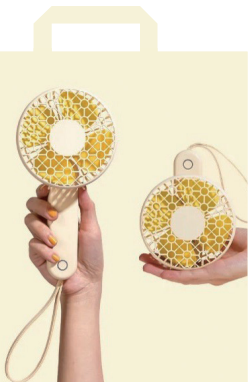
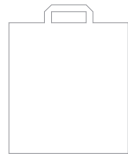




2023
Interim Report



MINISO Group Holding Limited

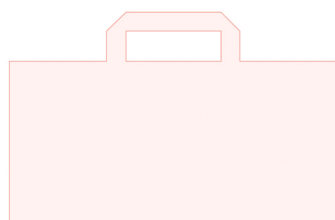
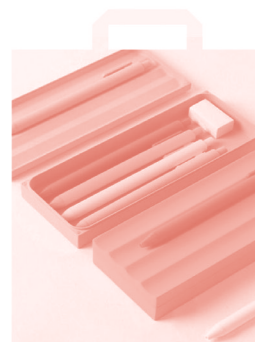
(A company incorporated in the Cayman Islands with limited liability)

NYSE: MNSO HKEX: 9896



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Company information

DIRECTORS

Executive Directors

Mr. YE Guofu (葉國富)
(Chairman and Chief Executive Officer)
Mr. LI Minxin (李敏信)

Independent Non-Executive Directors

Ms. XU Lili (徐黎黎)
Mr. ZHU Yonghua (朱擁華)
Mr. WANG Yongping (王永平)

AUDIT COMMITTEE

Ms. XU Lili (徐黎黎) *(Chairperson)*
Mr. ZHU Yonghua (朱擁華)
Mr. WANG Yongping (王永平)

COMPENSATION COMMITTEE

Mr. ZHU Yonghua (朱擁華) *(Chairperson)*
Ms. XU Lili (徐黎黎)
Mr. WANG Yongping (王永平)
Mr. YE Guofu (葉國富)

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Mr. WANG Yongping (王永平) *(Chairperson)*
Ms. XU Lili (徐黎黎)
Mr. ZHU Yonghua (朱擁華)
Mr. YE Guofu (葉國富)

JOINT COMPANY SECRETARIES

Mr. ZHANG Jingjing (張靖京)
Ms. WONG Hoi Ting (黃凱婷)

AUTHORISED REPRESENTATIVES

Mr. YE Guofu (葉國富)
(appointed with effect from January 31, 2023)
Ms. WONG Hoi Ting (黃凱婷)

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN CHINA

8/F, M Plaza
No. 109, Pazhou Avenue
Haizhu District, Guangzhou 510000
Guangdong Province
China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

REGISTERED OFFICE

Maples Corporate Services Limited
PO Box 309, Uglan House
Grand Cayman, KY1-1104
Cayman Islands

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in
accordance with the Accounting and Financial
Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall, Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

Company information

PRINCIPAL BANKS

Citibank N.A.
China Citic Bank Corporation Limited
Agricultural Bank of China Limited
China Construction Bank Corporation

HONG KONG STOCK CODE

9896

NYSE SYMBOL

MNSO

COMPANY WEBSITE

<https://ir.miniso.com>

Financial Performance Highlights

	For the Six Months Ended December 31,		
	2022 (Unaudited) (RMB in thousands, except percentages)	2021 (Unaudited)	Change (%)
Revenue	5,266,878	5,426,908	(2.9)%
Gross profit	1,985,660	1,591,342	24.8%
Operating profit	957,070	468,947	104.1%
Profit before taxation	1,005,409	469,956	113.9%
Profit for the period	763,911	338,618	125.6%
Profit for the period attributable to:			
– Equity shareholders of the Company	764,090	336,779	126.9%
– Non-controlling interests	(179)	1,839	(109.7)%
Earnings per share			
– Basic (RMB)	0.61	0.28	117.9%
– Diluted (RMB)	0.61	0.28	117.9%
Adjusted net profit, a non-IFRS measure	790,491	389,018	103.2%
Adjusted net earnings per share, a non-IFRS measure			
– Basic (RMB)	0.64	0.32	100.0%
– Diluted (RMB)	0.63	0.32	96.9%

Non-IFRS Financial Measures

In evaluating our business, we consider and use non-IFRS measures, such as adjusted net profit and adjusted basic and diluted net earnings per share, as supplemental measures to review and assess our operating performance. The presentation of the non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. We define adjusted net profit, a non-IFRS measure, as profit excluding equity-settled share-based payment expenses. We define adjusted basic net earnings per share, a non-IFRS measure, as dividing the adjusted net profit attributable to the equity shareholders of the Company by the weighted-average number of ordinary shares outstanding. We define adjusted diluted net earnings per share, a non-IFRS measure, as dividing the adjusted net profit attributable to the equity shareholders of the Company by the weighted average number of ordinary shares outstanding assuming conversion of all potential dilutive ordinary shares.

We present the non-IFRS financial measures because they are used by our management to evaluate our operating performance and formulate business plans. The non-IFRS financial measures enable our management to assess our operating results without considering the impacts of the aforementioned non-cash and other adjustment items. Accordingly, we believe that the use of the non-IFRS financial measures provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and the Board.

Financial Performance Highlights

The non-IFRS financial measures are not defined under IFRS and are not presented in accordance with IFRS. The non-IFRS financial measures have limitations as an analytical tool. One of the key limitations of using adjusted net profit, a non-IFRS measure, is that it does not reflect all items of income and expense that affect our operations. Further, the non-IFRS measures may differ from similar non-IFRS measures used by other companies, including peer companies, and therefore the comparability may be limited.

The non-IFRS financial measures should not be considered in isolation or construed as an alternative to profit, basic and diluted earnings per share or any other measure of performance. Investors are encouraged to review our historical non-IFRS financial measures in light of the most directly comparable IFRS measures, as shown below. The non-IFRS financial measures presented here may not be comparable to similarly titled measure presented by other companies. Other companies may calculate similarly titled measures differently, limiting the usefulness of such measures when analyzing our data comparatively. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure.

The following table reconciles our adjusted net profit, a non-IFRS measure, for the six months ended December 31, 2021 and 2022 to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is profit for the period.

	For the Six Months Ended December 31,	
	2022 (Unaudited) (RMB in thousands)	2021 (Unaudited)
Profit for the period	763,911	338,618
<i>Add back:</i>		
Equity-settled share-based payment expenses	26,580	50,400
Adjusted net profit, a non-IFRS measure	790,491	389,018

Business Review and Outlook

BUSINESS REVIEW FOR THE REPORTING PERIOD

We are a global value retailer offering a variety of design-led lifestyle products. Within ten years since we opened our first store in China in 2013, we have successfully incubated two brands – MINISO and TOP TOY. We have built our flagship brand “MINISO” as a globally recognized retail brand and established a store network worldwide. Our flagship brand “MINISO” offers a frequently-refreshed assortment of lifestyle products covering diverse consumer needs, and consumers are attracted to our products’ trendiness, creativeness, high quality and affordability.

For the six months ended December 31, 2022, the aggregate GMV of products sold through our MINISO network reached approximately RMB9.9 billion. TOP TOY brand achieved a GMV of RMB314.2 million in the same period in multi-channels.

Brands and Products

For the six months ended December 31, 2022, we launched an average of over 560 SKUs under the “MINISO” brand per month, and we offered consumers a wide selection of over 7,600 core SKUs, the vast majority of which are under the “MINISO” brand. Our MINISO product offering spans across 11 major categories, including home decor, small electronics, textile, accessories, beauty tools, toys, cosmetics, personal care, snacks, fragrance and perfumes, stationery and gifts.

Under the TOP TOY brand, we offered over 3,800 SKUs as of December 31, 2022 across 8 major categories, including blind boxes, toy bricks, model figures, model kits, collectible dolls, Ichiban Kuji, sculptures, and other popular toys.

As of December 31, 2022, we have established co-branding relationships with IP licensors owning 82 popular brands. We also co-developed new IPs with talented independent artists into popular IP products. As of December 31, 2022, we had co-developed over 300 IP products under our TOP TOY brand with 20 IP licensors.

Store Network

As of December 31, 2022, we served consumers primarily through a network of over 5,400 MINISO stores, including over 3,300 MINISO stores in China and over 2,100 MINISO stores overseas. The following table shows the number of MINISO stores in China and overseas as of the dates presented:

	As of December 31,	
	2022	2021
Number of MINISO stores		
China	3,325	3,168
Directly operated stores	16	5
Stores operated under MINISO Retail Partner model	3,290	3,146
Stores operated under distributor model	19	17
Overseas	2,115	1,877
Directly operated stores	153	136
Stores operated under MINISO Retail Partner model	246	203
Stores operated under distributor model	1,716	1,538
Total	5,440	5,045

Business Review and Outlook

We have also expanded our TOP TOY store network in China. As of December 31, 2022, we had a total of 117 TOP TOY stores, all of which were located in China. We also had a small number of roboshops selling our TOP TOY products as of December 31, 2022.

	As of December 31,	
	2022	2021
Number of TOP TOY stores		
Directly operated stores	8	5
Stores operated under MINISO Retail Partner model	109	84
Total	117	89

Store Operations in China

As of December 31, 2022, apart from 16 directly operated MINISO stores and 8 directly operated TOP TOY stores, substantially all of our other MINISO and TOP TOY stores in China were operated under our MINISO Retail Partner model. The following table shows the aggregate numbers of MINISO stores in China for the periods indicated:

	As of December 31,	
	2022	2021
Directly operated stores		
Number of stores at the beginning of the period	14	5
Number of new stores opened during the period	5	1
Number of closed stores during the period ⁽¹⁾	3	1
Net increase in number of stores during the period	2	–
Number of stores at the end of the period	16	5
Stores operated under MINISO Retail Partner model		
Number of stores at the beginning of the period	3,195	2,919
Number of new stores opened during the period	213	348
Number of closed stores during the period ⁽¹⁾	118	121
Net increase in number of stores during the period	95	227
Number of stores at the end of the period	3,290	3,146
Stores operated under distributor model		
Number of stores at the beginning of the period	17	15
Number of new stores opened during the period	2	2
Number of closed stores during the period	–	–
Net increase in number of stores during the period	2	2
Number of stores at the end of the period	19	17

Note:

- (1) The closure of MINISO stores was due to various reasons, such as expiration of store leases, increases in store rental, changes in the layout of shopping malls where the stores were located, unprofitableness of certain stores, and closure by MINISO Retail Partners for other considerations, as applicable.

Business Review and Outlook

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

	As of December 31,	
	2022	2021
Number of MINISO stores in China		
First-tier cities	453	472
Second-tier cities	1,395	1,389
Third- or lower-tier cities	1,477	1,307
Total	3,325	3,168

The MINISO Retail Partner model represents a mutually beneficial relationship between us and the MINISO Retail Partners, where we achieve rapid store network expansion with consistent brand image and consumer experience in an asset-light manner, and our MINISO Retail Partners attain attractive investment opportunities. Our MINISO Retail Partners are also motivated to maintain a loyal relationship with us. As of December 31, 2022, 507 of our 981 MINISO Retail Partners had invested in MINISO stores for over three years.

We plan to focus on establishing and reinforcing the recognition of the TOP TOY brand and expanding our TOP TOY store network in first- and second-tier cities in China in the near future while also expanding into lower-tier cities. For expansion of our MINISO store network in China, our efforts will be focused on penetration into lower-tier cities as we have established a strong presence in more developed cities.

The following table shows the number of our MINISO Retail Partners in China for the periods indicated. We only had one distributor for the MINISO brand in Tibet in China during the six months ended December 31, 2022. As of the date of this interim report, there has been no conversion of our collaboration partners in China from a MINISO Retail Partner to a distributor, or vice versa.

	As of December 31,	
	2022	2021
Number of MINISO Retail Partners at the beginning of the period ⁽¹⁾	921	821
Number of new MINISO Retail Partners during the period ⁽²⁾	159	97
Number of terminated MINISO Retail Partners during the period ⁽³⁾	82	47
Net increase in number of MINISO Retail Partners during the period ⁽²⁾	77	50
Number of MINISO Retail Partners at the end of the period ⁽¹⁾	998	871

Notes:

- (1) Number of MINISO Retail Partners at a given date is calculated based on the number of individuals and entities with effective contractual relationships with us at that date.
- (2) We added 97 and 159 new MINISO Retail Partners for the six months ended December 31, 2021 and 2022, respectively. The increase in the number of new MINISO Retail Partners for the six months ended December 31, 2022 was mainly due to our store expansion strategy into lower-tier cities in China, which demands us to cooperate with many more long-tail MINISO Retail Partners with local resources for store expansion purposes.
- (3) The number of terminated MINISO Retail Partners increased to 82 for the six months ended December 31, 2022 from 47 in the previous corresponding period, primarily due to an increase in the number of terminated long-tail MINISO Retail Partners.

Business Review and Outlook

Our TOP TOY stores are operated under the MINISO Retail Partner Model as well. Among the MINISO Retail Partners shown in the table above, we had 11 and 17 MINISO Retail Partners operating TOP TOY stores as of December 31, 2021 and 2022, respectively.

Overseas Store Operations

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

As of December 31, 2022, in international markets, there were over 150 stores directly operated by us and over 1,900 MINISO Retail Partner stores and stores operated under the distributor model. As of the date of this interim report, to our knowledge, except for one distributor that is controlled by Mr. Ye and another distributor which has a minority shareholding in one of our subsidiaries, all of our overseas MINISO Retail Partners and distributors are Independent Third Parties. For the six months ended December 31, 2022, the respective transaction amount with these two distributors accounted for insignificant percentages of our total revenue. The following table shows the aggregate numbers of MINISO stores in overseas markets for the periods indicated:

	As of December 31,	
	2022	2021
Directly operated stores		
Number of stores at the beginning of the period	133	127
Number of new stores opened during the period	39	20
Number of closed stores during the period ⁽¹⁾	19	11
Net increase in number of stores during the period	20	9
Number of stores at the end of the period	153	136
Stores operated under MINISO Retail Partner model		
Number of stores at the beginning of the period	208	195
Number of new stores opened during the period	45	10
Number of closed stores during the period ⁽¹⁾	7	2
Net increase in number of stores during the period	38	8
Number of stores at the end of the period	246	203
Stores operated under distributor model		
Number of stores at the beginning of the period	1,632	1,488
Number of new stores opened during the period	156	127
Number of closed stores during the period ⁽¹⁾	72	77
Net increase in number of stores during the period	84	50
Number of stores at the end of the period	1,716	1,538

Note:

- (1) The closure of MINISO stores was due to various reasons, such as expiration of store leases, increases in store rental, changes in the layout of shopping malls where the stores were located, unprofitableness of certain stores, and closure by MINISO Retail Partners or distributors for other considerations, as applicable.

Business Review and Outlook

In the majority of international markets, we expand our store network by collaborating with local distributors with abundant local resources and retail experiences. The following table shows the number of our distributors in overseas markets for the periods indicated:

	For the six months ended December 31,	
	2022	2021
Number of distributors at the beginning of the period ⁽¹⁾	200	170
Number of new distributors during the period ⁽²⁾	25	20
Number of terminated distributors during the period ⁽²⁾	13	11
Net increase in number of distributors during the period ⁽³⁾	12	9
Number of distributors at the end of the period ⁽¹⁾	212	179

Notes:

- (1) Number of distributors at a given date is calculated based on the number of individuals and entities with effective contractual relationships with us at that date.
- (2) Change of contracting entities by the same distributor is not taken into account in the calculation of numbers of new or terminated distributors.
- (3) We had 9 and 12 additional distributors for the six months ended December 31, 2021 and 2022, respectively. The increase in the number of additional distributors for the six months ended December 31, 2022 was primarily due to the increase in the number of distributors in India.

As of December 31, 2021 and 2022, we had 31 and 61 MINISO Retail Partners in overseas markets, respectively. The increase was primarily due to the increase of the number of MINISO Retail Partners in Vietnam.

Business Review and Outlook

Other Key Operating Data

The following tables set forth certain of our key operating data other than store numbers for the periods indicated:

	For the six months ended	
	December 31, 2022	2021
	(RMB in millions)	
MINISO stores in China⁽¹⁾		
Total GMV	4,531	5,616
Annualized average revenue per MINISO store	1.9	2.5
Number of transactions (in millions)	120.4	154.2
Sales volume of SKUs (in millions)	352.7	474.1
Average spending per transaction (RMB)	37.6	36.4
Average selling price (RMB)	12.8	11.8
MINISO stores in overseas markets⁽¹⁾		
Total GMV ⁽²⁾	4,534	3,228
Asian countries excluding China ⁽²⁾	1,887	1,305
Americas ⁽²⁾	2,017	1,368
Europe	329	254
Others	301	300
Annualized average revenue per MINISO store⁽²⁾	1.9	1.5
Asian countries excluding China ⁽²⁾	1.7	1.1
Americas ⁽²⁾	2.9	2.3
Europe	0.9	1.8
Others	0.6	0.5

Notes:

- (1) Annualized average revenue per MINISO store is annualized revenue calculated by dividing (a) revenue of MINISO brand by (b) the average number of stores at the beginning and the end of the relevant period. The data of total GMV, number of transactions, sales volume of SKUs, average spending per transaction and average selling price includes data from offline channels only.
- (2) Total GMV of MINISO stores in overseas markets increased from RMB3,228 million for the six months ended December 31, 2021 to RMB4,534 million for the six months ended December 31, 2022, mainly due to the recovery of international markets from the COVID-19 pandemic, especially in Asian countries excluding China and Americas, which were our largest and second largest overseas markets in terms of store count and GMV, respectively. A similar trend was seen in annualized average revenue per MINISO store.

Our TOP TOY stores started operating in December 2020 in China. For the six months ended December 31, 2021 and 2022, (i) total GMV of TOP TOY offline stores was RMB253.6 million and RMB237.3 million, respectively, (ii) annualized average revenue per TOP TOY store was RMB7.9 million and RMB4.1 million, respectively, (iii) number of transactions of TOP TOY stores was 2.0 million and 1.9 million, respectively, (iv) sales volume of SKUs of TOP TOY stores was RMB3.6 million and RMB3.7 million, respectively, (v) average spending per transaction in TOP TOY stores was RMB129.0 and RMB122.2, respectively, and (vi) average selling price in TOP TOY stores was RMB69.8 and RMB63.3, respectively. Annualized average revenue per TOP TOY store is annualized revenue calculated by dividing (a) revenue of TOP TOY brand by (b) the average number of stores at the beginning and the end of the relevant period. The data of total GMV, number of transactions, sales volume of SKUs, average spending per transaction and average selling price includes data from offline channels only.

Business Review and Outlook

The following table sets forth the GMV through online channels of MINISO brand in China for the periods indicated:

	For the six months ended December 31, 2022		2021
	(RMB in millions)		
MINISO brand in China			
Total GMV through online channels ⁽¹⁾		354	412

Note:

- (1) Excludes GMV through O2O platforms which is accounted for in GMV through offline channels.

The following table sets forth the average number of stores operated by MINISO Retail Partners and distributors as of the dates indicated:

	As of December 31,		2021
	2022		
MINISO Retail Partners			
Average number of stores operated ⁽¹⁾		3.5	3.7
Distributors			
Average number of stores operated ⁽²⁾		8.2	8.7

Notes:

- (1) Average number of stores operated by MINISO Retail Partners is calculated by dividing the average number of stores operated under the MINISO Retail Partner model at the beginning and the end of the relevant period by the average number of MINISO Retail Partners at the beginning and the end of the relevant period.
- (2) Average number of stores operated by distributors is calculated by dividing the average number of stores operated under the distributor model at the beginning and the end of the relevant period by the average number of distributors at the beginning and the end of the relevant period.

Business Review and Outlook

RECENT DEVELOPMENTS AFTER THE REPORTING PERIOD

Impact of COVID-19 on Our Operations and Financial Performance

After the turnaround of pandemic related policies in December and the resumption of normal daily life of consumers, offline sales bounced back to an encouraging level, with GMV in China in the first two months in the first quarter of 2023 increased by around 20% year over year and increased by 33% compared to the same period in 2019. In addition, average GMV per MINISO store in the first two months in the first quarter of 2023 increase by around 14% year over year compared to the same period of 2022.

BUSINESS OUTLOOK

Looking forward to the next half of 2023 fiscal year, we aim to further grow our business by pursuing the following strategies.

Looking forward to the next half of 2023, we aim to further grow our business. We will expand and upgrade our store network by capturing opportunities in lower-tier cities in China primarily for our MINISO stores, and further penetrate into the cities we have covered in China. In overseas markets, we shall further expand our store network based on local conditions in each market and continue to leverage our existing international operations for further development and to deepen the penetration into strategic markets, most notably in Asia, North America, and Europe. We further plan to expand our online offerings and broaden our online sales channels by further developing our own e-commerce channels and collaborating with more third-party e-commerce and O2O platforms. We also aim to continue to invest in branding to better monetize our product capabilities through marketing campaigns and customer engagement activities.

Under the current high inflation environment, we will further enhance our dynamic product development strategy and enrich our product offerings in order to maintain and improve the value propositions of our products.

Management Discussion and Analysis

	For the Six Months Ended December 31,	
	2022 (Unaudited) (RMB in thousands)	2021 (Unaudited)
Revenue	5,266,878	5,426,908
Cost of sales	(3,281,218)	(3,835,566)
Gross profit	1,985,660	1,591,342
Other income	14,311	18,586
Selling and distribution expenses	(798,127)	(725,622)
General and administrative expenses	(313,908)	(432,696)
Other net income	72,850	45,964
Credit loss on trade and other receivables	(3,716)	(19,091)
Impairment loss on non-current assets	-	(9,536)
Operating profit	957,070	468,947
Finance income	64,684	26,437
Finance costs	(16,345)	(17,266)
Net finance income	48,339	9,171
Share of loss of equity-accounted investee, net of tax	-	(8,162)
Profit before taxation	1,005,409	469,956
Income tax expense	(241,498)	(131,338)
Profit for the period	763,911	338,618
Profit for the period attributable to:		
- Equity shareholders of the Company	764,090	336,779
- Non-controlling interests	(179)	1,839

Management Discussion and Analysis

Revenues

Our total revenue decreased by 2.9% from RMB5,426.9 million for the six months ended December 31, 2021 to RMB5,266.9 million for the six months ended December 31, 2022, mainly attributable to a decrease in revenue generated from sales of lifestyle products and pop toys, which decreased by 1.3% from RMB4,817.6 million for the six months ended December 31, 2021 to RMB4,754.7 million for the six months ended December 31, 2022. The decrease in revenue generated from sales of lifestyle products and pop toys was mainly due to the influence of business operation in China arising from the COVID-19 pandemic.

During the period, the total number of MINISO stores, including those in China and overseas markets, increased from 5,045 as of December 31, 2021 to 5,440 as of December 31, 2022. The number of TOP TOY stores increased from 89 as of December 31, 2021 to 117 as of December 31, 2022.

Cost of Sales

Our cost of sales decreased by 14.5% from RMB3,835.6 million for the six months ended December 31, 2021 to RMB3,281.2 million for the six months ended December 31, 2022, mainly due to the savings measures we adopted to reduce the cost of certain products.

Gross Profit and Gross Margin

Gross profit increased by 24.8% from RMB1,591.3 million for the six months ended December 31, 2021 to RMB1,985.7 million for the six months ended December 31, 2022, and gross margin increased from 29.3% to 37.7% during the same period. The increase in gross profit and gross margin was mainly driven by (i) an increase in revenue contribution from the Company's international operations, which generally have a higher gross margin than the Company's domestic operations. International operations contributed 36.2% of our total revenue for the six months ended December 31, 2022, compared to 24.7% for the six months ended December 31, 2021, (ii) higher gross margin contributed by newly launched products in relation to our execution of strategic brand upgrade of MINISO in China; and (iii) the savings measures we adopted to reduce the cost of certain products.

Other Income

Our other income was RMB18.6 million and RMB14.3 million for the six months ended December 31, 2021 and 2022, respectively.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 10.0% from RMB725.6 million for the six months ended December 31, 2021 to RMB798.1 million for the six months ended December 31, 2022. Excluding equity-settled share-based payment expenses, our selling and distribution expenses increased from RMB693.3 million to RMB781.5 million during the same period, which was primarily due to (i) increased depreciation and amortization expenses of directly operated stores; (ii) increased licensing expenses in relation to our enlarging IP library and enriching offerings of IP products; (iii) personnel-related expenses and (iv) increased promotion and advertising expense, mainly in connection with our strategic brand upgrade of MINISO in China.

Management Discussion and Analysis

General and Administrative Expenses

Our general and administrative expenses decreased by 27.5% from RMB432.7 million for the six months ended December 31, 2021 to RMB313.9 million for the six months ended December 31, 2022. Excluding equity-settled share-based payment expenses, our general and administrative expenses decreased by 26.7% from RMB414.7 million to RMB304.0 million during the same period, which was primarily due to (i) decreased personnel-related expenses; and (ii) decreased depreciation and amortization expenses due to the capitalization of construction costs of our headquarters building.

Other Net Income

Our other net income was RMB72.9 million for the six months ended December 31, 2022, compared to other net income of RMB46.0 million for the six months ended December 31, 2021. This change was mainly attributable to a net foreign exchange gain of RMB54.2 million for the six months ended December 31, 2022, compared to a net foreign exchange loss of RMB11.5 million in the same period of 2021, which was partially offset by a decrease in investment income from wealth management products as a result of reduced principal of such products.

Credit Loss on Trade and Other Receivables

Our credit loss on trade and other receivables was RMB19.1 million and RMB3.7 million for the six months ended December 31, 2021 and 2022, respectively.

Impairment Loss on Non-current Assets

Our impairment loss on non-current assets was RMB9.5 million and nil for the six months ended December 31, 2021 and 2022, respectively.

Operating Profit

As a result of the foregoing, we recorded operating profit of RMB957.1 million for the six months ended December 31, 2022, representing an increase of 104.1% from RMB468.9 million for the six months ended December 31, 2021.

Net Finance Income

Our net finance income increased by 425.0% from RMB9.2 million for the six months ended December 31, 2021 to RMB48.3 million for the six months ended December 31, 2022, mainly due to an increase in interest income from bank deposits.

Share of Loss of Equity-accounted Investee, Net of Tax

Our share of loss of equity-accounted investee, net of tax was a loss of RMB8.2 million for the six months ended December 31, 2021. We had share of loss of equity-accounted investee, net of tax for the six months ended December 31, 2021 due to our investment into and share of 20% of loss of a company which was established to acquire the land use right of a parcel of land in Guangzhou for the purpose of establishing a new headquarters building for our Group in August 2020. In October 2021, we acquired the remaining 80% equity interest in this company and we currently own 100% equity interests of the then equity-accounted investee.

Management Discussion and Analysis

Income Tax Expense

We recorded income tax expense of RMB241.5 million for the six months ended December 31, 2022, compared to RMB131.3 million for the six months ended December 31, 2021.

Profit for the Period

As a result of the foregoing, we recorded a profit for the period of RMB763.9 million for the six months ended December 31, 2022, compared to a profit of RMB338.6 million for the six months ended December 31, 2021.

Current Ratio

Our current ratio increased from 2.1 as of June 30, 2022 to 2.4 as of December 31, 2022, primarily due to an increase in total current assets of RMB671.1 million, which was a result of an increase in other investments of RMB599.1 million, and an increase in inventories of RMB286.7 million, partially offset by a decrease in cash and cash equivalents of RMB161.9 million.

OTHER INFORMATION ABOUT OUR FINANCIAL PERFORMANCE

Liquidity and Source of Funding and Borrowing

During the six months ended December 31, 2022, we funded our cash requirements principally through cash generated from our operations and proceeds from our Global Offering. As at December 31, 2022, our cash, cash equivalents, restricted cash, term deposits, and other investments increased by 5.7% from RMB5,828.3 million as at June 30, 2022, to RMB6,160.4 million. The increase was primarily attributable to the receipts of proceeds from our Global Offering and cash flow generated from our operations, partially offset by the increase of net cash used in other financing activities, mainly from dividends paid to our shareholders.

Significant Investments

We did not make or hold any significant investments during the six months ended December 31, 2022.

Material Acquisitions and Disposals

We did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities, or associated companies during the six months ended December 31, 2022.

Pledge of Assets

As of December 31, 2022, none of our Group's assets was pledged.

Future Plans for Material Investments or Capital Assets

As of December 31, 2022, we did not have detailed future plans for material investments or capital assets.

Gearing Ratio

As of December 31, 2022, our gearing ratio was 0.1%, compared with 0.1% as of June 30, 2022, calculated as loans and borrowings divided by total equity as of the end of the period and multiplied by 100%.

Management Discussion and Analysis

Foreign Exchange Risk

Our financial reporting currency is Renminbi and changes in foreign exchange rates can significantly affect our reported results and consolidated trends. In addition, our results of operations, including margins, are affected by the fluctuation in foreign exchange rates. Our international operations generate revenues primarily in U.S. dollars. Generally, a weakening of Renminbi against U.S. dollar has a positive effect on our results of operations, while a strengthening of Renminbi against U.S. dollar has the opposite effect. We have not used any derivative financial instruments to hedge exposure to such risk. To the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of Renminbi against U.S. dollar would have an adverse effect on Renminbi amount we receive from the conversion. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of U.S. dollar against Renminbi would have a negative effect on U.S. dollar amounts available to us.

Contingent Liabilities

Commitment of Tax Payments

In connection with the acquisition of land use right and the construction of the headquarters building in Guangzhou, we entered into a letter of intent on November 26, 2020 with the local government of the district where our new headquarters building is located and committed to pay an aggregate amount of tax levies of no less than RMB965 million to the local government in Guangzhou for a five-year period starting from January 1, 2021. If we fail to meet the committed amount for any of the five calendar years, we will have to compensate the shortfall. In April 2022, MINISO (Guangzhou) Co., Ltd. provided a performance guarantee of RMB175 million issued by a commercial bank to the local government in respect of the commitment of tax payments for the calendar year of 2022, which was valid from April 1, 2022 to March 31, 2023. Our Directors have assessed that, based on the relevant taxes and surcharges paid and payable during the calendar year of 2022, we have met the commitment for the calendar year of 2022 and thus it is not probable that we need to make such compensation to the local government under the above performance guarantee. No provision has therefore been made in respect of this matter as of December 31, 2022.

Lawsuit relating to illicit competition

During the fiscal year ended June 30, 2022, Shenzhen Purcotton Technology Co., Ltd initiated a legal proceeding against certain PRC subsidiaries of the Group and one of the Group's suppliers relating to an illicit competition dispute. The total amount claimed against the PRC subsidiaries of the Group was RMB30 million. Based on the assessment of the Group's litigation counsels, the probability of the PRC subsidiaries of the Group losing is considered low, and even if the claimant were to prevail, the compensation amount ordered by the courts is expected to be immaterial and much lower than the total amount claimed. Therefore, no provision was made in respect of the claim as of December 31, 2022.

Capital Commitment

As of December 31, 2022, our capital commitment was RMB821.5 million, compared with RMB842.9 million as of June 30, 2022, which is mainly attributable to the construction of the headquarters building.

Management Discussion and Analysis

Employees and Remuneration

We had a total of 3,511 full-time employees as of December 31, 2022, including 1,961 in China and 1,550 in certain overseas countries. The following table sets forth the number of our employees categorized by function as of December 31, 2022.

Function	Number of Employees
Product Development and Supply Chain Management	670
General and Administrative	450
Operations	1,779
Sales and Marketing	223
Technology	192
Business Development	99
Logistics	98
Total	3,511

Our total remuneration cost incurred for the six months ended December 31, 2022 was RMB378.0 million, as compared to RMB451.6 million for the six months ended December 31, 2021.

The number of employees employed by the Company varies from time to time depending on needs and employees are remunerated based on industry practice. The remuneration policy and package of the Group's employees are periodically reviewed. Apart from pension funds and in-house training programmes, discretionary bonuses, share awards and share options from the Company's share incentive plan may be awarded to employees according to the assessment of individual performance.

Corporate Governance

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders and to enhance corporate value and accountability.

Compliance with the Code on Corporate Governance

After the Listing on July 13, 2022, we have complied with all the applicable code provisions of the Corporate Governance Code set forth in Part 2 of Appendix 14 to the Listing Rules, save for the following.

Code provision C.2.1 of the Corporate Governance Code recommends, but does not require, that the roles of chairman of the Board and chief executive should be separate and should not be performed by the same individual.

The Company deviates from this code provision as we do not have a separate chairman and chief executive officer and Mr. Ye currently performs these two roles of the Company. Mr. Ye is our founder and has extensive experience in our business operations and management. The Board believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of our Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Management Trading of Securities Policy (the “**Code**”), with terms no less exacting than the Model Code, as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Code.

On November 15, 2022, the Hong Kong Stock Exchange granted a waiver to the Company from strict compliance with Rules A.1, A.3(a) and B.8 of the Model Code in relation to the proposed Rule 10b5-1 trading plan to be entered into by Mr. Ye.

Specific enquiry has been made of all the Directors and each of the Directors has confirmed that he/she has complied with the Code after the Listing and up to the Latest Practicable Date.

Board Committees

The Board has established three committees, namely, the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, for overseeing particular aspects of the Company’s affairs. Each of these committees is established with defined written terms of reference. The terms of reference of the Board committees are available on the websites of the Company and the Hong Kong Stock Exchange.

Corporate Governance

Audit Committee

The Company has established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code.

The Audit Committee comprises three independent non-executive Directors, being Ms. XU Lili, Mr. ZHU Yonghua and Mr. WANG Yongping. Ms. XU Lili, being the chairwoman of the Audit Committee, is appropriately qualified as required under Rule 3.10(2) of the Listing Rules.

The primary duties of the Audit Committee are:

- (a) to monitor the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters;
- (b) to review the adequacy of our internal control over financial reporting; and
- (c) to review all related party transactions for potential conflict of interest situations and approving all such transactions.

The Audit Committee has reviewed this interim report. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting matters with senior management members of the Company.

In addition, the independent auditor of the Company, KPMG, has reviewed our unaudited interim financial report for the six months ended December 31, 2022 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.”

Compensation Committee

The Compensation Committee comprises three independent non-executive Directors, namely Ms. XU Lili, Mr. ZHU Yonghua and Mr. WANG Yongping and an executive Director, namely Mr. Ye. Mr. ZHU Yonghua is the chairman of the Compensation Committee.

The primary duties of the Compensation Committee are:

- (a) to review and make recommendations to the Board with respect to Director’s compensation;
- (b) to evaluate the performance of our chief executive officer and chief financial officer and review and make recommendations to the Board regarding the terms of their compensation; and
- (c) to review and approve the compensation of our other executive officers and senior management.

Corporate Governance

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee comprises three independent non-executive Directors, namely Ms. XU Lili, Mr. ZHU Yonghua and Mr. WANG Yongping and an executive Director, namely Mr. Ye. Mr. WANG Yongping is the chairman of the Nominating and Corporate Governance Committee.

The primary duties of the Nominating and Corporate Governance Committee are:

- (a) in respect of its nomination functions, to develop and recommend to the Board criteria for Board and committee membership, recommend to the Board the persons to be nominated for election as Directors and to each of the Board's committees, and develop and recommend to the Board a set of corporate governance guidelines; and
- (b) in respect of its corporate governance functions, to ensure that our Company is operated and managed for the benefit of all Shareholders and to ensure our Company's compliance with the Listing Rules.

Other Information

Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or Any of Its Associated Corporations

As at December 31, 2022, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO, which were required (a) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

Interest in the Shares:

Name	Nature of interest	Number of Shares	Number of Shares underlying outstanding options/restricted shares/restricted share units granted	Approximate % of shareholding in our Company ⁽¹⁾
Mr. Ye	Interest in controlled corporations/ founder of a discretionary trust/ beneficiary of a trust/interest of spouse	789,541,061 ⁽²⁾ (L)	–	62.5%
Mr. Li Minxin	Interest in controlled corporations/ founder of a discretionary trust/ beneficiary of a trust	56,151,532 ⁽³⁾ (L)	–	4.4%
Mr. Zhang Saiyin	Beneficial interest	–	7,898,800 ⁽⁴⁾ (L)	0.6%
Ms. Xu Lili	Beneficial interest	–	20,000 ⁽⁵⁾ (L)	0.002%
Mr. Zhu Yonghua	Beneficial interest	–	181,872 ⁽⁶⁾ (L)	0.01%

Notes:

- (1) The calculation is based on the total number of 1,263,689,687 Shares in issue as at December 31, 2022, which have excluded the number of Shares and ADSs repurchased by the Company. The letter "L" stands for long position.
- (2) Represents (i) 328,290,482 Shares held by Mini Investment Limited; (ii) 203,401,382 Shares (including 8,896,000 Shares in the form of ADSs) held by YGF MC Limited; and (iii) 257,849,197 Shares held by YYY MC Limited. For further details of Mr. Ye's interest in our Company, please see the section headed "Substantial Shareholders" on the next page.
- (3) Represents 56,151,532 Shares held by LMX MC LIMITED, a limited liability company incorporated under the laws of BVI. All shares of LMX MC LIMITED are held by TMF (Cayman) Ltd. on behalf of LMX Trust, with TMF (Cayman) Ltd. as the trustee, and Mr. Li Minxin and his family members as beneficiaries. Mr. Li Minxin is both the settlor and the protector of the LMX Trust and is deemed to be the controlling person of LMX Trust. Under the SFO, Mr. Li Minxin is deemed to be interested in all the interests in our Company held by LMX MC Limited.

Other Information

- (4) Represents 7,898,800 Shares beneficially owned by Mr. Zhang.
- (5) Represents Ms. Xu's entitlement to receive up to 20,000 Shares pursuant to the exercise of options granted to her under the 2020 Share Incentive Plan.
- (6) Represents 80,936 Shares beneficially owned by Mr. Zhu and his entitlement to receive up to 38,436 Shares pursuant to the exercise of options and 62,500 Shares pursuant to the vesting of restricted share units granted to him under the 2020 Share Incentive Plan.

Save as disclosed above, as at December 31, 2022, so far as is known to any Director or the chief executive of the Company, none of the Directors nor the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at December 31, 2022, the following persons (other than the Directors and chief executive of the Company whose interests have been disclosed in this interim report), had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name	Capacity/Nature of interest	Number of Shares	Approximate % of shareholding in our Company ⁽¹⁾
YYY MC Limited ⁽²⁾	Beneficial interest	257,849,197 (L)	20.4%
YYY Development Limited ⁽²⁾	Interest in controlled corporations	257,849,197 (L)	20.4%
YGF MC Limited ⁽³⁾	Beneficial interest	203,401,382 (L)	16.1%
Mini Investment Limited ⁽⁴⁾	Beneficial interest	328,290,482 (L)	26.0%
YGF Development Limited ⁽⁴⁾	Interest in controlled corporation	328,290,482 (L)	26.0%
Mr. Ye ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	Interest in controlled corporations/founder of a discretionary trust/beneficiary of a trust/interest of spouse	789,541,061 (L)	62.5%
Ms. Yang ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	Interest in controlled corporations/founder of a discretionary trust/beneficiary of a trust/interest of spouse	789,541,061 (L)	62.5%

Notes:

- (1) The calculation is based on the total number of 1,263,689,687 Shares in issue as at December 31, 2022, which have excluded the number of Shares and ADSs repurchased by the Company. The letter "L" stands for long position.

Other Information

- (2) YYY MC Limited is wholly-owned by YYY Development Limited, a limited liability company incorporated under the laws of BVI. All shares of YYY Development Limited are held by TMF (Cayman) Ltd. on behalf of YYY Trust, with TMF (Cayman) Ltd. as the trustee, and Ms. Yang and her family members as beneficiaries. Ms. Yang is both the settlor and protector of YYY Trust and is deemed to be the controlling person of the YYY Trust. Under the SFO, Ms. Yang is deemed to be interested in all the interests in our Company held by YYY MC Limited. A loan arrangement has been entered with an authorised institution as defined in the Banking Ordinance (the “**Loan Arrangement**”), pursuant to which the 257,849,197 Shares held by YYY MC Limited are subject to share pledge to another authorised institution as defined in the Banking Ordinance as security agent (the “**Security Agent**”).
- (3) YGF MC Limited is wholly-owned by Mr. Ye. Pursuant to the Loan Arrangement, 133,889,560 Shares held by YGF MC Limited are subject to share pledge to the Security Agent; 60,615,822 Shares and 8,896,000 Shares (in the form of ADSs) held by YGF MC Limited are placed in escrow and are subject to negative pledge covenants and restrictions on disposal.
- (4) Mini Investment Limited is wholly-owned by YGF Development Limited, a limited liability company incorporated under the laws of BVI. All shares of YGF Development Limited are held by TMF (Cayman) Ltd. on behalf of YGF Trust, with TMF (Cayman) Ltd. as the trustee, and Mr. Ye and his family members as beneficiaries. Mr. Ye is both the settlor and the protector of YGF Trust and is deemed to be the controlling person of the YGF Trust. Under the SFO, Mr. Ye is deemed to be interested in all the interests in our Company held by Mini Investment Limited. Pursuant to the Loan Arrangement, 328,290,482 Shares held by Mini Investment Limited, are placed in escrow and are subject to negative pledge covenants and restrictions on disposal.
- (5) Mr. Ye and Ms. Yang are spouses, and are therefore deemed to be interested in the equity interests held by each other.

Save as disclosed above, as at December 31, 2022, no person, other than the Directors whose interests are set out in the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations” had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

2020 SHARE INCENTIVE PLAN

The 2020 Share Incentive Plan was first adopted by the Board in September 2020 and was further amended in June 2022, the amendments of which took effect upon the Listing. Since the Listing, the 2020 Share Incentive Plan was subject to Chapter 17 of the Listing Rules.

From January 1, 2023, the Company will rely on the transitional arrangements provided for the 2020 Share Incentive Plan and will comply with the new Chapter 17 of the Listing Rules accordingly (effective from January 1, 2023).

The principal terms of the 2020 Share Incentive Plan, as amended, are as described below.

Purpose

The purposes of the 2020 Share Incentive Plan are to attract and retain qualified personnel, provide incentives to employees, consultants and directors of our Group, and promote the success of our business.

Eligible Participants

Eligible participants include employees, consultants, and directors of our Group (the “**Participants**”). The plan administrator may, from time to time, select from among all Participants to whom awards in the form of share options (the “**Options**”), a right to purchase restricted Shares (the “**Restricted Shares**”) or a right to purchase restricted Shares units (“**RSUs**”) (collectively, the “**Awards**”), will be granted and will determine the nature and amount of each option.

Other Information

Maximum Number of Shares

The maximum aggregate number of Shares that may be issued is 147,301,128 Shares of which only up to 71,485,122 Shares may be issued pursuant to Awards granted in the form of Options, representing approximately 5.8% of the weighted average number of shares in issue for the Reporting Period.

As of December 31, 2022, our Company had granted Awards in the form of Options, Restricted Shares and RSUs pursuant to the 2020 Share Incentive Plan representing a total of 86,742,984 underlying Shares (including those that have been exercised but excluding those that were terminated or lapsed and reverted to the award pool). As such, our Company may grant further Awards representing a total of 60,558,144 Shares in the form of Options, Restricted Shares and RSUs pursuant to the 2020 Share Incentive Plan, of which only up to 48,527,444 Shares may be further issued, representing approximately 3.9% of the weighted average number of shares in issue for the Reporting Period.

The total number of Shares which may be issued upon exercise of all Options that may be granted in aggregate does not exceed 10% of the total number of Shares in issue and is subject to an annual limit of 3% of the total number of Shares in issue in any financial year.

Remaining Life and Option Period

The 2020 Share Incentive Plan commenced in September 2020 and shall continue in effect for a term of ten years unless terminated earlier under the terms of the 2020 Share Incentive Plan.

The plan administrator shall determine the time or times at which an option may be exercised in whole or in part, including exercise prior to vesting; provided that the term of any option granted under the 2020 Share Incentive Plan shall not exceed ten years. The plan administrator shall also determine any conditions, if any, that must be satisfied before all or part of an option may be exercised. There is no minimum period for which an option must be held before it can be exercised.

Limit for Each Participant

Unless approved by the Shareholders in general meeting, the total number of Shares issued and to be issued upon the exercise of Options granted and to be granted under the 2020 Share Incentive Plan and any other plan of our Company to an eligible participant within any 12-month period shall not exceed 1% of the Shares issued and outstanding at the date of any grant.

Exercise Price

The plan administrator determines the exercise price for each award, which is stated in the relevant award agreement shall not be lower than the fair market value of the Shares on the date of grant, which shall be the higher of: (i) the closing sales price for such Shares or securities as quoted on the principal exchange or system on which the Shares or securities of our Company are listed (as determined by the Board or the committee delegated with the authority to administer the plan) on the date of grant, and (ii) average closing sales price as quoted on the principal exchange or system on which the Shares or securities of our Company are listed for the five business days immediately preceding the date of grant.

Outstanding Options, Restricted Shares and RSUs Granted

As of December 31, 2022, the number of underlying Shares pursuant to the outstanding Options granted amounted to 6,476,636 Shares, representing approximately 0.51% of the issued Shares. The outstanding Options are held by 164 grantees. Up to a maximum of 48,527,444 Shares may be further issued upon the exercise of the Options to be granted under the 2020 Share Incentive Plan. Of the 6,476,636 options, 1,751,636 have vested and 4,725,000 remain unvested as of December 31, 2022. All the Options under the 2020 Share Incentive Plan were granted between January 16, 2020 and October 15, 2021 (both days inclusive). The exercise price of the Options granted under the 2020 Share Incentive Plan is US\$0.00 per Share or US\$0.036 per Share.

Save for the Awards which were lapsed during the Reporting Period as disclosed below, there was no Award which was cancelled during the Reporting Period.

Other Information

The Company has not granted further Options under the 2020 Share Incentive Plan after the Listing Date. Details of the movements of the Options granted under the 2020 Share Incentive Plan during the Reporting Period are as follows:

Name or category of grantee	Date of grant	Vesting period	Exercise period	Exercise price	Number of Options outstanding as of July 1, 2022	Number of Options granted during the Reporting Period	Number of Options lapsed during the Reporting Period	Number of Options exercised during the Reporting Period	Number of Options outstanding as of December 31, 2022	Weighted average closing price of Shares immediately before the date of exercise during the Reporting Period
Xu Lili	October 15, 2020	50% of the number of Shares shall become fully vested upon grant and 50% of the number of Shares shall become fully vested after 1 year of the date of grant	Maximum exercisable term is ten years from the date of grant	US\$0.00 per Share	20,000	-	-	-	20,000	-
Zhu Yonghua	October 15, 2020	50% of the number of Shares shall become fully vested upon grant and 50% of the number of Shares shall become fully vested after 1 year of the date of grant	Maximum exercisable term is ten years from the date of grant	US\$0.00 per Share	20,000	-	-	-	20,000	-
	October 15, 2021	50% of the number of Shares shall become fully vested upon grant and 50% of the number of Shares shall become fully vested after 1 year of the date of grant	Maximum exercisable term is ten years from the date of grant	US\$0.00 per Share	18,436	-	-	-	18,436	-
Other grantees (in aggregate)	January 16, 2020 and September 27, 2020	5 years	Maximum exercisable term is ten years from the date of grant	US\$0.036 per Share	8,860,056	-	1,685,000	756,856	6,418,200	US\$2.43
Total					8,918,492	-	1,685,000	756,856	6,476,636	

Other Information

The Company has not granted further Restricted Shares under the 2020 Share Incentive Plan after the Listing Date. Details of the movements of the Restricted Shares granted under the 2020 Share Incentive Plan during the Reporting Period are as follows:

Name or category of grantee	Date of grant	Vesting period	Purchase price	Number of Restricted Shares outstanding as of July 1, 2022	Number of Restricted Shares granted during the Reporting Period	Number of Restricted Shares lapsed during the Reporting Period	Number of Restricted Shares sold during the Reporting Period	Number of Restricted Shares outstanding as of December 31, 2022	Weighted average closing price of the Share immediately before the date of vesting
Zhang Saiyin	December 26, 2019	100% of the Shares shall become fully vested upon grant	US\$0.036 per Share	7,898,800	-	-	-	7,898,800	N/A
Dou Na	December 26, 2019	100% of the Shares shall become fully vested upon grant	US\$0.036 per Share	11,979,800	-	-	1,825,840	10,153,960	N/A
Other grantees (in aggregate)	December 26, 2019	100% of the Shares shall become fully vested upon grant	US\$0.036 per Share	46,657,420	-	43,752	8,176,348	38,437,320	N/A
Total				66,536,020	-	43,752	10,002,188	56,490,080	

Other Information

The Company has not granted any RSUs under the 2020 Share Incentive Plan which will be satisfied by issuance of new Shares after the Listing date. Details of the movements of the RSUs granted under the 2020 Share Incentive Plan which will be satisfied by existing Shares during the Reporting Period are as follows:

Name or category of grantee	Date of grant	Vesting period	Purchase price	Performance target	Closing price of Shares immediately before the date of grant	Fair value of RSUs at the date of grant ¹	Number of RSUs outstanding as at July 1, 2022	Number of RSUs granted during the Reporting Period	Number of RSU lapsed during the Reporting Period	Number of RSUs vested during the Reporting Period	Number of RSUs outstanding as at December 31, 2022	Weighted average closing price of the Share immediately before the date of vesting
Zhu Yonghua	October 15, 2022	80,936 Shares shall vest on the date of grant and 62,500 Shares shall vest on the first trading day after the first anniversary of the date of grant	US\$0.00 Per Share	N/A	US\$1.20	US\$1.20	-	143,436	-	80,936	62,500	US\$1.20
Other grantees (in aggregate)	December 6, 2022	3-4 years	US\$0.036 per Share	N/A	US\$2.79	US\$2.89	-	652,000	-	148,400	503,600	US\$2.76
	December 6, 2022	3 years	US\$0.036 per Share	N/A	US\$2.79	US\$2.89	-	392,400	-	-	392,400	-
	December 20, 2022	3 years	US\$0.036 per Share	N/A	US\$2.65	US\$2.78	-	11,400	-	-	11,400	-
Total							-	1,199,236	-	229,336	969,900	

1 The fair value of the RSUs is determined with reference to the market price of the Shares at the respective grant date.

Further details of the 2020 Share Incentive Plan (including the accounting standard and policy adopted for assessing the fair value of the share awards) are set out in Note 21 to the unaudited interim financial report.

Other Information

Purchase, Sale or Redemption of the Company's Listed Securities

After the Listing and up to the Latest Practicable Date, the Company repurchased a total of 166,000 Shares at an aggregate consideration (before all the relevant expenses) of HK\$1,694,572 on the Hong Kong Stock Exchange and a total of 824,217 ADSs (representing a total of 3,296,868 Shares) at an aggregate consideration (before all the relevant expenses) of US\$4,208,433 on NYSE. As at the Latest Practicable Date, all the Shares and ADSs repurchased during the Reporting Period have been cancelled.

Particulars of the repurchases made by the Company during the period from the Listing Date up to the Latest Practicable Date are as follows:

Hong Kong Stock Exchange

Trading Month	Number of Shares repurchased	Price per Share		Aggregate consideration paid (before all the relevant expenses) (HK\$)
		Highest price paid (HK\$)	Lowest price paid (HK\$)	
October 2022	166,000	10.38	9.98	1,694,572

NYSE^{Note}

Trading Month	Number of Shares repurchased	Price per Share		Aggregate consideration paid (before all the relevant expenses) (US\$)
		Highest price paid (US\$)	Lowest price paid (US\$)	
October 2022	2,921,668	1.3900	1.1150	3,662,897
November 2022	375,200	1.4975	1.4025	545,536

Note:

In addition, 9,090 ADSs representing a total of 36,360 Shares have also been purchased on NYSE at an average price of US\$1.39 per Share during the period from the Listing Date up to the Latest Practicable Date for the benefit of the Company's ESOP platforms pursuant to its currently effective share incentive plan.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold, or redeemed any of the Company's securities listed on the Hong Kong Stock Exchange or on NYSE during the period from the Listing Date and up to the Latest Practicable Date.

Other Information

Changes in Directors and Senior Management

On January 31, 2023, Mr. Zhang Saiyin resigned as the chief financial officer, executive vice president of the Company and executive Director as well as the Authorised Representative. Mr. Eason Jingjing Zhang was appointed as the chief financial officer of the Company and Mr. Ye was appointed as the Authorised Representative on the same day.

Save as disclosed above, there has been no change to the information of the Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Interim Dividend

The Board has approved a special cash dividend in the amount of US\$0.172 per ADS or US\$0.043 per Share on August 17, 2022, which has been paid to the holders of the ADSs and the Shares on around September 9, 2022.

The Board has not recommended any distribution of an interim dividend for the six months ended December 31, 2022.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

On July 13, 2022, the Shares of the Company were listed on the Main Board of the Hong Kong Stock Exchange. The net proceeds from the Global Offering were HK\$482.1 million. As of the Latest Practicable Date, there has been no change in the intended use of net proceeds as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. The Company expects to fully utilize the residual amount of the net proceeds in accordance with such intended purposes within the next 48 months.

As at December 31, 2022, the Group had utilized the net proceeds as set out in the table below:

Purpose	% of total net proceeds	Amount of net proceeds from the Global Offering (HK\$ million)	Amount of net proceeds utilized during the six months ended December 31, 2022 (HK\$ million)	Amount of net proceeds unutilized as at December 31, 2022 (HK\$ million)
Store network expansion and upgrade	25%	120.5	74.5	46.0
Supply chain improvement and product development	20%	96.4	66.6	29.8
Strengthen our technology capabilities	20%	96.4	21.6	74.8
Invest in brand promotion and incubation	20%	96.4	55.5	40.9
Capital expenditures, which may include, among others, acquisitions of, or investments in, businesses or assets that complement our business	5%	24.2	–	24.2
Working capital and general corporate purposes	10%	48.2	48.2	–
Total	100%	482.1	266.4	215.7

Other Information

Material Litigation

Save as disclosed in this interim report, the Company was not involved in any material litigation or arbitration during the six months ended December 31, 2022. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Company during the six months ended December 31, 2022.

Approval of Interim Report

The interim report of the Group for the six months ended December 31, 2022 was approved and authorised for issue by the Board on March 21, 2023.

Unaudited Consolidated Statement of Profit or Loss

(Expressed in thousands of Renminbi, except for per share data)

	Note	For the six months ended December 31,	
		2022 RMB'000	2021 RMB'000
Revenue	4	5,266,878	5,426,908
Cost of sales	6	(3,281,218)	(3,835,566)
Gross profit		1,985,660	1,591,342
Other income	5	14,311	18,586
Selling and distribution expenses	6	(798,127)	(725,622)
General and administrative expenses	6	(313,908)	(432,696)
Other net income	7	72,850	45,964
Credit loss on trade and other receivables		(3,716)	(19,091)
Impairment loss on non-current assets		-	(9,536)
Operating profit		957,070	468,947
Finance income		64,684	26,437
Finance costs		(16,345)	(17,266)
Net finance income	8	48,339	9,171
Share of loss of an equity-accounted investee, net of tax		-	(8,162)
Profit before taxation		1,005,409	469,956
Income tax expense	9	(241,498)	(131,338)
Profit for the period		763,911	338,618
Attributable to:			
Equity shareholders of the Company		764,090	336,779
Non-controlling interests		(179)	1,839
Profit for the period		763,911	338,618
Earnings per share			
Basic earnings per share (RMB)	10	0.61	0.28
Diluted earnings per share (RMB)	10	0.61	0.28

The notes on pages 41 to 69 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in Note 20(c).

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income

(Expressed in thousands of Renminbi, except for per share data)

	Note	For the six months ended December 31,	
		2022 RMB'000	2021 RMB'000
Profit for the period		763,911	338,618
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of financial statements of foreign operations		(13,634)	9,177
Other comprehensive (loss)/income for the period		(13,634)	9,177
Total comprehensive income for the period		750,277	347,795
Attributable to:			
Equity shareholders of the Company		746,698	345,545
Non-controlling interests		3,579	2,250
Total comprehensive income for the period		750,277	347,795

The notes on pages 41 to 69 form part of this interim financial report.

Unaudited Consolidated Statement of Financial Position

(Expressed in thousands of Renminbi, except for per share data)

	Note	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	467,718	419,894
Right-of-use assets	12	2,337,100	2,342,589
Intangible assets	13	33,382	43,066
Goodwill		20,860	19,388
Deferred tax assets		165,642	154,333
Other receivables		28,717	28,274
Prepayments		200,269	201,682
		3,253,688	3,209,226
Current assets			
Other investments	14	809,641	210,523
Inventories	15	1,474,792	1,188,095
Trade and other receivables	16	1,108,501	1,056,198
Cash and cash equivalents	17	5,186,601	5,348,492
Restricted cash		28,609	32,376
Term deposits		135,548	236,878
		8,743,692	8,072,562
Total assets		11,997,380	11,281,788
EQUITY			
Share capital	20(a)	95	92
Additional paid-in capital		8,015,885	7,982,824
Other reserves		987,848	993,307
Accumulated losses		(1,196,403)	(1,944,581)
Equity attributable to equity shareholders of the Company		7,807,425	7,031,642
Non-controlling interests		1,602	(4,242)
Total equity		7,809,027	7,027,400

Unaudited Consolidated Statement of Financial Position

(Expressed in thousands of Renminbi, except for per share data)

	Note	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
LIABILITIES			
Non-current liabilities			
Contract liabilities	4	49,895	51,658
Loans and borrowings		6,997	6,503
Lease liabilities	19	408,162	393,068
Deferred income		11,741	14,488
		476,795	465,717
Current liabilities			
Loans and borrowings		–	445
Trade and other payables	18	2,939,852	3,072,991
Contract liabilities	4	337,214	361,522
Lease liabilities	19	266,487	257,997
Deferred income		6,533	6,295
Current taxation		161,472	89,421
		3,711,588	3,788,671
Total liabilities		4,188,353	4,254,388
Total equity and liabilities		11,997,380	11,281,788

The notes on pages 41 to 69 form part of this interim financial report.

Unaudited Consolidated Statement of Changes in Equity

(Expressed in thousands of Renminbi, except for per share data)

	Attributable to equity shareholders of the Company											
	Note	Share capital	Additional paid-in capital	Merger reserve	Treasury shares	Share-based payment reserve	Translation reserve	PRC statutory reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at July 1, 2021	92	8,289,160	117,912	(2,306)	767,757	(20,006)	64,648	(2,558,291)	6,658,966	(6,812)	6,652,154	
Changes in equity for the six months ended December 31, 2021												
Profit for the period	-	-	-	-	-	-	-	336,779	336,779	1,839	338,618	
Other comprehensive income for the period	-	-	-	-	-	8,766	-	-	8,766	411	9,177	
Total comprehensive income for the period	-	-	-	-	-	8,766	-	336,779	345,545	2,250	347,795	
Dividend declared	20(c)	-	(306,255)	-	-	-	-	-	(306,255)	-	(306,255)	
Exercise of options	-*	287	-	-	-	-	-	-	287	-	287	
Release of ordinary shares from share incentive plan	-*	(670)	-	670	-	-	-	-	-	-	-	
Repurchase of shares	-	-	-	(12,604)	-	-	-	-	(12,604)	-	(12,604)	
Equity settled share-based transactions	21	-	-	-	50,400	-	-	-	50,400	-	50,400	
Appropriation to statutory reserve	-	-	-	-	-	-	24,460	(24,460)	-	-	-	
Balance at December 31, 2021 and January 1, 2022	92	7,982,522	117,912	(14,240)	818,157	(11,240)	89,108	(2,245,972)	6,736,339	(4,562)	6,731,777	
Changes in equity for the six months ended June 30, 2022												
Profit for the period	-	-	-	-	-	-	-	301,391	301,391	(266)	301,125	
Other comprehensive income for the period	-	-	-	-	-	30,731	-	-	30,731	586	31,317	
Total comprehensive income for the period	-	-	-	-	-	30,731	-	301,391	332,122	320	332,442	
Exercise of options	-*	302	-	-	-	-	-	-	302	-	302	
Repurchase of shares	-	-	-	(69,556)	-	-	-	-	(69,556)	-	(69,556)	
Equity settled share-based transactions	-	-	-	-	32,435	-	-	-	32,435	-	32,435	
Balance at June 30, 2022	92	7,982,824	117,912	(83,796)	850,592	19,491	89,108	(1,944,581)	7,031,642	(4,242)	7,027,400	

* The amount was less than RMB1,000.

Unaudited Consolidated Statement of Changes in Equity

(Expressed in thousands of Renminbi, except for per share data)

	Attributable to equity shareholders of the Company											
	Note	Share capital	Additional paid-in capital	Merger reserve	Treasury shares	Share-based payment reserve	Translation reserve	PRC statutory reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at July 1, 2022		92	7,982,824	117,912	(83,796)	850,592	19,491	89,108	(1,944,581)	7,031,642	(4,242)	7,027,400
Changes in equity for the six months ended December 31, 2022												
Profit for the period		-	-	-	-	-	-	-	764,090	764,090	(179)	763,911
Other comprehensive income for the period		-	-	-	-	-	(17,392)	-	-	(17,392)	3,758	(13,634)
Total comprehensive income for the period		-	-	-	-	-	(17,392)	-	764,090	746,698	3,579	750,277
Issuance of ordinary shares relating to Hong Kong public offering and exercise of the over-allotment option, net of underwriting commissions and other issuance costs	20(a)(ii)	3	408,018	-	-	-	-	-	-	408,021	-	408,021
Dividend declared	20(c)	-	(370,787)	-	-	-	-	-	-	(370,787)	-	(370,787)
Exercise of options	21(b)	-*	191	-	-	-	-	-	-	191	-	191
Release of ordinary shares from share incentive plan		-*	(616)	-	616	-	-	-	-	-	-	-
Repurchase of shares	20(b)	-	-	-	(32,711)	-	-	-	-	(32,711)	-	(32,711)
Cancellation of shares	20(b)	-*	(1,536)	-	1,536	-	-	-	-	-	-	-
Equity settled share-based transactions	21	-	-	-	-	26,580	-	-	-	26,580	-	26,580
Appropriation to statutory reserve		-	-	-	-	-	-	15,912	(15,912)	-	-	-
Acquisition of non-controlling interests		-	(2,209)	-	-	-	-	-	-	(2,209)	2,166	(43)
Acquisition of a subsidiary with non-controlling interests	22	-	-	-	-	-	-	-	-	-	99	99
Balance at December 31, 2022		95	8,015,885	117,912	(114,355)	877,172	2,099	105,020	(1,196,403)	7,807,425	1,602	7,809,027

* The amount was less than RMB1,000.

The notes on pages 41 to 69 form part of this interim financial report.

Unaudited Consolidated Statement of Cash Flows

(Expressed in thousands of Renminbi, except for per share data)

	Note	For the six months ended December 31,	
		2022 RMB'000	2021 RMB'000
Cash flows from operating activities			
Cash generated from operations		610,684	840,842
Income tax paid		(177,428)	(109,101)
Net cash from operating activities		433,256	731,741
Cash flows from investing activities			
Payment for purchases of property, plant, equipment and intangible assets		(78,032)	(228,585)
Payment for acquisition of land use right		–	(891,428)
Proceeds from disposal of property, plant and equipment and intangible assets		1,637	–
Payments for purchases of other investments		(4,650,252)	(9,213,034)
Proceeds from disposal of other investments		4,054,946	9,113,034
Placement of term deposits		(120,000)	–
Release of term deposits		221,330	–
Interest income		64,684	26,437
Investment income from other investments		15,400	40,446
Acquisition of a subsidiary, net of cash acquired		4,568	(683,483)
Net cash used in investing activities		(485,719)	(1,836,613)
Cash flows from financing activities			
Proceeds from Hong Kong public offering and exercise of the over-allotment option, net of underwriting commissions and other issuance costs		469,683	–
Proceeds from exercise of options		191	287
Repayment of loans and borrowings		(206)	(503)
Payment of capital element and interest element of lease liabilities		(170,258)	(163,716)
Payments of repurchase of shares		(32,711)	(12,604)
Prepayments for repurchase of shares		(3,085)	(13,042)
Interest paid		–	(881)
Dividends paid	20(c)	(370,787)	(306,255)
Payments of listing expenses relating to Hong Kong public offering		(42,616)	–
Net cash used in financing activities		(149,789)	(496,714)

Unaudited Consolidated Statement of Cash Flows

(Expressed in thousands of Renminbi, except for per share data)

	Note	For the six months ended December 31,	
		2022 RMB'000	2021 RMB'000
Net decrease in cash and cash equivalents		(202,252)	(1,601,586)
Cash and cash equivalents at the beginning of the period		5,348,492	6,771,653
Effect of movements in exchange rates on cash held		40,361	(18,611)
Cash and cash equivalents at the end of the period	17	5,186,601	5,151,456

The notes on pages 41 to 69 form part of this interim financial report.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on February 28, 2023.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2022 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2023 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2022 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. KPMG’s independent review report to the Board of Directors is included on page 70.

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRSs issued by the IASB that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group’s interim financial report:

- Amendments to IAS 16, *Property, plant and equipment: Proceeds before intended use*
- Amendments to IAS 37: *Onerous contracts – Cost of fulfilling a contract*
- Annual improvements to IFRS standards 2018-2020
- Amendments to IFRS 3: *Reference to the conceptual framework*

None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

3 SEGMENT REPORTING

The Group manages its businesses by divisions, which are organized by a mixture of both brands and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented two reporting segments of MINISO brand and TOP TOY brand for the six months ended December 31, 2022 and 2021.

No other operating segments have been aggregated to these reportable segments, but have been aggregated and presented as "other segment". Business included as other segment did not meet the quantitative thresholds for reportable segments for the six months ended December 31, 2022 and 2021. The segment information is as follows:

Reportable segments	Operations
MINISO brand	Design, buying and sale of lifestyle products
TOP TOY brand	Design, buying and sale of pop toys

(i) Segment results, assets and liabilities

Information related to each reportable segment is set out below. Segment profit/(loss) before taxation is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments.

As at and for the six months ended December 31, 2022					
	Reportable segments				
	MINISO brand RMB'000	TOP TOY brand RMB'000	Total reportable segments RMB'000	Other segment RMB'000	Total RMB'000
External revenues	4,993,086	222,500	5,215,586	51,292	5,266,878
Inter-segment revenue	71	3,364	3,435	144,822	148,257
Segment revenue	4,993,157	225,864	5,219,021	196,114	5,415,135
Segment profit/(loss) before taxation	1,040,381	(36,344)	1,004,037	12,730	1,016,767
Finance income	62,451	712	63,163	1,382	64,545
Finance costs	(13,619)	(2,722)	(16,341)	(4)	(16,345)
Depreciation and amortization	(162,340)	(32,093)	(194,433)	(2,044)	(196,477)
Other material non-cash items:					
– credit loss on trade and other receivables	(1,693)	(541)	(2,234)	(1,482)	(3,716)
Segment assets	9,124,431	392,432	9,516,863	177,129	9,693,992
Segment liabilities	3,564,477	527,141	4,091,618	67,380	4,158,998

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

3 SEGMENT REPORTING (continued)

(i) Segment results, assets and liabilities (continued)

As at and for the six months ended December 31, 2021					
	Reportable segments				
	MINISO brand RMB'000	TOP TOY brand RMB'000	Total reportable segments RMB'000	Other segment RMB'000	Total RMB'000
External revenues	5,074,106	240,328	5,314,434	112,474	5,426,908
Inter-segment revenue	-	-	-	81,600	81,600
Segment revenue	5,074,106	240,328	5,314,434	194,074	5,508,508
Segment profit/(loss) before taxation	527,792	(65,062)	462,730	27,808	490,538
Finance income	24,527	25	24,552	1,626	26,178
Finance costs	(13,623)	(3,634)	(17,257)	(9)	(17,266)
Depreciation and amortization	(166,002)	(5,235)	(171,237)	(279)	(171,516)
Other material non-cash items:					
– credit loss on trade and other receivables	(17,567)	(1,498)	(19,065)	(26)	(19,091)
– impairment loss on non-current assets	(6,072)	(3,464)	(9,536)	-	(9,536)
Segment assets	8,031,709	500,871	8,532,580	179,021	8,711,601
Segment liabilities	3,633,069	567,821	4,200,890	50,319	4,251,209

(ii) Reconciliations of information on reportable segments to the amounts reported in the financial statements

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
i. Revenue		
Total revenue for reportable segments	5,219,021	5,314,434
Revenue for other segment	196,114	194,074
Elimination of inter-segment revenue	(148,257)	(81,600)
Consolidated revenue	5,266,878	5,426,908
ii. Profit before taxation		
Total profit before taxation for reportable segments	1,004,037	462,730
Profit before taxation for other segment	12,730	27,808
Unallocated amounts:		
– Share of loss of an equity-accounted investee, net of tax	-	(8,162)
– Expenses relating to construction of headquarters building and depreciation expense of apartments for use as staff quarters	(11,358)	(12,420)
Consolidated profit before taxation	1,005,409	469,956

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

3 SEGMENT REPORTING (continued)

(ii) Reconciliations of information on reportable segments to the amounts reported in the financial statements (continued)

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
iii. Assets		
Total assets for reportable segments	9,516,863	8,830,028
Assets for other segment	177,129	171,163
Other unallocated amounts		
– Assets relating to construction of headquarters building	2,055,049	2,028,095
– Apartments for use as staff quarters	248,339	252,502
Consolidated total assets	11,997,380	11,281,788
iv. Liabilities		
Total liabilities for reportable segments	4,901,618	4,173,410
Liabilities for other segment	67,380	62,341
Other unallocated amounts		
– Liabilities relating to construction of headquarters building	29,355	18,637
Consolidated total liabilities	4,188,353	4,254,388

v. Other material items

	For the six months ended December 31, 2022			
	Reportable segment totals RMB'000	Other segment RMB'000	Unallocated amount RMB'000	Consolidated totals RMB'000
Finance income	63,163	1,382	139	64,684
Finance costs	(16,341)	(4)	–	(16,345)
Depreciation and amortization	(194,433)	(2,044)	(15,686)	(212,163)
Credit loss on trade and other receivables	(2,234)	(1,482)	–	(3,716)

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

3 SEGMENT REPORTING (continued)

(ii) Reconciliations of information on reportable segments to the amounts reported in the financial statements (continued)

	For the six months ended December 31, 2021			
	Reportable segment totals	Other segment	Unallocated amounts	Consolidated totals
	RMB'000	RMB'000	RMB'000	RMB'000
Finance income	24,552	1,626	259	26,437
Finance costs	(17,257)	(9)	–	(17,266)
Depreciation and amortization	(171,237)	(279)	(11,110)	(182,626)
Credit loss on trade and other receivables	(19,065)	(26)	–	(19,091)
Impairment loss on non-current assets	(9,536)	–	–	(9,536)

(iii) Geographic information

The geographic information analyses the Group's revenue and non-current assets by the Group's country of domicile and other regions. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets are based on the geographic location of the assets.

	For the six months ended December 31,	
	2022	2021
	RMB'000	RMB'000
i. Revenue		
the PRC (place of domicile)	3,360,167	4,086,285
Other Asian countries excluding the PRC	958,847	571,636
America	812,074	595,630
Europe	76,464	119,013
Others	59,326	54,344
	5,266,878	5,426,908

	As at	As at
	December 31, 2022	June 30, 2022
	RMB'000	RMB'000
ii. Non-current assets		
the PRC (place of domicile)	2,577,593	2,575,241
Other Asian countries excluding the PRC	95,889	63,021
America	209,382	204,459
Europe	4,913	10,490
	2,887,777	2,853,211

Non-current assets exclude deferred tax assets and non-current prepayments.

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(Expressed in thousands of Renminbi, except for per share data)

4 REVENUE

The Group's revenue is primarily derived from the sale of lifestyle and pop toy products through self-operated stores, franchised stores, offline distributors in the PRC and overseas and online sales conducted through the Group's own mobile applications and self-operated online stores on third-party e-commerce platforms and through online distributors. Other sources of revenue mainly include license fees, sales-based royalties and sales-based management and consultation service fees from franchisees and distributors.

(i) Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by major products and service lines, primary geographical markets and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 3).

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
<i>Major products/service lines</i>		
– Sales of lifestyle and pop toy products		
– Retail sales in self-operated stores	419,628	291,238
– Product sales to franchisees	2,537,738	2,988,169
– Sales to offline distributors	1,381,140	1,073,836
– Online sales	374,502	367,075
– Other sales channels	41,703	97,293
Sub-total	4,754,711	4,817,611
– License fees, sales-based royalties, and sales-based management and consultation service fees		
– License fees	48,288	51,372
– Sales-based royalties	43,245	53,392
– Sales-based management and consultation service fees	212,302	263,002
Sub-total	303,835	367,766
– Others*	208,332	241,531
	5,266,878	5,426,908
<i>Timing of revenue recognition</i>		
– Point in time	4,861,784	5,059,142
– Over time	405,094	367,766
Revenue from contracts with customers	5,266,878	5,426,908

Note:

* Others mainly represented sales of fixtures to franchisees and distributors.

No revenue from individual customer contributing over 10% of total revenue of the Group during the six months ended December 31, 2022 and 2021.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

4 REVENUE (continued)

(ii) Contract balances

The following table provides information about receivables, contract liabilities from contracts with customers.

	Note	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Receivables, which are included in 'trade and other receivables'	16	271,111	290,681
Contract liabilities			
– Current portion		(337,214)	(361,522)
– Non-current portion		(49,895)	(51,658)
Total contract liabilities		(387,109)	(413,180)

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Contract liabilities are analyzed as follows:		
– Advance payments received from customers for purchase of goods	235,120	219,192
– Deferred revenue related to license fees	79,126	88,536
– Deferred revenue related to membership fees	61,207	96,025
– Deferred revenue related to loyalty points	11,656	9,427
	387,109	413,180

The Group requests 100% advance payment for purchase of goods from certain overseas distributors prior to delivery of goods. This gives rise to contract liabilities at the start of a sales order, until the revenue of sales of products recognized on the corresponding sale order exceeds the amount of payments received in advance.

Unamortized portion of upfront license fees, membership fees received and deferred revenue associated with loyalty points were recognized as contract liabilities.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

4 REVENUE (continued)

(iii) Seasonality of operations and COVID-19 impact on revenue

The Group's business is subject to seasonal fluctuation, typically with relatively stronger performance in the quarters ended September 30 and December 31, which were mainly due to the higher retail demand in holiday seasons. As a result, the Group typically reports higher revenues for the first half of the year, than the second half.

During the six months ended December 31, 2022, the pandemic outbreaks of the Omicron variants of COVID-19 across China adversely impacted the Group's retail sales and product sales to franchisees, as a result of governmental control measures and the increased number of COVID-19 infected people.

During the six months ended December 31, 2022, the sales of a majority of the Group's overseas self-operated stores and stores owned by overseas distributors have recovered to pre-pandemic level, with more and more overseas markets having lifted their pandemic control measures.

5 OTHER INCOME

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Tax refund	1,247	1,610
Government grants (Note (i))	9,825	13,920
Income from depository bank (Note (ii))	3,239	3,056
	14,311	18,586

Notes:

- (i) Government grants mainly represented unconditional cash awards granted by the local authorities in the PRC. During the six months ended December 31, 2021, government grants also included subsidies obtained by the subsidiaries in the U.S. under the Paycheck Protection Program Rule with an aggregated amount of USD1,320,000 (equivalent to RMB8,550,000).
- (ii) The Company received an initial payment of USD4,690,000 (equivalent to RMB30,995,000) from depository bank in December 2020, in connection with the establishment and maintenance of depository receipt. The amount was amortized using the straight-line method over a five-year arrangement period and was recorded in other income.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

6 EXPENSES BY NATURE

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Cost of inventories (Note 15(a))	3,196,112	3,762,590
Payroll and employee benefits (Note (i))	377,974	451,593
Rental and related expenses	20,486	9,170
Depreciation and amortization (Note (ii))	212,163	182,626
Licensing expenses	101,976	73,946
Promotion and advertising expenses	147,244	137,067
Logistics expenses	146,872	150,679
Travelling expenses	31,858	37,400
Other expenses	158,568	188,813
Total cost of sales, selling and distribution and general and administrative expenses	4,393,253	4,993,884

Notes:

(i) Payroll and employee benefits are analyzed as follows:

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Salaries, wages and bonus	303,091	341,161
Contributions to social security contribution plan	36,314	38,482
Welfare expenses	11,989	21,550
Equity-settled share-based payment expenses (Note 21)	26,580	50,400
	377,974	451,593

(ii) Depreciation and amortization are analyzed as follows:

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Property, plant and equipment (Note 11)	34,769	25,937
Right-of-use assets (Note 12)	177,956	145,841
Less: amount capitalized as construction in progress	(11,302)	–
Intangible assets (Note 13)	10,740	10,848
	212,163	182,626

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

7 OTHER NET INCOME

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Net foreign exchange gain/(loss)	54,189	(11,489)
Losses on disposal of property, plants and equipment and intangible assets	(2,796)	(1,898)
Investment income from other investments	15,400	40,446
Scrap income	6,583	6,387
Net change in fair value of other investments	3,840	5,321
Litigation compensation	(1,863)	(8,834)
Gains relating to cancellation and modification of lease contracts	1,560	17,635
Others	(4,063)	(1,604)
	72,850	45,964

8 NET FINANCE INCOME

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Finance income		
– Interest income	64,684	26,437
	64,684	26,437
Finance costs		
– Interest on loans and borrowings	(116)	(302)
– Interest on lease liabilities	(16,229)	(16,964)
	(16,345)	(17,266)
Net finance income	48,339	9,171

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

9 INCOME TAXES

(a) Taxation recognized in consolidated profit or loss:

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Amounts recognized in consolidated profit or loss		
<i>Current tax</i>		
Provision for the period	253,348	124,979
<i>Deferred tax</i>		
Origination and reversal of temporary differences	(11,850)	6,359
Tax expense	241,498	131,338

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Profit before taxation	1,005,409	469,956
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	231,673	119,697
Tax effect of share-based compensation expenses and employee compensation expenses (Note 6(i))	6,426	12,600
Tax effect of other non-deductible expenses	8,811	1,662
Effect of preferential tax treatments on assessable profits of a subsidiary	(9,043)	(10,080)
Tax effect of exempted and non-taxable interest income	(4,352)	(2,105)
Effect of unused tax losses not recognized	7,058	10,093
Effect of deductible temporary differences not recognized/ (utilized)	925	(529)
Actual tax expenses	241,498	131,338

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(i) Profit attributable to ordinary shareholders (basic):

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Profit attributable to the equity shareholders of the Company	764,090	336,779
Less:		
Allocation of undistributed earnings to holders of unvested restricted shares	(424)	(944)
Profit used to determine basic earnings per share	763,666	335,835

The unvested restricted shares granted to employees under the 2020 Share Incentive Plan (see Note 21) are entitled to non-forfeitable dividends during the vesting period. For the purpose of calculating basic earnings per share, the numerators are thus be adjusted for the undistributed earnings attributed to these unvested shares in accordance with their participating rights, which have not been recognized in profit or loss.

(ii) Weighted-average number of ordinary shares (basic):

The weighted average number of ordinary shares of 1,242,012,925 and 1,206,451,996 in issue for the six months ended December 31, 2022 and 2021, respectively, were calculated as follows:

	For the six months ended December 31,	
	2022 Number of shares	2021 Number of shares
Issued ordinary share at July 1, 2021 and 2022	1,202,646,619	1,204,860,715
Effect of shares issued relating to Hong Kong public offering and exercise of the over-allotment option	38,800,070	–
Effect of shares released from share incentive plan (Note 21)	1,955,734	1,615,808
Effect of repurchase of shares (Note 20(b))	(1,389,498)	(24,527)
Weighted average number of ordinary shares	1,242,012,925	1,206,451,996

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

10 EARNINGS PER SHARE (continued)

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares.

During the six months ended December 31, 2022 and 2021, the calculation of diluted earnings per share was based on the profit attributable to ordinary equity shareholders of the Company of RMB764,090,000 and RMB336,779,000 and the weighted average number of ordinary shares of 1,248,539,520 shares and 1,217,411,723 shares, after adjusting by the dilutive effect of share incentive plan, calculated as follows:

	For the six months ended December 31,	
	2022 Number of shares	2021 Number of shares
Weighted average number of ordinary shares, basic	1,242,012,925	1,206,451,996
Dilutive effect of share incentive plan (Note 21)	6,526,595	10,959,727
Weighted average number of ordinary shares, diluted	1,248,539,520	1,217,411,723

11 PROPERTY, PLANT AND EQUIPMENT

	Apartments	Leasehold improvements	Office equipment	Store operating equipment	Motor vehicles	Moulds	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Net book value at July 1, 2022	235,101	73,388	25,586	16,940	891	9,184	58,804	419,894
Additions	-	27,032	2,970	3,720	351	15,266	33,362	82,701
Acquisitions through business combination (Note 22)	-	451	855	33	-	-	-	1,339
Disposals	-	(1,673)	(1,193)	(328)	-	(190)	-	(3,384)
Depreciation	(4,214)	(11,458)	(5,050)	(2,651)	(225)	(11,171)	-	(34,769)
Exchange adjustments	-	1,817	44	60	16	-	-	1,937
Net book value at December 31, 2022	230,887	89,557	23,212	17,774	1,033	13,089	92,166	467,718

Apartments represent the apartments located in the PRC acquired from a third party. As of December 31, 2022, the property ownership certificates of certain apartments were still under processing.

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12 RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Property RMB'000	Warehouse equipment RMB'000	Land use right RMB'000	Total RMB'000
Net book value at July 1, 2022	583,906	6,804	1,751,879	2,342,589
Additions	207,409	-	-	207,409
Derecognition	(39,170)	-	-	(39,170)
Depreciation	(153,578)	(1,774)	(22,604)	(177,956)
Exchange adjustments	4,228	-	-	4,228
Net book value at December 31, 2022	602,795	5,030	1,729,275	2,337,100

During the six months ended December 31, 2022, the Group entered into new lease agreements for properties, mainly including offices space, warehouse storage and retail stores. The new leases of offices space typically run for a period of two to three years, new leases of warehouse storage typically run for two to three years, and new leases of retail stores typically run for two to five years.

The analysis of expense items in relation to leases recognized in profit or loss is as follows:

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Property	153,578	135,926
Warehouse equipment	1,774	1,988
Land use right	22,604	7,927
	177,956	145,841
Interest on lease liabilities (Note 8)	16,229	16,964
Expense relating to short-term leases and other leases with remaining lease term ending on or before December 31	10,234	18,318
Variable lease payments not included in the measurement of lease liabilities	7,090	2,902
COVID-19 rent concessions	-	(28,249)

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13 INTANGIBLE ASSETS

During the six months ended December 31, 2022 and 2021, the Group acquired software with costs of RMB1,114,000 and RMB3,167,000, respectively. Amortization amounted to RMB10,740,000 and RMB10,848,000 during the six months ended December 31, 2022 and 2021, respectively.

14 OTHER INVESTMENTS

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Financial assets measured at FVTPL		
– Investments in trust investment schemes	207,840	208,649
– Investments in wealth management products	601,801	–
– Others	–	1,874
	809,641	210,523

In December 2020, the Group invested in a trust investment scheme (“Trust Scheme A”) established and managed by a trust company as the trustee with the principal of RMB100,000,000 and an initial investment period of within one year. The Group subsequently extended the investment period to March 2023. Pursuant to the agreement, the Trust Scheme A is designated to make the majority of its investments in debt securities, while the principal and return of the investment are not guaranteed. Fair value of this investment as of December 31, 2022 and June 30, 2022 was estimated to be RMB106,550,000 and RMB103,537,000, respectively.

In July 2021, the Group invested in another trust investment scheme (“Trust Scheme B”) established and managed by a trust company as the trustee with the principal of RMB100,000,000 and an initial investment period of within one year. The Group subsequently extended the investment period to July 2023. Pursuant to the agreement, the Trust Scheme B is designated to make the majority of its investments in debt securities, while the principal and return of the investment are not guaranteed. Fair value of this investment as of December 31, 2022 and June 30, 2022 was estimated to be RMB101,290,000 and RMB105,112,000, respectively.

As at December 31, 2022, the Group invested in certain wealth management products managed by the banks and a financial institution in the PRC, with an aggregate principal amount of RMB602,260,000, which are redeemable on demand. The underlying investment portfolio of these wealth management products mainly include debt securities and other financial instruments with fixed return. Principal amount of these wealth management products is not guaranteed to be fully recovered. Return of investment in these wealth management products is not guaranteed. Fair values of the above investments in wealth management products as at December 31, 2022 were estimated to be RMB601,801,000.

Information about the Group’s fair value measurement, is included in Note 23.

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15 INVENTORIES

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Finished goods	1,471,097	1,186,810
Low-value consumables	3,695	1,285
	1,474,792	1,188,095

- (a) The analysis of the amount of inventories recognized as an expense and included in profit or loss is as follows:

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Carrying amount of inventories sold	3,200,082	3,797,276
Reversal of write-down of inventories	(3,970)	(34,686)
Cost of inventories recognized in consolidated statements of profit or loss	3,196,112	3,762,590

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16 TRADE AND OTHER RECEIVABLES

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Current		
Trade receivables	360,569	375,798
Less: loss allowance	(89,458)	(85,117)
Trade receivables, net of loss allowance	271,111	290,681
Amounts due from related parties	10,549	5,105
Miscellaneous expenses paid on behalf of franchisees	281,523	246,097
Value-added tax ("VAT") recoverable	260,607	182,906
Rental deposits	113,631	101,124
Receivables due from on-line payment platforms and banks (i)	42,965	26,806
Prepayments for inventories	41,199	52,476
Prepayments for licensing expenses	35,073	35,223
Prepayments for listing expenses relating to Hong Kong public offering	-	58,560
Others	51,843	57,220
	1,108,501	1,056,198

Note:

- (i) Receivables due from on-line payment platforms and banks mainly represented the proceeds of online sales through e-commerce platforms collected by and retained in third-party online payment platforms. Withdrawal of the balances retained in online payment platforms could be made anytime upon the Group's instructions. The amounts also included those due from banks for offline sales made through customer credit/debit cards and other online payment platforms that require overnight processing by the collection banks.

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16 TRADE AND OTHER RECEIVABLES (continued)

Aging analysis

As of the end of each reporting period, the aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Within 90 days	228,426	182,184
91 to 180 days	28,688	89,050
181 to 360 days	9,156	8,108
361 to 540 days	4,818	11,233
Over 540 days	23	106
	271,111	290,681

17 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Cash on hand	542	450
Cash at bank	5,186,059	5,348,042
Cash and cash equivalents as presented in the consolidated statements of financial position and in the consolidated statements of cash flows	5,186,601	5,348,492

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18 TRADE AND OTHER PAYABLES

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Trade payables	604,291	649,415
Payroll payable	86,214	68,969
Accrued expenses	200,738	264,905
Other taxes payable	35,938	52,078
Deposits	1,851,254	1,875,380
Amounts due to related parties	10,990	13,710
Others	150,427	148,534
	2,939,852	3,072,991

Aging analysis

As of the end of reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Within 1 month	553,635	599,280
1 to 3 months	41,964	32,308
3 months to 1 year	3,639	5,010
Over 1 year	5,053	12,817
	604,291	649,415

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19 LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting periods:

	As at December 31, 2022		As at June 30, 2022	
	Present value of the minimum lease payments	Total minimum lease payments	Present value of the minimum lease payments	Total minimum lease payments
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	266,487	272,297	257,997	263,332
After 1 year but within 2 years	198,449	207,457	176,047	188,172
After 2 years but within 5 years	187,766	210,603	188,031	215,398
After 5 years	21,947	33,922	28,990	39,421
	408,162	451,982	393,068	442,991
	674,649	724,279	651,065	706,323
Less: total future interest expenses		(49,630)		(55,258)
Present value of lease liabilities		674,649		651,065

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(Expressed in thousands of Renminbi, except for per share data)

20 CAPITAL AND RESERVES

(a) Share capital and additional paid-in capital

- (i) Pursuant to the annual general meeting of shareholders of the Company held on July 11, 2022, upon and with effective from the Company's listing on the Hong Kong Stock Exchange, all the authorized Class A ordinary shares (whether issued or unissued) and Class B ordinary shares (whether issued or unissued) are redesignated as ordinary shares of a par value of US\$0.00001 each.
- (ii) On July 13, 2022, the Company completed its dual primary listing on the Hong Kong Stock Exchange. Upon completion of the dual primary listing and exercise of the over-allotment option, the Company issued 41,100,000 and 486,200 ordinary shares respectively, with a par value of US\$0.00001 each and offer price of HK\$13.80 each.
- (iii) During the six months ended December 31, 2022, 3,142,908 of restricted shares and options were vested and exercised, and were released from treasury shares into ordinary shares.
- (iv) As of December 31, 2022, analysis of the Company's issued shares including treasury shares reserved for the share incentive plan, was as follows:

	Number of shares	Share capital RMB'000
Ordinary shares	1,266,986,555	95

(b) Repurchase and cancellation of shares

On December 21, 2021, the board of directors authorized a share repurchase program under which the Company may repurchase up to USD200 million of its shares until September 21, 2022 (the "2021 share repurchase program").

On September 29, 2022, the board of directors authorized a new share repurchase program under which the Company may repurchase up to USD100 million of its shares within a period of 12 months starting from September 29, 2022 (the "2022 share repurchase program").

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(Expressed in thousands of Renminbi, except for per share data)

20 CAPITAL AND RESERVES (continued)

(b) Repurchase and cancellation of shares (continued)

During the six months ended December 31, 2022, the Company repurchased ordinary shares under the 2021 and 2022 share repurchase program as follows:

Month	Shares repurchased on the New York Stock Exchange				Shares repurchased on the Hong Kong Stock Exchange			
	Number of shares repurchased	Highest price paid per share USD	Lowest price paid per share USD	Aggregate price paid USD'000	Number of shares repurchased	Highest price paid per share HKD	Lowest price paid per share HKD	Aggregate price paid HKD'000
July 2022	40,000	1.94	1.94	78	-	-	-	-
September 2022	36,360	1.39	1.39	51	-	-	-	-
October 2022	2,921,668	1.39	1.12	3,692	166,000	10.38	9.98	1,696
November 2022	375,200	1.50	1.40	549	-	-	-	-
Total	3,373,228			4,370	166,000			1,696
Equivalent to RMB'000				31,175				1,536

Pursuant to 2021 share repurchase program, the Company had repurchased a total of 6,187,636 ordinary shares on the New York Stock Exchange as of September 21, 2022, the expiry date of the program. In October 2022, the board of directors of the Company approved to transferred all these 6,187,636 repurchased shares to special purpose vehicles for future grants of share incentive awards under the 2020 Share Incentive Plan.

Under the 2022 share repurchase program, 166,000 shares repurchased on the Hong Kong Stock Exchange were cancelled as of December 31, 2022, 3,296,868 shares repurchased on the New York Stock Exchange as of December 31, 2022 were subsequently cancelled in January 2023.

(c) Dividends

During the six months ended December 31, 2022, special cash dividends of US\$0.043 per ordinary share, amounting to USD53,640,000 (equivalent to RMB370,787,000), were declared and paid by the Company. The dividends were distributed from additional paid-in capital.

During the six months ended December 31, 2021, dividends of US\$0.039 per ordinary share, amounting to USD47,178,000 (equivalent to RMB306,255,000), in respect of the fiscal year ended June 30, 2021 were declared and paid by the Company. The dividends were distributed from additional paid-in capital.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

21 EQUITY SETTLED SHARE-BASED PAYMENTS

The Group has adopted 2020 Share Incentive Plan, pursuant to which, restricted shares, options, restricted share units or other types of award approved by the board of directors may be granted to employees, directors and consultants with an incentive for outstanding performance. The maximum aggregate number of shares issued under the 2020 Share Incentive Plan increased from 92,586,048 to 98,773,684 since October 2022 (Note 20(b)).

(a) Share awards

Movements in the number of restricted shares granted to employees and the respective weighted-average grant date fair value are as follows:

	Number of restricted shares	Weighted-average exercise price US\$ per restricted share	Weighted-average grant date fair value US\$ per restricted share
Outstanding as of July 1, 2022	2,540,420	0.036	7.67
Vested	(2,496,668)	0.036	7.67
Forfeited	(43,752)	0.036	7.67
Outstanding as of December 31, 2022	–	0.036	7.67

Total compensation expense calculated based on the grant date fair value and the estimated forfeiture rate recognized in the consolidated statements of profit or loss for aforementioned share-based awards granted to the Group's employees were RMB613,000 and RMB3,099,000 for the six months ended December 31, 2022 and 2021, respectively.

(b) Options

The option activities during the six months ended December 31, 2022 are summarized as follows:

	Number of options	Weighted-average exercise price US\$ per share	Weighted-average grant date fair value US\$ per share
Outstanding at July 1, 2022	8,918,492	0.036	3.67
Exercised	(756,856)	0.036	4.26
Forfeited	(1,685,000)	0.036	3.27
Outstanding at December 31, 2022	6,476,636	0.036	3.70
Exercisable at December 31, 2022	1,751,636	0.036	3.55
Non-vested at December 31, 2022	4,725,000	0.036	3.76

Total compensation expense calculated based on the grant date fair value and the estimated forfeiture rate recognized in the consolidated statements of profit or loss for the above options granted to the Group's employees were RMB21,072,000 and RMB47,301,000 for the six months ended December 31, 2022 and 2021, respectively.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

21 EQUITY SETTLED SHARE-BASED PAYMENTS (continued)

(c) Restricted share units

Under the 2020 Share Incentive Plan, the board of directors approved the grant of restricted shares units ("RSUs") to purchase 143,436 and 1,055,800 ordinary shares of the Company to an independent non-executive director and certain employees of the Group at nil purchase price and US\$0.036 per share in October and December 2022, respectively.

The above RSUs were divided into two to five tranches on an equal basis at their grant dates. The first tranche immediately vested on the grant day or after a specified period, and the remaining tranches will vest based on individual vesting schedules ranging from one to four years from the grant date, on the condition that employees remain in service without any performance requirements.

Movements in the number of RSUs granted and the respective weighted-average grant date fair value are as follows:

	Number of RSUs	Weighted- average purchase price US\$ per RSU	Weighted- average grant date fair value US\$ per RSU
Outstanding as of July 1, 2022	–	–	–
Granted	1,199,236	0.032	2.69
Vested	(229,336)	0.023	2.29
Outstanding as of December 31, 2022	969,900	0.034	2.78

The fair value of RSUs was determined with reference to the market price of the Company's ordinary shares at the respective grant date.

The fair value of RSUs granted in October 2022 and December 2022 were US\$172,000 (equivalent to RMB1,224,000) and US\$3,050,000 (equivalent to RMB21,273,000), respectively. Total compensation expense calculated based on the grant date fair value and the estimated forfeiture rate recognized in the consolidated statements of profit or loss for aforementioned RSUs granted were RMB4,895,000 for the six months ended December 31, 2022.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

22 ACQUISITION OF SUBSIDIARIES

On November 30, 2022, the Group acquired 90% of shares and voting rights in MINISO VIETNAM LIMITED LIABILITY COMPANY from a third party, at a cash consideration of VND3,097,377,000 (equivalent to RMB893,000).

The following summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

	RMB'000
Property, plant and equipment	1,339
Right-of-use assets	10,467
Inventories	11,573
Trade and other receivables	12,852
Cash and cash equivalents	5,461
Trade and other payables	(25,387)
Lease liabilities	(15,313)
Total identifiable net assets acquired	992
Less: non-controlling interest	(99)
Total consideration transferred	893

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

23 FAIR VALUES MEASUREMENT OF FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the period presented on a recurring basis, categorized into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*.

The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The following table presents the Group's financial assets that are measured at fair value at the end of each reporting date:

	Fair value at	Fair value measurements as at		
	December 31, 2022	December 31, 2022 categorized into		
	RMB'000	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Recurring fair value measurement				
Assets:				
– Other investments	809,641	–	809,641	–

	Fair value at	Fair value measurements as at		
	June 30, 2022	June 30, 2022 categorized into		
	RMB'000	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Recurring fair value measurement				
Assets:				
– Other investments	210,523	1,874	208,649	–

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

23 FAIR VALUES MEASUREMENT OF FINANCIAL INSTRUMENTS

(continued)

(i) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

During the six months ended December 31, 2022, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3. The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of each reporting period in which they occur.

Other investments in level 1 as at June 30, 2022 represented an investment in monetary fund. The fair value of this investment was determined based on the market price at the balance sheet date.

Other investments in level 2 as at December 31, 2022 and June 30, 2022 represented investments in trust investment schemes and wealth management products. The fair value of these investments was determined by the Group with reference to the fair value quoted by the trust company, banks and the financial institution, that established and managed the investments (see Note 14), using expected return rates currently available for instruments with similar terms, credit risk, remaining terms and other market data. The gains arising from the remeasurement of fair value of other investments are included in other net income in the consolidated statements of profit or loss.

(ii) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortized cost are not materially different from their fair values as at December 31, 2022 and June 30, 2022 because of the short-term maturities of these financial instruments.

24 COMMITMENTS

(a) Capital commitments outstanding as at December 31, 2022 not provided for in the financial statements were as follows:

	As at December 31, 2022 RMB'000	As at June 30, 2022 RMB'000
Contracted purchase of software	-	1,000
Contracted purchase of construction projects	810,242	830,573
Contracted for	810,242	831,573
Authorized but not contracted for	11,279	11,279
Total	821,521	842,852

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

25 CONTINGENCIES

(a) The commitment of tax payments

On October 13, 2020, Mingyou Industrial Investment (Guangzhou) Co., Ltd. (“Mingyou”), being a subsidiary of the Group’s equity-accounted investee prior to October 27, 2021 and a subsidiary of the Group since October 27, 2021, was set up to acquire the land use right of a parcel of land and to establish a new headquarters building for the Group in a district in Guangzhou, the PRC. In connection with the acquisition of the land use right and the construction of new headquarter building by Mingyou, on November 26, 2020, MINISO Guangzhou entered into a letter of intent (“the Letter”) with the local government of that district, whereby MINISO Guangzhou committed to the local government that the aggregate amount of tax levies paid by the subsidiaries of MINISO Guangzhou in that district and Mingyou would be no less than RMB965,000,000 for a five-year period starting from January 1, 2021. If the above entities fail to meet such commitment, MINISO Guangzhou will be liable to compensate the shortfall.

In April 2022, MINISO Guangzhou provided a performance guarantee of RMB175,000,000 issued by a commercial bank to this local government in respect of the commitment of tax payments for the calendar year of 2022, which was valid from April 1, 2022 to March 31, 2023.

The directors have assessed that, based on the relevant taxes and surcharges paid and payable during the calendar year of 2022, the above entities have met the commitment for the calendar year of 2022 and it thus is not probable that MINISO Guangzhou needs to make such compensation to the local government under the above performance guarantee. No provision has therefore been made in respect of this matter as of December 31, 2022.

(b) Lawsuit relating to illicit competition

During the year ended June 30, 2022, Shenzhen Purcotton Technology Co., Ltd initiated a legal proceeding against certain PRC subsidiaries of the Group, one of the Group’s suppliers and a store operated by one of the Group’s franchisees relating to an illicit competition dispute. The total amount claimed against the PRC subsidiaries was approximately RMB30 million. Based on the assessment of the Group’s litigation counsels, the probability of the subsidiaries losing the case is considered low, and even if the claimant were to prevail, the compensation amount ordered by the courts is expected to be immaterial and much lower than the total amount claimed. Therefore, no provision was made in respect of the claim as of December 31, 2022.

(c) Securities class action

A shareholder class action lawsuit relating to the disclosures in the Company’s IPO registration and prospectus was filed against the Company and certain of the Company’s officers and directors on August 17, 2022 in the United States. Plaintiffs purport to bring this action on behalf of a class of similarly situated investors and seek monetary damages on behalf of the class. This action is currently at its preliminary stage and the directors are unable to assess the outcome of the action or reliably estimate the potential losses, if any. Therefore, no provision was made in respect of this action as of December 31, 2022.

Notes to the Unaudited Interim Financial Report

(Expressed in thousands of Renminbi, except for per share data)

26 MATERIAL RELATED PARTY TRANSACTIONS

During the six months ended December 31, 2022 and 2021, the Group had the following material related party transactions:

(i) Key management personnel compensation

Key management personnel compensation comprised the following:

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Short-term employee benefits	8,208	8,146

(ii) Other transactions with related parties

	For the six months ended December 31,	
	2022 RMB'000	2021 RMB'000
Sales of lifestyle products	11,305	7,471
Provision of information technology support and consulting services	2,730	16,673
Purchase of lifestyle products	7,409	13,366
Provision of guarantee for a subsidiary of the then equity-accounted investee	-	160,000
Purchase of catering services	2,808	6,395
Payment of lease liabilities	8,688	-

Review Report



**Review report to the Board of Directors
of MINISO Group Holding Limited**
(Incorporated in Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 33 to 69 which comprises the consolidated statement of financial position of MINISO Group Holding Limited (the “Company”) as of December 31, 2022 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34, *Interim financial reporting*, issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at December 31, 2022 is not prepared, in all material respects, in accordance with International Accounting Standard 34, *Interim financial reporting*.

KPMG
Certified Public Accountants

8th Floor, Prince’s Building
10 Chater Road
Central, Hong Kong

February 28, 2023

Definitions

“2020 Share Incentive Plan”	the share incentive plan our Company adopted in September 2020, as amended from time to time
“ADS(s)”	American Depositary Shares, each of which represents four Shares
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Authorised Representative”	the authorised representative under Rule 3.05 of the Listing Rules
“Board”	the board of Directors
“BVI”	British Virgin Islands
“China” or “the PRC”	the People’s Republic of China, and for the purposes of this interim report only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “we”, “us”, or “our”	MINISO Group Holding Limited (名創優品集團控股有限公司), a company with limited liability incorporated in the Cayman Islands on January 7, 2020
“Compensation Committee”	the compensation committee of the Board
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Ye, Ms. Yang and the intermediary companies through which Mr. Ye and Ms. Yang have an interest in the Company, namely, Mini Investment Limited, YGF MC Limited, YGF Development Limited, YYY MC Limited and YYY Development Limited
“core SKU”	SKU that generates over RMB100,000 in sales for over a consecutive 12-month period
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, as amended from time to time
“Director(s)”	the director(s) of our Company

Definitions

“first-tier cities”	Beijing, Shanghai, Guangzhou and Shenzhen
“Global Offering”	the Hong Kong Public Offering and the International Offering
“GMV”	the total value of all merchandises sold by us and our retail partners and distributors to end-customers, before deducting sales rebates and including the value-added taxes and sales taxes collected from consumers, as applicable, regardless of whether the merchandises are returned
“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	the Company and its subsidiaries from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Public Offer Price (plus brokerage of 1%, SFC transaction levy of 0.0027%, FRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.005%) on the terms and subject to the conditions described in the Prospectus, as further described in the section headed “Structure of the Global Offering – The Hong Kong Public Offering” in the Prospectus
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Ichiban Kuji”	one of the categories of products sold under the TOP TOY brand that mostly feature manga characters and that are typically sold by lottery
“IFRS(s)”	the International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Independent Third Party(ies)”	any entity or person who is not a connected person of our Company or an associate of such person within the meaning ascribed to it under the Listing Rules
“International Offering”	the conditional placing of the International Offer Shares at the International Offer Price pursuant to the shelf registration statement on Form F-3ASR that was filed with the SEC and became effective on March 31, 2022, and subject to the terms and conditions of the International Underwriting Agreement
“IP”	intellectual property
“Latest Practicable Date”	February 28, 2023
“Listing”	the listing of the Shares on the Main Board of the Hong Kong Stock Exchange

Definitions

“Listing Date”	July 13, 2022, on which the Shares are to be listed and on which dealings in the Shares are to be first permitted to take place on the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange
“Mini Investment Limited”	Mini Investment Limited, a limited liability company incorporated under the laws of BVI on November 26, 2019
“MINISO Retail Partner”	franchisee under our MINISO Retail Partner model, a franchise-like store model with chain store characteristics, where the franchisee bears the store opening capital expenditure and store operating expenses to join our “MINISO” or “TOP TOY” branded retail store franchise
“MINISO store”	any of the stores operated under the “MINISO” brand name, including those directly operated by us, those operated under the MINISO Retail Partner model, and those operated under the distributor model
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“Mr. Ye”	Mr. Guofu Ye, an executive Director, chairman of our Board, the chief executive officer of our Company, the founder of our Group, a Controlling Shareholder and an Authorised Representative of our Company
“Ms. Yang”	Ms. Yunyun Yang, spouse of Mr. Ye and a Controlling Shareholder of our Company
“Nominating and Corporate Governance Committee”	the nominating and corporate governance committee of the Board
“NYSE”	the New York Stock Exchange
“O2O”	online to offline, a business strategy that draws potential customers from online channels to make purchases in physical stores
“Prospectus”	the prospectus of the Company dated June 30, 2022
“Reporting Period”	the six months ended December 31, 2022
“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“SEC”	the Securities and Exchange Commission of the United States

Definitions

“second-tier cities”	mainly include capital cities of provinces and autonomous regions, centrally-administered municipalities, and other cities of China that the Company considers to have a similar level of development potential
“SFO” or “Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary shares of US\$0.00001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of our Share(s)
“SKU”	stock keeping unit, a unique identifier for each distinct product and service that can be purchased
“subsidiary” or “subsidiaries”	has the meaning ascribed to it in section 15 of the Companies Ordinance
“third- or lower-tier cities”	cities other than first- and second-tier cities in China
“TOP TOY store”	any store operated under the “TOP TOY” brand name, including those directly operated by us and those operated under the MINISO Retail Partner model
“United States” or “US”	United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$” or “U.S. dollars”	United States dollars, the lawful currency of the United States
“%”	per cent