

What’s Hot Today:

► **Miniso (9896 HK, HK\$47.34, HK\$58bn) Q2 SSSG turned positive**

2Q25 results beat guidance. Revenue grew 23% YoY to RMB5.0bn, higher than the previous guidance of 18-21% YoY growth, thanks to improved SSSG across all businesses. Excluding the RMB119mn loss from Yonghui, the adjusted net profit was up 11% YoY to RMB692mn. GPM reached 44.3%, up 0.4ppts YoY, mainly due to higher contributions of overseas markets. However, the adjusted NPM decreased to 13.6% in 2Q25 from 15.5% in 2Q24, primarily due to a 40% YoY increase in S&M expenses for investment in overseas self-operated stores. The company declared an interim dividend of 7.24 US cents per share, with a payout ratio of 121%.

Fig 1: Miniso’s 1H25 results

| | 2024 | | 2Q25 | | Results comments |
|---------------------------|--------|----------|---------|------------------|--|
| | RMB mn | % of Rev | RMB mn | % of Rev YoY chg | |
| Revenue | 4,035 | | 4,966 | 23% | Miniso China+14%, Oversea+25%, Top Toy+87% |
| Cost of sales | 2,262 | | 2,767 | 22% | |
| Gross profit | 1,773 | 43.9% | 2,199 | 44.3% 24% | Higher proportion of overseas market |
| Other revenue | 9 | | 2 | -74% | |
| Selling and distribution | (826) | -20.5% | (1,160) | -23.4% 40% | Higher investments into DTC stores |
| Administrative expenses | (227) | -5.6% | (262) | -5.3% 15% | |
| Operating profit | 752 | 18.6% | 836 | 16.8% 11% | |
| Net finance income/(cost) | 9 | | (79) | -979% | |
| Share of profit of equity | 0 | | (137) | -75758% | |
| Profit before income tax | 761 | | 627 | -18% | |
| Income tax expense | (169) | | (137) | -19% | |
| Net profit | 588 | 14.6% | 490 | 9.9% -17% | Adjusted NPM dropped 1.9ppts YoY to 13.6% |

Source: Company Data, Sunwah Kingsway Research

Improved SSSG across all businesses. Subsequent to a MSD decline in Q1, the overall SSSG turned positive this quarter. Domestic SSS has recovered steadily since the beginning of the year, reaching LSD growth in Q2 and accelerating further in Q3 to date. Overseas SSS improved to a LSD decline from a MSD drop last quarter. Notably, the U.S. market achieved MSD SSSG in Q2. Meanwhile, Top Toy also delivered LSD SSSG during the quarter.

Open larger stores and prioritize store efficiency. As of 30 June 2025, total stores count grew 137 HoH to 7,905, comprising 4,305/3,307/293 of Miniso China/Miniso Overseas/Top Toy, up 30/94/13 HoH, respectively. In Miniso China, following the closure of underperforming stores in Q1, franchisees resumed store openings in Q2. The new openings during the quarter were mainly larger-format flagship stores and MINISO LAND outlets, while normal stores were primarily deployed in Tier 3 and lower-tier cities.

| China & HK Indices | CLOSE | 1D | YTD |
|--------------------|--------|-------|-------|
| HSI | 25,339 | 0.9% | 26.3% |
| HSCBI | 9,079 | 1.2% | 24.6% |
| HSCCI | 4,345 | -0.3% | 14.9% |
| CSI300 | 4,378 | 2.1% | 11.3% |
| Shanghai A | 4,010 | 1.6% | -0.3% |
| Shanghai B | 266 | 0.2% | -0.3% |
| Shenzhen A | 2,503 | 1.5% | 22.3% |
| Shenzhen B | 1,342 | 0.9% | 10.7% |

| Key Int'l Indices | CLOSE | 1D | YTD |
|-------------------|--------|------|-------|
| Dow Jones | 45,631 | 1.9% | 7.3% |
| S&P 500 | 6,466 | 1.5% | 10.0% |
| Nasdaq | 21,496 | 1.9% | 11.3% |
| NIKKEI Index | 42,917 | 0.7% | 7.6% |
| FTSE Index | 9,321 | 0.1% | 14.1% |
| CAC Index | 7,969 | 0.4% | 8.0% |
| DAX Index | 24,363 | 0.3% | 22.4% |

| Commodities | CLOSE | 1D | YTD |
|----------------------|-------|-------|--------|
| GOLD (US\$/oz.) | 3,371 | 1.0% | 28.2% |
| STEEL (US\$/oz.) | 2,136 | 3.6% | 19.6% |
| SILVER (US\$/oz.) | 38 | 1.9% | 34.7% |
| CRUDE OIL (US\$/bbl) | 63 | 0.2% | -11.1% |
| COPPER (US\$/oz.) | 9,796 | 0.8% | 11.7% |
| ALUMINIUM (US\$/oz.) | 2,624 | 1.9% | 2.9% |
| PLATINUM (US\$/oz) | 1,360 | 0.2% | 49.9% |
| ZINC (US\$/oz.) | 2,818 | 1.1% | -5.4% |
| WHEAT (US\$/bu) | 504 | -0.4% | -8.2% |
| CORN (US\$/bu) | 411 | -0.1% | -6.9% |
| SUGAR (US\$/lb) | N/A | N/A | |
| SOYBEAN (US\$/bu) | 1,058 | 0.2% | 3.3% |
| PVC (US\$/t) | N/A | N/A | -10.1% |
| CRB | 300 | 1.3% | 3.0% |
| BDI | | | 95.0% |

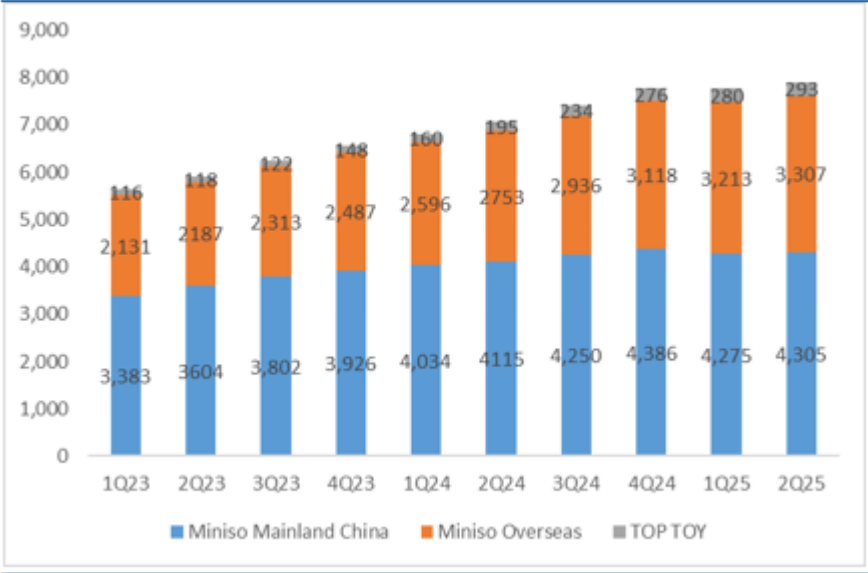
| Exchange Rates | USD | HKD | EUR | JPY | CHF | RMB |
|----------------|-------|-------|-------|---------|--------|-------|
| USD | | 7.815 | 0.853 | 146.940 | 0.802 | 7.168 |
| HKD | 0.128 | | 0.109 | 18.804 | 10.255 | 0.917 |
| EUR | 1.172 | 9.160 | | 172.190 | 1.064 | 8.401 |
| JPY | 0.007 | 5.319 | 0.581 | | 0.545 | 0.049 |
| CHF | 1.248 | 9.751 | 1.064 | 183.358 | | 8.945 |
| RMB | 0.140 | 1.090 | 0.119 | 20.490 | 0.112 | |

| Market Sentiment | CURRENT | 5D |
|-------------------------|---------|-------|
| CDS Monitor - USD SR 5Y | | |
| Greece | N/A | N/A |
| Ireland | 83 | -2.4% |
| Italy | 139 | -0.6% |
| Portugal | 207 | -0.0% |
| Spain | 108 | 0.3% |
| VIX | 14 | -5.8% |

Source: Bloomberg

For Miniso overseas, the company plans to open more than 500 overseas stores in 2025. However, it will slow down on the expansion of self-operated stores. Approximately 35% of new openings will be self-operated stores, compared to its previous guidance of 40-45%. Meanwhile, Miniso will concentrate new stores in densely populated areas to improve logistics efficiency.

Fig 2: POS by segments



Source: Company Data, Sunwah Kingsway Research

Revised up FY25 guidance. Overall revenue growth is now projected at 25% YoY (vs. 23% previously), and adjusted operating profit is expected to be in the range of RMB3.65-3.86bn(vs. RMB3.6-3.8bn previously). In terms of Q3, on the back of a surprising improvement in SSSG, revenue growth is expected to accelerate to 25-28% YoY. Adjusted operating profit is anticipated to deliver DD growth YoY.

Fig 3: Guidance for FY25 and 3Q25

| FY25 Guidance | Recent | Previous |
|---------------------|--------------------|--------------|
| Revenue | +25% YoY | +23% YoY |
| Adjusted OP | RMB3.65-3.86bn | RMB3.6-3.8bn |
| Oversea new opening | +500 | +500-600 |
| | | |
| 3Q25 Guidance | Revenue | SSSG |
| Total | +25-28% YoY | |
| Miniso China | +Mid to high teens | +HSD |
| Miniso Overseas | +30-35% YoY | +LSD-MSD |
| Top Toy | +70-80% YoY | +MSD |

Source: Company Data, Sunwah Kingsway Research

Our view: In the near term, MINISO will focus on improving SSSG and developing its own IP products. The company plans to leverage its global distribution channels to promote proprietary IPs. Currently, the company has signed contracts with nine trendy toy artists, including three core IPs Nommi, Honey, and MayMei. Additionally, the new IP, Yoyo Jiang, quickly sold out upon its June release. Its mega-store strategy and compelling IP portfolio may unlock growth potential. The counter is trading at 19.1x FY25E P/E. (Ensley LIU)

Fig 4: Revenue (RMB'mn) and YoY



Source: Company Data, Sunwah Kingsway Research

Fig 5: Gross profit (RMB'mn) and YoY



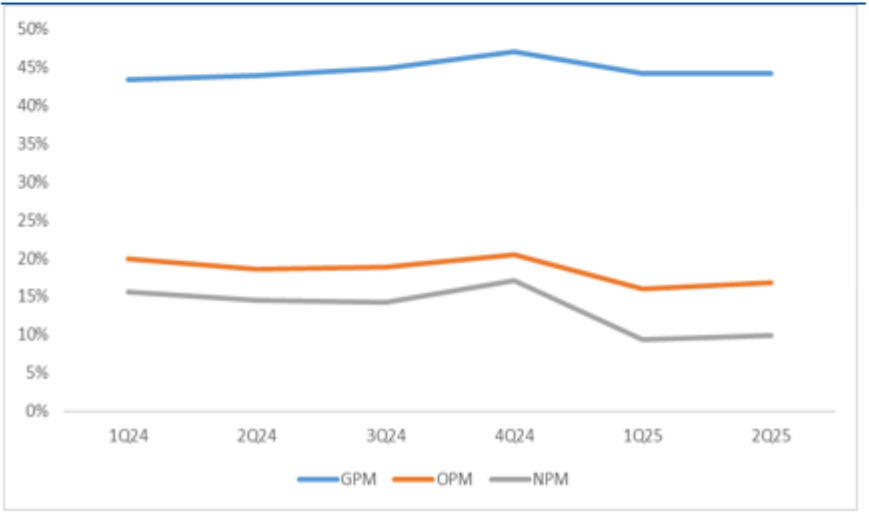
Source: Company Data, Sunwah Kingsway Research

Fig 6: Net profit (RMB'mn) and YoY



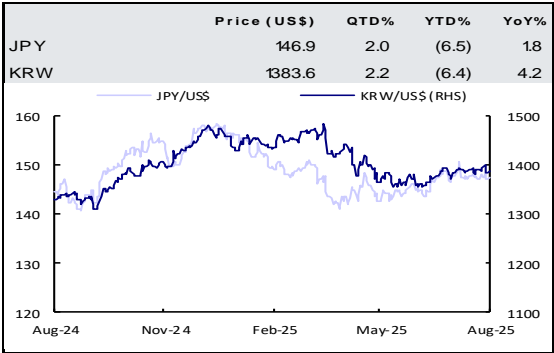
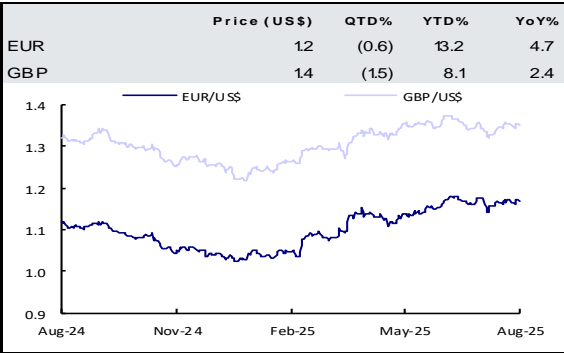
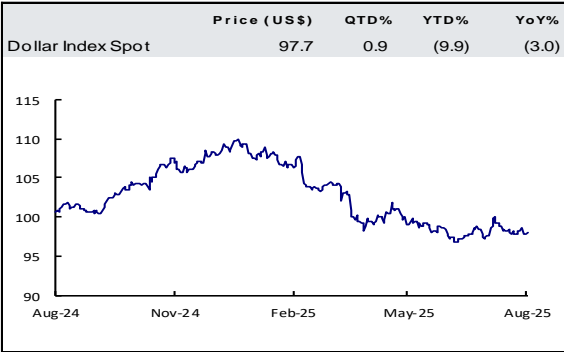
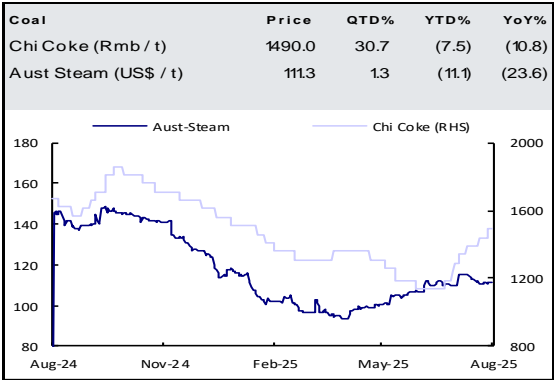
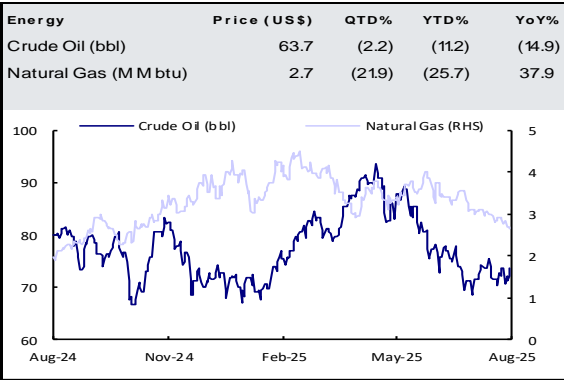
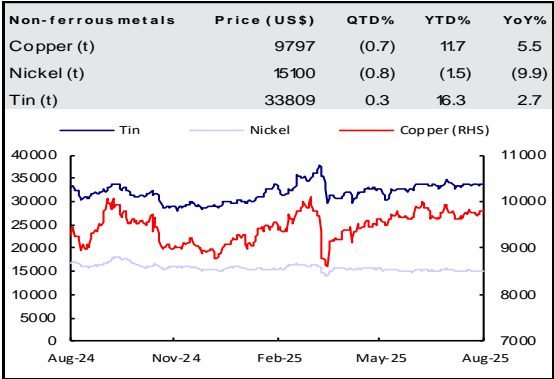
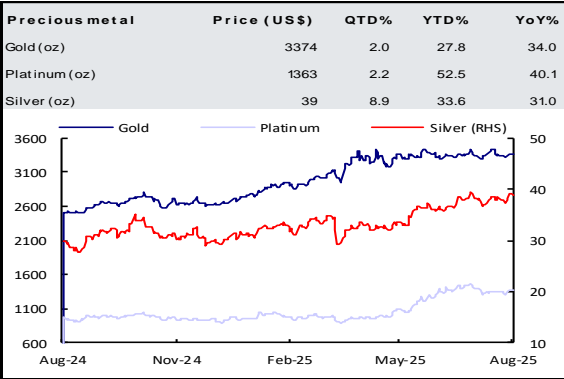
Source: Company Data, Sunwah Kingsway Research

Fig 7: Margins



Source: Company Data, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

| Indicators | Freq | Obs Date | Expected Release Date |
|-----------------------------------|------|----------|-----------------------|
| New home Sales | MoM | | 25-Aug-25 |
| Durable Goods Orders | MoM | | 26-Aug-25 |
| Consumer Confidence | MoM | | 26-Aug-25 |
| Initial Jobless Claims | WoW | | 28-Aug-25 |
| GDP | QoQ | | 28-Aug-25 |
| Wholesale Inventories | MoM | | 29-Aug-25 |
| Personal Income & Spending | MoM | | 29-Aug-25 |
| ISM Manufacturing PMI | MoM | | 2-Sep-25 |
| Factory Orders | MoM | | 3-Sep-25 |
| Trade Balance | MoM | | 4-Sep-25 |
| Employment Report | MoM | | 5-Sep-25 |
| PPI | MoM | | 10-Sep-25 |
| CPI | MoM | | 11-Sep-25 |
| Business Inventories | MoM | | 16-Sep-25 |
| Retail Sales | MoM | | 16-Sep-25 |
| Industrial Production | MoM | | 16-Sep-25 |
| Housing Starts / Building Permits | MoM | | 17-Sep-25 |
| Existing Home Sales | MoM | | 23-Sep-25 |
| Auto Sales | MoM | | |

China Economic Calendar

| Indicators | Freq | Obs Date | Expected Release Date |
|---------------------------|------|----------|-----------------------|
| PMI Manufacturing | MoM | | 31-Aug-25 |
| Foreign Exchange Reserves | QoQ | | 7-Sep-25 |
| Trade Balance | MoM | | 8-Sep-25 |
| Money Supply - M2 | MoM | | 9-Sep-25 |
| PPI | MoM | | 10-Sep-25 |
| CPI | MoM | | 10-Sep-25 |
| Retail Sales | MoM | | 15-Sep-25 |
| Industrial Production | MoM | | 15-Sep-25 |
| GDP | YoY | | 20-Oct-25 |

Hong Kong Economic Calendar

| Indicators | Freq | Obs Date | Expected Release Date |
|--------------------------|------|----------|-----------------------|
| Trade Balance | MoM | | 26-Aug-25 |
| Money Supply - M2 | MoM | | 29-Aug-25 |
| Retail Sales | MoM | | 1-Sep-25 |
| PMI | MoM | | 3-Sep-25 |
| Foreign Currency Reserve | MoM | | 5-Sep-25 |
| Producer Prices Index | QoQ | | 15-Sep-25 |
| Industrial Production | QoQ | | 15-Sep-25 |
| Unemployment Rate | MoM | | 16-Sep-25 |
| CPI | MoM | | 22-Sep-25 |
| GDP | QoQ | | 31-Oct-25 |
| Composite Interest Rate | MoM | | |

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