Pursuant to Chapter 14A of the Listing Rules, the following transactions that we enter into with our connected persons will constitute continuing connected transactions upon [**REDACTED**].

OUR CONNECTED PERSONS

The table below sets forth parties who will become our connected persons upon [**REDACTED**] and the nature of their relationship with our Company. We have entered into certain transactions which will constitute our continuing connected transactions upon [**REDACTED**] with the following connected persons:

Name	Connected relationship
MINISO	Our Controlling Shareholder
Mr. Ye	the chairman of the Board, a non-executive Director and a Controlling Shareholder of our Group

SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

We have entered into the following transactions that will constitute continuing connected transactions under Rule 14A.31 of the Listing Rules upon [**REDACTED**]:

Transaction	Applicable Listing Rule	Waiver sought	Proposed annual cap for the fiscal year ending December 31, (in RMB million)		
			2026	2027	2028
Non-exempt continuing connected transactions					
Supply of pop toy products to MINISO Group	Rule 14A.35 Rule 14A.36 Rule 14A.105	Announcement and independent Shareholders' approval	2,604.5	3,217.5	3,954.8
Partially-exempt continuing connected transactions					
Provision of IT support to our Group	Rule 14A.35 Rule 14A.76(2) Rule 14A.105	Announcement	10.0	13.0	20.0

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Supply of pop toy products to MINISO Group

On [**REDACTED**], our Company entered into a product supply framework agreement (the "**Product Supply Framework Agreement**") with MINISO Group, pursuant to which our Group will supply certain pop toy products, including model figures, 3D building blocks, vinyl plush toys and other pop toys, to MINISO Group, with effect from the [**REDACTED**]. Such pop toys will consist of both "TOP TOY" branded pop toys as well as third-party branded pop toys sourced by our Company from independent third-party suppliers. We will leverage on the global distribution network of MINISO Group to maximize our Group's reach geographically for the distribution of pop toys.

The initial term of the Product Supply Framework Agreement will commence on the [**REDACTED**] and will end on December 31, 2028, subject to renewal upon the mutual consent of both parties.

Reasons for the transaction

Our Group has historically been supplying TOP TOY branded products to MINISO Group for sale in MINISO Group's retail outlets to enhance our reach to a broader base of retail customers, in light of the broad retail footprint of the MINISO Group, and in turn driving our overall sales volume.

On the other hand, for MINISO Group, it will benefit from its enhanced product mix to provide a more holistic shopping experience for its customers in its stores, with pop toys serving as a valuable addition to its broad range of lifestyle products, thereby strategically boosting its customers' overall shopping experience and purchasing appetite, and in turn driving additional sales overall.

Pricing policy

The relevant products will be supplied to MINISO Group at a price set within a fixed percentage range of the suggested retail price, which is at a similar level as that offered to independent third-party customers of our Company, with a volume discount which is also comparable to that offered to independent third-party distributors as confirmed by the Industry Consultant. Such pricing terms offered to MINISO Group would be on normal commercial terms or better, and no less favourable to those offered to independent third-parties. According to Frost & Sullivan, the abovementioned basis of determination of pricing of the products sold to MINISO Group and the volume discount offered to MINISO Group are in line with the industry norm.

Historical amounts

For each of the three fiscal years ended December 31, 2023, 2024 and 2025, the transaction amounts recorded for the supply of pop toy products to MINISO Group, were RMB781.4 million, RMB922.8 million and RMB1,671.4 million, respectively. The historical transaction amounts as set out above have already accounted for certain pop toy businesses that have historically been carried out by MINISO, which will form part of our businesses upon the completion of the Business Rearrangement. For details of the Business Rearrangement, see section headed "Relationship with Our Controlling Shareholders — Business Rearrangement".

Revenue derived from supply of pop toys to MINISO Group represented 53.5%, 48.3% and 46.6% of the total revenue of our Company for each of the three fiscal years ended December 31, 2023, 2024 and 2025, respectively.

Annual caps

In respect of the Product Supply Framework Agreement, the transaction amounts to be paid by MINISO Group to us for the three years ending December 31, 2028 shall not exceed the proposed annual caps as set out in the table below:

	Proposed annual caps for the year ending December 31,		
	2026	2027	2028
		(RMB in millions)	
Transaction amounts to be paid by MINISO Group to us	2,604.5	3,217.5	3,954.8

Basis of annual caps

The above proposed annual caps for the transaction amount to be paid by MINISO Group to us in respect of the supply of pop toy products are determined taking into account the following factors:

(a) The historical transaction amounts demonstrating an increasing trend recorded from 2023 to 2025 were mainly driven by MINISO's overall business growth (as denoted by the overall increase of the total revenue of MINISO from RMB13.8 billion in 2023, RMB17.0 billion in 2024 and RMB21.4 billion in 2025) and hence the corresponding increase in demand for such pop toy products. For 2023 to 2024, there was a decrease in terms of revenue contribution from 2023 to 2024 for the supply of pop toys to MINISO Group, which was mainly attributable to the more diversified customer base and distribution channels of our Company, hence the percentage contribution attributable to the transactions with MINISO Group decreases overall despite an increase in absolute transaction amount.

(b) The proposed annual cap for 2026 was estimated to be RMB2,604.5 million. The increase of the proposed annual caps for 2026 as compared to the historical transaction amount in 2025 is mainly attributable to the rapid growth of pop toy industry and increasing consumer awareness and market penetration of pop toys, particularly the surge in popularity of vinyl plush toy categories in 2025, and MINISO Group's ongoing store network expansion and upgrades; and

(c) Going forward, the proposed annual caps are expected to continue to gradually increase at a rate in line with the proposed strategic expansion plan of MINISO Group in terms of store expansion and overall business growth, which will in turn drive the growth for demand of pop toy products supplied by our Company alongside the other lifestyle products of MINISO Group providing a comprehensive product mix to its customers for a holistic shopping experience.

Listing Rules implications

As the highest applicable percentage ratio of the transactions contemplated under the Product Supply Framework Agreement for each of the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules is expected to exceed 5% on an annual basis, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of the Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the circular requirement under Rule 14A.46 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules and the independent Shareholders' approval requirement under Rule 14A.36 of the Listing Rules.

PARTIALLY-EXEMPT CONTINUING CONNECTED TRANSACTIONS

2. Provision of IT support to our Group

On [**REDACTED**], our Group entered into an IT support framework agreement (the "**IT Support Framework Agreement**") with MINISO Group. MINISO Group will provide IT system implementation, authorization of use of software, operation and maintenance, information technology consultation and data analysis services to our Group, with effect from the [**REDACTED**].

The initial term of the IT Support Framework Agreement will commence on the [**REDACTED**] and will end on December 31, 2028, subject to renewal upon the mutual consent of both parties.

Reasons for the transaction

The IT support services can help enhance utilization and economies of scale of MINISO Group's operational support resources and, on the other hand, reduce the administrative costs of our Group in procuring similar IT services from a wide range of other IT service providers. The IT support services will allow our Group to better leverage the mature IT infrastructure and coverage already built by MINISO Group for administrative convenience of our Group.

Pricing policy

We shall pay MINISO Group the costs incurred for the provision of such IT support services, including, among others, external IT technician and internal staff costs for IT support and maintenance, cloud service cost and system and software usage costs. Both the provision of cloud service by third-party providers and IT maintenance by external IT technicians will be charged at actual cost basis based on the service fees charged by third-party cloud service suppliers and external IT technicians respectively; other IT support and maintenance services provided by internal IT staff of MINISO Group will be charged at average hourly rate basis incurred by MINISO Group; and other system and software usage by MINISO Group will be charged at a fixed price per user account per year by MINISO Group with reference to the average cost incurred by MINISO Group for contracting with the relevant third party service providers for such systems and software services.

We will review the charges and costs incurred for the relevant IT support services with reference to prevailing market prices of such services to ensure they are fair and reasonable and on normal commercial terms or better.

Historical amounts

For the three fiscal years ended December 31, 2023, 2024 and 2025, the transaction amounts in relation to the IT support services were RMB2.0 million, RMB3.5 million and RMB4.4 million, respectively.

The historical transaction amounts paid by us to MINISO Group represented 1.2%, 1.5% and 0.6% of the total operating expenses of our Company for each of the three fiscal years ended December 31, 2023, 2024 and 2025, respectively.

Annual caps

In respect of the IT Support Framework Agreement, the transaction amounts to be paid by us to MINISO Group for the three years ending December 31, 2028 shall not exceed the proposed annual caps as set out in the table below:

	Proposed annual caps for the year ending December 31,		
	2026	**2027**	**2028**
		(RMB in millions)	
Transaction amounts to be paid by us to MINISO Group	10.0	13.0	20.0

Basis of annual caps

The above proposed annual caps for the transaction amount to be paid by us to MINISO Group in respect of the IT support service are determined taking into consideration the following factors:

(a) In respect of the historical transaction amounts, the lower transaction amount in 2023 was caused by the reduced level of utilisation after construction of online sales channels, while the subsequent increase in 2024 was contributed by our expansions into Thailand, Malaysia and Indonesia that require additional IT support; and

(b) The service fees paid by us to MINISO Group were RMB2.0 million, RMB3.5 million and RMB4.4 million for the three years ended December 31, 2025, respectively. The annual cap for the year ended December 31, 2026 is determined based on the estimated annual transaction amount for the year ended December 31, 2025 as well as the growth as noted in the transaction amounts in 2025. Going forward, for the three years ending December 31, 2028, we expect the annual caps to increase alongside the expected expansion of the business of the Group as driven by development of new business projects and overseas market expansion, leading to the corresponding increase in our need for IT support system, operation and maintenance which can in turn facilitate business growth and operational efficiency.

Listing Rules implications

As the highest applicable percentage ratio of the transactions contemplated under the IT Support Framework Agreement for each of the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules is expected to exceed 0.1% but is less than 5% on an annual basis, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of the Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules, the announcement requirement under Rule 14A.35 of the Listing Rules, but exempt from the independent Shareholders' approval requirement.

WAIVERS

In respect of the transactions contemplated under the Product Supply Framework Agreement as described above, we have applied for, and the Stock Exchange [has granted] us, pursuant to Rule 14A.105 of the Listing Rules, waivers from strict compliance with the announcement, circular and independent Shareholders' approval requirements under Rule 14A.35 and Rule 14A.36 of the Listing Rules. In relation to the transactions contemplated under the IT Support Framework Agreement as described above, we have applied for, and the Stock Exchange [has granted] us, pursuant to Rule 14A.105 of the Listing Rules, waivers from strict compliance with the announcement requirement under Rule 14A.35 of the Listing Rules.

DIRECTORS' CONFIRMATION

Our Directors (including independent non-executive Directors) are of the view that: (i) the continuing connected transactions set out above have been and will be entered into in our ordinary and usual course of business on normal commercial terms or better, on terms that are fair and reasonable, and in the interests of our Company and our Shareholders as a whole; and (ii) the proposed annual caps of the continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

JOINT SPONSORS' CONFIRMATION

The Joint Sponsors are of the view that the aforesaid continuing connected transactions for which a waiver has been sought have been and will be entered into in the Company's ordinary and usual course of business on normal commercial terms or better, that are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole and the proposed annual caps of the continuing connected transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.