories accounted for 95.4%, 95.1% and 94.1% of our total cost of sales 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 includes depreciation and amortization expenses, licensing expenses and logistics expenses. Licensing expenses mainly represent licensing fees paid to IP licensors, and logistics expenses mainly represent shipping expenses for the products sold to customers through online-to-offline or online channels.

The following table sets forth the components of our cost of inventories by amounts and percentages of our total cost of sales for the periods presented:

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Cost of inventories:						
– Carrying amount of inventories sold	957,851	95.6	1,228,433	95.6	2,289,833	94.0
– (Reversal of write-down)/write-down of inventory provision	(1,961)	(0.2)	(6,879)	(0.5)	1,174	0.1
Total	**955,890**	**95.4**	**1,221,554**	**95.1**	**2,291,007**	**94.1**

Gross Profit and Margin

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

	For the Year Ended December 31,		
	2023	2024	2025
	RMB	*RMB*	*RMB*
	(in thousands, except for percentages)		
Gross profit	458,825	624,373	1,151,966
Gross margin (%)	31.4	32.7	32.1

Selected Combined Statements of Financial Position Items

The following table sets forth the selected items of our combined statements of financial position as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB	*RMB*	*RMB*
	(in thousands)		
Current assets			
Inventories	128,128	227,416	461,375
Trade and other receivables	228,590	334,336	484,002
Cash and cash equivalents	33,421	71,883	391,831
Restricted cash	118	352	—
Total current assets	**390,257**	**633,987**	**1,337,208**

	As of December 31,		
	2023	2024	2025
	RMB	*RMB*	*RMB*
		(in thousands)	
Current liabilities			
Contract liabilities	10,039	15,670	28,400
Loans and borrowings	280,000	340,208	310,000
Trade and other payables	251,632	404,770	579,870
Lease liabilities	39,377	63,766	66,061
Redemption liabilities arising from preferred shares	–	–	573,681
Current taxation	27,272	25,979	57,753
Total current liabilities	**608,320**	**850,393**	**1,615,765**
Net current liabilities	**(218,063)**	**(216,406)**	**(278,557)**
Non-current assets			
Property, plant and equipment	17,731	38,214	66,527
Right-of-use assets	80,523	204,212	191,108
Intangible assets	3,388	7,599	105,913
Deferred tax assets	34,249	26,256	24,562
Other receivables	9,458	16,893	21,065
Total non-current assets	**145,349**	**293,174**	**409,175**
Non-current liabilities			
Contract liabilities	–	305	172
Lease liabilities	41,363	149,717	133,358
Total non-current liabilities	**41,363**	**150,022**	**133,530**
Net non-current assets	**103,986**	**143,152**	**275,645**
Net liabilities	**(114,077)**	**(73,254)**	**(2,912)**

We recorded net current liabilities as of December 31, 2023, 2024 and 2025. The decrease in net current liabilities from RMB218.1 million as of December 31, 2023 to RMB216.4 million as of December 31, 2024, was primarily due to the increase in our current assets, in particular inventories and trade and other receivables, as a result of our business growth. The increase in net current liabilities from RMB216.4 million as of December 31, 2024 to RMB278.6 million as of December 31, 2025 was primarily due to the changes in the carrying amount of redemption liabilities of RMB158.5 million and the increase in trade and other receivables of RMB149.7 million as a result of our business growth. For further details, see "Financial Information — Indebtedness — Loans and Borrowings."

We recorded net liabilities as of December 31, 2023, 2024 and 2025. The decrease in net liabilities from RMB114.1 million as of December 31, 2023 to RMB73.3 million as of December 31, 2024 was primarily due to the net profit of RMB293.5 million in 2024, partially offset by the deemed distribution of RMB257.5 million in 2024. The decrease in net liabilities from RMB73.3 million as of December 31, 2024 to RMB2.9 million as of December 31, 2025 was primarily due to the changes in the carrying amount of redemption liabilities of RMB158.5 million and the increase in our working capital of RMB246.0 million as a result of our business growth. We recorded net liabilities of RMB2.9 million as of December 31, 2025, primarily attributable to our trade and other payables of RMB579.9 million in line with our business growth and increased purchases, partially offset by our inventory of RMB461.4 million.

Selected Combined Statements of Cash Flows Items

The following table sets forth the selected items of our cash flows for the periods indicated:

	For the Year ended December 31,		
	2023	2024	2025
	RMB	*RMB* *(in thousands)*	*RMB*
Net cash from operating activities	256,985	333,944	474,862
Net cash used in investing activities	(19,215)	(58,389)	(154,434)
Net cash used in financing activities	(264,751)	(237,093)	(1,901)
Net (decrease)/increase in cash and cash equivalents	(26,981)	38,462	318,527
Cash and cash equivalents at beginning of year	60,402	33,421	71,883
Effect of movements in exchange rates on cash held	–	–	915
Cash and cash equivalents at end of year	33,421	71,883	391,325

Key Financial Metrics

The following table sets forth our key financial ratios for the year indicated:

	As of or for the Year Ended December 31,		
	2023	2024	2025
Revenue growth rate (%)	N/A	30.6	87.9
Gross margin (%)	31.4	32.7	32.1
Net profit growth rate (%)	N/A	38.2	(65.6)
Net margin (%)	14.5	15.4	2.8
Current ratio (%)[1]	64.2	74.6	82.8

Note:

(1) Current ratio is calculated based on the total current assets divided by the total current liabilities as at the end of the respective year and multiplied by 100%.

CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, MINISO is interested in 880,000,000 Shares, representing approximately 86.9% of our total issued share capital. Immediately following the completion of the [**REDACTED**] and the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), MINISO will control approximately [**REDACTED**]% of our total issued share capital. Accordingly, our Company will remain as a subsidiary of MINISO after the [**REDACTED**].

Further, as of the Latest Practicable Date, Mr. Ye (the chairman of the Board, executive Director and Chief Executive Officer of MINISO), and Ms. Yang Yunyun, spouse of Mr. Ye, were interested in and controlled, through certain offshore shareholding vehicles, namely, Mini Investment Limited ("**Mini Investment**"), YGF MC Limited ("**YGF MC**"), YGF Development Limited ("**YGF Development**"), YGF MN Limited ("**YGF MN**"), YY Capital Ltd. ("**YY Capital**"), YYY MC Limited ("**YYY MC**") and YYY Development Limited ("**YYY Development**"), an aggregate of 789,541,061 ordinary shares in MINISO, representing approximately 63.7% of the total issued shares of MINISO. Therefore, Mr. Ye, Ms. Yang, Mini Investment, YGF MC, YGF Development, YGF MN, YY Capital, YYY MC and YYY Development will be deemed to be the Controlling Shareholders of our Company after the [**REDACTED**], and together with MINISO, will constitute a group of Controlling Shareholders of our Company.

MINISO is an exempted company incorporated in the Cayman Islands with limited liability in January 2020. Its American depository shares have been listed on the NYSE under the symbol "MNSO" since October 2020 and its shares have been listed on the Stock Exchange under the Stock Code "9896" since June 2022. See "Relationship with Our Controlling Shareholders" for further details.

Further, we [have entered] into certain framework agreements with our Controlling Shareholders which constitute continuing connected transactions. See section headed "Connected Transactions" for further details.

RECENT DEVELOPMENTS

We have continued to enrich our proprietary IP portfolio through both acquisitions and internal incubation of several designer IPs, such as Ninimo, FoFo and Mochi. The number of our proprietary IPs increased from 21 as of December 31, 2025, to 24 as of the Latest Practicable Date. Meanwhile, we have further accelerated our expansion in overseas markets, consistently strengthening our brand's global presence. The number of our overseas stores increased by nine between December 31, 2025 and the Latest Practicable Date.

No Material Adverse Change

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, which is the end date of the periods reported on in the Accountants' Report included in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.

[REDACTED]

DIVIDENDS

We are a holding company incorporated under the laws of the Cayman Islands. Our board of Directors has discretion as to whether to distribute dividends, subject to certain restrictions under the Cayman Islands law and the Articles of Association. As advised by our legal adviser on Cayman Islands law, our Company may only pay dividends either 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. We do not currently have a formal dividend policy or pre-determined dividend payout ratio. During the Track Record Period, no dividends have been declared or paid by us to our Shareholders. See "Financial Information — Dividends" for more details.

[REDACTED]

[**REDACTED**]

FUTURE PLANS AND USE OF [REDACTED]

Assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the midpoint of the range of the [**REDACTED**] stated in this [**REDACTED**]), we estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**] after deducting the [**REDACTED**] and other estimated expenses in connection with the [**REDACTED**] (assuming the [**REDACTED**] is not exercised). We intend to use our [**REDACTED**] for the purposes and in the amounts set forth below.

Approximately [**REDACTED**]% (approximately HK$[**REDACTED**], assuming the [**REDACTED**] is not exercised) is expected to be used to further enrich our diversified IP portfolio and enhance our IP operation capabilities.

Approximately [**REDACTED**]% (approximately HK$[**REDACTED**], assuming the [**REDACTED**] is not exercised) is expected to be used to deepen our global omni-channel presence.

Approximately [**REDACTED**]% (approximately HK$[**REDACTED**], assuming the [**REDACTED**] is not exercised) is expected to be used for brand building, consumer engagement, and marketing initiatives.

Approximately [**REDACTED**]% (approximately HK$[**REDACTED**], assuming the [**REDACTED**] is not exercised) is expected to be used to enhance supply chain capabilities and strengthen end-to-end digitalization.

Approximately [**REDACTED**]% (approximately HK$[**REDACTED**], assuming the [**REDACTED**] is not exercised) will be used for working capital and general corporate purposes.

See "Future Plans and Use of [**REDACTED**]" for more information.