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POP MART

POP MART INTERNATIONAL GROUP LIMITED

泡泡瑪特國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9992)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

ANNUAL RESULTS HIGHLIGHTS

	For the year ended 31 December		
	2024	2023	Change
	<i>RMB'000</i>	<i>RMB'000</i>	(%)
Revenue	13,037,749	6,301,002	106.9%
Gross profit	8,707,765	3,864,071	125.4%
Operating profit	4,154,272	1,230,646	237.6%
Profit before income tax	4,365,812	1,415,755	208.4%
Profit for the year	3,308,345	1,088,771	203.9%
Profit attributable to owners of the Company	3,125,473	1,082,344	188.8%
Non-IFRS adjusted net profit	3,403,162	1,190,519	185.9%
Basic earnings per share (RMB)	2.36	0.81	191.4%
Diluted earnings per share (RMB)	2.35	0.81	190.1%

The board (the “**Board**”) of directors (the “**Directors**”) of Pop Mart International Group Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company, its subsidiaries and consolidated affiliated entities (the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**”). The content of this annual results announcement has been prepared in accordance with applicable disclosure requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in relation to preliminary announcements of annual results, and has been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IASB**”). Such annual results have also been reviewed and confirmed by the Board and the audit committee of the Board (the “**Audit Committee**”). Unless otherwise stated, the financial data of the Company are presented in Renminbi (“**RMB**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December	
	Note	2024	2023
		RMB'000	RMB'000
Revenue	4	13,037,749	6,301,002
Cost of sales	5	<u>(4,329,984)</u>	<u>(2,436,931)</u>
Gross profit		8,707,765	3,864,071
Distribution and selling expenses	5	(3,650,464)	(2,004,706)
General and administrative expenses	5	(947,093)	(707,300)
Provision for impairment losses on financial assets		(3,446)	(745)
Other income	6	84,288	74,900
Other (losses)/gains – net	7	<u>(36,778)</u>	<u>4,426</u>
Operating profit		4,154,272	1,230,646
Finance income	8	212,335	184,217
Finance expenses	8	<u>(48,983)</u>	<u>(32,337)</u>
Finance income – net	8	163,352	151,880
Share of profit of investments accounted for using the equity method		<u>48,188</u>	<u>33,229</u>
Profit before income tax		4,365,812	1,415,755
Income tax expense	9	<u>(1,057,467)</u>	<u>(326,984)</u>
Profit for the year		3,308,345	1,088,771
Profit attributable to:			
– Owners of the Company		3,125,473	1,082,344
– Non-controlling interests		<u>182,872</u>	<u>6,427</u>
		3,308,345	1,088,771

		Year ended 31 December	
	<i>Note</i>	2024	2023
		RMB'000	RMB'000
Other comprehensive income			
Items that may be reclassified to profit or loss			
– Currency translation differences		<u>25,837</u>	<u>3,962</u>
Items that will not be reclassified to profit or loss			
– Currency translation differences		<u>126,314</u>	<u>71,144</u>
Other comprehensive income for the year, net of tax		<u>152,151</u>	<u>75,106</u>
Total comprehensive income for the year		<u>3,460,496</u>	<u>1,163,877</u>
Total comprehensive income for the year attributable to:			
– Owners of the Company		<u>3,269,817</u>	<u>1,157,468</u>
– Non-controlling interests		<u>190,679</u>	<u>6,409</u>
		<u>3,460,496</u>	<u>1,163,877</u>
Earnings per share for profit attributable to owners of the Company			
– Basic (expressed in RMB per share)	<i>11</i>	<u>2.36</u>	<u>0.81</u>
– Diluted (expressed in RMB per share)	<i>11</i>	<u>2.35</u>	<u>0.81</u>

CONSOLIDATED BALANCE SHEET

		As at 31 December	
	Note	2024	2023
		RMB'000	RMB'000
Assets			
Non-current assets			
Property, plant and equipment		739,378	653,278
Intangible assets		135,400	115,888
Right-of-use assets		927,558	726,053
Investments accounted for using the equity method		136,783	107,001
Financial assets at fair value through profit or loss		411,880	471,769
Prepayments and other receivables		136,563	127,989
Deferred income tax assets		147,029	83,416
		<u>2,634,591</u>	<u>2,285,394</u>
Total non-current assets			
Current assets			
Trade receivables	12	477,723	321,337
Inventories		1,524,521	904,708
Prepayments and other receivables		576,594	467,561
Financial assets at fair value through profit or loss		11,434	8,415
Restricted cash		25,649	18,159
Term deposits with initial term over three months and within one year		3,511,143	3,885,362
Cash and cash equivalents		6,109,017	2,077,927
		<u>12,236,081</u>	<u>7,683,469</u>
Total current assets			
		<u>14,870,672</u>	<u>9,968,863</u>
Total assets			

		As at 31 December	
	<i>Note</i>	2024	2023
		RMB'000	RMB'000
Equity			
Share capital	<i>13</i>	882	885
Shares held for share award scheme		(9)	(12)
Other reserves		4,280,527	4,438,448
Retained earnings		6,402,105	3,330,606
		<hr/>	<hr/>
Equity attributable to owners of the Company		10,683,505	7,769,927
		<hr/>	<hr/>
Non-controlling interests in equity		201,134	10,455
		<hr/>	<hr/>
Total equity		10,884,639	7,780,382
		<hr/>	<hr/>
Liabilities			
Non-current liabilities			
License fees payables	<i>15</i>	14,536	14,807
Lease liabilities		601,469	425,954
Deferred income tax liabilities		–	14,419
		<hr/>	<hr/>
Total non-current liabilities		616,005	455,180
		<hr/>	<hr/>
Current liabilities			
Trade payables	<i>14</i>	1,010,109	444,944
License fees payables	<i>15</i>	341,835	179,393
Other payables	<i>16</i>	904,274	514,841
Contract liabilities		188,577	112,143
Borrowing		–	15,058
Lease liabilities		363,092	351,799
Current income tax liabilities		562,141	115,123
		<hr/>	<hr/>
Total current liabilities		3,370,028	1,733,301
		<hr/>	<hr/>
Total liabilities		3,986,033	2,188,481
		<hr/>	<hr/>
Total equity and liabilities		14,870,672	9,968,863
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE ANNUAL CONSOLIDATED RESULTS

1 GENERAL INFORMATION

POP MART INTERNATIONAL GROUP LIMITED (the “Company”) was incorporated in the Cayman Islands on 9 May 2019 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 address of the Company’s registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries are principally engaged in the product design and development and sale of pop toys in the People’s Republic of China (the “PRC”) and certain overseas countries and regions. The ultimate holding company of the Company is GWF Holding Limited (formerly known as Grant Wang Holding Limited), which is controlled by Mr. Wang Ning and his spouse, Ms. Yang Tao.

On 11 December 2020, the Company has successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors on 26 March 2025.

2 SUMMARY OF ACCOUNTING POLICIES

These policies have been consistently applied to all the year presented, unless otherwise stated. The consolidated financial statements are for the Group consisting of the Company and its subsidiaries.

(i) Compliance with IFRS Accounting Standards and the disclosure requirements of HKCO

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards,
- IAS Standards, and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss which are carried at fair value.

(iii) Amended standards adopted by the Group

The Group has applied the following amended standards for the first time for the annual reporting period commencing 1 January 2024:

Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The amended standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) New and amended standards and annual improvements not yet adopted

The following new and amended accounting standards and annual improvements have been published which are not mandatory for 31 December 2024 reporting period and have not been early adopted by the Group:

	<i>Effective date</i>
<i>Amendments to IAS 21 – Lack of Exchangeability</i>	<i>1 January 2025</i>
<i>Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments</i>	<i>1 January 2026</i>
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	<i>1 January 2026</i>
<i>IFRS 18, ‘Presentation and Disclosure in Financial Statements’</i>	<i>1 January 2027</i>
<i>IFRS 19, ‘Subsidiaries without Public Accountability: Disclosures’</i>	<i>1 January 2027</i>

These new and amended accounting standards and annual improvements are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except for the adoption of IFRS 18 for the reporting periods beginning on or after 1 January 2027.

Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the income statement and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group’s consolidated financial statements.

3 SEGMENT INFORMATION

The Group is principally engaged in brand development, design and sales of toys in the mainland of the PRC (“Mainland China”), Hong Kong, Macao, Taiwan and certain overseas countries and regions (collectively, “Hong Kong, Macao, Taiwan and overseas”). The chief operating decision makers (“CODM”) reviews the Group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

As at 31 December 2024 and for the year then ended, the Group had two reportable segments:

- The Mainland China operations; and
- Hong Kong, Macao, Taiwan and overseas operations.

The CODM assesses the performance of the operating segments mainly based on revenue and segment results. The revenue from external customers reported to CODM is measured as segment revenue, which is the revenue derived from customers in each segment. Segment results represent the operating profit earned by each segment excluding certain unallocated items which mainly include certain expenses attributable to headoffice, IP department, R&D department, IT department and shared service center of the Group.

There were no separate segment assets and segment liabilities information provided to the CODM as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

The segment results and other items included in the consolidated statement of profit or loss and other comprehensive income provided to the CODM for the reportable segments for the year ended 31 December 2024 and the year ended 31 December 2023, respectively are as follows:

	Year ended 31 December					
	The Mainland China operations <i>RMB'000</i>	2024 Hong Kong, Macao, Taiwan and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>	The Mainland China operations <i>RMB'000</i>	2023 Hong Kong, Macao, Taiwan and overseas operations <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from external customers	<u>7,972,074</u>	<u>5,065,675</u>	<u>13,037,749</u>	<u>5,234,901</u>	<u>1,066,101</u>	<u>6,301,002</u>
Segment results	<u>2,637,353</u>	<u>1,814,090</u>	<u>4,451,443</u>	<u>1,239,503</u>	<u>191,556</u>	<u>1,431,059</u>
Unallocated expenses and other gains/losses			(297,171)			(200,413)
Finance income – net			163,352			151,880
Share of profit of investments accounted for using the equity method			<u>48,188</u>			<u>33,229</u>
Profit before income tax			<u>4,365,812</u>			<u>1,415,755</u>
Income tax expense			<u>(1,057,467)</u>			<u>(326,984)</u>
Profit for the year			<u>3,308,345</u>			<u>1,088,771</u>
Significant non-cash expenses						
Depreciation on property, plant and equipment	249,838	36,643	286,481	220,791	12,500	233,291
Depreciation of right-of-use assets	345,305	107,013	452,318	313,792	34,598	348,390
Amortisation of intangible assets	<u>101,205</u>	<u>22,819</u>	<u>124,024</u>	<u>79,614</u>	<u>7,270</u>	<u>86,884</u>

As at 31 December 2024 and 2023, information about the Group's non-current assets (other than financial assets at fair value through profit or loss and deferred tax assets) which is presented based on geographical location of the assets, is as follow:

	As at 31 December	
	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
The Mainland China operations	1,478,586	1,434,042
Hong Kong, Macao, Taiwan and overseas operations	597,096	296,167

4 REVENUE

Breakdown of revenue by business lines is as follows:

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from the Mainland China operations		
Revenue from retail store sales	3,827,861	2,661,009
Revenue from online sales	2,697,619	1,524,578
Revenue from roboshop sales	698,416	552,697
Revenue from wholesales and others	748,178	496,617
	<hr/>	<hr/>
Subtotal	7,972,074	5,234,901
	<hr/>	<hr/>
Revenue from Hong Kong, Macao, Taiwan and overseas operations		
Revenue from retail store sales	2,937,910	582,909
Revenue from online sales	1,455,162	155,805
Revenue from roboshop sales	133,061	57,378
Revenue from wholesales and others	539,542	270,009
	<hr/>	<hr/>
Subtotal	5,065,675	1,066,101
	<hr/>	<hr/>
Total	13,037,749	6,301,002
	<hr/> <hr/>	<hr/> <hr/>
	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue		
Point-in-time	12,948,272	6,278,843
Over-time	89,477	22,159
	<hr/>	<hr/>
Total	13,037,749	6,301,002
	<hr/> <hr/>	<hr/> <hr/>

For the years ended 31 December 2024 and 2023, no revenue derived from transactions with a single customer represent 10% or more of the Group's total revenue.

5 EXPENSES BY NATURE

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Cost of inventories included in cost of sales	3,474,213	2,042,672
Employee benefit expenses	1,462,406	1,048,487
Commissions and E-commerce platform service charges	614,399	279,986
Advertising and marketing expenses	567,630	269,650
Depreciation of right-of-use assets	452,318	348,390
Depreciation on property, plant and equipment	286,481	233,291
Expenses relating to short-term leases and variable leases not included in lease liabilities	457,906	185,893
Transportation and logistics expenses	543,180	169,803
Design and license fees	393,499	156,921
Amortisation of intangible assets	124,024	86,884
Taxes and surcharges	117,010	45,047
Cost of moulds with useful lives within one year	48,505	26,138
Impairment of inventory	14,432	8,016
Auditor's remuneration	7,643	6,030
– Audit services	5,300	5,100
– Non-audit services	2,343	930
Others	363,895	241,729
Total	8,927,541	5,148,937

6 OTHER INCOME

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Income from license fee and other services	56,662	43,008
Government grants (i)	24,925	30,909
Others	2,701	983
Total	84,288	74,900

- (i) The amounts represent government grants related to income which are received from the local government for the contribution to the local economic growth. These grants are recognised in the consolidated statement of profit or loss and other comprehensive income upon the receipt. There are no unfulfilled conditions or contingencies relating to these grants.

7 OTHER (LOSSES)/GAINS – NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Changes in fair value of financial instruments at fair value through profit or loss	(23,382)	6,111
Exchange (losses)/gains	(16,053)	1,501
Donation	(865)	(2,654)
Losses on disposal of leasehold improvement and other equipments	(655)	(2,540)
Net gains on termination of leases	2,821	2,364
Others	1,356	(356)
Total	(36,778)	4,426

8 FINANCE INCOME – NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Finance income		
– Interest income	212,335	184,217
Finance expenses		
– Interest expenses on lease liabilities	(42,628)	(30,754)
– Others	(6,355)	(1,583)
Finance income – net	163,352	151,880

9 INCOME TAX EXPENSE

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current income tax	1,135,499	330,124
Deferred income tax	(78,032)	(3,140)
Income tax expense	1,057,467	326,984

(a) Cayman Island and BVI Income Tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and is not subject to the Cayman Island income tax pursuant to the current laws of the Cayman Islands. The Group entity incorporated or registered under the Business Companies Act of BVI are exempted from BVI income tax pursuant to the current laws of the BVI.

(b) Income tax for Hong Kong, Macao, Taiwan and overseas operations

(i) Hong Kong Profits Tax

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entities will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of the Group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate 16.5%. Hong Kong profits tax has been provided at the rate of 16.5% on the Group's estimated assessable profit for the year ended 31 December 2024 (2023: 16.5%).

(ii) Thailand income tax

The group entity incorporated in Thailand is subject to corporate income tax at tax rate of 20% on the assessable profits for the year ended 31 December 2024 (2023: 20%).

(iii) Other jurisdictions

Taxes on taxable profits in other jurisdictions have been calculated at the rates of tax prevailing in the countries and regions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

(c) Mainland China Corporated Income Tax ("CIT")

The income tax provision of the Group in respect of operations in the Mainland China has been calculated at the tax rate of 25% on the estimated assessable profit for the years ended 31 December 2024 (2023: 25%), based on the existing legislation, interpretations and practices in respect thereof.

During the years ended 31 December 2024 and 2023, certain group entities have been granted certain tax concessions to small scale entities by tax authorities in the Mainland China whereby the subsidiaries operating in the respective jurisdictions are entitled to tax concessions.

(d) Mainland China Withholding Tax ("WHT")

According to the applicable Mainland China tax regulations, dividends distributed by a company established in the Mainland China to a foreign investor with respect to profit derived after 1 January 2008 are generally subject to a 10% WHT. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the Mainland China and Hong Kong, the relevant withholding tax rate will be 5%.

As at 31 December 2024, the aggregate undistributed earnings of the Group's subsidiaries incorporated in the Mainland China are RMB5,685,934,000 (as at 31 December 2023: RMB2,649,591,000). In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future, and that the Company has the ability to control the timing of the distribution from these subsidiaries. Accordingly, despite an assessable temporary difference on such retained earnings exists, no deferred income tax liability has been recognised in the consolidated financial statements.

- (e) The Organisation for Economic Co-operation and Development (“OECD”) Pillar Two rules apply to multinational enterprises that have consolidated revenues (which, as defined by the OECD, include any form of income and are therefore not limited to revenue recognised in accordance with IFRS 15) of EUR750 million in at least two out of the last four years. As at 31 December 2024, the Group is not within the scope of the OECD Pillar Two model rules and therefore has no related current tax exposure.

The Group will be within the scope of the OECD Pillar Two model rules starting from the year ending 31 December 2025. Pillar Two legislation was enacted in certain jurisdictions in which some of the Group’s overseas subsidiaries are incorporated, and has/will come into effect from 1 January 2024 or 1 January 2025 respectively. Under the legislation, the Group will be liable to pay a top-up tax (if any) for the difference between the Global Anti-Base Erosion Proposal (‘GloBE’) effective tax rate for each jurisdiction which the group entities operate and the 15% minimum rate.

The Group is currently in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. Due to the complexities in applying the legislation and calculating GloBE income, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. Therefore, even for those entities with an accounting effective tax rate above 15%, there may still be Pillar Two tax implications.

10 DIVIDENDS

The total dividends paid in 2024 amounted to RMB373,025,000 or RMB28.21 cents per share (2023: RMB117,317,000 or RMB8.70 cents per share) (which are net of the dividend of RMB4,763,000 (2023: RMB1,678,000) attributable to the shares held for the Post-IPO share award scheme (the “**Share Award Scheme**”)).

The Board recommended the payment of a final dividend of RMB81.46 cents per ordinary share of the Company issued for the year ended 31 December 2024, representing an aggregate amount of RMB1,093,916,000 based on the total issued share capital of the Company as of the date of approval of this consolidated financial statements. In the event of change in the total issued share capital of the Company before the record date for dividend payment, dividends will be distributed per share and the total distribution amount will be adjusted accordingly.

The proposed dividend is not reflected as a dividend payable in the consolidated financial statements, but will be reflected as an appropriation of distributable reserves for the year ending 31 December 2025.

11 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue less shares held for Share Award Scheme and shares repurchased by the Company for cancellation during the years ended 31 December 2024 and 2023.

	Year ended 31 December	
	2024	2023
Profit attributable to owners of the Company (RMB’000)	3,125,473	1,082,344
Weighted average number of ordinary shares in issue less shares held for Share Award Scheme and shares repurchased by the Company for cancellation (in thousands)	1,326,541	1,338,035
Basic earnings per share (expressed in RMB per share)	2.36	0.81

(b) Dilute earnings per share

The calculation of diluted earnings per share for the years ended 31 December 2024 and ended 31 December 2023 is set out below:

	Year ended 31 December	
	2024	2023
Profit attributable to owners of the Company (RMB'000)	<u>3,125,473</u>	<u>1,082,344</u>
Profit used to determine diluted earnings per share (RMB'000)	<u>3,125,473</u>	<u>1,082,344</u>
Weighted average number of ordinary shares in issue less shares held for Share Award Scheme and shares repurchased by the Company for cancellation (in thousands)	1,326,541	1,338,035
Adjustment for – Restricted Shares granted and assumed vested (in thousands)	<u>5,539</u>	<u>2,471</u>
Weighted average number of shares for diluted earnings per shares (in thousands)	<u>1,332,080</u>	<u>1,340,506</u>
Dilute earnings per share (expressed in RMB per share)	<u>2.35</u>	<u>0.81</u>

For the years ended 31 December 2024 and 2023, diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's potentially dilutive ordinary shares comprised shares which may be granted and assumed vested under the Share Award Scheme. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding shares granted under the Share Award Scheme (defined as the "**Restricted Shares**"). The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the Restricted Shares.

12 TRADE RECEIVABLES

	As at 31 December	
	2024	2023
	RMB'000	<i>RMB'000</i>
Trade receivables (a)		
– Third parties	442,605	237,437
– Related parties	44,033	91,219
Subtotal	486,638	328,656
Less: provision for impairment allowance (b)	(8,915)	(7,319)
Total trade receivables	477,723	321,337

- (a) For trade receivables from retail store sales, roboshop sales and online sales, the amounts are usually settled in cash, by credit/debit cards or through online payment platforms. For wholesale transactions, trade receivables are settled within the credit terms as agreed in sales contracts. The majority of these wholesalers are with credit terms of 30 to 90 days. Certain customers with good history and long-term relationship are extended preferential credit terms of up to 180 days.

An aging analysis of the trade receivables based on invoice date is as follows:

	As at 31 December	
	2024	2023
	RMB'000	<i>RMB'000</i>
Within 3 months	472,557	311,485
3 months to 6 months	9,752	12,523
Over 6 months	4,329	4,648
Total	486,638	328,656

- (b) The Group applies the IFRS 9 simplified approach to measure expected credit losses which use a lifetime expected loss allowance for all trade receivables.

Movements in allowance for impairment of trade receivables is as follows:

	Year ended 31 December	
	2024	2023
	RMB'000	<i>RMB'000</i>
As at 1 January	7,319	7,291
Provision for impairment allowance	1,596	28
As at 31 December	8,915	7,319

(c) Trade receivables are denominated in the following currencies:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
RMB	221,489	173,058
TWD	75,212	30,436
HKD	48,481	44,124
USD	36,191	4,273
SGD	25,396	21,811
JPY	21,379	23,060
IDR	17,163	–
Others	32,412	24,575
	<u>477,723</u>	<u>321,337</u>

(d) Due to the short-term nature of the trade receivables, their carrying amounts are considered to be reasonable approximations of their fair values.

13 SHARE CAPITAL AND TREASURY SHARES

Authorised:

	Number of ordinary shares	Nominal value of ordinary shares USD'000
Ordinary shares of US\$0.0001 each		
On 1 January 2023, 31 December 2023 and 31 December 2024	<u>5,000,000,000</u>	<u>500</u>

Movements in issued and fully paid ordinary shares are as follows:

	Number of ordinary shares	Nominal value of ordinary shares USD'000	Nominal value of ordinary shares RMB'000	Number of treasury shares	Carrying value of treasury shares (included in other reserves) RMB'000
At 1 January 2023	1,380,540,550	139	908	(12,950,400)	(186,395)
Purchase of own shares (i)	–	–	–	(19,947,000)	(333,709)
Cancellation of repurchased shares (ii)	(32,297,400)	(3)	(23)	32,297,400	509,636
At 31 December 2023	<u>1,348,243,150</u>	<u>136</u>	<u>885</u>	<u>(600,000)</u>	<u>(10,468)</u>
Purchase of own shares (i)	–	–	–	(4,700,000)	(78,031)
Cancellation of repurchased shares (ii)	(5,300,000)	(0.5)	(3)	5,300,000	88,499
At 31 December 2024	<u>1,342,943,150</u>	<u>135</u>	<u>882</u>	<u>–</u>	<u>–</u>

- (i) During the year ended 31 December 2024, the Company acquired 4,700,000 ordinary shares of the Company (2023: 19,947,000 ordinary shares) through purchases on the open market. The total amount paid to acquire the shares during the year was HKD85,826,000 (equivalent to approximately RMB78,031,000) (2023: HKD370,688,000 (equivalent to approximately RMB333,709,000)).

Particulars of the shares repurchased during the year ended 31 December 2024 are as follows:

Month of Repurchase	No. of Shares Repurchase	Price Paid per Share		Aggregate Consideration (HKD)
		Highest (HKD)	Lowest (HKD)	
January	3,890,000	19.96	17.00	71,168,524
February	810,000	18.46	17.62	14,657,964
Total	4,700,000			85,826,488

- (ii) During the year ended 31 December 2024, the Company cancelled 5,300,000 repurchased shares. As a result, the Company recognised a debit to share capital of USD530 (equivalent to RMB3,766), a debit to share premium (included in other reserves) of RMB88,496,000 and a credit to treasury shares (included in other reserves) of RMB88,499,000.

During the year ended 31 December 2023, the Company cancelled 32,297,000 repurchased shares. As a result, the Company recognised a debit to share capital of USD3,000 (equivalent to approximately RMB23,000), a debit to share premium (included in other reserves) of RMB509,613,000 and a credit to treasury share (included in other reserves) of RMB509,636,000.

14 TRADE PAYABLES

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Merchandise payables	1,010,109	444,944

The credit terms of merchandise payables granted by the suppliers are usually current to 180 days. The carrying amounts of trade payables are considered to be reasonable approximations of their fair values, due to their short-term nature.

At 31 December 2024 and 2023, the aging analysis of the merchandise payables based on invoice date is as follows:

	As at 31 December	
	2024 RMB'000	2023 RMB'000
Within 30 days	589,043	224,494
30 to 90 days	370,583	150,226
90 to 180 days	18,452	26,907
Over 180 days	32,031	43,317
Total	1,010,109	444,944

The trade payables are mainly denominated in RMB.

15 LICENSE FEES PAYABLES

	As at 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
License fees payables	356,371	194,200
Less: non-current portion	<u>(14,536)</u>	<u>(14,807)</u>
Current portion	<u>341,835</u>	<u>179,393</u>

The Group entered into various license agreements with artists to obtain licensed IPs. Pursuant to the license agreements, fixed minimum payments are payable in tranches during the contracted term while variable payments that depend on sales are payable in the period in which the condition that triggers those payments occurs.

	As at 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Analysis of license fees payables:		
Non-current		
– the first to second year	11,703	10,271
– the second to fifth year	2,382	4,085
– more than five years	<u>451</u>	<u>451</u>
	14,536	14,807
Current	<u>341,835</u>	<u>179,393</u>

The license fees payables are mainly denominated in RMB, USD and HKD.

16 OTHER PAYABLES

	As at 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Wages, salaries and other employee benefits	214,847	126,769
Accrued sales and marketing expenses	167,458	60,045
Logistics fees	150,117	39,211
Payable for leasehold improvement	144,870	142,333
Other tax payables	89,561	78,696
Payables for short-term and variable rental expense	60,656	24,638
Advance received from non-controlling interest in relation to capital injection in a non-wholly owned subsidiary	17,705	–
Deposits payable	7,867	11,979
Others	<u>51,193</u>	<u>31,170</u>
Total	<u>904,274</u>	<u>514,841</u>

As at 31 December 2024 and 2023, the carrying amounts of other payables are considered to be reasonable approximations of their fair values, due to their short-term nature.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In 2024, through the efficient collaboration of various departments, exceptional IP operation capabilities, and remarkable achievements in product category expansion and innovation, we successfully launched multiple new product series based on classic IPs while incubating several new IPs that have garnered significant fan enthusiasm. At the same time, we remained committed to delivering high-quality products and services to consumers. These efforts have further elevated the global recognition and reputation of Pop Mart's brand, driving substantial sales growth and showcasing our strong brand vitality and market competitiveness.

During the Reporting Period, we recorded a revenue of RMB13,037.7 million, representing a year-on-year increase of 106.9%. By consistently improving the customers' omni-channel experience, enhancing the operational efficiency and differentiated product channel management, we achieved sales growth across all channels in Mainland China, generating revenue of RMB7,972.1 million, representing a year-on-year increase of 52.3%. Simultaneously, we accelerated our international market expansion and advanced our localized operations strategy, enabling our businesses in Hong Kong, Macao, Taiwan, and overseas markets to maintain rapid growth. Revenue from these regions reached RMB5,065.7 million, representing a year-on-year increase of 375.2% and accounting for 38.9% of our total revenue.

IP Incubation and Operation

IP operation and creative design are the core drivers to promote Pop Mart's sustainable growth. We explored highly-potential pop artists and designers worldwide and created popular pop culture IP images through well-established IP operation system. At the same time, we continued to strengthen innovation in product designs and diversify product categories to meet the diverse needs of different fan groups and create more joy and surprises for consumers around the world.

We have implemented tailored operation strategies for each IP based on its unique characteristics, driving strong sales growth while sustaining their market appeal. A total of 13 IPs recorded a revenue of over RMB100 million. In 2024, THE MONSTERS, MOLLY, SKULLPANDA and CRYBABY generated revenues of RMB3,040.7 million, RMB2,093.2 million, RMB1,308.3 million and RMB1,164.9 million, respectively.

Through diverse product category designs and interactive performances featuring theme park mascots, THE MONSTERS has evolved beyond static pop figure toys into plush accessories with different costumes, and interactive companions. This transformation has made THE MONSTERS more vivid and dynamic, enriching their personalities and deepening emotional connections with fans, thereby increasing fan engagement. Meanwhile, driven by overseas market expansion, localized product designs and IP operations, THE MONSTERS has rapidly gained global popularity and earned widespread fan support worldwide, achieving a significant year-on-year growth of 726.6% in related revenue.

As our most iconic classic IP, MOLLY continues to showcase strong vitality. Through continuous operations and premium positioning strategies, we have successfully created the basic images such as Classic MOLLY, SPACE MOLLY, ROYAL MOLLY and BABY MOLLY. By integrating cross-community content innovations and diverse product offerings, we have reinforced the cultural value of the IP to cater to different fan groups, resulting in a year-on-year growth of 105.2% in related revenue.

SKULLPANDA maintains its diversified design strategy. It concentrates on designs and creation of pop figure toy by virtue of its unique design philosophy and style exploration of continuous innovation. The classic series “Temperature” has achieved cumulative sales of over 791 thousand sets, making it our best-selling individual series. In 2024, the newly launched series, “Image of Reality”, draws inspiration from surrealist art, which immerses viewers in an otherworldly experience with its fantastical designs. This series has sold 265 thousand sets, offering fans a broader artistic and collectible experience and contributing to a year-on-year growth of 27.7% in related revenue.

CRYBABY is one of our fastest-growing emerging IPs, built on the core concept of “Healing Through Tears” and the belief that “Everybody Cries Sometimes!”. It aims to encourage people to bravely move forward after expressing their emotions. By conveying the essence of emotional freedom, CRYBABY provides emotional value to fans and resonates deeply with them. As a result, it reached an impressive year-on-year increase of 1,537.2% in related revenue.

In 2024, the IPs of HIRONO, Zsiga, Nyota, inosoul and others under our in-house IP originals studio PDC (Pop Design Center) achieved outstanding results. In particular, HIRONO’s distinctive design language can create unique spiritual picture, making his universe a spiritual sanctuary for many fans. We have set up Hirono IP lifestyle pop-up stores in major cities worldwide. These pop-up stores feature not only pop toys but also a wide range of new categories such as fashion clothing, artistic household, collections and paintings, and peripheral products, offering a comprehensive and immersive experience of HIRONO’s universe, and achieving 106.9% year-on-year growth in related revenue. As a new IP launched in 2024, Nyota has quickly garnered significant attention from a wide fan base, which is attributable to its unique, serene aesthetic and distinctive style positioning.

The Twinkle Twinkle (星星人), an IP we newly signed in 2024, was designed with the concept that they were born in darkness, akin to the radiant stars that illuminate the night sky. Its core spirit of “Stars can’t shine without darkness” serves as a poignant reminder, creating a romantic fairy-tale world for adults who still harbor a childlike heart, conveying warmth and healing power. Based on this illustration-style IP, we developed a variety of products embodying its characteristics, such as fashion figure toys and plush products, which were warmly received and beloved by fans.

We continued to explore and expand the scope of licensed IPs by launching a series of pop garage kits and co-branded products in different types and diversified styles to meet the needs and interests of different consumers. Through cooperation with various copyright owners of anime, games and movies, we brought more choices and surprises to our fans. At the same time, we continued to expand the territories of IP licensing, and already obtained global licenses for most of our licensed IPs, bringing a more unique pop toy experience to consumers around the world.

In 2024, plush products achieved a revenue of RMB2,832.1 million, accounting for 21.7%% of our total revenue. Among them, the rotocast plush has become a phenomenon-level hit product that combines visual beauty and tactile experience with the application of the rotocasting process that makes the facial expressions of the toy more vivid and lifelike, coupled with the unique soft touch of the plush material. Benefiting from the excellent display and matching functions of the product, this series has won widespread market recognition and consumer favor in overseas markets such as Southeast Asia and North America. In terms of product research and development, we always take IP as the core and deeply explore its cultural connotations. By accurately grasping the personality characteristics and spiritual essence of different IPs, we tailor-made plush product lines that match the corresponding styles. Such strategy not only enhances the emotional bond between fans and IPs, but also, through the innovative design of interactive experiences, successfully attracts a diverse user group and significantly enhances user stickiness.

2024 is the fourth year since we launched MEGA COLLECTION, and the brand operation has gradually entered into a mature stage. It represents the young generation's diversified and energetic aesthetic taste and trend vision, and has already become a classic representative of the current trend collectors embracing their favorite culture. During the year, our new products focused on breaking through cultural boundaries. We have continuously integrated traditional Chinese cultural craftsmanship into pop toys. The GRAND series has continued to launch products such as MEGA ROYAL MOLLY 400% Yanran Ru Ya • Porcelain (MEGA ROYAL MOLLY 400% 嫣然入軋•瓷) and MEGA SPACE MOLLY 1000% Zhu Mo Xiang Yun • Lacquer (MEGA SPACE MOLLY 1000% 朱墨祥韻•漆), enabling young people around the world to feel the contemporary pulse of Chinese culture through pop toys. At the same time, we have been constantly exploring outstanding global artists, copyrighted IPs and brands, such as MEGA ROYAL MOLLY 1000%/400% Van Gogh Museum • Apricot Blossoms (MEGA ROYAL MOLLY 1000%/400% 梵古博物館•杏花), MEGA SPACE MOLLY 400% Sanrio Family series (MEGA SPACE MOLLY 400% 三麗鷗家族系列), MEGA ROYAL MOLLY 1000%/400% Huang Yuxing – Bubbles (MEGA ROYAL MOLLY 1000%/400% 黃宇興 – 氣泡), MEGA SPACE MOLLY 1000% Chen Fenwan (MEGA SPACE MOLLY 1000% 陳粉丸), etc. These products incorporate different cultural elements to resonate with pop toy collectors globally, making full use of cross-border traffic to continuously expand the user base. In 2024, the MEGA COLLECTION achieved a revenue of RMB1,683.8 million, accounting for 12.9% of our total revenue.

In 2024, we launched our first building block product. Through block stacking, the product shows the spiritual core of our IPs. It not only enhances the ways in which the IPs are represented but also broadens the channels for fan interaction with IPs, enabling fans to explore the deeper narratives that underlie our IPs. On the basis of compatibility with the traditional building block system, we have significantly differentiated our building block products from the conventional building blocks in the market through innovations in craftsmanship, materials, gameplay, etc., thus further expanding the fan base.

Consumer Access

– *Offline channels*

In 2024, we recorded a net increase of 38 physical stores in Mainland China. The number of physical stores increased from 363 as of 31 December 2023 to 401 as of 31 December 2024. In 2024, we recorded a net increase of 110 roboshops in Mainland China. The number of roboshops increased from 2,190 as of 31 December 2023 to 2,300 as of 31 December 2024.

– *Online channels*

In 2024, Pop Draw continued to focus on innovation in terms of scenario and entertainment, providing customers with a more fun and recreational social shopping experience. We also enhanced our product operational capabilities and integrated holiday marketing campaigns to connect offline and online traffic, thereby effectively boosting the scales of visitors of mini program. Additionally, Pop Draw advanced its refined user group operation strategies, achieving improvements in both new customer quality and existing customer retention. In 2024, revenue from Pop Draw amounted to RMB1,113.7 million, representing a year-on-year increase of 52.7%, breaking its historical sales record in 2022. Our content-related e-commerce team redefined the positioning of live streaming rooms in 2024. By leveraging live streaming to strengthen brand expression, we vividly conveyed the emotional value of IPs and products to customers, attracting a large number of new fans. We also formulated a differentiated operation strategy of satisfying customer's potential shopping interests, successfully expanding into new categories such as plush and acquiring new customers. In 2024, the revenue from DouYin amounted to RMB601.2 million, representing a year-on-year increase of 112.2%. The Tmall Flagship Store continuously focused on expanding new customer base, increasing store traffic, and improving customer quality in 2024. During the Super Brand Month (超級品牌活動月), the Tmall Flagship Store set a new sales record for Super Brand Activity (超品活動) in the Tmall toy category, maintaining rapid growth throughout the year and surpassing the historical sales peak in 2021. In 2024, the revenue from Tmall Flagship Store amounted to RMB627.8 million, representing a year-on-year increase of 95.0%. It topped both the Tmall Overall Toy Ranking (天貓玩具總榜) and the Tmall Pop Toy Ranking (天貓潮流玩具) in terms of sales in the 618 shopping festival.

– *Member operation*

With continuous implementation of omni-channel refined member operation, and through continuous innovation and improving the members' experience to enhance the marketing effectiveness of key products, the scale of membership digitalization grew rapidly. As of 31 December 2024, the total number of registered members in Mainland China increased from 34.4 million as of 31 December 2023 to 46.1 million. In particular, there were 11.7 million new registered members. In 2024, the sales contributed by our members represented 92.7% of total sales, with repeat purchase rate of our members of 49.4%¹.

– *Hong Kong, Macao, Taiwan and overseas channels*

The implementation of our DTC (Direct To Customer) strategy for Hong Kong, Macao, Taiwan and overseas business continued. As of 31 December 2024, the number of our physical stores in Hong Kong, Macao, Taiwan and overseas was 130 (including those operated by joint venture), and the number of roboshops reached 192 (including those operated by joint venture and roboshop partners).

¹ Represents the proportion of members who purchase products twice or more in 2024.

In 2024, we opened our first offline stores in five countries, i.e. Vietnam, Indonesia, the Philippines, Italy and Spain, marking a significant step in our rapid business expansion. Meanwhile, we successfully opened themed stores and flagship stores in landmarks worldwide, further strengthening our international influence. In February, we opened a store themed CRYBABY in Central Ladprao, Bangkok, Thailand. In May, we opened a castle-themed store in Ba Na Hills Sun World, a famous scenic spot in Vietnam. In July, we opened a K-POP themed store in Myeongdong, South Korea. Through the operation of such themed stores, we have optimized the consumer experience, enhanced their brand loyalty, and expanded the influence of our IP brands. In June, we opened a store in the well-known most bustling hub – Oxford Street in United Kingdom. In July, we made history by becoming the first Chinese trendy toy brand to establish a presence in the Louvre Museum in Paris. In August, we opened our first store at UTC in San Diego. These initiatives enabled Pop Mart to achieve a dual breakthrough in brand momentum and market expansion across Europe and America.

Meanwhile, our overseas e-commerce team applied differentiated operating strategies for different countries and e-commerce platforms. Specifically, Shopee and Lazada focused on multiple countries in Southeast Asia, and we received favorable reviews from consumers there with refined marketing and localized service strategies to understand the needs of local consumers deeply and carry out product promotion accurately. By leveraging Amazon's vast scale and logistics capabilities in Europe and America, combined with integrated on-platform and off-platform promotional strategies, we effectively reached local users and gradually enhanced our brand's influence in these regions. On TikTok, we embraced the global trends of content-driven e-commerce and live-streaming commerce, dedicating efforts to build a high-quality content ecosystem. Through creative live-streaming events, we attracted a large number of young users and drove sales with premium content, thus increasing brand exposure and engagement. For the global market, we continue to advance the development and optimization of our official brand website. From user browsing, interface design, and product presentation to after-sales services, we prioritize user needs to deliver a comprehensive and enhanced user experience, shaping a positive brand image. Through these initiatives across different platforms and regions, our brand and product influence have steadily grown worldwide, which gradually increased our presence and opportunities in international markets.

Theme Park and IP Experience and Innovative Business Incubation

We have established an IP commercialization system with a multi-industry chain, continuously deepening the emotional connection between fans and IPs, and exploring the potential of realizing the value of IP.

POP LAND was officially opened in September 2023. In the year and a half since its opening, the park continuously optimized its service experience and focused on creating an immersive atmosphere centered around its IPs, in a bid to provide visitors with an immersive park experience. The park is dedicated to showcasing the unique charm of Pop Mart to fans around the world and continuing to create value and joy through innovative activities and high-quality services.

We have consistently increased the frequency of its classic daily performances, created and presented new shows, and launched commensurate themed installations and activities for various festivals and holidays. In August 2024, MOLLY's Dessert House officially opened, quickly attracting substantial attention with its unique scene design and distinctive IP style and becoming a popular photo spot. It generated widespread buzz across various platforms and received overwhelming market feedback. In September 2024, ZIMOMO Dance leveraged organic traffic to rise in the Douyin challenge rankings, effectively demonstrating the cross-boundary communication of our IP. Subsequently, the dance received multiple invitations for external events, further expanding the influence of our IP. From October to December 2024, the park planned and launched distinctive Halloween and winter-themed events. By integrating performance content, dining services, dessert offerings, and refreshing atmospheric decorations, we successfully scored a significant year-on-year increase in visitor numbers during the traditional off-peak travel season, demonstrating the effectiveness and innovation of our operational strategies.

The POP TOY SHOW (PTS) continues to evolve into a significant platform for global creators to showcase their creativity. From 23 to 25 August 2024, the second overseas PTS was held once again in Singapore. The three-day event was a huge success, attracting nearly 30,000 visitors who gathered to immerse themselves in the unique charm of trendy toy art alongside nearly a hundred artists from around the world. Compared to the first session, this one saw even greater participation from domestic trendy toy exhibitors and artists, who enthusiastically shared the latest trends and innovative ideas from China's trendy toy scene with overseas enthusiasts, fostering a vibrant exchange of diverse cultures. In April, PTS collaborated with POP LAND to launch the "2024 PTS Beijing International Pop Toy Festival", which transformed the traditional "Pop Toy Convention" to a comprehensive "Pop Toy Festival" for the first time. This new carnival-style event integrated IP performances, theme park experiences, along with dining, entertainment, and other leisure activities, allowing attendees to "unwind" from the panic buying. In October, PTS took place at the Shanghai World Expo Exhibition Center, where the brand exhibition area was upgraded for the first time to "Pop Street", creating a unified atmosphere. The event featured a gathering of artists, surprise appearances by IP "celebrities", building block competitions, and a gaming carnival, among numerous interactive activities. Through these innovative initiatives, audiences experienced the unique allure of trendy toys and IPs, contributing to the accumulation and clustering of the trendy toy industry.

In 2024, we held a series of large-scale events, including autograph sessions, pop-up stores and art exhibitions, covering various core cities around the world, to continue to deepen our IP operation and global influence. Among them, the performance of LABUBU, a character from our IP "THE MONSTERS" elf group was particularly impressive. Following its debut as the "Magical Thailand Experience Ambassador" in the first half of the year, the IP was also invited to participate in the Thai-style plot and engage with fans frequently, further consolidating its core position as a bridge fostering exchanges between Chinese and Thai pop culture. In addition, on the occasion of the launch of the new blind box of the HIRONO x Little Prince series, HIRONO's artist LANG came to Paris and held the first European autograph session at the Bercy Village store of Pop Mart in France, where a total of one hundred fans were invited to interact with artists to promote IP to reach consumers, which shows that our IP globalization strategy has achieved remarkable results and injected continuous momentum into the overseas expansion of pop toy culture.

FINANCIAL REVIEW

Sales Revenue

Revenue of the Group increased from RMB6,301.0 million in 2023 to RMB13,037.7 million in 2024, representing a year-on-year increase of 106.9%.

Revenue by channels

Revenue of the Group is generated in Mainland China and Hong Kong, Macao, Taiwan and overseas, including: (1) offline channels; (2) online channels; and (3) wholesales channels and others. The following table sets out the Company's revenue by channels in 2024 and 2023:

	For the year ended 31 December 2024			For the year ended 31 December 2023		
	Revenue <i>RMB'000</i>	Gross profit margin	Proportion of revenue	Revenue <i>RMB'000</i>	Gross profit margin	Proportion of revenue
Mainland China						
Offline channels	4,526,277	66.4%	34.7%	3,213,706	63.0%	51.0%
Online channels	2,697,619	64.1%	20.7%	1,524,578	60.4%	24.2%
Wholesales and others	748,178	47.8%	5.7%	496,617	46.7%	7.9%
Total	7,972,074	63.9%	61.1%	5,234,901	60.6%	83.1%
Hong Kong, Macao, Taiwan and overseas						
Offline channels	3,070,971	72.3%	23.6%	640,287	74.4%	10.1%
Online channels	1,455,162	73.6%	11.2%	155,805	73.5%	2.5%
Wholesales and others	539,542	59.4%	4.1%	270,009	37.6%	4.3%
Total	5,065,675	71.3%	38.9%	1,066,101	64.9%	16.9%
Grand total	13,037,749	66.8%	100.0%	6,301,002	61.3%	100.0%

(1) *Mainland China*

- **Offline channels.** Revenue from offline sales increased by 40.8% from RMB3,213.7 million in 2023 to RMB4,526.3 million in 2024. The table below sets forth a breakdown of revenue from offline channels and the city tier:

	For the year ended 31 December 2024		For the year ended 31 December 2023		Change
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Retail stores	3,827,861	84.6%	2,661,009	82.8%	43.9%
Roboshops	698,416	15.4%	552,697	17.2%	26.4%
Total	4,526,277	100.0%	3,213,706	100.0%	40.8%

City tier	Retail stores				Roboshops			
	For the year ended 31 December 2024		2023		For the year ended 31 December 2024		2023	
	Number	Revenue <i>(RMB'000)</i>	Number	Revenue <i>(RMB'000)</i>	Number	Revenue <i>(RMB'000)</i>	Number	Revenue <i>(RMB'000)</i>
First-tier cities ²	125	1,495,934	120	1,100,240	622	201,050	592	147,838
New first-tier cities ³	116	1,096,134	105	743,662	694	217,711	672	174,650
Second-tier and other cities ⁴	160	1,235,793	138	817,107	984	279,655	926	230,209
Total	401	3,827,861	363	2,661,009	2,300	698,416	2,190	552,697

- **Retail stores.** Revenue from retail store sales increased by 43.9% year-on-year from RMB2,661.0 million in 2023 to RMB3,827.9 million in 2024, which is mainly attributed to the improved performance of individual stores. The status of retail stores of the Mainland China in 2024: as of 31 December 2024, the number of retail stores recorded a net increase of 38 as compared to 31 December 2023. As of 31 December 2024, there were a total of 401 retail stores.
- **Roboshops.** Revenue from roboshop sales increased by 26.4% year-on-year from RMB552.7 million in 2023 to RMB698.4 million in 2024. The status of roboshops of the Mainland China in 2024: as of 31 December 2024, the number of roboshops recorded a net increase of 110 as compared to 31 December 2023. As of 31 December 2024, there were a total of 2,300 roboshops.

² Refer to first-tier cities in Mainland China, including Beijing, Shanghai, Guangzhou and Shenzhen

³ Refer to new first-tier cities in Mainland China, including Chengdu, Chongqing, Hangzhou, Wuhan, Xi'an, Zhengzhou, Qingdao, Changsha, Tianjin, Suzhou, Nanjing, Dongguan, Ningbo, Hefei and Wuxi

⁴ Refer to cities other than first-tier cities and new first-tier cities in Mainland China

- **Online channels.** Revenue from online sales increased by 76.9% from RMB1,524.6 million in 2023 to RMB2,697.6 million in 2024. The table below sets forth a breakdown of revenue from online channels:

	For the year ended 31 December 2024		For the year ended 31 December 2023		Increase
	Revenue <i>RMB' 000</i>	Proportion of revenue	Revenue <i>RMB' 000</i>	Proportion of revenue	
Pop Draw	1,113,741	41.3%	729,280	47.8%	52.7%
Tmall flagship store	627,788	23.3%	321,966	21.1%	95.0%
DouYin	601,231	22.3%	283,318	18.6%	112.2%
Other online channels	354,859	13.1%	190,014	12.5%	86.8%
Total	2,697,619	100.0%	1,524,578	100.0%	76.9%

Online revenue sources in Mainland China include Pop Draw, Tmall flagship store, DouYin and other online channels. In particular, revenue from Pop Draw increased by 52.7% from RMB729.3 million in 2023 to RMB1,113.7 million in 2024; revenue from Tmall flagship store increased by 95.0% from RMB322.0 million in 2023 to RMB627.8 million in 2024; revenue from DouYin increased by 112.2% from RMB283.3 million in 2023 to RMB601.2 million in 2024. Increase in revenue from online sales is due to our continuous optimization of the platform's operational efficiency and improvement in traffic conversion, as well as attracting consumers with diverse products.

- **Wholesale and others.** Revenue from wholesale and others increased by 50.7% from RMB496.6 million in 2023 to RMB748.2 million in 2024, primarily due to the increase in revenue generated from POP LAND.

(2) *Hong Kong, Macao, Taiwan and Overseas*

- **Offline channels.** Revenue from offline sales increased by 379.6% from RMB640.3 million in 2023 to RMB3,071.0 million in 2024. The table below sets forth a breakdown of revenue from offline channels:

	For the year ended 31 December 2024		For the year ended 31 December 2023		Change
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Retail stores	2,937,910	95.7%	582,909	91.0%	404.0%
Roboshops	133,061	4.3%	57,378	9.0%	131.9%
Total	3,070,971	100.0%	640,287	100.0%	379.6%

Retail stores. Revenue from retail store sales increased by 404.0% year on year from RMB582.9 million in 2023 to RMB2,937.9 million in 2024, which is mainly attributed to the increased number of stores as a result of our continuous expansion into overseas markets and single-store revenue growth. The status of retail stores of Hong Kong, Macao, Taiwan and overseas in 2024: as of 31 December 2024, the number of retail stores recorded a net increase of 50 as compared to 31 December 2023. As of 31 December 2024, there were a total of 120 retail stores.

Roboshops. Revenue from roboshop sales increased by 131.9% year on year from RMB57.4 million in 2023 to RMB133.1 million in 2024. The status of roboshops of Hong Kong, Macao, Taiwan and overseas in 2024: as of 31 December 2024, the number of roboshops recorded a net increase of 73 as compared to 31 December 2023. As of 31 December 2024, there were a total of 172 roboshops.

- **Online channels.** Revenue from online sales increased by 834.0% from RMB155.8 million in 2023 to RMB1,455.2 million in 2024. The table below sets forth a breakdown of revenue from online channels:

	For the year ended 31 December 2024		For the year ended 31 December 2023		Increase
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Pop Mart official website	531,460	36.5%	39,479	25.4%	1,246.2%
Shopee	324,197	22.3%	42,885	27.5%	656.0%
TikTok platform	261,943	18.0%	4,455	2.9%	5,779.8%
Other online channels	337,562	23.2%	68,986	44.2%	389.3%
Total	1,455,162	100.0%	155,805	100.0%	834.0%

Online revenue sources in Hong Kong, Macao, Taiwan and overseas include Pop Mart official website, Shopee, TikTok platform and other online channels. Revenue from Pop Mart official website increased by 1,246.2% from RMB39.5 million in 2023 to RMB531.5 million in 2024. Revenue from Shopee increased by 656.0% from RMB42.9 million in 2023 to RMB324.2 million in 2024; while revenue from TikTok platform increased 5,779.8% from RMB4.5 million in 2023 to RMB261.9 million in 2024. Such increase is primarily due to our continuous expansion into overseas countries and regions, enhanced localized operations, developing more online platforms, and the growing brand influence, which have attracted more consumers from Hong Kong, Macau, Taiwan and overseas to purchase our products.

- **Wholesales and others.** Revenue from wholesales and others in Hong Kong, Macao, Taiwan and overseas increased by 99.8% from RMB270.0 million in 2023 to RMB539.5 million in 2024.

Revenue from Hong Kong, Macao, Taiwan and Overseas by regions. Revenue from Hong Kong, Macao, Taiwan and Overseas increased by 375.2% from RMB1,066.1 million in 2023 to RMB5,065.7 million in 2024. Hong Kong, Macao, Taiwan and overseas are further divided by region into Southeast Asia, East Asia and Hong Kong, Macao and Taiwan regions, North America, and Europe, Australia and others. The table below sets forth a breakdown of revenue by region (based on the geographic location of customers):

	For the year ended 31 December 2024		For the year ended 31 December 2023		Increase
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Southeast Asia	2,402,732	47.4%	334,153	31.3%	619.1%
East Asia and Hong Kong, Macao and Taiwan regions	1,385,666	27.4%	486,932	45.7%	184.6%
North America	723,025	14.3%	110,064	10.3%	556.9%
Europe, Australia and others	554,252	10.9%	134,952	12.7%	310.7%
Total	5,065,675	100%	1,066,101	100%	375.2%

Revenue by IPs

Pop Mart proprietary products are our major product type. During the year ended 31 December 2024, revenue from proprietary products contributed 97.6% of our total revenue. Revenue from proprietary products increased by 117.2% from RMB5,858.0 million in 2023 to RMB12,721.5 million in 2024.

Proprietary products of Pop Mart are mainly divided into: artist IPs and licensed IPs, and below sets forth a breakdown of revenue by IPs:

	For the year ended 31 December			
	2024	Proportion	2023	Proportion
	Revenue	of revenue	Revenue	of revenue
	RMB'000		RMB'000	
Proprietary products	12,721,506	97.6%	5,857,957	93.0%
Artist IPs	11,120,848	85.3%	4,822,226	76.5%
THE MONSTERS	3,040,664	23.3%	367,871	5.8%
MOLLY	2,093,172	16.1%	1,020,305	16.2%
SKULLPANDA	1,308,262	10.0%	1,024,788	16.3%
CRYBABY	1,164,885	8.9%	71,149	1.1%
DIMOO	909,561	7.0%	737,666	11.7%
HIRONO	726,525	5.6%	351,201	5.6%
Zsiga	244,519	1.9%	99,777	1.6%
HACIPUPU	224,288	1.7%	151,758	2.4%
Other artist IPs	1,408,972	10.8%	997,711	15.8%
Licensed IPs	1,600,658	12.3%	1,035,731	16.5%
External procurement and others	316,243	2.4%	443,045	7.0%
Total	13,037,749	100.0%	6,301,002	100.0%

- **Artist IPs.** Artist IPs are the major product type of the Company, primarily including THE MONSTERS, MOLLY, SKULLPANDA and other IPs. Revenue from artist IPs increased by 130.6% from RMB4,822.2 million in 2023 to RMB11,120.8 million in 2024, primarily due to the fact that we continued to innovate our product design and enrich our product categories, with plush products represented by THE MONSTERS being particularly beloved by consumers. In 2024, revenue from THE MONSTERS products increased by 726.6% as compared to 2023.

- **Licensed IPs.** Revenue from licensed IPs increased by 54.5% from RMB1,035.7 million in 2023 to RMB1,600.7 million in 2024, primarily due to the fact that we continuously deepened our cooperation with more copyright owners to launch more styles and types of products.

REVENUE BY PRODUCT CATEGORY

The Company's products are mainly categorized into figure toys, plush, MEGA and other IP-related products and others by category. The following sets forth the breakdown of revenue by product category:

	For the year ended 31 December 2024		For the year ended 31 December 2023		Increase
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Figure toys	6,936,087	53.2%	4,793,872	76.1%	44.7%
Plush	2,832,078	21.7%	203,888	3.2%	1,289.0%
MEGA	1,683,780	12.9%	684,275	10.9%	146.1%
Other IP-related products and others	1,585,804	12.2%	618,967	9.8%	156.2%
Total	13,037,749	100.0%	6,301,002	100.0%	106.9%

At the product level, we kept introducing new products, enriching product offerings and enhancing product design capability. Revenue from figure toys increased by 44.7% from RMB4,793.9 million in 2023 to RMB6,936.1 million in 2024; revenue from plush increased by 1,289.0% from RMB203.9 million in 2023 to RMB2,832.1 million in 2024; revenue from MEGA increased by 146.1% from RMB684.3 million in 2023 to RMB1,683.8 million in 2024; revenue from other IP-related products and others increased by 156.2% from RMB619.0 million in 2023 to RMB1,585.8 million in 2024.

Costs of Sales

Our costs of sales increased by 77.7% from RMB2,436.9 million in 2023 to RMB4,330.0 million in 2024, primarily due to (1) the increase in costs of goods from RMB2,042.7 million in 2023 to RMB3,474.2 million in 2024, which was mainly due to the increase in sales; and (2) the increase in costs in relation to design and license from RMB236.6 million in 2023 to RMB506.8 million in 2024, which was mainly due to more IP licensing fees and product design fees as a result of the increase in the proportion of our proprietary products and the increase in co-branded products.

Gross Profit

Our gross profit increased by 125.4% from RMB3,864.1 million in 2023 to RMB8,707.8 million in 2024, primarily due to the increase in revenue and the control of cost of sales. Our gross profit margin increased from 61.3% in 2023 to 66.8% in 2024, primarily due to (1) the increase in the proportion of revenue from Hong Kong, Macao, Taiwan and overseas, (2) continuous optimization of cost control on the supply chain, and (3) the increase in the proportion of our proprietary products and a gradual decrease in the proportion of products from external procurement.

Distribution and Selling Expenses

Our distribution and selling expenses increased by 82.1% from RMB2,004.7 million in 2023 to RMB3,650.5 million in 2024, among which, (1) employee benefit expenses; and (2) lease related expenses accounted for higher proportions.

- **Employee benefit expenses.** Our employee benefit expenses increased by 46.2% from 598.5 million in 2023 to RMB874.9 million in 2024, primarily due to the increase in the number of sales personnel from 3,735 as of 31 December 2023 to 5,267 as of 31 December 2024, primarily for supporting the expansion of our retail stores and roboshop network.
- **Lease related expenses.** Lease related expenses, which included depreciation of right-of-use assets and expenses relating to short-term leases and variable leases not included in lease liabilities, increased by 80.5% from RMB465.9 million in 2023 to RMB840.8 million in 2024, which was mainly due to (1) revenue from retail stores grew and commission-related rentals increased accordingly, and (2) a net increase in the number of offline retail stores by 88 compared with that of 2023 to cater for our business expansion in Mainland China, Hong Kong, Macao, Taiwan and overseas.

General and Administrative Expenses

Our general and administrative expenses increased by 33.9% from RMB707.3 million in 2023 to RMB947.1 million in 2024. Among them, employee benefit expenses accounted for higher proportions, and the number of our administrative and development personnel increased from 1,110 as of 31 December 2023 to 1,435 as of 31 December 2024.

Other Income

The other income of the Group increased by 12.5% from RMB74.9 million in 2023 to RMB84.3 million in 2024. Among them, (1) government grants decreased from RMB30.9 million in 2023 to RMB24.9 million in 2024, and (2) the revenue from IP license fee and other services increased from RMB43.0 million in 2023 to RMB56.7 million in 2024.

Operating Profit

As a result of the above, the Group's operating profit increased by 237.6% from RMB1,230.6 million in 2023 to RMB4,154.3 million in 2024.

Finance Income, Net

Our finance income, net increased from RMB151.9 million in 2023 to RMB163.4 million in 2024, primarily due to the increase in our interest income.

Income Tax Expense

Our income tax expense increased from RMB327.0 million in 2023 to RMB1,057.5 million in 2024 as a result of the increase in profit before income tax. Our effective tax rate increased from 23.1% in 2023 to 24.2% in 2024.

Profit for the Year

As a result of the above, our profit for the year increased from RMB1,088.8 million in 2023 to RMB3,308.3 million in 2024.

Non-IFRS Financial Indicators

To supplement our financial information which are presented in accordance with IFRS Accounting Standards, we use non-IFRS adjusted net profit as an additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We believe that this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance. We believe that this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of non-IFRS adjusted net profit may not be comparable to a similarly titled financial measure presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and investors should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The non-IFRS adjusted net profit has not been calculated in accordance with the IFRS Accounting Standards, thus it is deemed as non-IFRS financial indicator. The non-IFRS adjusted net profit refers to the net profit after excluding share based payment, while the non-IFRS adjusted net profit margin refers to the non-IFRS adjusted net profit divided by revenue. The following table set out the reconciliation of non-IFRS financial indicators of the Company for the respective years.

	Year ended 31 December 2024 (RMB '000)	Year ended 31 December 2023 (RMB '000)
Profit for the year	3,308,345	1,088,771
Adjustments		
Share-based payment	94,817	101,748
Non-IFRS adjusted net profit	3,403,162	1,190,519
Non-IFRS adjusted net profit margin	26.1%	18.9%

The management is of the view that share-based payment expenses are non-cash items, which do not directly reflect our business operation. Hence, through eliminating the effects of such items on calculation of non-IFRS adjusted net profit, relevant operating performance can be better reflected, and it would be more convenient to compare operating performance in different years.

Current Assets, Financial Resources and Capital Expenditures

In 2024, the Group adopted conservative and stable fund management and financial policies with regard to its overall business operations. The Group maintained the following resources to meet its working capital requirements:

Current assets and current liabilities

Our net current assets increased from RMB5,950.2 million as of 31 December 2023 to RMB8,866.1 million as of 31 December 2024.

Trade receivables

Trade receivables represent outstanding amounts receivable by us from our customers in the ordinary course of business. Our trade receivables increased from RMB321.3 million as of 31 December 2023 to RMB477.7 million as of 31 December 2024. The increase was primarily due to the increase in receivables from wholesales and other channels as a result of business expansion in Hong Kong, Macao, Taiwan and overseas. Trade receivables turnover days decreased from 15 days in 2023 to 11 days as of 31 December 2024.

Inventories

Our inventories comprise finished goods. Our inventories increased from RMB904.7 million as of 31 December 2023 to RMB1,524.5 million as of 31 December 2024. The increase was primarily due to the increase in product inventories to meet with the sales demands. Inventory turnover days decreased from 133 days in 2023 to 102 days as of 31 December 2024.

Cash and cash equivalents

Our cash and cash equivalents primarily comprise cash at bank. Cash and cash equivalents increased from RMB2,077.9 million as of 31 December 2023 to RMB6,109.0 million as of 31 December 2024, which was mainly due to the increase in cash flows from operating activities in 2024.

Trade payables

Trade payables primarily represent our obligation to pay for merchandise from suppliers in the ordinary course of business. Trade payables increased from RMB444.9 million as of 31 December 2023 to RMB1,010.1 million as of 31 December 2024. Trade payable turnover days increased from 53 days in 2023 to 61 days as of 31 December 2024.

Bank borrowings

As of 31 December 2024, the Group did not have any bank borrowings.

Pledge of Assets

The Group did not have any pledged assets as of 31 December 2024 (31 December 2023: nil).

Gearing Ratio

The gearing ratio is calculated by dividing total liabilities by total assets and then multiplying by 100%. As of 31 December 2024, the Group's gearing ratio was 26.8% as compared with the gearing ratio of 22.0% as of 31 December 2023.

Contingency

We are not currently involved in any material legal proceedings, nor are we aware of any pending or potential material legal proceedings involving us. If we are involved in such material legal proceedings, we would record any loss or contingent liabilities when, based on information then available, it is likely that a loss has been incurred and the amount of the loss can be reasonably estimated.

Foreign Exchange Risk Management

As the Group subsidiaries operate in Mainland China, Hong Kong, Macao, Taiwan and overseas, they are exposed to foreign exchange risk arising from certain currency exposure (mainly related to US dollar, Hong Kong dollar, Singapore dollar and European dollar). Our management considers that the business is not exposed to any significant foreign exchange risk as the financial assets and liabilities of our Group denominated in currencies other than the respective functional currencies of our operating entities are insignificant. Although the Group does not hedge against foreign currency fluctuation, we will keep a close eye on relevant developments and take measures when it is necessary to ensure the foreign exchange risk is under control.

Capital Expenditures

Our capital expenditures consist of purchases of property, plant and equipment and purchases of intangible assets. The table below sets forth the Group capital expenditures in 2023 and 2024:

	For the year ended 31 December 2024 (RMB' 000)	For the year ended 31 December 2023 (RMB' 000)
Purchases of property, plant and equipment	372,668	324,179
Purchases of intangible assets	144,022	68,287
Total	<u>516,690</u>	<u>392,466</u>

Human Resources

As of 31 December 2024, we had a total of 6,702 employees, including 5,267 sales personnel and 1,435 administrative and development personnel. During the year ended 31 December 2024, we incurred staff costs (including remuneration, payrolls, allowances and benefits) of RMB1,462.4 million.

Future Plans on Significant Investments

As of 31 December 2024, we did not hold any significant investment.

We will continue to seek for potential strategic investment opportunities, as well as potential quality target operations and assets that can create synergy effect to the Group.

Material Acquisitions and Disposals

As of 31 December 2024, we had not conducted any material acquisition or disposal of subsidiaries, associates and joint ventures.

Outlook

IP is the core driving force of our business. Through our innovative products, quality service experience and diverse forms of entertainment, we aim to meet consumer demands in an all-round way. By creating unique pop toys with consummate craftsmanship, providing thoughtful services and organizing a variety of interactive entertainment activities, we strive to bring enjoyment of beauty, fashion and art to consumers, thereby continuously increasing the brand value of Pop Mart, enhancing the loyalty of users, consolidating our leading market position and maintaining strong competitiveness.

We will make every effort to focus on enriching our IPs types and expanding our IPs base. In terms of design and innovation, we will uphold high-quality standards as always and introduce more products under the top series that boast industry influence. Meanwhile, we will operate IPs continuously through strengthening consumer perception of IPs and deepening the emotional connection between fans and IPs. We will continuously increase types of pop toys, expand areas of IP side products, and further explore the value of box products such as plush, MEGA, toy bricks and other IP-related products. At the same time, we will improve relevant technical standards and the production and sales procedures of products, so as to promote the comprehensive upgrading of our business.

We will continue to expand our global business footprint, with a focus on the North America, Southeast Asia, and Europe markets. By developing physical stores in globally iconic locations, we aim to enhance brand experience and recognition. In addition to strengthening our presence on third-party platforms, we will further increase investment in content e-commerce and our official website to enhance brand influence, expand our user base, and provide consumers with an in-depth pop culture experience. Leveraging core IP advantages, we intend to strengthen cooperation with artists and brands with diverse business presence, so as to enrich our product matrix and promote the cross-boundary integration of pop culture. Through refined operations and innovation in digitalization, we will also continuously improve the global influence of pop culture.

We will continue to promote pop toy culture through more diversified means for enhancing our brand influence on the whole industry continuously. We will provide more exclusive benefits for our privilege members, increase the stickiness of fans, as well as enhance the cultural identity and brand awareness of fans.

While further engaging in the pop toy business, we will continue to cultivate and expand new brands including MEGA, POPBLOCKS and GONG. Through emerging businesses such as amusement parks and accessories, we will build more bridges for fans to gain a deeper understanding of our IPs and increase their ways to interact with IPs, so as to enhance the emotional connection between fans and IPs. Moreover, we will construct a more sophisticated and comprehensive business ecosystem with IP as its core, thereby driving the comprehensive upgrade and sustainable development of the Group's business.

SUBSEQUENT EVENT AFTER REPORTING PERIOD

As at the date of this announcement, the Group has no significant events occurred after the Reporting Period which require additional disclosures or adjustments.

USE OF NET PROCEEDS FROM LISTING

The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 11 December 2020 by way of global offering, and the total net proceeds (the “**Net Proceeds**”) received by the Company from the global offering (including the full exercise of the over-allotment option) amounted to approximately HK\$5,781.7 million after deducting professional fees, underwriting commissions and other related listing expenses.

As stated in the prospectus of the Company dated 1 December 2020 (the “**Prospectus**”), the intended uses of the Net Proceeds are set out below:

Intended use of Net Proceeds	Allocation of Net Proceeds	Percentage of total Net proceeds	Amount of Net Proceeds		Amount of Net Proceeds utilized up to 31 December 2024	Balance of Net Proceeds unutilized as at 31 December 2024	Intended timetable for use of the unutilized Net Proceeds
			Amount of Net Proceeds unutilized up to 31 December 2023	Amount of Net Proceeds utilized during 12 months ended 31 December 2024			
(i) To finance part of our expansion plans of consumer access channels and overseas markets	HK\$1,734.5 million	30.0%	HK\$263.3 million	HK\$263.3 million	HK\$1,734.5 million	-	-
(a) for opening new retail stores	HK\$954.0 million	16.5%	-	-	HK\$954.0 million	-	
(b) for opening new roboshops	HK\$346.9 million	6.0%	HK\$84.6 million	HK\$84.6 million	HK\$346.9 million	-	
(c) for expanding our business into overseas markets	HK\$433.6 million	7.5%	HK\$178.7 million	HK\$178.7 million	HK\$433.6 million	-	
(ii) To fund our potential investments in, acquisitions of and strategic alliance with companies along the value chain of our industry	HK\$1,561.1 million	27.0%	HK\$1,249.3 million	-	HK\$311.8 million	HK\$1,249.3 million	Before 31 December 2025

Intended use of Net Proceeds	Allocation of Net Proceeds	Percentage of total Net proceeds	Amount of Net Proceeds		Amount of Net Proceeds utilized up to 31 December 2024	Balance of Net Proceeds unutilized as at 31 December 2024	Intended timetable for use of the unutilized Net Proceeds
			Amount of Net Proceeds unutilized up to 31 December 2023	Amount of Net Proceeds utilized during 12 months ended 31 December 2024			
(iii) To invest in technology initiatives to strengthen our marketing and fan engagement efforts, and to enhance the digitalization of our business	HK\$867.2 million	15.0%	HK\$370.7 million	HK\$177.2 million	HK\$673.7 million	HK\$193.5 million	
(a) for talent recruitment	HK\$173.5 million	3.0%	HK\$62.4 million	HK\$62.4 million	HK\$173.5 million	-	-
(b) for acquiring relevant software and hardware to enhance digitalization and establish information systems for digital marketing, customer services, logistics, products, supply chain, warehousing, membership, transactions and store management and marketing	HK\$346.9 million	6.0%	HK\$242.0 million	HK\$48.5 million	HK\$153.4 million	HK\$193.5 million	Before 31 December 2025
(c) for optimizing our online marketing efforts, which primarily consist of strategically placed advertisement, icons, links and news feeds on third party promotional platforms	HK\$346.8 million	6.0%	HK\$66.3 million	HK\$66.3 million	HK\$346.8 million	-	-
(iv) To expand our IP pool	HK\$1,040.7 million	18.0%	HK\$722.9 million	HK\$46.6 million	HK\$364.4 million	HK\$676.3 million	
(a) for enhancing our ability to identify outstanding artists	HK\$260.3 million	4.5%	HK\$29.1 million	HK\$29.1 million	HK\$260.3 million	-	-
(b) for recruiting talented designers to join our in-house design team to enhance our in-house original IP development capability by providing competitive salary	HK\$86.6 million	1.5%	-	-	HK\$86.6 million	-	-
(c) for acquisitions of popular IPs from to expand our IP pool	HK\$693.8 million	12.0%	HK\$693.8 million	HK\$17.5 million	HK\$17.5 million	HK\$676.3 million	Before 31 December 2025
(v) Working capital and general corporate purposes	HK\$578.2 million	10.0%	-	-	HK\$578.2 million	-	-

The Group will utilise the Net Proceeds of the initial public offering in accordance with the intended purposes as set out in the Prospectus.

DIVIDEND

The Board recommended the payment of a final dividend of RMB81.46 cents per issued ordinary share of the Company for the year ended 31 December 2024. On the basis of the total issued share capital of 1,342,943,150 shares of the Company as of the date of this announcement, it is estimated that the aggregate amount of final dividend would be RMB1,093.9 million. The actual total amount of final dividends to be paid will be subject to the total number of issued share capital of the Company as at the record date for determining the entitlement of shareholders to the final dividend.

The proposed dividend payment is subject to the approval by the shareholders of the Company (the “**Shareholders**”) at the forthcoming annual general meeting (the “**AGM**”) to be held on Tuesday, 27 May 2025 and is payable in Hong Kong Dollars based on the official exchange rate of Renminbi against Hong Kong Dollars as quoted by the People’s Bank of China on 27 May 2025. Upon Shareholders’ approval, such dividend will be paid on Friday, 20 June 2025 to the Shareholders whose names shall appear on the register of members of the Company on Wednesday, 4 June 2025.

CLOSURE OF THE REGISTER OF MEMBERS

The Company will hold the AGM on Tuesday, 27 May 2025. The register of members of the Company will be closed from Thursday, 22 May 2025 to Tuesday, 27 May 2025, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered, and Shareholders whose names on the register of members of the Company on Tuesday, 27 May 2025 shall have the right to attend and vote at the AGM. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 21 May 2025.

The register of members of the Company will also be closed from Monday, 2 June 2025 to Wednesday, 4 June 2025, both days inclusive, in order to determine the entitlement of the Shareholders to receive the final dividend, during which period no share transfers will be registered. To qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 30 May 2025.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. The Company has complied with all applicable code provisions of the CG Code during the Reporting Period, except for deviation from code provision C.2.1 as explained under the paragraph headed “Chairman and Chief Executive Officer” below.

Chairman and Chief Executive Officer

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be segregated and should not be performed by the same individual. According to the current structure of the Board, the positions of the Chairman and Chief Executive Officer of the Company are held by Mr. Wang Ning.

The Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decision to be made by the Board requires approval by at least a majority of the Directors and that the Board comprises three independent non-executive Directors out of nine Directors, and the Board believes there is sufficient check and balance on the Board; (ii) Mr. Wang Ning and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interests of the Company and will make decisions of the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Group. Moreover, the overall strategic and other key business, financial and operational policies of the Group are made collectively after thorough discussion at both the Board and senior management levels. Finally, as Mr. Wang Ning is our principal founder, the Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman and chief executive officer is necessary.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OR SALE OF TREASURY SHARES

During the Reporting Period, the Company repurchased a total of 4,700,000 shares of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$85,826,488. The repurchase was effected for the enhancement of shareholder value in the long term. The repurchased shares were subsequently cancelled. Particulars of the shares repurchased are as follows:

Month of Repurchase	No. of Shares Repurchase	Price Paid per Share		Aggregate Consideration (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
January	3,890,000	19.96	17.00	71,168,524
February	810,000	18.46	17.62	14,657,964
Total	4,700,000			85,826,488

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities or sold any treasury Shares (as defined under the Listing Rules). As at 31 December 2024, the Company did not hold any treasury Shares (as defined under the Listing Rules).

AUDIT COMMITTEE

The Audit Committee had, together with the Board, reviewed the accounting standards and practices adopted by the Group and the annual results for the year ended 31 December 2024.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated balance sheet and the related notes thereto for the year ended 31 December 2024 as set forth in this announcement have been agreed by the Company's auditor, PricewaterhouseCoopers, to the amounts set forth in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

PUBLICATION OF THE ANNUAL RESULTS AND 2024 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.popmart.com), and the 2024 Annual Report containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board

POP MART INTERNATIONAL GROUP LIMITED

Wang Ning

Executive Director, Chairman of the Board and Chief Executive Officer

Hong Kong, 26 March 2025

As at the date of this announcement, the executive Directors are Mr. Wang Ning, Ms. Liu Ran, Mr. Si De and Mr. Moon Duk Il, the non-executive Directors are Mr. Tu Zheng and Mr. He Yu, and the independent non-executive Directors are Mr. Zhang Jianjun, Mr. Wu Liansheng and Mr. Ngan King Leung Gary.