



# Investor Presentation

Feb 2023



# MINISO

# Disclaimer



This presentation contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by words or phrases such as “may,” “will,” “expect,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “is/are likely to,” “potential,” “continue” or other similar expressions. Among other things, the quotations from management in this announcement, as well as MINISO’s strategic and operational plans, contain forward-looking statements. MINISO may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the “SEC”) and The Stock Exchange of Hong Kong Limited (the “HKEX”), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about MINISO’s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: MINISO’s mission, goals and strategies; future business development, financial conditions and results of operations; the expected growth of the retail market and the market of branded variety retail of lifestyle products in China and globally; expectations regarding demand for and market acceptance of MINISO’s products; expectations regarding MINISO’s relationships with consumers, suppliers, MINISO Retail Partners, local distributors, and other business partners; competition in the industry; proposed use of proceeds; and relevant government policies and regulations relating to MINISO’s business and the industry. Further information regarding these and other risks is included in MINISO’s filings with the SEC and the HKEX. All information provided in this presentation is as of the date of this presentation, and MINISO undertakes no obligation to update any forward-looking statement, except as required under applicable law.

In evaluating the business, MINISO considers and uses adjusted net profit, adjusted net margin, adjusted basic and diluted earnings per share and adjusted basic and diluted earnings per ADS as supplemental measures to review and assess its operating performance. The presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. MINISO presents these non-IFRS financial measures because they are used by the management to evaluate its operating performance and formulate business plans.

These non-IFRS financial measures are not defined under IFRS and are not presented in accordance with IFRS. These non-IFRS financial measures have limitations as analytical tools. One of the key limitations of using these non-IFRS financial measures is that they do not reflect all items of income and expense that affect MINISO’s operations. Further, these non-IFRS financial measures may differ from the non-IFRS information used by other companies, including peer companies, and therefore their comparability may be limited.

These non-IFRS financial measures should not be considered in isolation or construed as alternatives to profit/(loss), net profit/(loss) margin, basic and diluted earnings/(loss) per share and basic and diluted earnings/(loss) per ADS, as applicable, or any other measures of performance or as indicators of MINISO’s operating performance. Investors are encouraged to review MINISO’s historical non-IFRS financial measures in light of the most directly comparable IFRS measures, as shown below. The non-IFRS financial measures presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting the usefulness of such measures when analyzing MINISO’s data comparatively. MINISO encourages you to review its financial information in its entirety and not rely on a single financial measure.



# MINISO



## Quarterly Updates

# Demonstrated Resilience and Profitability



in RMB million

	2021Q4	2022Q3	2022Q4	YoY	QoQ
<b>Total stores<sup>1</sup></b>	<b>5,045</b>	<b>5,296</b>	<b>5,440</b>	<b>395</b>	<b>144</b>
-China	3,168	3,269	3,325	157	56
-Overseas	1,877	2,027	2,115	238	88
<b>Revenue</b>	<b>2,773</b>	<b>2,772</b>	<b>2,494</b>	<b>-10%</b>	<b>-10%</b>
-China <sup>2</sup>	2,056	1,852	1,508	-27%	-19%
-Overseas	717	920	986	38%	7%
<b>Gross profit</b>	<b>863</b>	<b>989</b>	<b>997</b>	<b>16%</b>	<b>1%</b>
<i>Gross margin</i>	31.1%	35.7%	40.0%	8.9%	4.3%
<b>S&amp;D expense</b>	<b>371</b>	<b>373</b>	<b>409</b>	<b>10%</b>	<b>10%</b>
<i>S&amp;D %</i>	13%	13%	16%	3%	3%
<b>G&amp;A expense</b>	<b>214</b>	<b>163</b>	<b>141</b>	<b>-34%</b>	<b>-13%</b>
<i>G&amp;A %</i>	8%	6%	6%	-2%	-0%
<b>Adj net profit</b>	<b>205</b>	<b>417</b>	<b>373</b>	<b>82%</b>	<b>-11%</b>
<i>Adj net margin</i>	7.4%	15.1%	15.0%	7.6%	-0.1%
<b>Adj net profit</b> (Excluding the impact of foreign exchange gains)	<b>221</b>	<b>365</b>	<b>371</b>	<b>68%</b>	<b>2%</b>
<i>Adj net margin</i> (Excluding the impact of foreign exchange gains)	8.0%	13.2%	14.9%	6.9%	1.7%

1. Including MINISO stores and TOP TOY stores.

2. Including revenues from MINISO China, TOP TOY and other business.

# MINISO China: Overview



## December Quarter of 2022

Total foot  
traffic to offline  
MINISO stores  
YoY

-32%

Average  
spending per  
ticket size  
YoY

+6%

Sales  
YoY

-28%

## January 2023

Sales  
YoY

+40%

Sales per  
MINISO store  
YoY

+33%

## Chinese New Year Holiday (7days)

Sales  
YoY

+25%

Sales per  
MINISO store  
YoY

+18%

Offline sales hit an all-time high

# MINISO China: Store Growth



	December Quarter			YoY	
	2020	2021	2022	2021	2022
<b>Total Stores</b>	<b>2,768</b>	<b>3,168</b>	<b>3,325</b>	<b>400</b>	<b>157</b>
Number of retail partners	779	860	981	81	121
Average store# per partner	3.6	3.7	3.4		
Percentage of stores owned by TOP 50 MINISO Retail Partners (%)	49%	50%	46%		
<b>By Type</b>					
-Directly operated stores	5	5	16	0	11
-Third-party stores	2,763	3,163	3,309	400	146
<b>By Region</b>					
-Tier 1	477	472	453	-5	-19
-Tier 2	1,262	1,389	1,395	127	6
-Tier 3 and below	1,029	1,307	1,477	278	170
<b>Store movement</b>					
-Stores Opened	191	198	101	7	-97
-Stores Closed	56	65	45	9	-20
-Store closure rate <sup>1</sup>	2.1%	2.1%	1.4%		
-Net addition	135	133	56	-2	-77

The store closure rates of 2020-2022 are **9%**, **7.5%** and **6.1%**, respectively

1. Store closure rate represents the number of stores closed during the period divided by average number of stores during that period

# MINISO Overseas: Sales Recovery



	December Quarter				
in RMB million	2019	2021	2022	YOY 2021	YOY 2019
<b>Revenue</b>	<b>951</b>	<b>717</b>	<b>987</b>	<b>38%</b>	<b>4%</b>
-Distributor markets	\	420	576	37%	\
-Directly operated markets	\	297	411	38%	\
<b>GMV by Model</b>	<b>2,402</b>	<b>1,850</b>	<b>2,584</b>	<b>40%</b>	<b>8%</b>
-Distributor markets	1,847	1,448	2,009	39%	9%
-Directly operated markets	555	402	575	43%	4%
<b>GMV by Region</b>					
-Asian exclude China	975	526	712	35%	-27%
-Latin America	786	644	970	51%	23%
-North America	123	137	228	66%	85%
-Europe	118	183	225	23%	91%
-Middle East and North Africa	187	206	254	23%	36%
-Others	213	153	196	28%	-8%

# MINISO Overseas: Store Growth



## December Quarter

in RMB million

	Store		GMV	
	numbers	Percent (%)	numbers	Percent (%)
<b>Overseas Stores</b>	<b>2,115</b>		<b>2,584</b>	
-stores in direct countries	600	28%	575	22%
-stores in distributor countries	1,515	72%	2,009	78%
<b>By Region</b>				
-Asian exclude China	954	45%	712	28%
-Latin America	471	22%	970	38%
-Europe	212	10%	225	9%
-Others <sup>1</sup>	208	10%	195	8%
-Middle East and North Africa	152	7%	254	10%
-North America	118	6%	228	9%

1. Mainly include Oceania, Russian speaking countries and other African countries.



# MINISO Overseas: average GMV per store compared with 2019Q4 & 2021Q4



	compared with 2019Q4 %	Recovery Rate compared with 2021Q4 %
<b>By Region</b>		
-North America	151%	137%
-Latin America	93%	135%
-Middle East and North Africa	81%	109%
-Europe	76%	98%
-Asian exclude China	66%	124%
<b>Total</b>	<b>86%</b>	<b>125%</b>

# MINISO Overseas: Store Growth Projections



	2023E	2022A	
	%	Number of stores	%
<b>By Region</b>			
-Asian exclude China	35-45%	104	44%
-Latin America	20-25%	52	22%
-Europe	5-10%	46	19%
-Middle East and North Africa	5-10%	18	8%
-North America	10-15%	11	5%
-Others <sup>1</sup>	5%	7	3%
<b>Total</b>	100%	238	100%

1. Mainly include Oceania, Russian speaking countries and other African countries.

# TOP TOY



in RMB million

## December Quarter

	2021	2022	YOY
<b>Revenue</b>	<b>131</b>	<b>99</b>	<b>-25%</b>
<b>TOP TOY Offline Stores</b>	<b>89</b>	<b>117</b>	<b>28</b>

### By Type

-Directly operated stores	5	8	3
-Third-party stores	84	109	25

### By Model

-Dreamwork Store	13	7	-6
-Collection Store	76	110	34

### By Region

-Tier 1	32	33	1
-Tier 2	49	69	20
-Tier 3 and below	8	15	7

# TOP TOY has become a blockbuster product in Sam's Club in China



## Three strategic transformations to become a super brand



- 1、 Upgrade MINISO from a channel brand to a product brand which has its own channels
- 2、 Upgrade MINISO from a retailer to an interest-driven content company
- 3、 Upgrade the MINISO experience from one of consumption to one of passion, enhancing our customers's loyalty, converting them into our users









X



新华社客户端  
XINHUA NEWS

# 中国创新全球发展计划

Chinese Culture Globalized Innovation Program



瓷器系列考古玩具

故宫宫廷文化 X 名创优品

预计2023年3月上线



敦煌主题考古玩具

中国文物交流中心 X 深圳插画协会 X 名创优品

预计2023年4月上线



名创优品 - 非遗系列产品

名创优品 X 中国非遗国家级传承人

预计2023年9月上线

## 3 characteristics in strategic categories



**Emotional Resonance**

**Global Appeal**

**High Growth Potential**



# The most important strategic category in China: Perfumes



## Chinese Perfume Market

**Industry**  
Sales CAGR  
**+20%**

**MINISO**  
Sales CAGR  
**+60%**

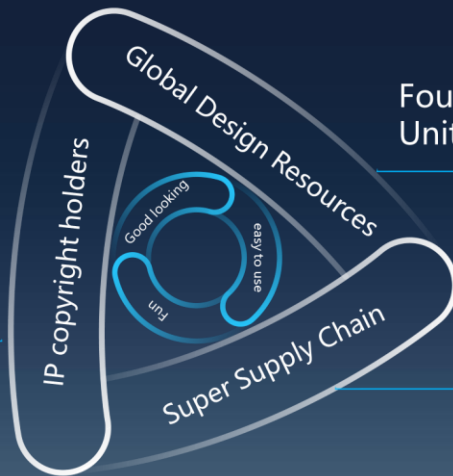
**MINISO**  
Brand  
**NO.1**



# Next Decade



- IP co-branding
- Incubating inhouse IPs



Four global design centers in China, the United States, Japan and South Korea

- Working with top market research institutions to monitor trends and gain consumer insights
- Cooperating with leading suppliers
- Laying out the global supply chain

# Demonstrated Resilience and Profitability



in RMB million

	2021Q4	2022Q3	2022Q4	YoY	QoQ
<b>Total stores<sup>1</sup></b>	<b>5,045</b>	<b>5,296</b>	<b>5,440</b>	<b>395</b>	<b>144</b>
-China	3,168	3,269	3,325	157	56
-Overseas	1,877	2,027	2,115	238	88
<b>Revenue</b>	<b>2,773</b>	<b>2,772</b>	<b>2,494</b>	<b>-10%</b>	<b>-10%</b>
-China <sup>2</sup>	2,056	1,852	1,508	-27%	-19%
-Overseas	717	920	986	38%	7%
<b>Gross profit</b>	<b>863</b>	<b>989</b>	<b>997</b>	<b>16%</b>	<b>1%</b>
<i>Gross margin</i>	31.1%	35.7%	40.0%	8.9%	4.3%
<b>S&amp;D expense</b>	<b>371</b>	<b>373</b>	<b>409</b>	<b>10%</b>	<b>10%</b>
<i>S&amp;D %</i>	13%	13%	16%	3%	3%
<b>G&amp;A expense</b>	<b>214</b>	<b>163</b>	<b>141</b>	<b>-34%</b>	<b>-13%</b>
<i>G&amp;A %</i>	8%	6%	6%	-2%	0%
<b>Adj net profit</b>	<b>205</b>	<b>417</b>	<b>373</b>	<b>82%</b>	<b>-11%</b>
<i>Adj net margin</i>	7.4%	15.1%	15.0%	7.6%	-0.1%
<b>Adj net profit</b> (Excluding the impact of foreign exchange gains)	<b>221</b>	<b>365</b>	<b>371</b>	<b>68%</b>	<b>2%</b>
<i>Adj net margin</i> (Excluding the impact of foreign exchange gains)	8.0%	13.2%	14.9%	6.9%	1.7%

1. Including MINISO stores and TOP TOY stores.

2. Including revenues from MINISO China, TOP TOY and other business.

# Revenue Breakdown



in RMB million

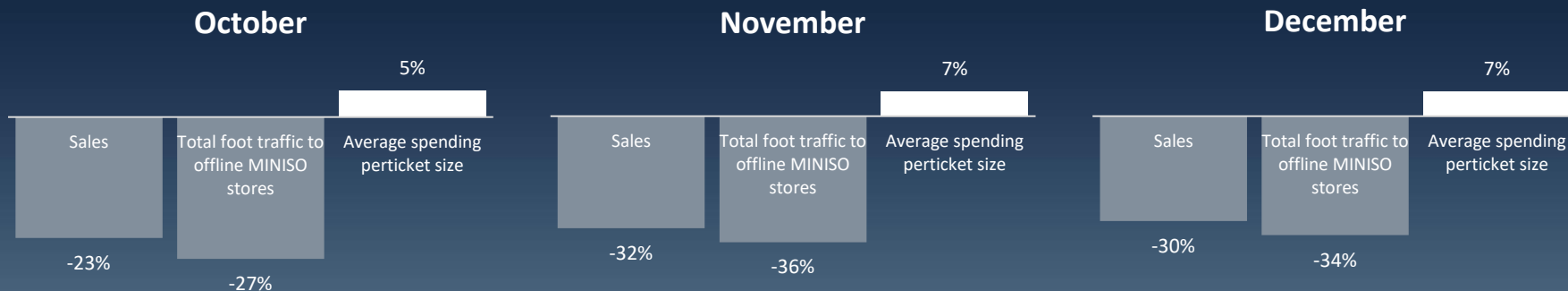
	2021Q4	2022Q3	2022Q4	YoY	QoQ
Revenue	2,773	2,772	2,494	-10%	-10%
Domestic Operations	2,056	1,852	1,508	-27%	-19%
-MINISO Brand	1,868	1,700	1,386	-26%	-18%
-TOP TOY Brand	131	124	99	-24%	-20%
-Others	57	28	23	-60%	-18%
International Operations	717	920	986	38%	7%

# MINISO China: Sales Recovery



in RMB million

	December Quarter			YoY	
	2020	2021	2022	2021	2022
<b>Revenue</b>	<b>1,765</b>	<b>1,868</b>	<b>1,386</b>	<b>6%</b>	<b>-26%</b>
-MINISO offline stores	1,593	1,702	1,217	7%	-28%
-MINISO ecommerce	172	166	169	-3%	2%



Based on the Company's estimation, total foot traffic to our offline MINISO stores decreased by 27%, 36% and 34% in each of October, November and December, while average spending per ticket size increased by 5%, 7% and 7%, which translates into declines of 23%, 32% and 30% in sales in the corresponding periods.

# Expenses by nature



in RMB million

	December Quarter		YOY
	2021	2022	
Cost of inventories	1,868	1,453	-22%
Payroll and employee benefits	228	184	-19%
Rental and related expense	14	8	-39%
Depreciation and amortization	93	97	4%
Licensing expenses	44	53	23%
Promotion and advertising expense	70	95	35%
Logistics expenses	37	37	-1%
Travelling expenses	19	13	-31%
Other expenses	101	76	-24%
<b>Total cost of sales, selling and distribution and general and administration expenses</b>	<b>2,474</b>	<b>2,016</b>	<b>-19%</b>

# Capital Allocation Balance Shareholder Return



in RMB million	FY 2020	FY 2021	FY 2022	FQ2 2023
Cash position, end of period	2,861	6,878	5,828	6,160
Net cash generated from operating activities	826	916	1,406	N/D <sup>2</sup>
Capital expenditure	57	180	1,234	N/D
Free cash flow	769	746	172 <sup>1</sup>	N/D
Cash dividend paid	330	306	361	0
Share repurchase	-	-	91	30

1.Free cash flow refers to cash flow from operating activities minus capital expenditure. Capital expenditure in FY 2022 were mainly related to our payment for acquisition of land use right in relation to headquarters project.

2.N/D represents not disclosed.

## Adjusted net margin over the past 18 quarters



Over the past  
18 quarters

**8.6%**

6 quarters  
without pandemic

**10.7%**

12 quarters  
in the pandemic

**7.6%**



# About MINISO



MINISO Group is a global value retailer offering a variety of design-led lifestyle products. The Company serves consumers primarily through its large network of MINISO stores, and promotes a relaxing, treasure-hunting and engaging shopping experience full of delightful surprises that appeals to all demographics. Aesthetically pleasing design, quality and affordability are at the core of every product in MINISO's wide product portfolio, and the Company continually and frequently rolls out products with these qualities. Since the opening of its first store in China in 2013, the Company has built its flagship brand "MINISO" as a globally recognized retail brand and established a massive store network worldwide. For more information, please visit <https://ir.miniso.com> .

## Investor Relations Contact:

Raine Hu

MINISO Group Holding Limited

Email: [ir@miniso.com](mailto:ir@miniso.com)

Phone: +86 (20) 36228788 Ext.8039

Eric Yuan

Christensen Advisory

Email: [miniso@christensencomms.com](mailto:miniso@christensencomms.com)

Phone: +86 1380 111 0739