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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)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

**INTERIM RESULTS HIGHLIGHTS**

	Six months ended 30 June		Change (%)
	(Unaudited) 2024 RMB'000	(Unaudited) 2023 RMB'000	
Revenue	4,557,831	2,813,812	62.0%
Gross profit	2,919,105	1,698,360	71.9%
Operating profit	1,126,417	537,762	109.5%
Profit before income tax	1,228,438	618,547	98.6%
Profit for the period	964,142	477,242	102.0%
Profit attributable to owners of the Company	921,333	476,575	93.3%
Non-IFRS adjusted net profit	1,017,625	535,365	90.1%
Basic earnings per share (RMB cents)	69.49	35.46	96.0%
Diluted earnings per share (RMB cents)	69.22	35.42	95.4%

The board (the “**Board**”) of directors (the “**Directors**”) of Pop Mart International Group Limited (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company, its subsidiaries and consolidated affiliated entities (the “**Group**”) for the six months ended 30 June 2024 (the “**Reporting Period**”). The contents of this interim results announcement have 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 interim results.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

		<b>Six months ended 30 June</b>	
	<i>Note</i>	<b>2024</b>	<b>2023</b>
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	4	4,557,831	2,813,812
Cost of sales	5	<u>(1,638,726)</u>	<u>(1,115,452)</u>
<b>Gross profit</b>		<u><b>2,919,105</b></u>	<u>1,698,360</u>
Distribution and selling expenses	5	(1,353,206)	(878,319)
General and administrative expenses	5	(434,410)	(331,252)
Provision for impairment losses on financial assets		(2,589)	(95)
Other income	6	31,586	37,433
Other (losses)/gains-net	7	<u>(34,069)</u>	<u>11,635</u>
<b>Operating profit</b>		<u><b>1,126,417</b></u>	<u>537,762</u>
Finance income	8	105,993	79,613
Finance expenses	8	<u>(22,218)</u>	<u>(16,174)</u>
Finance income-net	8	<u><b>83,775</b></u>	<u>63,439</u>
Share of profit of investments accounted for using the equity method		<u>18,246</u>	<u>17,346</u>
<b>Profit before income tax</b>		<u><b>1,228,438</b></u>	<u>618,547</u>
Income tax expense	9	<u>(264,296)</u>	<u>(141,305)</u>
<b>Profit for the period</b>		<u><b>964,142</b></u>	<u>477,242</u>
<b>Profit for the period attributable to:</b>			
Owners of the Company		921,333	476,575
Non-controlling interests		<u>42,809</u>	<u>667</u>
		<u><b>964,142</b></u>	<u>477,242</u>

		<b>Six months ended 30 June</b>	
	<i>Note</i>	<b>2024</b>	<b>2023</b>
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss			
– Currency translation differences		<u>2,368</u>	<u>14,907</u>
Items that will not be reclassified to profit or loss			
– Currency translation differences		<u>103,338</u>	<u>154,574</u>
<b>Other comprehensive income for the period, net of tax</b>		<u>105,706</u>	<u>169,481</u>
<b>Total comprehensive income for the period</b>		<u>1,069,848</u>	<u>646,723</u>
<b>Total comprehensive income for the period attributable to:</b>			
– Owners of the Company		<u>1,026,682</u>	<u>646,192</u>
– Non-controlling interests		<u>43,166</u>	<u>531</u>
		<u><b>1,069,848</b></u>	<u><b>646,723</b></u>
<b>Earnings per share for profit attributable to owners of the Company</b>			
Basic (expressed in RMB cents per share)	<i>11</i>	<u>69.49</u>	<u>35.46</u>
Diluted (expressed in RMB cents per share)	<i>11</i>	<u>69.22</u>	<u>35.42</u>

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	<i>Note</i>	As at <b>30 June 2024</b> <i>RMB'000</i> <b>(Unaudited)</b>	As at 31 December 2023 <i>RMB'000</i> <b>(Audited)</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>627,083</b>	653,278
Intangible assets		<b>123,135</b>	115,888
Right-of-use assets		<b>789,368</b>	726,053
Investments accounted for using the equity method		<b>112,928</b>	107,001
Financial assets at fair value through profit or loss		<b>429,972</b>	471,769
Prepayments and other receivables		<b>122,746</b>	127,989
Deferred income tax assets		<b>96,906</b>	83,416
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>2,302,138</b>	2,285,394
		<hr/>	<hr/>
<b>Current assets</b>			
Trade receivables	<i>12</i>	<b>263,722</b>	321,337
Inventories		<b>916,686</b>	904,708
Prepayments and other receivables		<b>497,621</b>	467,561
Financial assets at fair value through profit or loss		<b>7,409</b>	8,415
Restricted cash		<b>19,954</b>	18,159
Term deposits with initial term over three months and within one year		<b>3,401,275</b>	3,885,362
Cash and cash equivalents		<b>3,608,674</b>	2,077,927
		<hr/>	<hr/>
<b>Total current assets</b>		<b>8,715,341</b>	7,683,469
		<hr/>	<hr/>
<b>Total assets</b>		<b>11,017,479</b>	9,968,863
		<hr/> <hr/>	<hr/> <hr/>

	<i>Note</i>	As at <b>30 June 2024</b> <i>RMB'000</i> <b>(Unaudited)</b>	As at 31 December 2023 <i>RMB'000</i> <b>(Audited)</b>
<b>Equity</b>			
Share capital	<i>13</i>	<b>882</b>	885
Shares held for share award scheme		<b>(11)</b>	(12)
Other reserves		<b>4,159,062</b>	4,438,448
Retained earnings		<b>4,239,103</b>	3,330,606
		<hr/>	<hr/>
Equity attributable to owners of the Company		<b>8,399,036</b>	7,769,927
Non-controlling interests in equity		<b>53,621</b>	10,455
		<hr/>	<hr/>
<b>Total equity</b>		<b>8,452,657</b>	7,780,382
		<hr/>	<hr/>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
License fees payables	<i>15</i>	<b>14,188</b>	14,807
Lease liabilities		<b>466,001</b>	425,954
Deferred income tax liabilities		<b>16,290</b>	14,419
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>496,479</b>	455,180
		<hr/>	<hr/>
<b>Current liabilities</b>			
Trade payables	<i>14</i>	<b>555,137</b>	444,944
License fees payables	<i>15</i>	<b>273,026</b>	179,393
Other payables		<b>535,472</b>	514,841
Contract liabilities		<b>151,536</b>	112,143
Borrowing		–	15,058
Lease liabilities		<b>356,175</b>	351,799
Current income tax liabilities		<b>196,997</b>	115,123
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>2,068,343</b>	1,733,301
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>2,564,822</b>	2,188,481
		<hr/>	<hr/>
<b>Total equity and liabilities</b>		<b>11,017,479</b>	9,968,863
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# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

## 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 PO 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.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 11 December 2020.

This interim condensed consolidated financial information is presented in Renminbi (“**RMB**”), unless otherwise stated. This interim condensed consolidated financial information was approved for issue by the board of directors of the Company on 20 August 2024.

This interim condensed consolidated financial information for the six months ended 30 June 2024 has not been audited.

## 2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2024 has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“**IAS 34**”).

The interim condensed consolidated financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim condensed consolidated financial information is to be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS Accounting Standards, and any public announcements made by the Company during the Reporting Period.

## 3 ACCOUNTING POLICIES

The accounting policies applied to the preparation of this interim condensed consolidated financial information are consistent with those applied in the annual financial statements for the year ended 31 December 2023, except for the adoption of amended standards as set out below:

### **Amended standards adopted by the Group**

The Group has applied the following amendments for the first time from 1 January 2024:

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

The amendments 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.

### ***Impact of standards issued but not yet applied by the Group***

Certain new and amended accounting standards have been published but are not mandatory for reporting period commencing 1 January 2024 and have not been early adopted by the Group. These new and amended accounting standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

	<i>Amendments and interpretations</i>	<i>Effective date</i>
Amendments to IAS 21	<i>Lack of Exchangeability</i>	Annual periods beginning on or after 1 January 2025
Amendments to IFRS 9 and IFRS 7	<i>Classification and Measurement of Financial Instruments</i>	Annual periods beginning on or after 1 January 2026
IFRS 18	<i>Presentation and Disclosure in Financial Statements</i>	Annual periods beginning on or after 1 January 2027
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>	Annual periods beginning on or after 1 January 2027

## **4 REVENUE AND SEGMENT INFORMATION**

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

As at 30 June 2024 and for the period then ended, the Group had two reportable segments:

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

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

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

The segment results and other items included in the interim condensed statement of profit or loss and other comprehensive income provided to the CODM for the reportable segments for the period ended 30 June 2024 and 2023, respectively are as follows:

	Six months ended 30 June					
	2024			2023		
	<i>RMB'000</i>			<i>RMB'000</i>		
	The Mainland China operations (Unaudited)	Hong Kong, Macao, Taiwan and Overseas operations (Unaudited)	Total (Unaudited)	The Mainland China operations (Unaudited)	Hong Kong, Macao, Taiwan and Overseas operations (Unaudited)	Total (Unaudited)
Revenue from external customers	<u>3,206,354</u>	<u>1,351,477</u>	<u>4,557,831</u>	<u>2,438,032</u>	<u>375,780</u>	<u>2,813,812</u>
Segment results	<u>886,788</u>	<u>400,191</u>	<u>1,286,979</u>	<u>502,398</u>	<u>78,890</u>	<u>581,288</u>
Unallocated expenses and other gains/losses			(160,562)			(43,526)
Finance income-net			83,775			63,439
Share of profit of investments accounted for using the equity method			<u>18,246</u>			<u>17,346</u>
<b>Profit before income tax</b>			<u>1,228,438</u>			<u>618,547</u>
Income tax expense			<u>(264,296)</u>			<u>(141,305)</u>
<b>Profit for the period</b>			<u>964,142</u>			<u>477,242</u>
<b>Significant non-cash expenses</b>						
Depreciation on property, plant and equipment	134,790	12,366	147,156	111,141	3,698	114,839
Depreciation of right-of-use assets	174,333	39,408	213,741	166,592	11,849	178,441
Amortisation of intangible assets	47,477	6,261	53,738	42,415	4,738	47,153





	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Revenue</b>		
Revenue recognised on a gross basis	4,557,831	2,813,563
Revenue recognised on a net basis (i)	–	249
	<hr/>	<hr/>
<b>Total</b>	<b>4,557,831</b>	<b>2,813,812</b>
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- (i) Certain revenue generated from consignment sales of art derivatives in an art promotion institution is recognised on a net basis when the Group acts as an agent in the transactions and does not take inventory risk or have latitude in establishing prices for the products.

During the six months ended 30 June 2024 and 2023, no revenue derived from transactions with a single customer represent 10% or more of the Group's total revenue.

## 5 EXPENSES BY NATURE

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cost of inventories included in cost of sales	1,282,095	923,921
Employee benefit expenses	657,748	496,416
Depreciation of right-of-use assets	213,741	178,441
Commissions and E-commerce platform service charges	206,785	70,262
Advertising and marketing expenses	198,592	141,978
Design and license fees	192,352	77,459
Expenses relating to short-term leases and variable leases not included in lease liabilities	162,848	66,240
Depreciation on property, plant and equipment	147,156	114,839
Transportation and logistics expenses	121,931	81,536
Amortisation of intangible assets	53,738	47,153
Taxes and surcharges	45,243	21,765
Auditor's remuneration	1,500	1,500
Impairment of inventory	1,185	747
Others	141,428	102,766
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<b>Total</b>	<b>3,426,342</b>	<b>2,325,023</b>
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## 6 OTHER INCOME

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Income from license fee and other services	18,949	15,480
Government grants (i)	10,301	21,170
Others	2,336	783
<b>Total</b>	<b>31,586</b>	<b>37,433</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. There are no unfulfilled conditions or contingencies relating to these grants.

## 7 OTHER (LOSSES)/GAINS – NET

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Changes in fair value of financial instruments at fair value through profit or loss	(33,305)	5,728
Exchange gain or loss	(9,868)	7,056
Donation	(131)	(700)
Others	9,235	(449)
<b>Total</b>	<b>(34,069)</b>	<b>11,635</b>

## 8 FINANCE INCOME – NET

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
<b>Finance income</b>		
– Interest income on cash and bank deposits	<u>105,993</u>	<u>79,613</u>
<b>Finance expenses</b>		
– Interest expenses on lease liabilities	<u>(19,766)</u>	<u>(14,701)</u>
– Others	<u>(2,452)</u>	<u>(1,473)</u>
	<u>(22,218)</u>	<u>(16,174)</u>
Finance income -net	<u><u>83,775</u></u>	<u><u>63,439</u></u>

## 9 INCOME TAX EXPENSE

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Current income tax	275,915	150,299
Deferred income tax credit	<u>(11,619)</u>	<u>(8,994)</u>
Income tax expense	<u><u>264,296</u></u>	<u><u>141,305</u></u>

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the six months ended 30 June 2024 is approximately 21.5% (six months ended 30 June 2023: 22.8%).

## 10 DIVIDENDS

During the six months ended 30 June 2024, the total dividends paid amounted to RMB373,025,000 or RMB28.21 cents per share (six months ended 30 June 2023: RMB117,317,000 or RMB8.7 cents per share), which are net of the dividend of RMB4,763,000 (six months ended 30 June 2023: RMB1,678,000) attributable to the shares held for the RSU Scheme.

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 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 six months ended 30 June 2024 and 2023.

	<b>Six months ended 30 June</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
Profit attributable to owners of the Company (RMB'000)	<b>921,333</b>	476,575
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>1,325,920</b>	1,344,182
Basic earnings per share (expressed in RMB cents per share)	<b>69.49</b>	35.46

### (b) Dilute earnings per share

The calculation of diluted earnings per share for the six months ended 30 June 2024 is set out below:

	<b>Six months ended 30 June</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
Profit attributable to owners of the Company (RMB'000)	<b>921,333</b>	476,575
Profit used to determine diluted earnings per share (RMB'000)	<b>921,333</b>	476,575
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>1,325,920</b>	1,344,182
Adjustment for – Restricted Shares granted and assumed vested (in thousands)	<b>5,181</b>	1,325
Weighted average number of shares for diluted earnings per shares (in thousands)	<b>1,331,101</b>	1,345,507
Diluted earnings per share (expressed in RMB cents per share)	<b>69.22</b>	35.42

For the six months ended 30 June 2024 and 2023, diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's potentially dilutive ordinary shares comprised shares which may be granted and assumed vested under the 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 market price of the Company's ordinary shares during the six months ended 30 June 2024) based on the monetary value of the subscription rights attached to the outstanding shares granted under the Post-IPO Share Award Scheme (the "Restricted Shares"). The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the Restricted Shares.

## 12 TRADE RECEIVABLES

	As at <b>30 June</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
Trade receivables (a)		
– Third parties	217,586	237,437
– Related parties	<u>55,474</u>	<u>91,219</u>
<b>Subtotal</b>	<b>273,060</b>	328,656
Less: provision for impairment (b)	<u>(9,338)</u>	<u>(7,319)</u>
<b>Total trade receivables</b>	<b><u>263,722</u></b>	<b><u>321,337</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:

	As at <b>30 June</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
Within 3 months	231,705	311,485
3 months to 6 months	34,940	12,523
Over 6 months	<u>6,415</u>	<u>4,648</u>
<b>Total</b>	<b><u>273,060</u></b>	<b><u>328,656</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 are as follows:

	<b>Six months ended 30 June</b>	
	<b>2024</b> <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
<b>As at 1 January</b>	<b>7,319</b>	7,291
Provision for impairment allowance	<u><b>2,019</b></u>	<u>30</u>
<b>As at 30 June</b>	<u><b>9,338</b></u>	<u>7,321</u>

### 13 SHARE CAPITAL AND TREASURY SHARES

#### Authorised:

	<b>Number of ordinary shares</b>	<b>Nominal value of ordinary shares <i>USD'000</i></b>
Ordinary shares of US\$0.0001 each		
On 1 January 2023, 30 June 2023, 31 December 2023 and 30 June 2024	<u>5,000,000,000</u>	<u>500</u>

#### Issued and fully paid ordinary shares:

	<b>Number of ordinary shares</b>	<b>Nominal value of ordinary shares <i>USD'000</i></b>	<b>Unaudited Nominal value of ordinary shares <i>RMB'000</i></b>	<b>Number of treasury shares</b>	<b>Carrying value of treasury shares <i>RMB'000</i></b>
<b>At 1 January 2024</b>	1,348,243,150	136	885	(600,000)	(10,468)
Purchase of own shares (i)	–	–	–	(4,700,000)	(78,031)
Cancellation of repurchased shares (ii)	<u>(5,300,000)</u>	<u>(1)</u>	<u>(3)</u>	<u>5,300,000</u>	<u>88,499</u>
<b>At 30 June 2024</b>	<u><b>1,342,943,150</b></u>	<u><b>135</b></u>	<u><b>882</b></u>	<u><b>–</b></u>	<u><b>–</b></u>
<b>At 1 January 2023</b>	1,380,540,550	139	908	(12,950,400)	(186,395)
Purchase of own shares (i)	–	–	–	(15,217,000)	(246,876)
Cancellation of repurchased shares (ii)	<u>(24,217,400)</u>	<u>(2)</u>	<u>(17)</u>	<u>24,217,400</u>	<u>370,217</u>
<b>At 30 June 2023</b>	<u><b>1,356,323,150</b></u>	<u><b>137</b></u>	<u><b>891</b></u>	<u><b>(3,950,000)</b></u>	<u><b>(63,054)</b></u>

- (i) During the six months ended 30 June 2024, the Company acquired 4,700,000 ordinary shares of the Company (six months ended 30 June 2023: 15,217,000 ordinary shares) through purchases on the open market. The total amount paid to acquire the shares during the period was HKD85,827,000 (equivalent to approximately RMB78,031,000) (six months ended 30 June 2023: HKD275,781,000 (equivalent to approximately RMB246,876,000)). The highest price per share and the lowest per share paid for such repurchases during the Reporting Period are HK\$17.00 and HK\$19.96, respectively.
- (ii) During the six months ended 30 June 2024, the Company cancelled 5,300,000 repurchased shares. As a result, the Company recognised a debit to share capital of USD530 (equivalent to RMB3,766), a debit to share premium of RMB88,495,000 and a credit to treasury shares of RMB88,499,000.

During the six months ended 30 June 2023, the Company cancelled 24,217,000 repurchased shares. As a result, the Company recognised a debit to share capital of USD2,422 (equivalent to approximately RMB17,000), a debit to share premium of RMB370,200,000 and a credit to treasury shares of RMB370,217,000.

#### 14 TRADE PAYABLES

	As at <b>30 June 2024</b> <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
Merchandise payables	<b>555,137</b>	444,944

The credit terms of merchandise payables granted by the suppliers are usually current to 180 days. As at 30 June 2024 and 31 December 2023, the aging analysis of the merchandise payables based on invoice date were as follow:

	As at <b>30 June 2024</b> <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
Within 30 days	<b>319,469</b>	224,494
30 to 90 days	<b>168,399</b>	150,226
90 to 180 days	<b>14,106</b>	26,907
Over 180 days	<b>53,163</b>	43,317
	<b>555,137</b>	444,944



## 15 LICENSE FEES PAYABLES

	As at <b>30 June</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
License fees payables	287,214	194,200
Less: non-current portion	<u>(14,188)</u>	<u>(14,807)</u>
<b>Current portion</b>	<b><u>273,026</u></b>	<b><u>179,393</u></b>

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.

Analysis of license fees payables:

	As at <b>30 June</b> <b>2024</b> <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
1-2 years	11,153	10,271
2-5 years	2,548	4,085
More than 5 years	<u>487</u>	<u>451</u>
<b>Non-current</b>	<b><u>14,188</u></b>	<b><u>14,807</u></b>
<b>Current</b>	<b><u>273,026</u></b>	<b><u>179,393</u></b>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

In the first half of 2024, benefiting from the close cooperation among various departments of the Company, with our outstanding IP operation capabilities and product research and development capabilities, we have launched a number of new IPs and new product series that gained popularity among consumers while providing quality services to consumers, which further enhanced the global recognition of Pop Mart's brand and its IP, and achieved excellent sales performance.

During the Reporting Period, we recorded a revenue of RMB4,557.8 million, representing a year-on-year increase of 62.0%. We drove sales growth across various channels in Mainland China by catering to the customer's needs of diversified categories and IPs, differentiating our channel positioning and refining our operational efficiency, and recorded a revenue of RMB3,206.4 million, representing a year-on-year increase of 31.5%. By stepping up the development of the international market and deeply promoting the localized operation, our business in Hong Kong, Macao, Taiwan and overseas maintained a rapid development at all times, with the revenue reaching RMB1,351.5 million, representing a year-on-year increase of 259.6% and accounting for 29.7% of our revenue.

### **IP Incubation and Operation**

IP operation and creative designs are the key factors to promote Pop Mart's development. We explored high-potential pop artists and designers worldwide and successfully created popular pop culture IP images by virtue of well-established IP operation system. At the same time, we continued to strengthen innovation in product designs and further diversified product categories to meet the diverse needs of various fan groups, so as to create more happiness for consumers around the world.

Based on the characteristics of each IP, we implemented differentiated operation, effectively maintained the popularity of IP and achieved strong sales performance. Revenue generated from MOLLY, THE MONSTERS and SKULLPANDA amounted to RMB782.2 million, RMB626.8 million and RMB574.6 million in the first half of 2024, respectively. MOLLY continued to show strong vitality and we have successfully created the basic images of classic MOLLY, SPACE MOLLY, ROYAL MOLLY and BABY MOLLY and corresponding products through diverse commercialization operations, which met the needs of various fans, contributing to a year-on-year increase of 90.1% in related revenue. Through diversified designs for different product categories and presentation forms such as doll clothing interaction, the image of THE MONSTERS has become more vibrant and vivid, while also demonstrating more enriched and three-dimensional personalities, which in turn has been well received by more fans, contributing to a significant year-on-year growth of 292.2% in related revenue. SKULLPANDA continuously explored, looked for breakthroughs in styles, and focused on the design and creation of fashion figure toys, to bring more diversified art and collection experience for fans, achieving a year-on-year growth of 9.2% in related revenue.

Several IPs under our in-house IP originals studio PDC (Pop Design Center) achieved outstanding results in the first half of 2024. Hirono's unique design language triggered emotional empathy among fans, making his universe a spiritual sanctuary for many fans. We have set up Hirono IP lifestyle pop-up stores in major cities. These pop-up stores feature not only pop toys but also a wide range of new categories such as clothing, household and peripheral products. The Hirono pop-up store in Bangkok even displayed and sold the easel paintings and sculptures featured Hirono, offering a comprehensive and immersive experience of Hirono's universe, achieving 124.3% year-on-year growth in related revenue. As a new IP launched in 2022, Zsiga's stubborn and pure design expression was favored by consumers, achieving a year-on-year growth of 169.5% in related revenue. In the first half of this year, PDC launched Nyota, OIPIPI, inosoul and other new IPs, and all won favor with fans with their stylized design since their launch.

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.

2024 is the fourth year since we launched MEGA COLLECTION, and the brand operation has gradually entered a mature stage. It represents the young generation's diversified and energetic aesthetic taste and trend vision, and has already become a representative of the current trend collectors embracing their favorite culture. In the first half of 2024, the second special material pop toy launched under the GRAND series, "MEGA SPACE MOLLY 400% Cang Jin Wu Hen • Mu" (MEGA SPACE MOLLY 400%藏金無痕•木), has attracted the attention of numerous pop toy collectors. In addition, MEGA ROYAL MOLLY has collaborated with Han Meilin, Ninagawa Mika, Van Gogh Museum and other internationally renowned artists and artworks institutions to launch new products this year, fulfilling the mission of "pop toy as art". In the first half of 2024, MEGA COLLECTION achieved a total revenue of RMB586.1 million, accounting for 12.9% of our revenue.

As our bestselling product category introduced in 2023, plush products achieved a revenue of RMB446.1 million in the first half of 2024, accounting for 9.8% of our revenue. During this period, we continued to explore the cores of IPs and innovate our products, such as rotocast plush toys. The rotocasting process makes the facial expressions more vivid and attractive, and the plush toys inherently allow easy display and can serve as stylish outfit accessories. Such combination not only enhances the emotional bond between fans and IPs, but also provides a richer and more diverse interactive experiences. While attracting many new fans, it also greatly enhances the stickiness of fans to IPs.

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

## Consumer Access

### – *Offline channels*

In the first half of 2024, we opened 20 new physical stores in Mainland China. The number of physical stores increased from 363 as of 31 December 2023 to 374<sup>1</sup> as of 30 June 2024. In the first half of 2024, we closed one roboshop in Mainland China. The number of roboshops decreased from 2,190 as of 31 December 2023 to 2,189 as of 30 June 2024.

### – *Online channels*

Pop Draw is a Weixin mini program independently invented and developed by us, aiming to create fun, interesting and convenient shopping experience. In the first half of 2024, revenue from Pop Draw amounted to RMB399.2 million, representing a positive year-on-year growth rate. Our content-related e-commerce team set up multiple self-operated live streaming rooms focusing on different categories and scenarios based on a variety of IPs, products and user group characteristics. Leveraging on the high-quality content, plentiful interactive participations and differentiated streaming strategy, we managed to improve traffic acquisition and conversion efficiency. In the first half of 2024, the revenue from DouYin amounted to RMB208.9 million, representing a year-on-year increase of 90.7%. The Tmall Flagship store extended its growth trend through making efforts on sales of multi-categories, expanding new fandom on various dimensions and refining traffic operational efficiency, recording a revenue of RMB198.8 million in the first half of 2024, representing a year-on-year increase of 28.1%. It topped both the Tmall Overall Toy Ranking (天貓玩具總榜) and the Tmall Pop Toy Ranking (天貓潮流玩具) in terms of sales in the 618 shopping festival.

### – *Member operation*

With continuous channel expansion and enhancement of IPs portfolio and product categories, through omni-channel refined member operation, the scale of membership digitalization grew rapidly. As of 30 June 2024, the total number of registered members in Mainland China increased from 34.354 million as at 31 December 2023 to 38.927 million, with 4.573 million new registered members. In the first half of 2024, the sales contributed by our members represented 92.8% of total sales, with repeat purchase rate of our members of 43.9%<sup>2</sup>.

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<sup>1</sup> In the first half of 2024, we closed 9 physical stores due to lease expiration and other commercial reasons.

<sup>2</sup> In the first half of 2024, proportion of members who have purchased twice or more.

– ***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 30 June 2024, the number of our physical stores in Hong Kong, Macao, Taiwan and overseas was 92 (including those operated by joint venture partners), and the number of roboshops reached 162 (including those operated by joint ventures and roboshop partners).

We have opened themed stores and flagship stores in multiple landmarks overseas after fully considering local characteristics. For example, Central Ladprao, a store opened in February this year in Bangkok, Thailand, featured a pink color and with many CRYBABY elements, has become a new hot spot to check in. In February, we opened a physical store in Century City, Los Angeles, U.S., an ideal location neighboring the centre area of film and television entertainment culture and a fashionable shopping mecca, and this store was favored by more local consumers. In May, we opened a castle-themed store in Ba Na Hills Sun World, a famous scenic spot in Vietnam, which drew attention from numerous tourists worldwide. In June, we opened a store in the most bustling hub – Oxford Street in United Kingdom, further enhancing our brand’s awareness in the European market, and continuously providing consumers around the world with better products and consumption experiences, and our brand and product influence have been increasing in the global market.

Meanwhile, our overseas e-commerce team applied differentiated operating strategies for different countries and e-commerce platforms. Specifically, Shopee and Lazada focused on multiple countries in Southeast Asia, and we received favorable reviews from consumers with refined marketing and localized service strategies. By keeping abreast of the fashion trend of global content and live-streaming e-commerce, on TikTok, we devoted ourselves to creating high-quality content ecology, attracted a large number of young users with creative live-streaming activities, and drove its sales with high-quality content, improving brand exposure and interactivity. At the global market level, we continued to strengthen the building and improvement of official websites for our brand, and to improve users’ experience and brand image by centering on users. The global impact of our brands and products continues to grow.

## **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 and more possibilities of realizing the value of IPs.

As of the end of June 2024, POP LAND had been open for nine months, successfully establishing a selection of must-visit attractions, must-try dining experiences, and must-buy products. In the first half of 2024, the park increased the frequency of its classic daily performances and created and presented new shows. The park also introduced commensurate themed installations and activities for various festivals and holidays and rolled out new IP-themed dishes and products. The park's diverse offerings, including interactive live performances, dining options, and products, create a rich and relaxing one-stop destination for a half-day visit. This appeal has drawn a broad spectrum of fans, families, and visitors from across China and internationally, continuously bonding the PopMart, its numerous IPs, and their audiences.

In April 2024, we boldly innovated by collaborating with POP LAND to launch the “2024 PTS Beijing International Pop Toy Festival”. This event marked PTS's first attempt to transform from a traditional “Pop Toy Convention” into a comprehensive “Pop Toy Festival”, delivering a fresh immersive experience of pop toy IPs in an exciting new carnival model. Under the theme “#Let's Have FUN”, the 2024 PTS hosted 26 autograph sessions and nearly a hundred entertainment events. Beyond browsing exhibits and shopping, the festival featured IP performances, theme park experiences, along with dining, entertainment, and other leisure activities, allowing attendees to “unwind” from the panic buying, and savor the joy that pop toys bring. PTS has enabled the accumulation and clustering of the pop industry, while POP LAND establishes an immersive scenario for pop culture, creating synergy between these two elements.

In the first half of 2024, we carefully planned and executed a series of events, including artist autograph sessions, pop-up stores, and art exhibitions, to boost the global influence of various IPs by actively engaging with fans around the world, thereby enhancing their recognition in international markets. Particularly noteworthy is the grand debut of LABUBU, a character from our IP “THE MONSTERS” elf group, as the “Magical Thailand Experience Ambassador” in Thailand. A lavish airport reception was held for LABUBU that drew a large crowd of local and international fans, highlighting the IP's immense popularity in the country. This not only enhanced the brand's visibility and influence in Thailand, but also established the IP as a key cultural bridge fostering exchanges between Chinese and Thai pop culture.

On 27 June 2024, we officially launched Dream Home (《夢想家園》), our first self-designed mobile game, which combines “business simulation (模擬經營)” and “party gameplay (派對玩法)” together to create a lighter and more casual and relaxing gaming experience. We have been expanding the content boundaries of our IPs to bring a more diverse range of presentation styles and greater companionship to our users.

## FINANCIAL REVIEW

### Sales revenue

Revenue of the Company increased from RMB2,813.8 million for the first half of 2023 to RMB4,557.8 million for the first half of 2024, representing a year-on-year increase of 62.0%.

### Revenue by channels

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

	For the six months ended 30 June 2024			For the six months ended 30 June 2023		
	Revenue <i>RMB'000</i>	Gross profit margin	Proportion of revenue	Revenue <i>RMB'000</i>	Gross profit margin	Proportion of revenue
Mainland China						
Offline Channels	1,786,250	62.8%	39.2%	1,450,567	63.0%	51.5%
Online Channels	1,095,669	61.8%	24.0%	817,418	59.8%	29.1%
Wholesales and others	324,435	53.5%	7.1%	170,047	35.6%	6.0%
<b>Total</b>	<b>3,206,354</b>	<b>61.5%</b>	<b>70.3%</b>	<b>2,438,032</b>	<b>60.0%</b>	<b>86.6%</b>
Hong Kong, Macao, Taiwan and overseas						
Offline Channels	946,688	72.0%	20.8%	190,359	75.9%	6.8%
Online Channels	247,244	72.7%	5.4%	56,791	75.3%	2.0%
Wholesales and others	157,545	54.8%	3.5%	128,630	38.3%	4.6%
<b>Total</b>	<b>1,351,477</b>	<b>70.1%</b>	<b>29.7%</b>	<b>375,780</b>	<b>62.9%</b>	<b>13.4%</b>
<b>Grand total</b>	<b>4,557,831</b>	<b>64.0%</b>	<b>100.0%</b>	<b>2,813,812</b>	<b>60.4%</b>	<b>100.0%</b>

(1) *Mainland China*

**Offline channels.** Revenue from offline sales increased by 23.1% from RMB1,450.6 million for the first half of 2023 to RMB1,786.3 million for the first half of 2024. The table below sets forth a breakdown of revenue from offline sales by channel and the city tier:

	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Change in revenue
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Retail stores	1,471,276	82.4%	1,179,493	81.3%	24.7%
Roboshops	314,974	17.6%	271,074	18.7%	16.2%
<b>Total</b>	<b>1,786,250</b>	<b>100.0%</b>	<b>1,450,567</b>	<b>100.0%</b>	<b>23.1%</b>

City tier	Retail Stores				Roboshops			
	For the six months ended 30 June 2024		2023		For the six months ended 30 June 2024		2023	
	Number of stores	Revenue <i>RMB'000</i>	Number of stores	Revenue <i>RMB'000</i>	Number of stores	Revenue <i>RMB'000</i>	Number of stores	Revenue <i>RMB'000</i>
First-tier cities <sup>3</sup>	121	578,165	120	490,731	582	84,491	587	71,171
New first-tier cities <sup>4</sup>	108	412,334	99	329,101	678	99,627	663	84,279
Second-tier and other cities <sup>5</sup>	145	480,777	121	359,661	929	130,856	935	115,624
<b>Total</b>	<b>374</b>	<b>1,471,276</b>	<b>340</b>	<b>1,179,493</b>	<b>2,189</b>	<b>314,974</b>	<b>2,185</b>	<b>271,074</b>

- **Retail stores.** Revenue from retail store sales increased by 24.7% year-on-year from RMB1,179.5 million for the first half of 2023 to RMB1,471.3 million for the first half of 2024. Opening of retail stores in Mainland China for the first half of 2024: the number of retail stores as of 30 June 2024 increased by 34 as compared with that as of 30 June 2023, and the total number of retail stores as of 30 June 2024 was 374.

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

<sup>4</sup> Refers to the 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> Refers to the cities other than first-tier cities and new first-tier cities in Mainland China



- **Roboshops.** Revenue from roboshop sales increased by 16.2% year-on-year from RMB271.1 million for the first half of 2023 to RMB315.0 million for the first half of 2024. Opening of roboshops in Mainland China for the first half of 2024: the number of roboshops as of 30 June 2024 increased by four as compared with that as of 30 June 2023, and the total number of roboshops as of 30 June 2024 was 2,189.

**Online channels.** Revenue from online sales increased by 34.0% from RMB817.4 million for the first half of 2023 to RMB1,095.7 million for the first half of 2024. The table below sets forth a breakdown of revenue from online sales:

	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Change in revenue
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Pop Draw	399,197	36.4%	373,000	45.6%	7.0%
DouYin platform	208,877	19.1%	109,531	13.4%	90.7%
Tmall flagship store	198,841	18.1%	155,264	19.0%	28.1%
Other online channels	288,754	26.4%	179,623	22.0%	60.8%
<b>Total</b>	<b>1,095,669</b>	<b>100.0%</b>	<b>817,418</b>	<b>100.0%</b>	<b>34.0%</b>

Revenue from online channels in Mainland China includes those generated from Pop Draw, DouYin platform, Tmall flagship store and other online channels, amongst which, revenue from Pop Draw increased by 7.0% from RMB373.0 million for the first half of 2023 to RMB399.2 million for the first half of 2024; revenue from DouYin platform increased by 90.7% from RMB109.5 million for the first half of 2023 to RMB208.9 million for the first half of 2024; and revenue from Tmall flagship store increased by 28.1% from RMB155.3 million for the first half of 2023 to RMB198.8 million for the first half of 2024.

**Wholesales and others.** Revenue from wholesales and others in Mainland China increased by 90.8% from RMB170.1 million for the first half of 2023 to RMB324.4 million for the first half of 2024, primarily due to increase in the revenue generated by POP LAND.

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

**Offline channels.** Revenue from offline sales increased by 397.3% from RMB190.4 million for the first half of 2023 to RMB946.7 million for the first half of 2024. The table below sets forth a breakdown of revenue from offline sales:

	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Change in revenue
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Retail stores	893,505	94.4%	164,999	86.7%	441.5%
Roboshops	53,183	5.6%	25,360	13.3%	109.7%
<b>Total</b>	<b>946,688</b>	<b>100.0%</b>	<b>190,359</b>	<b>100.0%</b>	<b>397.3%</b>

- **Retail stores.** Revenue from retail store sales in Hong Kong, Macao, Taiwan and overseas increased by 441.5% year-on-year from RMB165.0 million for the first half of 2023 to RMB893.5 million for the first half of 2024. Opening of retail stores in Hong Kong, Macao, Taiwan and overseas for the first half of 2024: the number of retail stores as of 30 June 2024 increased by 45 as compared with that as of 30 June 2023, and the total number of retail stores as of 30 June 2024 was 83.
- **Roboshops.** Revenue from roboshop sales in Hong Kong, Macao, Taiwan and overseas increased by 109.7% year-on-year from RMB25.4 million for the first half of 2023 to RMB53.2 million for the first half of 2024. Opening of roboshops in Hong Kong, Macao, Taiwan and overseas for the first half of 2024: the number of roboshops as of 30 June 2024 increased by 37 as compared with that as of 30 June 2023, and the total number of roboshops as of 30 June 2024 was 143.

**Online channels.** Revenue from online sales increased by 335.4% from RMB56.8 million for the first half of 2023 to RMB247.2 million for the first half of 2024. The table below sets forth a breakdown of revenue from online sales:

	For the six months ended 30		For the six months ended 30		Change in revenue
	June 2024		June 2023		
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Pop Mart official website	69,648	28.2%	12,317	21.7%	465.5%
Lazada	45,336	18.3%	9,292	16.3%	387.9%
Shopee	45,183	18.3%	14,803	26.1%	205.2%
Other online channels	87,077	35.2%	20,379	35.9%	327.3%
<b>Total</b>	<b>247,244</b>	<b>100.0%</b>	<b>56,791</b>	<b>100.0%</b>	<b>335.4%</b>

Revenue from online channels in Hong Kong, Macao, Taiwan and overseas includes those generated from Pop Mart official website, Lazada, Shopee and other online channels, amongst which, revenue from Pop Mart official website increased by 465.5% from RMB12.3 million for the first half of 2023 to RMB69.6 million for the first half of 2024; revenue from Lazada increased by 387.9% from RMB9.3 million for the first half of 2023 to RMB45.3 million for the first half of 2024; and revenue from Shopee increased from RMB14.8 million for the first half of 2023 to RMB45.2 million for the first half of 2024, representing an increase of 205.2%. The increase was primarily due to that we continued to develop new online platforms and expanded into more countries and regions. Meanwhile, we optimized the allocation of marketing resources and increased the promotion of the platform with higher sales conversion rate.

**Wholesales and others.** Revenue from wholesales and others in Hong Kong, Macao, Taiwan and overseas increased by 22.5% from RMB128.6 million for the first half of 2023 to RMB157.5 million for the first half of 2024, primarily due to the continuous expansion in business in Hong Kong, Macau, Taiwan and overseas, and the increasing brand awareness.

**Revenue from Hong Kong, Macao, Taiwan and overseas by region.** Revenue from Hong Kong, Macao, Taiwan and overseas increased from RMB375.8 million for the first half of 2023 to RMB1,351.5 million for the first half of 2024, representing an increase of 259.6%. Hong Kong, Macao, Taiwan and overseas are further divided by region into Southeast Asia, East Asia and Hong Kong, Macao and Taiwan regions, North America, Europe, Australia and others. The table below sets forth a breakdown of revenue by region:

	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Change in revenue
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Southeast Asia	555,751	41.1%	96,094	25.6%	478.3%
East Asia and Hong Kong, Macao and Taiwan regions	478,040	35.4%	188,438	50.1%	153.7%
North America	177,969	13.2%	37,259	9.9%	377.7%
Europe, Australia and others	139,717	10.3%	53,989	14.4%	158.8%
<b>Total</b>	<b>1,351,477</b>	<b>100.0%</b>	<b>375,780</b>	<b>100.0%</b>	<b>259.6%</b>

### **Revenue by IPs**

Pop Mart proprietary products are our major product type. In the first half of 2024, revenue from proprietary products contributed 96.2% of our total revenue. Revenue from proprietary products increased by 69.5% from RMB2,585.8 million for the first half of 2023 to RMB4,382.7 million for the first half of 2024.

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

	Six months ended 30 June			
	2024		2023	
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue
<b>Proprietary products</b>	<b>4,382,741</b>	<b>96.2%</b>	2,585,773	91.9%
Artist IPs	3,687,803	81.0%	2,164,270	76.9%
MOLLY	782,160	17.2%	411,433	14.6%
THE MONSTERS	626,806	13.7%	159,829	5.7%
SKULLPANDA	574,562	12.6%	526,383	18.7%
DIMOO	377,838	8.3%	362,032	12.9%
CRYBABY	349,382	7.7%	26,603	1.0%
HIRONO	245,247	5.4%	109,352	3.9%
Zsiga	122,787	2.7%	45,553	1.6%
HACIPUPU	94,991	2.1%	69,171	2.4%
Other artist IPs	514,030	11.3%	453,914	16.1%
Licensed IPs	694,938	15.2%	421,503	15.0%
<b>External procurement and others</b>	<b>175,090</b>	<b>3.8%</b>	228,039	8.1%
<b>Total</b>	<b>4,557,831</b>	<b>100.0%</b>	<b>2,813,812</b>	<b>100.0%</b>

- **Artist IPs.** Artist IPs are the major product type of the Company, primarily including MOLLY, THE MONSTERS, SKULLPANDA and DIMOO. The proportion of revenue from artist IPs increased from 76.9% for the first half of 2023 to 81.0% for the first half of 2024. Revenue from artist IPs increased by 70.4% from RMB2,164.3 million for the first half of 2023 to RMB3,687.8 million for the first half of 2024, primarily because we kept improving product design and innovation capabilities to meet the diversified needs of various consumers.
- **Licensed IPs.** Revenue from licensed IPs increased by 64.9% from RMB421.5 million for the first half of 2023 to RMB694.9 million for the first half of 2024, mainly because we constantly deepened our cooperation with more copyright owners, continued to expand the geographical coverage of licensed IP while introducing a wide range of products with different styles, bringing fun of pop toys to global consumers.

### ***Revenue by product category***

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

	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Change in revenue
	Revenue <i>RMB'000</i>	Proportion of revenue	Revenue <i>RMB'000</i>	Proportion of revenue	
Figure toys	2,656,781	58.3%	2,041,075	72.5%	30.2%
MEGA	586,130	12.9%	242,332	8.6%	141.9%
Plush toys	446,105	9.8%	40,794	1.5%	993.6%
Other IP-related products and others	868,815	19.0%	489,611	17.4%	77.5%
<b>Total</b>	<b>4,557,831</b>	<b>100.0%</b>	<b>2,813,812</b>	<b>100.0%</b>	<b>62.0%</b>

At the product level, we kept introducing new products, enriching product offerings and enhancing product design capability. Revenue from figure toys increased by 30.2% from RMB2,041.1 million for the first half of 2023 to RMB2,656.8 million for the first half of 2024; revenue from MEGA increased by 141.9% from RMB242.3 million for the first half of 2023 to RMB586.1 million for the first half of 2024; revenue from plush toys increased by 993.6% from RMB40.8 million for the first half of 2023 to RMB446.1 million for the first half of 2024; revenue from other IP-related products and others increased by 77.5% from RMB489.6 million for the first half of 2023 to RMB868.8 million for the first half of 2024.

## Costs of sales

Our costs of sales increased by 46.9% from RMB1,115.5 million for the first half of 2023 to RMB1,638.7 million for the first half of 2024. The increase was primarily due to (1) the increase in costs of goods from RMB923.9 million for the first half of 2023 to RMB1,282.1 million for the first half of 2024, which was mainly due to the increase in sales; and (2) the increase in design and licensing costs from RMB77.5 million in the first half of 2023 to RMB192.4 million in the first half of 2024, which was mainly due to the increase in the proportion of proprietary products and the increase in co-branded products, which required more IP licensing fees and product design fees.

## Gross profit

The Company's gross profit increased by 71.9% from RMB1,698.4 million for the first half of 2023 to RMB2,919.1 million for the first half of 2024, primarily due to the increase in revenue and the control of cost of sales. Our gross profit margin increased from 60.4% for the first half of 2023 to 64.0% for the first half of 2024, primarily due to (1) we optimized product design, strengthened cost control and enhanced bargaining skill against suppliers; (2) the increase in the proportion of Hong Kong, Macau, Taiwan and overseas sales contributed to the growth of gross profit margin; and (3) the gradual decrease in the proportion of externally sourced commodities.

## Distribution and selling expenses

Our distribution and selling expenses increased by 54.1% from RMB878.3 million for the first half of 2023 to RMB1,353.2 million for the first half of 2024, of which, employee benefit expenses and depreciation of right-of-use assets accounted for a significant part.

- **Employee benefit expenses.** Employee benefit expenses increased by 31.7% from RMB281.4 million for the first half of 2023 to RMB370.5 million for the first half of 2024, mainly due to the increase in the number of sales personnel from 3,189 for the first half of 2023 to 4,232 for the first half of 2024, mainly for supporting the expansion of our omni-channel business.
- **Lease related expenses.** Lease related expenses, which included depreciation of right-of-use assets and expenses relating to short-term leases and variable leases not included in lease liabilities, increased by 58.7% from RMB210.2 million for the first half of 2023 to RMB333.6 million for the first half of 2024, which was mainly due to (1) an increase in the number of offline retail outlets by 79 compared with that of the first half of 2023 to cater for our business expansion in Mainland China, Hong Kong, Macao, Taiwan and overseas; and (2) revenue from retail outlets grew and commission-related rentals increased accordingly.

## **General and administrative expenses**

Our general and administrative expenses increased by 31.1% from RMB331.3 million for the first half of 2023 to RMB434.4 million for the first half of 2024, of which, employee benefit expenses accounted for a significant part, and the number of our administrative and design and development personnel increased from 959 for the first half of 2023 to 1,238 for the first half of 2024.

## **Other income**

Other income of the Company decreased by 15.6% from RMB37.4 million for the first half of 2023 to RMB31.6 million for the first half of 2024, among which, (1) government grants decreased from RMB21.2 million for the first half of 2023 to RMB10.3 million for the first half of 2024; and (2) income from IP license fee and other services increased from RMB15.5 million in the first half of 2023 to RMB18.9 million in the first half of 2024.

## **Operating profit**

In light of the above, the Company's operating profit increased by 109.5% from RMB537.8 million for the first half of 2023 to RMB1,126.4 million for the first half of 2024.

## **Finance income – net**

Our finance income, net, increased from net gains of RMB63.4 million for the first half of 2023 to net gains of RMB83.8 million for the first half of 2024, primarily due to the increase in our interest income.

## **Income tax expense**

Our income tax expense increased from RMB141.3 million for the first half of 2023 to RMB264.3 million for the first half of 2024 as a result of the increase in profit before income tax. Our effective tax rate decreased from 22.8% for the first half of 2023 to 21.5% for the first half of 2024.

## Profit for the period

As a result of the above, our profit for the period increased from RMB477.2 million for the first half of 2023 to RMB964.1 million for the Reporting Period, representing an increase of 102.0%.

## Non-IFRS adjusted net profit

The non-IFRS adjusted net profit has not been calculated in accordance with the IFRS Accounting Standards, thus it is deemed as a non-IFRS financial indicator. The non-IFRS adjusted net profit refers to the net profit after excluding share-based payment expenses, while the non-IFRS adjusted net profit margin refers to the non-IFRS adjusted net profit divided by revenue. We are of the view that such information is useful for investors to compare the results of the Group, provided that the results of operation or cash flows of the Group are not being affected, and enables investors to take into consideration of the indicators used by the management when assessing the results of the Group. Investors shall not treat non-IFRS financial indicator as an alternative or better version of the results of the Group prepared in accordance with IFRS Accounting Standards. In addition, not all companies will adopt the same way in calculating such non-IFRS financial indicators. Hence, similar measurements made by other companies may not be comparable.

The following table sets out the reconciliation of non-IFRS financial indicators of the Company for the respective periods.

	<b>For the six months ended 30 June 2024 RMB'000</b>	For the six months ended 30 June 2023 RMB'000
Profit for the period	<b>964,142</b>	477,242
Adjustments		
Share-based payment	<b>53,483</b>	58,123
Non-IFRS adjusted net profit	<b>1,017,625</b>	535,365
Non-IFRS adjusted net profit margin	<b>22.3%</b>	19.0%

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 periods.

## Current Assets, Financial Resources and Capital Expenditures

For the six months ended 30 June 2024, the Company and its subsidiaries adopted conservative and stable fund management and financial policies in their overall business operations. The Group maintained the following resources to meet its working capital requirements:



### ***Current assets and current liabilities***

Our net current assets increased from RMB5,950.2 million as of 31 December 2023 to RMB6,647.0 million as of 30 June 2024, 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 decreased from RMB321.3 million as of 31 December 2023 to RMB263.7 million as of 30 June 2024. Trade receivables turnover days decreased from 15 days in 2023 to 12 days for the six months ended 30 June 2024.

#### ***Inventories***

Our inventories comprise finished goods. Our inventories increased from RMB904.7 million as of 31 December 2023 to RMB916.7 million as of 30 June 2024. The total inventory remained stable, and we will maintain flexible adjustments to the supply chain to improve the accuracy of forecasts and improve the efficiency of inventory turnover. Inventory turnover days decreased from 133 days in 2023 to 101 days for the six months ended 30 June 2024.

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

Our cash and cash equivalents primarily comprise cash at bank. Cash and cash equivalents increased from RMB2,077.9 million as of 31 December 2023 to RMB3,608.7 million as of 30 June 2024, primarily due to (1) the increase in cash generated from operating activities and (2) the decrease in some fixed-term deposits.

#### ***Trade payables***

Trade payables primarily represent our obligation to pay for merchandise from suppliers in the ordinary course of business. Trade payables increased from RMB444.9 million as of 31 December 2023 to RMB555.1 million as of 30 June 2024, primarily due to the increase in procurement amount as a result of our business growth, which in turns resulted in the increase in balance of payables to suppliers. Trade payable turnover days increased from 53 days for 2023 to 56 days for the six months ended 30 June 2024.

### ***Bank borrowings***

The Group did not have any bank borrowings as of 30 June 2024.

### **Pledge of Assets**

The Group did not have any pledged assets as of 30 June 2024.

### **Gearing Ratio**

The gearing ratio is calculated by dividing total liabilities by total assets and then multiplying by 100%. As at 30 June 2024, the gearing ratio of the Group was 23.3% as compared with the gearing ratio of 22.0% as at 31 December 2023.

### **Contingency**

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

### **Foreign Exchange Risk Management**

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

### **Capital Expenditures**

The Company's capital expenditures consist of purchases of property, plant and equipment and purchases of intangible assets. The table below sets out the Company's capital expenditures for the first half of 2023 and the first half of 2024:

	<b>For the six months ended 30 June 2024 <i>RMB'000</i></b>	<b>For the six months ended 30 June 2023 <i>RMB'000</i></b>
Purchases of property, plant and equipment	<b>157,858</b>	186,617
Purchase of intangible assets	<b>28,587</b>	27,462
<b>Total</b>	<b>186,445</b>	214,079

## **Human Resources**

As of 30 June 2024, we had a total of 5,470 employees, including 4,232 sales personnel and 1,238 administrative and development personnel. As of 30 June 2024, we incurred staff costs (including remuneration, payrolls, allowances and benefits) of RMB657.7 million in total.

## **Future Plans on Significant Investments**

As of 30 June 2024, we did not hold any significant investment.

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

## **Material Acquisitions and Disposals**

For the six months ended 30 June 2024, we had not conducted any material acquisition or disposal of subsidiaries, associates and joint ventures.

## **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.

## **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 continuously increasing our brand value, expanding product categories and innovating product models, we will enhance the brand loyalty of users on Pop Mart, thereby maintaining our strong market position and competitiveness.

We will strive to enrich our IPs types, expand our IPs base, maintain high-quality design and innovation standards, introduce more products under the top series, incubate and operate IPs continuously, strengthen IPs essence, and deepen the emotional connection between fans and IPs. We will continuously increase types of pop toys, further explore the value of box products such as MEGA, plush toys, toy bricks and other IP-related products, and improve relevant technologies and production and sales procedures. With the continuous increase in product offerings as we continue to carry out research and development and improve process, we will deploy the supply chain globally, and seek more suitable and efficient partners including manufacturers and suppliers, so as to meet market demand and ensure efficient production supply. We will also pay attention to the philosophy of sustainable development and environmental protection, launch more products and packaging made of environmentally friendly materials, providing global consumers with more safe and assured product choices.

We will continue to expand our global business footprint and achieve further growth in Southeast Asia and Europe markets. We will establish offline channels in major global landmarks, enhancing consumer experiences and boosting brand recognition. Simultaneously, we will not only strengthen our partnerships with third-party platforms but also invest further in content-driven e-commerce platforms and our official website, providing consumers with better pop culture experiences in more countries and regions. We aim to leverage our brand influence to collaborate with more brands and artists, so as to enrich our product lines while boosting brand awareness, thereby enhancing the global impact of pop culture.

We will continue to enhance our differentiated channel positioning, steadily expand our channel network, and continuously improve our capability in refining operation, so as to boost our operational efficiency. We will keep promoting the innovation of retail digitalized operation, and strengthen our capabilities in member operation, with an aim to provide the best-in-class, enjoyable and consistent consumer service experience.

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 facilitate the establishment of amusement parks and other new businesses to construct a more sophisticated and comprehensive business ecosystem with IP at its core.

## **USE OF NET PROCEEDS FROM LISTING**

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

As stated in the prospectus of the Company dated 1 December 2020 (the “Prospectus”), the intended uses and the balance 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 unutilized up to 31 December 2023	Amount of Net Proceeds utilized during 6 months ended 30 June 2024	Amount of Net Proceeds utilized up to 30 June 2024	Balance of Net Proceeds unutilized as at 30 June 2024	Intended timetable for use of the unutilized Net Proceeds
(i) To finance part of our expansion plans of consumer access channels and overseas markets	HK\$1,734.5 million	30.0%	HK\$263.3 million	HK\$221.3 million	HK\$1,692.5 million	HK\$42.0 million	
(a) for opening new retail stores	HK\$954.0 million	16.5%	–	–	HK\$954.0 million	–	–
(b) for opening new roboshops	HK\$346.9 million	6.0%	HK\$84.6 million	HK\$42.6 million	HK\$304.9 million	HK\$42.0 million	Before 31 December 2025
(c) for expanding our business into overseas markets	HK\$433.6 million	7.5%	HK\$178.7 million	HK\$178.7 million	HK\$433.6 million	–	–
(ii) To fund our potential investments in, acquisitions of and strategic alliance with companies along the value chain of our industry	HK\$1,561.1 million	27.0%	HK\$1,249.3 million	–	HK\$311.8 million	HK\$1,249.3 million	Before 31 December 2025
(iii) To invest in technology initiatives to strengthen our marketing and fan engagement efforts, and to enhance the digitalization of our business	HK\$867.2 million	15.0%	HK\$370.7 million	HK\$121.5 million	HK\$618.0 million	HK\$249.2 million	
(a) for talent recruitment	HK\$173.5 million	3.0%	HK\$62.4 million	HK\$34.9 million	HK\$146.0 million	HK\$27.5 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\$242.0 million	HK\$20.3 million	HK\$125.2 million	HK\$221.7 million	Before 31 December 2025
(c) for optimizing our online marketing efforts, which primarily consist of strategically placed advertisement, icons, links and notifications on third party promotional platforms	HK\$346.8 million	6.0%	HK\$66.3 million	HK\$66.3 million	HK\$346.8 million	–	–

Intended use of Net Proceeds	Allocation of Net Proceeds	Percentage of total Net Proceeds	Amount of Net Proceeds unutilized up to 31 December 2023	Amount of Net Proceeds utilized during 6 months ended 30 June 2024	Amount of Net Proceeds utilized up to 30 June 2024	Balance of Net Proceeds unutilized as at 30 June 2024	Intended timetable for use of the unutilized Net Proceeds
(iv) To expand our IP pool	HK\$1,040.7 million	18.0%	HK\$722.9 million	HK\$29.1 million	HK\$346.9 million	HK\$693.8 million	
(a) for enhancing our ability to identify outstanding artists	HK\$260.3 million	4.5%	HK\$29.1 million	HK\$29.1 million	HK\$260.3 million	–	–
(b) for recruiting talented designers to join our in-house design team to enhance our in-house original IP development capability by providing competitive salary	HK\$86.6 million	1.5%	–	–	HK\$86.6 million	–	–
(c) for acquisitions of popular IPs from to expand our IP pool	HK\$693.8 million	12.0%	HK\$693.8 million	–	–	HK\$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 Group will utilise the Net Proceeds of the initial public offering in accordance with the intended purposes as set out in the Prospectus.

## INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2024.

## CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company 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 six months ended 30 June 2024, except for deviation from code provision C.2.1 as explained under the paragraph headed “Chairman and Chief Executive Officer” below.

## **Chairman and Chief Executive Officer**

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

The Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) decision to be made by the Board requires approval by at least a majority of the Directors and that the Board comprises three independent non-executive Directors out of nine Directors, and the Board believes there is sufficient check and balance on the Board; (ii) Mr. Wang Ning and 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 to 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 six months ended 30 June 2024.

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

During the six months ended 30 June 2024, the Company repurchased a total of 4,700,000 shares of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$85,826,488. The repurchased shares were subsequently cancelled. Particulars of the shares repurchased are as follows:

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

Save as disclosed above, during the six months ended 30 June 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities or sold any treasury Shares (as defined under the Listing Rules). As at 30 June 2024, the Company did not hold any treasury Shares (as defined under the Listing Rules).

## AUDIT COMMITTEE

The Audit Committee comprises two independent non-executive Directors and one non-executive Director, namely, Mr. Wu Liansheng, Mr. Ngan King Leung Gary and Mr. Tu Zheng. The chairman of the Audit Committee is Mr. Wu Liansheng, and Mr. Ngan King Leung Gary, a member of the Audit Committee, has a professional qualification in accountancy.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters, including a review of the interim financial information for the six months ended 30 June 2024.

The Company's external auditor, PricewaterhouseCoopers, has performed a review of the Group's interim financial information for the six months ended 30 June 2024 in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Based on their review, nothing has come to their attention that causes them to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".



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

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.popmart.com), and the interim report of the Company for the six months ended 30 June 2024 containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company in due course.

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

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

Hong Kong, 20 August 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 II, 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.*