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**POP MART**

**POP MART INTERNATIONAL GROUP LIMITED**

**泡泡瑪特國際集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9992)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**ANNUAL RESULTS HIGHLIGHTS**

	For the year ended 31 December		
	2023	2022	Change
	<i>RMB'000</i>	<i>RMB'000</i>	(%)
Revenue	<b>6,301,002</b>	4,617,324	36.5%
Gross profit	<b>3,864,071</b>	2,654,543	45.6%
Operating profit	<b>1,230,646</b>	583,380	111.0%
Profit before income tax	<b>1,415,755</b>	639,529	121.4%
Profit for the year	<b>1,088,771</b>	475,801	128.8%
Profit attributable to owners of the Company	<b>1,082,344</b>	475,660	127.5%
Non-IFRS adjusted net profit	<b>1,190,519</b>	573,540	107.6%
Basic earnings per share (RMB)	<b>0.81</b>	0.35	131.4%
Diluted earnings per share (RMB)	<b>0.81</b>	0.35	131.4%

The board of directors (the “**Board**”) of Pop Mart International Group Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company, its subsidiaries and consolidated affiliated entities (the “**Group**”) for the year ended 31 December 2023 (the “**Reporting Period**”). The content of this annual results announcement has been prepared in accordance with applicable disclosure requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in relation to preliminary announcements of annual results, and has been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IASB**”). Such annual results have also been reviewed and confirmed by the Board and the audit committee of the Board (the “**Audit Committee**”). Unless otherwise stated, the financial data of the Company are presented in Renminbi (“**RMB**”).

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Note</i>	Year ended 31 December	
		2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Revenue	4	6,301,002	4,617,324
Cost of sales	5	<u>(2,436,931)</u>	<u>(1,962,781)</u>
<b>Gross profit</b>		<b>3,864,071</b>	<b>2,654,543</b>
Distribution and selling expenses	5	(2,004,706)	(1,470,753)
General and administrative expenses	5	(707,300)	(686,280)
Provision for impairment loss on financial assets		(745)	(4,500)
Other income	6	74,900	45,572
Other gains – net	7	<u>4,426</u>	<u>44,798</u>
<b>Operating profit</b>		<b>1,230,646</b>	<b>583,380</b>
Finance income	8	184,217	67,682
Finance expenses	8	<u>(32,337)</u>	<u>(38,579)</u>
Finance income – net	8	<u>151,880</u>	<u>29,103</u>
Share of profit of investments accounted for using the equity method		<u>33,229</u>	<u>27,046</u>
<b>Profit before income tax</b>		<b>1,415,755</b>	<b>639,529</b>
Income tax expense	9	<u>(326,984)</u>	<u>(163,728)</u>
<b>Profit for the year</b>		<b><u>1,088,771</u></b>	<b><u>475,801</u></b>
<b>Profit is attributable to:</b>			
– Owners of the Company		1,082,344	475,660
– Non-controlling interests		<u>6,427</u>	<u>141</u>
		<b><u>1,088,771</u></b>	<b><u>475,801</u></b>

		<b>Year ended 31 December</b>	
	<i>Note</i>	<b>2023</b>	<b>2022</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss			
– Currency translation differences		<u>3,962</u>	<u>31,397</u>
Items that will not be reclassified to profit or loss			
– Currency translation differences		<u>71,144</u>	<u>379,648</u>
<b>Other comprehensive income for the year, net of tax</b>			
		<u>75,106</u>	<u>411,045</u>
<b>Total comprehensive income for the year</b>			
		<u>1,163,877</u>	<u>886,846</u>
<b>Total comprehensive income for the year attributable to:</b>			
– Owners of the Company		<u>1,157,468</u>	<u>886,633</u>
– Non-controlling interests		<u>6,409</u>	<u>213</u>
		<u>1,163,877</u>	<u>886,846</u>
<b>Earnings per share for profit attributable to owners of the Company</b>			
– Basic (expressed in RMB per share)	<i>11</i>	<b>0.81</b>	0.35
– Diluted (expressed in RMB per share)	<i>11</i>	<b>0.81</b>	0.35

## CONSOLIDATED BALANCE SHEET

		As at 31 December	
	Note	2023	2022
		RMB'000	RMB'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		653,278	448,884
Intangible assets		115,888	146,507
Right-of-use assets		726,053	701,627
Investments accounted for using the equity method		107,001	83,333
Financial assets at fair value through profit or loss		471,769	459,034
Prepayments and other receivables		127,989	44,165
Deferred income tax assets		83,416	80,977
		<u>2,285,394</u>	<u>1,964,527</u>
<b>Total non-current assets</b>			
<b>Current assets</b>			
Trade receivables	12	321,337	194,369
Inventories		904,708	866,985
Prepayments and other receivables		467,561	486,553
Financial assets at fair value through profit or loss		8,415	12,829
Restricted cash		18,159	13,265
Term deposits with initial term over three months and within one year		3,885,362	4,356,220
Cash and cash equivalents		2,077,927	685,314
		<u>7,683,469</u>	<u>6,615,535</u>
<b>Total current assets</b>			
		<u>9,968,863</u>	<u>8,580,062</u>
<b>Total assets</b>			

		<b>As at 31 December</b>	
	<i>Note</i>	<b>2023</b>	<b>2022</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<b>Equity</b>			
Share capital	<i>13</i>	<b>885</b>	908
Shares held for share award scheme		<b>(12)</b>	(14)
Other reserves		<b>4,438,448</b>	4,693,043
Retained earnings		<b>3,330,606</b>	2,269,351
		<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>		<b>7,769,927</b>	6,963,288
		<hr/>	<hr/>
Non-controlling interests in equity		<b>10,455</b>	2,037
		<hr/>	<hr/>
<b>Total equity</b>		<b>7,780,382</b>	6,965,325
		<hr/>	<hr/>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
License fees payables	<i>15</i>	<b>14,807</b>	21,306
Lease liabilities		<b>425,954</b>	447,564
Deferred income tax liabilities		<b>14,419</b>	15,120
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>455,180</b>	483,990
		<hr/>	<hr/>
<b>Current liabilities</b>			
Trade payables	<i>14</i>	<b>444,944</b>	259,006
License fees payables	<i>15</i>	<b>179,393</b>	133,517
Other payables		<b>514,841</b>	308,791
Borrowing		<b>15,058</b>	–
Contract liabilities		<b>112,143</b>	88,797
Lease liabilities		<b>351,799</b>	293,567
Current income tax liabilities		<b>115,123</b>	47,069
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>1,733,301</b>	1,130,747
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>2,188,481</b>	1,614,737
		<hr/>	<hr/>
<b>Total equity and liabilities</b>		<b>9,968,863</b>	8,580,062
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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

POP MART INTERNATIONAL GROUP LIMITED (the “**Company**”) was incorporated in the Cayman Islands on 9 May 2019 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

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

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

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

These consolidated financial results have been approved for issue by the Board of Directors on 20 March 2024.

## 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated financial results have been consistently applied to all the year presented, unless otherwise stated. The consolidated financial results are for the Group consisting of the Company and its subsidiaries.

### (i) Compliance with IFRS and HKCO

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

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

### (ii) Historical cost convention

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

### (iii) New and amended standards adopted by the Group

The Group has applied the following new and amended standards for the first time for the annual reporting period commencing 1 January 2023:

Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 12	<i>International Tax Reform – Pillar Two Model Rules</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
IFRS 17	<i>Insurance Contracts</i>

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

### (iv) New amendments to standards not yet adopted

Certain amendments to accounting standards have been published but are not mandatory for 31 December 2023 reporting period and have not been early adopted by the Group. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

	<b>Amendments</b>	<b>Effective date</b>
Amendments to IAS 1	<i>Classification of liabilities as current or non-current</i>	<i>Annual periods beginning on or after 1 January 2024</i>
Amendments to IAS 1	<i>Non-current liabilities with covenants</i>	<i>Annual periods beginning on or after 1 January 2024</i>
Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>	<i>Annual periods beginning on or after 1 January 2024</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier finance arrangements</i>	<i>Annual periods beginning on or after 1 January 2024</i>
Amendments to IAS 21	<i>Lack of Exchangeability</i>	<i>Annual periods beginning on or after 1 January 2025</i>
Amendments to IAS 28 and IFRS 10	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	<i>Undetermined</i>

## 3 SEGMENT INFORMATION

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

A geographical segment is engaged in providing products or services within a particular economic environment, which are subject to risks and returns that are different from those of segments operating in other economic environments. During the year ended 31 December 2023, the Group’s operations in Hong Kong, Macao, Taiwan and Overseas (“**Hong Kong, Macao, Taiwan and Overseas**”) have been growing at a high rate. As a result, certain measures in relation to the financial performance and financial condition of the Mainland China operations and the Hong Kong, Macao, Taiwan and Overseas operations are reported to the CODM on a separate basis. As a result, there has been a change in the composition of the reportable segments of the Group.

As at 31 December 2023 and for the year then ended, the Group had two reportable segments:

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

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

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

The segment results and other items included in the consolidated statement of profit or loss and other comprehensive income provided to the CODM for the reportable segments for the year ended 31 December 2023 and the year ended 31 December 2022, respectively are as follows:

	Year ended 31 December					
	2023			2022		
	The Mainland China operations	Hong Kong, Macao, Taiwan and Overseas operations	Total	The Mainland China operations	Hong Kong, Macao, Taiwan and Overseas operations	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Total revenue before inter-segment elimination</b>	<b>5,810,563</b>	<b>1,066,101</b>	<b>6,876,664</b>	4,285,572	453,938	4,739,510
Inter-segment revenue	(575,662)	–	(575,662)	(122,186)	–	(122,186)
<b>Revenue from external customers</b>	<b>5,234,901</b>	<b>1,066,101</b>	<b>6,301,002</b>	4,163,386	453,938	4,617,324
Cost of sales	(2,062,904)	(374,027)	(2,436,931)	(1,756,131)	(206,650)	(1,962,781)
<b>Gross profit</b>	<b>3,171,997</b>	<b>692,074</b>	<b>3,864,071</b>	2,407,255	247,288	2,654,543
<b>Segment results</b>	<b>1,239,503</b>	<b>191,556</b>	<b>1,431,059</b>	605,371	56,207	661,578
Unallocated expenses and other gains/losses			(200,413)			(78,198)
Finance income – net			151,880			29,103
Share of profit of investments accounted for using the equity method			33,229			27,046
<b>Profit before income tax</b>			<b>1,415,755</b>			<b>639,529</b>
Income tax expense			(326,984)			(163,728)
<b>Profit for the year</b>			<b>1,088,771</b>			<b>475,801</b>
<b>Significant non-cash expense</b>						
Depreciation on property, plant and equipment	220,791	12,500	233,291	192,034	1,888	193,922
Depreciation of right-of-use assets	313,792	34,598	348,390	318,296	11,828	330,124
Amortisation of intangible assets	79,614	7,270	86,884	78,833	1,938	80,771

As at 31 December 2023 and 2022, information about the Group's non-current assets (other than financial assets at fair value through profit or loss and deferred tax assets) which is presented based on geographical location of the assets, is as follows:

	<b>As at 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
The Mainland China operations	1,434,042	1,340,207
Hong Kong, Macao, Taiwan and Overseas operations	296,167	84,309

#### 4 REVENUE

Breakdown of revenue by business lines is as follows:

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue from the Mainland China operations</b>		
Revenue from retail store sales	2,479,243	1,691,112
Revenue from online sales	1,710,469	1,829,809
Revenue from roboshop sales	548,572	378,830
Revenue from wholesales and others	496,617	263,635
<b>Subtotal</b>	<b>5,234,901</b>	<b>4,163,386</b>

<b>Revenue from Hong Kong, Macao, Taiwan and Overseas operations</b>		
Revenue from retail store sales	582,909	135,559
Revenue from online sales	155,805	90,224
Revenue from roboshop sales	57,378	15,209
Revenue from wholesales and others	270,009	212,946
<b>Subtotal</b>	<b>1,066,101</b>	<b>453,938</b>

<b>Total</b>	<b>6,301,002</b>	<b>4,617,324</b>
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	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue</b>		
Point-in-time	6,278,843	4,617,324
Over-time	22,159	–
<b>Total</b>	<b>6,301,002</b>	<b>4,617,324</b>

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue</b>		
Revenue recognised on a gross basis	6,301,002	4,617,324

For the years ended 31 December 2023 and 2022, no revenue derived from transactions with a single customer represent 10% or more of the Group's total revenue.

## 5 EXPENSES BY NATURE

	Year ended 31 December	
	2023	2022
	RMB'000	RMB'000
Cost of inventories included in cost of sales	2,042,672	1,693,530
Employee benefit expenses	1,048,487	853,595
Depreciation of right-of-use assets	348,390	330,124
Commissions and E-commerce platform service charges	279,986	137,070
Advertising and marketing expenses	269,650	233,421
Depreciation on property, plant and equipment	233,291	193,922
Expenses relating to short-term leases and variable leases not included in lease liabilities	185,893	79,207
Transportation and logistics expenses	169,803	182,703
Design and license fees	156,921	84,026
Amortisation of intangible assets	86,884	80,771
Taxes and surcharges	45,047	28,027
Cost of moulds with useful lives within one year	26,138	18,135
Impairment of inventory	8,016	3,692
Auditor's remuneration	6,030	5,893
– Audit services	5,100	4,500
– Non-audit services	930	1,393
Others	241,729	195,698
<b>Total</b>	<b>5,148,937</b>	<b>4,119,814</b>

## 6 OTHER INCOME

	Year ended 31 December	
	2023	2022
	RMB'000	RMB'000
Income from license fee and other services	43,008	33,156
Government grants (i)	30,909	11,601
Others	983	815
<b>Total</b>	<b>74,900</b>	<b>45,572</b>

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

**7 OTHER GAINS – NET**

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Changes in fair value of financial instruments at fair value through profit or loss	6,111	49,479
Donation	(2,654)	(3,273)
Exchange gain/(loss)	1,501	(556)
Others	(532)	(852)
	<hr/>	<hr/>
<b>Total</b>	<b>4,426</b>	<b>44,798</b>
	<hr/> <hr/>	<hr/> <hr/>

**8 FINANCE INCOME – NET**

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Finance income</b>		
– Interest income	184,217	67,682
<b>Finance expenses</b>		
– Interest expenses on lease liabilities	(30,754)	(34,057)
– Interest expenses on license fees payables	(1,583)	(4,522)
	<hr/>	<hr/>
<b>Finance income – net</b>	<b>151,880</b>	<b>29,103</b>
	<hr/> <hr/>	<hr/> <hr/>

**9 INCOME TAX EXPENSE**

	<b>Year ended 31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Current income tax	330,124	194,032
Deferred income tax	(3,140)	(30,304)
	<hr/>	<hr/>
<b>Income tax expense</b>	<b>326,984</b>	<b>163,728</b>
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**(a) Cayman Island and BVI Income Tax**

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

**(b) Hong Kong Profits Tax**

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entities will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of the Group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate 16.5%. Hong Kong profits tax has been provided at the rate of 16.5% on the Group's estimated assessable profit for the year ended 31 December 2023 (2022: 16.5%).

**(c) Mainland China Corporate Income Tax ("CIT")**

The income tax provision of the Group in respect of operations in the Mainland China has been calculated at the tax rate of 25% on the estimated assessable profit for the years ended 31 December 2023 (the year ended 31 December 2022: 25%), based on the existing legislation, interpretations and practices in respect thereof.

A group entity has been granted certain tax concessions to small scale entities by tax authorities in the Mainland China whereby the subsidiaries operating in the respective jurisdictions are entitled to tax concessions.

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

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

As at 31 December 2023, the aggregate undistributed earnings of the Group's subsidiaries incorporated in the Mainland China are RMB2,649,591,000 (as at 31 December 2022: RMB2,040,482,000). In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future, and that the Company has the ability to control the timing of the distribution from these subsidiaries. Accordingly, despite an assessable temporary difference on such retained earnings exists, no deferred income tax liability has been recognised in the consolidated financial statements.

**(e)** The Organisation for Economic Co-operation and Development ("OECD") Pillar Two rules apply to multinational enterprises that have consolidated revenues (which, as defined by the OECD, include any form of income and are therefore not limited to revenue recognised in accordance with IFRS 15) of EUR750 million in at least two out of the last four years. As at 31 December 2023, the Group is not within the scope of the OECD Pillar Two model rules as the Company did not meet above condition. The Group has no related current tax exposure.

## **10 DIVIDENDS**

The total dividends paid in 2023 amounted to RMB117,317,000 or RMB8.70 cents per share (2022: RMB209,490,000 or RMB15.24 cents per share) (which are net of the dividend of RMB1,678,000 (2022: RMB3,500,000) attributable to the shares held for the RSU Scheme).

The Board recommended the payment of a final dividend of RMB28.21 cents per ordinary share of the Company issued for the year ended 31 December 2023, representing an aggregate amount of RMB378,840,000 based on the total issued share capital of the Company as of the date of approval of this consolidated financial statements. In the event of change in the total issued share capital of the Company before the record date for dividend payment, dividends will be distributed per share and the total distribution amount will be adjusted accordingly.

The proposed dividend is not reflected as a dividend payable in the consolidated financial statements, but will be reflected as an appropriation of distributable reserves for the year ending 31 December 2024.

## 11 EARNINGS PER SHARE

### (a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue less shares held for Share Award Scheme and shares repurchased by the Company for cancellation during the years ended 31 December 2023 and 2022.

	<b>Year ended 31 December</b>	
	<b>2023</b>	2022
Profit attributable to owners of the Company (RMB'000)	<b>1,082,344</b>	475,660
Weighted average number of ordinary shares in issue less shares held for Share Award Scheme and shares repurchased by the Company for cancellation (in thousands)	<b>1,338,035</b>	1,365,984
Basic earnings per share (expressed in RMB per share)	<b>0.81</b>	0.35

### (b) Dilute earnings per share

The calculation of diluted earnings per share for the years ended 31 December 2023 and 2022 is set out below:

	<b>Year ended 31 December</b>	
	<b>2023</b>	2022
Profit attributable to owners of the Company (RMB'000)	<b>1,082,344</b>	475,660
Profit used to determine diluted earnings per share (RMB'000)	<b>1,082,344</b>	475,660
Weighted average number of ordinary shares in issue less shares held for Share Award Scheme and shares repurchased by the Company for cancellation (in thousands)	<b>1,338,035</b>	1,365,984
Adjustment for – Restricted Shares granted and assumed vested (in thousands)	<b>2,471</b>	557
Weighted average number of shares for diluted earnings per shares (in thousands)	<b>1,340,506</b>	1,366,541
Dilute earnings per share (expressed in RMB per share)	<b>0.81</b>	0.35

For the years ended 31 December 2023 and 2022, diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's potentially dilutive ordinary shares comprised shares which may be granted and assumed vested under the Post-IPO Share Award Scheme. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding shares granted under the Post-IPO Share Award Scheme (defined as the "**Restricted Shares**"). The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the Restricted Shares.

## 12 TRADE RECEIVABLES

	<b>As at 31 December</b>	
	<b>2023</b>	2022
	<b>RMB'000</b>	<i>RMB'000</i>
Trade receivables (a)		
– Third parties	237,437	110,310
– Related parties	<u>91,219</u>	<u>91,350</u>
<b>Subtotal</b>	<b>328,656</b>	201,660
Less: provision for impairment allowance (b)	<u>(7,319)</u>	<u>(7,291)</u>
<b>Total trade receivables</b>	<b><u>321,337</u></b>	<b><u>194,369</u></b>

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

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

	<b>As at 31 December</b>	
	<b>2023</b>	2022
	<b>RMB'000</b>	<i>RMB'000</i>
Within 3 months	311,485	181,339
3 months to 6 months	12,523	16,759
Over 6 months	<u>4,648</u>	<u>3,562</u>
<b>Total</b>	<b><u>328,656</u></b>	<b><u>201,660</u></b>

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

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

	<b>Year ended 31 December</b>	
	<b>2023</b>	2022
	<b>RMB'000</b>	<i>RMB'000</i>
<b>As at 1 January</b>	7,291	3,194
Provision for impairment allowance	<u>28</u>	<u>4,097</u>
<b>As at 31 December</b>	<b><u>7,319</u></b>	<b><u>7,291</u></b>

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

	As at 31 December	
	2023	2022
	RMB'000	RMB'000
RMB	173,058	116,558
HKD	44,124	59,727
TWD	30,436	13,202
JPY	23,060	–
SGD	21,811	1,094
Others	28,848	3,788
	<u>321,337</u>	<u>194,369</u>

(d) All trade receivables' carrying amounts approximate fair values.

### 13 SHARE CAPITAL AND TREASURY SHARES

#### Authorised:

	Number of ordinary shares	Nominal value of ordinary shares USD'000
Ordinary shares of US\$0.0001 each On 1 January 2022, 31 December 2022 and 31 December 2023	5,000,000,000	500

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

	Number of ordinary shares	Nominal value of ordinary shares USD'000	Nominal value of ordinary shares RMB'000	Number of treasury shares	Carrying value of treasury shares RMB'000
<b>At 1 January 2022</b>	<b>1,401,937,550</b>	<b>141</b>	<b>923</b>	<b>–</b>	<b>–</b>
Purchase of own shares (i)	–	–	–	(34,347,400)	(634,310)
Cancellation of repurchased shares (ii)	(21,397,000)	(2)	(15)	21,397,000	447,915
<b>At 31 December 2022</b>	<b>1,380,540,550</b>	<b>139</b>	<b>908</b>	<b>(12,950,400)</b>	<b>(186,395)</b>
Purchase of own shares (i)	–	–	–	(19,947,000)	(333,709)
Cancellation of repurchased shares (ii)	(32,297,400)	(3)	(23)	32,297,400	509,636
<b>At 31 December 2023</b>	<b>1,348,243,150</b>	<b>136</b>	<b>885</b>	<b>(600,000)</b>	<b>(10,468)</b>

- (i) During the year ended 31 December 2023, the Company acquired 19,947,000 ordinary shares of the Company (2022: 34,347,000 ordinary shares) through purchases on the open market. The total amount paid to acquire the shares during the year was HKD370,688,000 (equivalent to approximately RMB333,709,000) (2022: HKD735,364,000 (equivalent to approximately RMB634,310,000)).
- (ii) During the year ended 31 December 2023, the Company cancelled 32,297,000 repurchased shares. As a result, the Company recognised a debit to share capital of USD3,000 (equivalent to approximately RMB23,000), a debit to share premium of RMB509,613,000 and a credit to treasury shares of RMB509,636,000.

During the year ended 31 December 2022, the Company cancelled 21,397,000 repurchased shares. As a result, the Company recognised a debit to share capital of USD2,000 (equivalent to approximately RMB15,000), a debit to share premium of RMB447,900,000 and a credit to treasury shares of RMB447,915,000.

## 14 TRADE PAYABLES

	As at 31 December	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Merchandise payables	<b>444,944</b>	259,006

The credit terms of merchandise payables granted by the suppliers are usually current to 180 days. At 31 December 2023 and 2022, the aging analysis of the merchandise payables based on invoice date is as follows:

	As at 31 December	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Within 30 days	224,494	100,317
30 to 90 days	150,226	75,632
90 to 180 days	26,907	46,039
Over 180 days	43,317	37,018
<b>Total</b>	<b>444,944</b>	259,006

## 15 LICENSE FEES PAYABLES

	As at 31 December	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
License fees payables	194,200	154,823
Less: non-current portion	(14,807)	(21,306)
<b>Current portion</b>	<b>179,393</b>	133,517

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

	As at 31 December	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Analysis of license fees payables:</b>		
<b>Non-current</b>		
– the first to second year	10,271	16,614
– the second to fifth year	4,085	3,342
– more than five years	451	1,350
	<b>14,807</b>	21,306
<b>Current</b>	<b>179,393</b>	133,517

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

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

In 2023, with the effective implementation of a series of policies to expand domestic demand and promote consumption, residents' consumption demand was released at a faster pace, and the foundation for the recovery of the consumer market was constantly consolidated as well. Meanwhile, residents' desire to travel has increased, driving a sound development of offline commerce. As the national economy continues to recover, the expansion momentum of the consumer market was further consolidated and enhanced.

Based on the unremitting efforts of various departments of the Company, with our outstanding operational capabilities and creativity, we have launched several new product series that gained popularity among consumers and achieved excellent sales performance while providing quality services to consumers.

During the Reporting Period, we recorded a revenue of RMB6,301.0 million, representing a year-on-year increase of 36.5%. Through continuous expansion of the international market and in-depth promotion of localized operation, our business in Hong Kong, Macao, Taiwan and overseas maintained a rapid development, with the revenue reaching RMB1,066.1 million, representing a year-on-year increase of 134.9% and accounting for 16.9% of our revenue.

#### **IP Incubation and Operation**

IP operation and creative designs are the key factors to promote our development. We explored highly-potential pop artists and designers worldwide and created popular pop culture IP images through well-established IP operation system. At the same time, we continued to strengthen innovation in product designs and diversify product categories to meet the needs of different fan groups and create more happiness for consumers around the world.

Our IP matrix continued to expand, showing a trend of diversity. In 2023, 10 artist IPs recorded sales of over RMB100 million. Revenue generated from SKULLPANDA, MOLLY and DIMOO amounted to RMB1,024.8 million, RMB1,020.3 million and RMB737.7 million in 2023, respectively. SKULLPANDA continuously explored and looked for breakthroughs in styles, achieving 20.3% year-on-year growth in related revenue. Specifically, the sales of "Temperature", the eighth series of SKULLPANDA, reached RMB313.8 million for the year ended 31 December 2023. Moreover, MOLLY continued to show strong vitality and still achieved a year-on-year increase of 27.2% in related revenue through diverse commercialization operations. Through diversified designs for different product categories and innovative presentation forms, the image of THE MONSTERS has become more vibrant and vivid, while also demonstrating more enriched personalities, which in turn has been well received by more fans, contributing to a year-on-year growth of 39.9% in related revenue.

Several IPs launched by our in-house design team PDC (Pop Design Center) also recorded an outstanding performance in 2023. Hirono triggered emotional empathy among fans through design language, representing a year-on-year increase of 149.5% in revenue in 2023. Moreover, Sweet Bean, PINO JELLY, Zsiga and other IPs were also well received and recognized by the market.

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

As a high-end production line created because of our promotion of “pop toy as art”, the MEGA COLLECTION is characterized by both fashion and a deep sense of artistic expression. 2023 is the third year since we launched MEGA COLLECTION, and the brand operation has gradually entered a mature stage. In the beginning of the year, the first ceramic material pop garage kits “MEGA SPACE MOLLY 1000% Lu Huo Chun Qing • Ran” (MEGA SPACE MOLLY 1000% 爐火純青• 燃) launched by the Grand series has received extensive attention across consumers from different social networks. In addition, the cooperation with top brands in different fields such as CLOT and Lamborghini has also tapped the diverse possibilities of MEGA COLLECTION. In 2023, revenue of the MEGA Collection Series amounted to RMB681.5 million.

We continued innovation in products and enriched our categories while continuously launching creative items. Apart from pop figures, we made continuous efforts in developing new categories with an aim to demonstrate images and connotation of IPs in a more vivid way.

As our product category in vogue launched in 2023, the rotocasting plush dolls not only contributed abundant revenue, but also enhanced the stickiness of fans to IPs by exploring the cores of IPs, developing diverse product models and innovative gameplay.

POP BEAN draws inspiration from the Q version images of many IPs under our brand. Since its launch, it has been well-received by consumers for its cute and changeable product designs and rich variety of interaction. Since its inception, POP BEAN has released more than ten series of products, including various forms such as canned products, blind bags and hanging cards. While enriching the product forms of IPs, it also brings consumers more interesting consumption experiences.

## Consumer Access

### – *Offline channels*

In 2023, we opened 55 new physical stores in Mainland China. The number of physical stores increased from 329 as of 31 December 2022 to 363<sup>1</sup> as of 31 December 2023. In 2023, we opened 123 roboshops in Mainland China. The number of roboshops increased from 2,067 as of 31 December 2022 to 2,190 as of 31 December 2023.

### – *Online channels*

Pop Draw is a mini program independently invented and developed by us on WeChat platform, aiming to create fun, interesting and convenient shopping experience. In 2023, revenue from Pop Draw amounted to RMB729.3 million. In 2023, the revenue of Tmall Flagship stores amounted to RMB322.0 million. Our content-related e-commerce team continuously outputs high-quality live content on DouYin based on the characteristics of the IP and series by organizing a number of self-operated live streams. Such methods not only attracted a large number of fans, but also promoted more life scenes of merchandize and achieved excellent sales performance. In 2023, the revenue of DouYin amounted to RMB283.3 million, representing a year-on-year increase of 431.2%.

### – *Member operation*

With continuous channel expansion and IPs portfolio enhancement, through omni-channel member operation, the scale of user digitalization grew rapidly. As of 31 December 2023, the total number of registered members in Mainland China increased from 26.0 million as at 31 December 2022 to 34.4 million. In particular, there were 8.4 million new registered members. In 2023, the sales contributed by our members represented 92.1% of total sales, with repeat purchase rate of our members of 50.0%<sup>2</sup>.

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

The implementation of our DTC (Direct To Customer) strategy for Hong Kong, Macao, Taiwan and overseas business continued. As of 31 December 2023, the number of our physical stores in Hong Kong, Macao, Taiwan and overseas was 80 (including those operated by joint venture), and the number of roboshops reached 159 (including those operated by joint venture and roboshop partners). In 2023, we opened our first offline stores in France, Malaysia, Thailand and Netherlands, and also opened our third flagship store in Ximending, Taiwan, the PRC in December and set a new global store record for sales on the first day. With the continuous expansion of offline and online channels, the Pop Mart's brand and products received increasing recognition and favor around the world.

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<sup>1</sup> In 2023, due to lease expiration and other commercial reasons, we closed 21 stores.

<sup>2</sup> Representing the proportion of members who made purchase for twice or more in 2023.

## **Theme Park and IP Experience and Innovative Business Incubation**

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

In September 2023, POP LAND landed in Chaoyang Park in Beijing, becoming the first immersive IP-themed park in the pop toy industry. In POP LAND, not only can the visitors experience immersive play in IP scenes and interact closely with Pop stars, but they can also enjoy cute and delicious IP-themed dining, and get exclusive park souvenirs. While providing happy experiences and beautiful memories to a wider range of visitors, POP LAND also attracts fans of Pop Mart, making it a channel for deeper emotional connection between Pop Mart and IPs and users.

The Company has promoted the cooperation with other well-known IPs and brands in the licensing or co-branding of its IPs, and organized pop toy shows and IP-themed exhibitions in various countries and regions to continuously expand the influence of its IPs in the world.

Between 8 and 10 September 2023, we organized the first large-scale overseas pop toy show in Singapore. During three days of this pop toy show, a total of more than 20,000 visitors were received and the works of over 90 artists from all over the world with different styles were displayed. This show has opened the door for trendy fans from Southeast Asia, enabling them to contact the pop toy IPs they like and imaginative creators. The Shanghai International Trendy Toy Fair returned to offline in September 2023 after three years, attracting nearly 400 trendy toy brands around the world and nearly 100 domestic and overseas artists. The POP TOY SHOW (PTS) has comprehensively showed the charm of IPs to global consumers, attracted more overseas artists and brands to cooperate with us and further promoted the global development of pop toy culture.

Leveraging on our excellent capability of artists development and powerful market appeal, we promote more trendy artists to the public and bring better experience to consumers. In 2023, we held 31 themed exhibitions in shopping malls and 24 artists' signing meetings in Mainland China, which established interactive platforms for IP creators and fans and further promoted the blooming of pop toy culture. In addition, as a contemporary art institution of the Company, inner flow has cooperated with nearly 100 outstanding domestic and overseas artists in holding more than 10 exhibitions in various cities across the country. In the second half of 2023, inner flow Gallery was successfully opened in Beijing 798 Art Park, receiving wide attention and praise from the industry.

## FINANCIAL REVIEW

### Sales Revenue

Revenue of the Company increased from RMB4,617.3 million in 2022 to RMB6,301.0 million in 2023, representing a year-on-year increase of 36.5%.

### Revenue by channels

Revenue of the Company is generated in Mainland China and Hong Kong, Macao, Taiwan and overseas, including: 1. offline channels; 2. online channels; and 3. wholesales channels and others. The following table sets out the Company's revenue by channels in 2023 and 2022:

	For the year ended 31 December 2023			For the year ended 31 December 2022		
	Revenue <i>RMB'000</i>	Gross profit margin	Proportion of revenue	Revenue <i>RMB'000</i>	Gross profit margin	Proportion of revenue
Mainland China						
Offline channels	3,027,815	63.0%	48.1%	2,069,942	60.7%	44.8%
Online channels	1,710,469	60.5%	27.1%	1,829,809	57.8%	39.6%
Wholesales and others	496,617	46.7%	7.9%	263,635	35.6%	5.8%
<b>Total</b>	<b>5,234,901</b>	<b>60.6%</b>	<b>83.1%</b>	<b>4,163,386</b>	<b>57.8%</b>	<b>90.2%</b>
Hong Kong, Macao, Taiwan and overseas						
Offline channels	640,287	74.4%	10.1%	150,768	73.4%	3.2%
Online channels	155,805	73.5%	2.5%	90,224	74.5%	2.0%
Wholesales and others	270,009	37.6%	4.3%	212,946	32.6%	4.6%
<b>Total</b>	<b>1,066,101</b>	<b>64.9%</b>	<b>16.9%</b>	<b>453,938</b>	<b>54.5%</b>	<b>9.8%</b>
<b>Grand total</b>	<b>6,301,002</b>	<b>61.3%</b>	<b>100.0%</b>	<b>4,617,324</b>	<b>57.5%</b>	<b>100.0%</b>

(1) *Mainland China*

- **Offline channels.** Revenue from offline sales increased by 46.3% from RMB2,069.9 million in 2022 to RMB3,027.8 million in 2023. The table below sets forth a breakdown of revenue from offline sales and the city tier:

	For the year ended 31 December 2023		For the year ended 31 December 2022		Change
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Retail stores	2,479,243	81.9%	1,691,112	81.7%	46.6%
Roboshops	548,572	18.1%	378,830	18.3%	44.8%
<b>Total</b>	<b>3,027,815</b>	<b>100.0%</b>	<b>2,069,942</b>	<b>100.0%</b>	<b>46.3%</b>

City tier	Retail stores				Roboshops			
	For the year ended 31 December 2023		2022		For the year ended 31 December 2023		2022	
	Number	Revenue <i>(RMB'000)</i>	Number	Revenue <i>(RMB'000)</i>	Number	Revenue <i>(RMB'000)</i>	Number	Revenue <i>(RMB'000)</i>
First-tier cities <sup>3</sup>	120	1,019,936	123	684,944	592	146,735	559	100,293
New first-tier cities <sup>4</sup>	105	685,316	95	490,952	672	173,346	634	118,727
Second-tier and other cities <sup>5</sup>	138	773,991	111	515,216	926	228,491	874	159,810
<b>Total</b>	<b>363</b>	<b>2,479,243</b>	<b>329</b>	<b>1,691,112</b>	<b>2,190</b>	<b>548,572</b>	<b>2,067</b>	<b>378,830</b>

- **Retail stores.** Revenue from retail store sales increased by 46.6% year-on-year from RMB1,691.1 million in 2022 to RMB2,479.2 million in 2023. The status of retail stores of the Mainland China in 2023: as of 31 December 2023, the number of retail stores increased by 34 as compared to 31 December 2022. As of 31 December 2023, there were a total of 363 retail stores.
- **Roboshops.** Revenue from roboshop sales increased by 44.8% year-on-year from RMB378.8 million in 2022 to RMB548.6 million in 2023. The status of roboshops of the Mainland China in 2023: as of 31 December 2023, the number of roboshops increased by 123 as compared to 31 December 2022. As of 31 December 2023, there were a total of 2,190 roboshops.

<sup>3</sup> Refer to first-tier cities in Mainland China, including Beijing, Shanghai, Guangzhou and Shenzhen

<sup>4</sup> Refer to new first-tier cities in Mainland China, including Chengdu, Chongqing, Hangzhou, Wuhan, Xi'an, Zhengzhou, Qingdao, Changsha, Tianjin, Suzhou, Nanjing, Dongguan, Shenyang, Hefei and Foshan

<sup>5</sup> Refer to cities other than first-tier cities and new first-tier cities in Mainland China

- **Online channels.** Revenue from online sales decreased by 6.5% from RMB1,829.8 million in 2022 to RMB1,710.5 million in 2023. The table below sets forth a breakdown of revenue from online sales.

	For the year ended 31 December 2023		For the year ended 31 December 2022		Increase
	Revenue (RMB'000)	Proportion of revenue	Revenue (RMB'000)	Proportion of revenue	
Pop Draw	729,280	42.6%	954,678	52.2%	-23.6%
Tmall flagship store	321,966	18.8%	462,394	25.3%	-30.4%
DouYin	283,318	16.6%	53,331	2.9%	431.2%
Other online channels	375,905	22.0%	359,406	19.6%	4.6%
<b>Total</b>	<b>1,710,469</b>	<b>100.0%</b>	<b>1,829,809</b>	<b>100.0%</b>	<b>-6.5%</b>

Online revenue sources in Mainland China include Pop Draw, Tmall flagship store, DouYin and other online channels. In particular, revenue from Pop Draw decreased by 23.6% from RMB954.7 million in 2022 to RMB729.3 million in 2023; revenue from Tmall flagship store decreased by 30.4% from RMB462.4 million in 2022 to RMB322.0 million in 2023; revenue from DouYin increased by 431.2% from RMB53.3 million in 2022 to RMB283.3 million in 2023.

- **Wholesales and others.** Revenue from wholesales and others increased by 88.4% from RMB263.6 million in 2022 to RMB496.6 million in 2023, primarily due to (1) the increase in sales to wholesalers; and (2) the increase in revenue generated from POP LAND since its opening in September 2023.

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

- **Offline channels.** Revenue from offline sales increased by 324.7% from RMB150.8 million in 2022 to RMB640.3 million in 2023.

	For the year ended 31 December 2023		For the year ended 31 December 2022		Change
	Revenue (RMB'000)	Proportion of revenue	Revenue (RMB'000)	Proportion of revenue	
Retail stores	582,909	91.0%	135,559	89.9%	330.0%
Roboshops	57,378	9.0%	15,209	10.1%	277.3%
<b>Total</b>	<b>640,287</b>	<b>100.0%</b>	<b>150,768</b>	<b>100.0%</b>	<b>324.7%</b>

**Retail stores.** Revenue from retail store sales increased by 330.0% year on year from RMB135.6 million in 2022 to RMB582.9 million in 2023. The status of retail stores of Hong Kong, Macao, Taiwan and overseas in 2023: as of 31 December 2023, the number of retail stores increased by 42 as compared to 31 December 2022. As of 31 December 2023, there were a total of 70 retail stores.

**Roboshops.** Revenue from roboshop sales increased by 277.3% year on year from RMB15.2 million in 2022 to RMB57.4 million in 2023. The status of roboshops of Hong Kong, Macao, Taiwan and overseas in 2023: as of 31 December 2023, the number of roboshops increased by 50 as compared to 31 December 2022. As of 31 December 2023, there were a total of 99 roboshops.

- **Online channels.** Revenue from online sales increased by 72.7% from RMB90.2 million in 2022 to RMB155.8 million in 2023. The table below sets forth a breakdown of revenue from online sales.

	For the year ended 31 December 2023		For the year ended 31 December 2022		Increase
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Shopee	42,885	27.5%	25,186	27.9%	70.3%
Pop Mart official website	39,479	25.4%	27,061	30.0%	45.9%
Other online channels	73,441	47.1%	37,977	42.1%	93.4%
<b>Total</b>	<b>155,805</b>	<b>100.0%</b>	<b>90,224</b>	<b>100.0%</b>	<b>72.7%</b>

Online revenue sources in Hong Kong, Macao, Taiwan and overseas include Shopee, Pop Mart official website and other online channels. Revenue from Shopee increased by 70.3% from RMB25.2 million in 2022 to RMB42.9 million in 2023. Revenue from Pop Mart official website increased by 45.9% from RMB27.1 million in 2022 to RMB39.5 million in 2023, primarily because we have refined our operation in Hong Kong, Macao, Taiwan and overseas through the rapid promotion in regional brand building and the launch of local limited products based on the differentiation of local market culture.

- **Wholesales and others.** Revenue from wholesales and others in Hong Kong, Macao, Taiwan and overseas increased by 26.8% from RMB212.9 million in 2022 to RMB270.0 million in 2023, primarily due to the expansion of business scale in Hong Kong, Macao, Taiwan and overseas, combined with the diversification of IPs and product categories, which increased the popularity of brands and IPs, as well as the number of target customers.

## Revenue by IPs

Pop Mart proprietary products are our major product type. During the year ended 31 December 2023, revenue from proprietary products contributed 93.0% of our total revenue. Revenue from proprietary products increased by 39.8% from RMB4,190.0 million in 2022 to RMB5,858.0 million in 2023.

Proprietary products of Pop Mart are mainly divided into: artist IPs and licensed IPs<sup>6</sup>, and below sets forth a breakdown of revenue by IPs.

	For the year ended 31 December			
	2023	Proportion	2022	Proportion
	Revenue	of revenue	Revenue	of revenue
	RMB'000		RMB'000	
<b>Proprietary products</b>	<b>5,857,957</b>	<b>93.0%</b>	4,189,971	90.8%
Artist IPs	4,822,226	76.5%	3,639,705	78.9%
SKULLPANDA	1,024,788	16.3%	851,611	18.4%
MOLLY	1,020,305	16.2%	802,155	17.4%
DIMOO	737,666	11.7%	577,948	12.5%
THE MONSTERS	367,871	5.8%	263,002	5.7%
HIRONO	351,201	5.6%	140,768	3.1%
Sweet Bean	203,614	3.2%	147,940	3.2%
PINO JELLY	158,074	2.5%	76,870	1.7%
HACIPUPU	151,758	2.4%	42,797	0.9%
Other artist IPs	806,949	12.8%	736,614	16.0%
Licensed IPs	1,035,731	16.5%	550,266	11.9%
External procurement and others	443,045	7.0%	427,353	9.2%
<b>Total</b>	<b>6,301,002</b>	<b>100.0%</b>	<b>4,617,324</b>	<b>100.0%</b>

- **Artist IPs.** Artist IPs are the major product type of the Company, primarily including SKULLPANDA, MOLLY, DIMOO and THE MONSTERS and other IPs. Revenue from artist IPs increased by 32.5% from RMB3,639.7 million in 2022 to RMB4,822.2 million in 2023, primarily due to the fact that we continued to innovate our product design and enrich our product types to launch more products that are popular among consumers.

<sup>6</sup> In order to more intuitively reflect the revenue contribution of proprietary products from artists' original IPs and externally licensed classic IPs, the Company has reclassified the IPs classification method. Artist IPs include original proprietary IPs and exclusive IPs, while licensed IPs are non-exclusive IPs.

- **Licensed IPs.** Revenue from licensed IPs increased by 88.2% from RMB550.3 million in 2022 to RMB1,035.7 million in 2023, primarily due to the fact that we continuously deepened our cooperation with more copyright owners to launch more styles and types of products.

### **Costs of Sales**

Our costs of sales increased by 24.2% from RMB1,962.8 million in 2022 to RMB2,436.9 million in 2023, primarily due to (1) the increase in costs of goods from RMB1,693.5 million in 2022 to RMB2,042.7 million in 2023, which was mainly due to the increase in sales; and (2) the increase in costs of design and license from RMB159.7 million in 2022 to RMB236.6 million in 2023, which was mainly due to more IP licensing fees and product design fees as a result of the increase in the proportion of our proprietary products and the increase in co-branded products.

### **Gross Profit**

Our gross profit increased by 45.6% from RMB2,654.5 million in 2022 to RMB3,864.1 million in 2023, primarily due to the increase in revenue and the control of cost of sales. Our gross profit margin increased from 57.5% in 2022 to 61.3% in 2023, primarily due to the increase in gross profit margin of our proprietary products.

Gross profit from Pop Mart proprietary products increase by 47.6% from RMB2,518.2 million in 2022 to RMB3,716.2 million in 2023, primarily due to the increase in revenue of sales from our Pop Mart proprietary products. Gross profit margin of proprietary products increased from 59.7% in 2022 to 63.4% in 2023, primarily due to the fact that (1) we optimized our product design and improved the cost control of raw material suppliers; and (2) we enhanced the centralized procurement of suppliers of major product categories, increased our bargaining power with suppliers and maintained the stability of the suppliers' pricing system.

Gross profit from external procurement and other products increased from RMB136.4 million in 2022 to RMB147.9 million in 2023.

### **Distribution and Selling Expenses**

Our distribution and selling expenses increased by 36.3% from RMB1,470.8 million in 2022 to RMB2,004.7 million in 2023, among which, (1) employee benefit expenses; and (2) depreciation of right-of-use assets accounted for higher proportions.

- **Employee benefit expenses.** Our employee benefit expenses increased by 51.9% from RMB394.0 million in 2022 to RMB598.5 million in 2023, primarily due to the increase in the number of sales personnel from 3,171 (due to structural adjustment of the Company, such figure was reclassified and recalculated) as of 31 December 2022 to 3,735 as of 31 December 2023, primarily for supporting the expansion of our retail stores and roboshop network.

- **Depreciation of right-of-use assets.** Our depreciation of right-of-use assets increased by 13.2% from RMB269.3 million in 2022 to RMB304.9 million in 2023, mainly due to the increase in the number of offline retail outlets by 76 compared to that as of 31 December 2022 to cater for our business expansion in Mainland China, Hong Kong, Macao and Taiwan and overseas.

### **General and Administrative Expenses**

Our general and administrative expenses increased by 3.1% from RMB686.3 million in 2022 to RMB707.3 million in 2023. Among them, employee benefit expenses accounted for higher proportions, and the number of our administrative and design development personnel increased from 1,007 (due to structural adjustment of the Company, such figure was reclassified and recalculated) as of 31 December 2022 to 1,110 as of 31 December 2023.

### **Other Income**

The other income of the Company increased by 64.4% from RMB45.6 million in 2022 to RMB74.9 million in 2023. Among them, government grants increased from RMB11.6 million in 2022 to RMB30.9 million in 2023.

### **Operating Profit**

As a result of the above, the Group's operating profit increased by 111.0% from RMB583.4 million in 2022 to RMB1,230.6 million in 2023.

### **Finance Income, Net**

Our finance income, net increased from RMB29.1 million in 2022 to RMB151.9 million in 2023, primarily due to the increase in our interest income.

### **Income Tax Expense**

Our income tax expense increased from RMB163.7 million in 2022 to RMB327.0 million in 2023 as a result of the increase in profit before income tax. Our effective tax rate dropped from 25.6% in 2022 to 23.1% in 2023.

### **Profit for the Year**

As a result of the above, our profit for the year increased from RMB475.8 million in 2022 to RMB1,088.8 million in 2023.

## Non-IFRS Financial Indicators

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

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

	<b>Year ended 31 December 2023 (RMB'000)</b>	Year ended 31 December 2022 (RMB'000)
Profit for the year	<b>1,088,771</b>	475,801
Adjustments		
Share-based payment	<b>101,748</b>	97,739
Non-IFRS adjusted net profit	<b>1,190,519</b>	573,540
Non-IFRS adjusted net profit margin	<b>18.9%</b>	12.4%

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

## Current Assets, Financial Resources and Capital Expenditures

In 2023, the Group adopted conservative and stable fund management and financial policies with regard to its overall business operations. The Group maintained the following resources to meet its working capital requirements:

### *Current assets and current liabilities*

Our net current assets increased from RMB5,484.8 million as of 31 December 2022 to RMB5,950.2 million as of 31 December 2023, which was basically stable.

### ***Trade receivables***

Trade receivables represent outstanding amounts receivable by us from our customers in the ordinary course of business. Our trade receivables increased from RMB194.4 million as of 31 December 2022 to RMB321.3 million as of 31 December 2023. The increase was primarily due to the increase in receivables from wholesales and other channels as a result of business expansion in Hong Kong, Macao, Taiwan and overseas. Trade receivables turnover days amounted to 15 days as of 31 December 2023, which was in line with that of 2022.

### ***Inventories***

Our inventories comprise finished goods. Our inventories increased from RMB867.0 million as of 31 December 2022 to RMB904.7 million as of 31 December 2023. The increase was primarily due to the increase in product inventories to meet with the sales demands. Inventory turnover days decreased from 156 days in 2022 to 133 days as of 31 December 2023.

### ***Cash and cash equivalents***

Our cash and cash equivalents primarily comprise cash at bank. Cash and cash equivalents increased from RMB685.3 million as of 31 December 2022 to RMB2,077.9 million as of 31 December 2023, which was mainly due to (1) the increase in cash flows from operating activities in 2023; and (2) the decrease in certain time deposits in 2023.

### ***Trade payables***

Trade payables primarily represent our obligation to pay for merchandise from suppliers in the ordinary course of business. Trade payables increased from RMB259.0 million as of 31 December 2022 to RMB444.9 million as of 31 December 2023. Trade payable turnover days increased from 49 days in 2022 to 53 days as of 31 December 2023.

### ***Bank borrowings***

As of 31 December 2023, we had a total of RMB15.1 million of bank borrowings, representing short-term loans from a commercial bank (31 December 2022: nil).

### **Pledge of Assets**

The Group did not have any pledged assets as of 31 December 2023 (31 December 2022: nil).

### **Gearing Ratio**

The gearing ratio is calculated by dividing total liabilities by total assets and then multiplying by 100%. As of 31 December 2023, the Group's gearing ratio was 22.0% as compared with the gearing ratio of 18.8% as of 31 December 2022.

### **Contingency**

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

## Foreign Exchange Risk Management

The Group's subsidiaries operate in Mainland China, Hong Kong, Macao, Taiwan and Overseas, and they are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and HKD. Our management considers that the business is not exposed to any significant foreign exchange risk as the financial assets and liabilities of our Group denominated in currencies other than the respective functional currencies of our operating entities are not significant. We did not hedge against any fluctuation in foreign currency during the period ended 31 December 2023 and 2022.

## Capital Expenditures

Our capital expenditures consist of purchases of property, plant and equipment and purchases of intangible assets. The table below sets forth the Company's capital expenditures in 2022 and 2023:

	<b>For the year ended 31 December 2023 (RMB' 000)</b>	For the year ended 31 December 2022 (RMB' 000)
Purchases of property, plant and equipment	<b>324,179</b>	266,132
Purchases of intangible assets	<b>68,287</b>	81,491
<b>Total</b>	<b><u>392,466</u></b>	<b><u>347,623</u></b>

## Human Resources

As of 31 December 2023, we had a total of 4,845 employees, including 3,735 sales personnel and 1,110 administrative and development personnel. During the year ended 31 December 2023, we incurred staff costs (including remuneration, payrolls, allowances and benefits) of RMB1,048.5 million.

## Future Plans on Significant Investments

As of 31 December 2023, we did not hold any significant investment.

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

## Material Acquisitions and Disposals

As of 31 December 2023, we had not conducted any material acquisition or disposal of subsidiaries, associates and joint ventures.

## Outlook

IP is at the core of our business. Through our innovative products, delicate design and quality services, we aim to offer consumers with joyful pop culture and artistic experience. At the same time, by elevating our brand value, we will enhance the brand loyalty of users on Pop Mart products, thereby maintaining our strong market position and competitiveness.

We will strive to enrich the types of our IPs, expand the portfolio of our IPs, maintain high-quality design and innovation standards, introduce more products as top-selling series, operate IPs continuously, strengthen IPs' impression in the public's eye, and deepen the emotional connection between fans and IPs. In addition, we will increase types of pop toys and IP side products, further explore the value of product lines such as MEGA, POP BEAN, derivative products and BJD, and improve production technique and sale procedures.

Our international business will continue to grow rapidly, driving the global penetration of our brands through the continued promotion of our overseas DTC strategy and the deployment of physical stores, roboshops, cross-border e-commerce platforms and other channels. We will strive to increase our brand awareness and market share in pop toy market in overseas countries and regions. Localization of operation is the core of our overseas operations strategy. While enhancing the shopping experience and interaction of end consumers, we will also cooperate with more local partners and artists to explore more business models, IPs and product types that meet the needs of local market.

We will strive to expand our channel network so as to reach more users. In addition, we will continue to strengthen our operating capability, improve user shopping experience, enhance member expansion and member operation capability, promote innovative retail digitalized operation, reach and retain users through diversified measures, and offer customized, better services.

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

While further engaging in the Pop Toy business, we will continue to expand new brands including MEGA, GONG and inner flow. Through emerging businesses such as amusement parks and games, we will further strengthen our fans' understanding of IPs and increase their way to interact with IPs, so as to enhance the emotional connection with IPs. Besides, we will construct a more sophisticated and comprehensive business ecosystem with IP as its core.

## **SUBSEQUENT EVENT AFTER REPORTING PERIOD**

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

## USE OF NET PROCEEDS FROM LISTING

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

As stated in the Prospectus, the intended uses of the Net Proceeds are set out below:

Intended use of Net Proceeds	Allocation of Net Proceeds	Percentage of total Net proceeds	Amount of Net Proceeds		Amount of Net Proceeds utilized up to 31 December 2023	Balance of Net Proceeds unutilized as at 31 December 2023	Intended timetable for use of the unutilized Net Proceeds
			Amount of Net Proceeds unutilized up to 31 December 2022	Amount of Net Proceeds utilized during 12 months ended 31 December 2023			
(i) To finance part of our expansion plans of consumer access channels and overseas markets	HK\$1,734.5 million	30.0%	HK\$508.1 million	HK\$244.8 million	HK\$1,471.2 million	HK\$263.3 million	Before 31 December 2025
(a) for opening new retail stores	HK\$954.0 million	16.5%	–	–	HK\$954.0 million	–	
(b) for opening new roboshops	HK\$346.9 million	6.0%	HK\$162.1 million	HK\$77.5 million	HK\$262.3 million	HK\$84.6 million	
(c) for expanding our business into overseas markets	HK\$433.6 million	7.5%	HK\$346.0 million	HK\$167.3 million	HK\$254.9 million	HK\$178.7 million	
(ii) To fund our potential investments in, acquisitions of and strategic alliance with companies along the value chain of our industry	HK\$1,561.1 million	27.0%	HK\$1,249.3 million	–	HK\$311.8 million	HK\$1,249.3 million	Before 31 December 2025
(iii) To invest in technology initiatives to strengthen our marketing and fan engagement efforts, and to enhance the digitalization of our business	HK\$867.2 million	15.0%	HK\$549.3 million	HK\$178.6 million	HK\$496.5 million	HK\$370.7 million	
(a) for talent recruitment	HK\$173.5 million	3.0%	HK\$113.4 million	HK\$51.0 million	HK\$111.1 million	HK\$62.4 million	Before 31 December 2025
(b) for acquiring relevant software and hardware to enhance digitalization and establish information systems for digital marketing, customer services, logistics, products, supply chain, warehousing, membership, transactions and store management and marketing	HK\$346.9 million	6.0%	HK\$271.2 million	HK\$29.2 million	HK\$104.9 million	HK\$242.0 million	Before 31 December 2025
(c) for optimizing our online marketing efforts, which primarily consist of strategically placed advertisement, icons, links and news feeds on third party promotional platforms	HK\$346.8 million	6.0%	HK\$164.7 million	HK\$98.4 million	HK\$280.5 million	HK\$66.3 million	Before 31 December 2025

Intended use of Net Proceeds	Allocation of Net Proceeds	Percentage of total Net proceeds	Amount of Net Proceeds		Amount of Net Proceeds utilized up to 31 December 2023	Balance of Net Proceeds unutilized as at 31 December 2023	Intended timetable for use of the unutilized Net Proceeds
			Amount of Net Proceeds unutilized up to 31 December 2022	Amount of Net Proceeds utilized during 12 months ended 31 December 2023			
(iv) To expand our IP pool	HK\$1,040.7 million	18.0%	HK\$818.7 million	HK\$95.8 million	HK\$317.8 million	HK\$722.9 million	
(a) for enhancing our ability to identify outstanding artists	HK\$260.3 million	4.5%	HK\$124.9 million	HK\$95.8 million	HK\$231.2 million	HK\$29.1 million	Before 31 December 2025
(b) for recruiting talented designers to join our in-house design team to enhance our in-house original IP development capability by providing competitive salary	HK\$86.6 million	1.5%	–	–	HK\$86.6 million	–	–
(c) for acquisitions of popular IPs from to expand our IP pool	HK\$693.8 million	12.0%	HK\$693.8 million	–	–	HK\$693.8 million	Before 31 December 2025
(v) Working capital and general corporate purposes	HK\$578.2 million	10.0%	–	–	HK\$578.2 million	–	–

The intended timetable for use of the unutilized Net Proceeds disclosed above is later than originally planned, due to sufficient cash flow generated from operating activities, cost saving achieved via improved operational efficiency and prudent investment decision making of the Company. The Group will utilise the Net Proceeds of the initial public offering in accordance with the intended purposes as set out in the Prospectus.

## DIVIDEND

The Board recommended the payment of a final dividend of RMB28.21 cents per issued ordinary share of the Company for the year ended 31 December 2023. On the basis of the total issued share capital of 1,342,943,150 shares of the Company as of the date of this announcement, it is estimated that the aggregate amount of final dividend would be RMB378.84 million. The actual total amount of final dividends to be paid will be subject to the total number of issued share capital of the Company as at the record date for determining the entitlement of shareholders to the final dividend.

The proposed dividend payment is subject to the approval by the shareholders of the Company (the “**Shareholders**”) at the forthcoming annual general meeting (the “**AGM**”) to be held on Tuesday, 21 May 2024 and is payable in Hong Kong Dollars based on the official exchange rate of Renminbi against Hong Kong Dollars as quoted by the People’s Bank of China on 21 May 2024. Upon Shareholders’ approval, such dividend will be paid on Wednesday, 12 June 2024 to the Shareholders whose names shall appear on the register of members of the Company on Thursday, 30 May 2024.

## CLOSURE OF THE REGISTER OF MEMBERS

The Company will hold the AGM on Tuesday, 21 May 2024. The register of members of the Company will be closed from Thursday, 16 May 2024 to Tuesday, 21 May 2024, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered, and Shareholders whose names on the register of members of the Company on Tuesday, 21 May 2024 shall have the right to attend and vote at the AGM. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 14 May 2024.

The register of members of the Company will also be closed from Monday, 27 May 2024 to Thursday, 30 May 2024, both days inclusive, in order to determine the entitlement of the Shareholders to receive the final dividend, during which period no share transfers will be registered. To qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 24 May 2024.

## CORPORATE GOVERNANCE

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

### Chairman and Chief Executive Officer

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

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

## MODEL CODE FOR SECURITIES TRANSACTIONS

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

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, the Company repurchased a total of 19,947,000 shares of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$370,687,990. Particulars of the shares repurchased are as follows:

Month of Repurchase	No. of Shares Repurchase	Price Paid per Share		Aggregate Consideration (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
April	3,632,600	20.00	17.08	68,758,920
May	5,234,400	19.90	16.62	96,699,024
June	6,350,000	18.28	16.40	110,323,784
July	1,000,000	18.50	16.68	17,539,668
October	1,400,000	21.70	21.25	30,076,960
November	230,000	21.60	21.20	4,925,530
December	2,100,000	21.20	18.78	42,364,104
<b>Total</b>	<b><u>19,947,000</u></b>			<b><u>370,687,990</u></b>

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

## AUDIT COMMITTEE

The Audit Committee had, together with the Board, reviewed the accounting standards and practices adopted by the Group and the annual results for the year ended 31 December 2023.

## **SCOPE OF WORK OF AUDITOR**

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated balance sheet and the related notes thereto for the year ended 31 December 2023 as set forth in this announcement have been agreed by the Company's auditor, PricewaterhouseCoopers, to the amounts set forth in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

## **PUBLICATION OF THE ANNUAL RESULTS AND 2023 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.popmart.com](http://www.popmart.com)), and the 2023 Annual Report containing all the information required by the Listing Rules will be dispatched to the Shareholders, if necessary, and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board  
**POP MART INTERNATIONAL GROUP LIMITED**  
**Wang Ning**

*Executive Director, Chairman of the Board and Chief Executive Officer*

Hong Kong, 20 March 2024

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