

China Consumer Staples

4Q24 Preview: Looking for a better start into 2025 after a reset in 4Q24; Watch out for policy roll-out

The staples sector is up c.7% YTD (on a mkt cap weighted avg basis) and up c.6% on average this week (vs. MSCI China YTD rally at 20%). Meanwhile, we observe market sentiment gradually improving with steadier consumer confidence index and higher interest in potential upside from policy stimulus implementation (see [our Europe marketing feedback takeaways](#)) post the [Two Sessions](#) this year which ranks domestic consumption demand recovery as one of the top priorities. Therefore, we expect that market would likely look through the 4Q/2H24 results (our latest EPS estimates on average is still c.3% below BBG consensus) and focus more on topline/earnings outlook in 2025 provided by consumer companies in the upcoming results season. We expect margin enablers (*pre-results by Mengniu*), comments for sell-in improvement in 2Q (*beer/dairy*) and competition/pricing actions ([UPC on promotion cut/Nongfu on water strategy](#)) as well as potential shareholder return enhancement in the Staples space ([DPS surprise by Bud APAC](#), controlling shareholder's stake increase commitment by [Laojiao](#)) will be the key focus for this results season. Meanwhile, Policy remains the highly focused topic including consumption vouchers, new birth/ [childcare subsidies](#) and enhancing low income group's [disposable income level following the Two Sessions](#) this year: The [childcare subsidy policy and milk coupon for child-bearing women](#) announced by Hohhot government on Mar 13 could be initial positive development following our [last check-in on fertility support](#) from State Council in Oct; [NFRA](#)¹ issued a notice on Mar 14 that encourages banks/financial institutions to increase quota for personal consumption loans to promote consumption sentiment.

Early color on 1Q25: 1) Run-rate picked up sequentially in Feb vs. Jan yoy and

easier comp ahead: Beer retail growth began relatively steady during LNY period ([expert call takeaways](#)) and shipment in Feb has picked up sequentially vs. Jan; beverage maintained solid momentum in Jan-Feb (UPC/Eastroc/CR Bev at DD%) and promotion sequentially subdued, while dairy products saw stable yoy retail growth during LNY (per [Yili](#)) with disciplined shipment and easing promotion level. Spirits saw shipment control post LNY to keep healthier inventory level ([Wuliangye](#) looks for positive sales growth in 1Q) while regional players Fen Wine/King's Luck/Gujiang have

Leaf Liu

+852-3966-4169 | leaf.liu@gs.com
Goldman Sachs (Asia) L.L.C.

Valerie Zhou

+852-2978-0820 | valerie.zhou@gs.com
Goldman Sachs (Asia) L.L.C.

Hongda Zhong

+852-2978-2300 | hongda.zhong@gs.com
Goldman Sachs (Asia) L.L.C.

Julia Mu

+852-2978-1219 | julia.mu@gs.com
Goldman Sachs (Asia) L.L.C.

Christina Liu

+852-2978-6983 | christina.liu@gs.com
Goldman Sachs (Asia) L.L.C.

For the exclusive use of CHRISTINA.LIU@GS.COM

¹ [National Financial Regulatory Administration](#)

outperformed YTD in terms of retail and shipment; **2) a stabilizing trend in pricing:** we noted F&B and dairy are seeing better pricing trends with more disciplined competition across players as seen last year, where liquid milk discounts are narrowing, bottled water does not see further pricing competition by Nongfu, and Tingyi continues to implement the price hikes with less head-to-head competition with UPC; Pricing trend also remained solid for super premium spirits with wholesale price largely holding up for key SKUs post LNY; **3) earnings/margin outlook** would rely on a) disciplined opex spending and organizational streamlining, b) continued cost tailwinds (see our latest [cost tracker](#)), and also c) a more mature investment cycle (lowered capex expectation for most sub-sectors).

We reiterate our sub-sector preferences: We continue to rank **Beverage** (secular growth) and **Dairy** (supply-demand/margin bottom out/potential policy beneficiary) as our most preferred; followed by beer/super premium spirits (shareholder return and potential policy beneficiary), and pet foods (penetration). Our key stocks remain Moutai/Mengniu/Tsingtao-H/CR Beverage/Tingyi/Nongfu/Yanker/China Pet Foods/ Ligao (all Buy rated).

The next key factors to watch for are: Upcoming China Food & Drinks Fair hosted in Chengdu on 25-27 March; wholesale price trends and channel inventory of key spirits SKU in the slack season, beverage shipment sentiment ahead of peak season, beer monthly shipment into 2Q (channel preparation for peak season), CPI trend in March, and any policy to boost consumption.

Staple 2024/4Q24 results preview

Exhibit 1: 2024, 4Q24 results preview (beer, condiments, dairy, F&B, snacks, frozen foods, pet care)

Ticker	Company	4Q24E				2024E				2025E				2026E			
		Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy
Beer																	
600600.SS	Tsingtao Brewery	3,083	4%	(535)	n.m.	32,043	-6%	4,455	4%	32,679	2%	4,924	11%	33,574	3%	5,267	7%
600132.SS	Chongqing Brewery*	1,582	-11%	(86)	n.m.	14,645	-1%	1,245	-7%	15,056	3%	1,331	7%	15,557	3%	1,448	9%
002568.SZ	Shanghai Bairui	609	-25%	120	-17%	2,995	-8%	694	-14%	3,436	15%	849	22%	3,816	11%	972	15%
1876.HK	Budweiser APAC*	1,142	-12%	(16)	n.m.	6,246	-9%	726	-15%	6,473	4%	819	13%	6,802	5%	928	13%
Weighted Avg.			-9%		-8%		-4%		-6%		3%		11%		3%		11%
Condiments																	
600872.SS	Jonjee Hi-Tech*	1,201	1%	274	n.m.	5,147	0%	850	62%	5,426	5%	870	2%	5,901	9%	963	11%
002507.SZ	Fuling Zhacai*	446	-10%	153	-8%	2,408	-2%	824	0%	2,531	5%	889	8%	2,667	5%	930	5%
600305.SS	Jiangsu Hengshun Vinegar	515	10%	27	n.m.	2,046	-3%	147	69%	2,209	8%	199	35%	2,473	12%	245	23%
603027.SS	Qianhe Condiment and Food	797	-9%	146	2%	3,086	-4%	497	-6%	3,309	7%	540	9%	3,626	10%	602	11%
603317.SS	Sichuan Teway Food Group*	1,112	22%	193	42%	3,476	10%	626	37%	3,738	8%	683	9%	3,989	7%	743	9%
Weighted Avg.			15%		23%		8%		10%		9%		12%		9%		10%
Dairy																	
600887.SS	Yili Industrial	28,049	-3%	1,467	32%	117,089	-7%	9,976	-1%	120,503	3%	10,814	8%	123,632	3%	11,685	8%
Weighted Avg.			-3%		32%		-9%		3%		2%		6%		3%		9%
Beverage																	
605499.SS	Eastroc*	3,281	25%	619	61%	15,839	41%	3,327	63%	20,220	28%	4,321	30%	24,343	20%	5,354	24%
Snacks																	
002557.SZ	Chacha Food Co.*	2,374	2%	228	-23%	7,132	5%	854	6%	7,514	5%	835	-2%	7,943	6%	944	13%
002847.SZ	Yankershop Food	1,459	31%	156	42%	5,319	29%	649	28%	6,369	20%	808	24%	7,337	15%	922	14%
300783.SZ	Three Squirrels	3,514	39%	60	20%	10,683	50%	402	83%	14,131	32%	513	28%	17,813	26%	676	32%
Weighted Avg.			11%		-6%		12%		10%		11%		4%		11%		7%
Frozen Food																	
001215.SZ	Qianweiyangchu	548	-4%	32	-20%	1,912	1%	114	-15%	2,050	7%	128	12%	2,183	6%	144	13%
603345.SS	Fu Jian Anjoy Foods Co.	4,057	8%	367	3%	15,134	8%	1,415	-4%	16,663	10%	1,520	7%	18,362	10%	1,781	17%
300973.SZ	Ligao Foods*	1,131	23%	75	n.m.	3,848	10%	278	281%	4,480	16%	318	14%	5,107	14%	444	40%
605089.SS	Weizhixiang	167	-7%	17	-39%	677	-15%	85	-37%	704	4%	92	9%	745	6%	103	11%
002216.SZ	Sanquan Foods	1,586	-3%	116	-41%	6,711	-5%	511	-32%	6,843	2%	487	-5%	7,045	3%	533	9%
600298.SS	Angel Yeast	4,282	9%	430	20%	15,194	12%	1,383	9%	16,694	10%	1,618	17%	18,291	10%	1,876	16%
Weighted Avg.			7%		16%		6%		-1%		9%		10%		9%		17%
Pet Care																	
002891.SZ	China Pet Foods*	1,278	24%	98	74%	4,467	19%	380	63%	5,018	12%	423	11%	5,777	15%	558	32%
301498.SZ	Gambol Pet Group	1,510	24%	147	28%	5,181	20%	617	44%	6,203	20%	755	22%	7,423	20%	947	25%
300673.SZ	Petpal Pet Nutrition Technology*	547	11%	38	108%	1,870	33%	192	n.m.	2,266	21%	206	7%	2,667	18%	261	27%
Weighted Avg.			22%		50%		21%		51%		17%		16%		18%		28%
H share																	
Ticker	Company	4Q24E				2024E				2025E				2026E			
		Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy
1579.HK	Yihai International Holding	3,531	0%	434	-12%	6,458	5%	742	-13%	6,922	7%	896	21%	7,372	7%	991	11%
2319.HK	Mengniu Dairy*	43,351	-9%	2,889	43%	88,021	-11%	5,523	11%	89,363	2%	5,620	2%	92,730	4%	6,289	12%
6186.HK	China Feihe Ltd.	10,599	8%	2,308	13%	20,694	6%	4,520	7%	22,039	6%	4,951	10%	23,149	5%	5,196	5%
9633.HK	Nongfu Spring	23,133	4%	6,040	-6%	45,306	6%	12,260	2%	52,783	17%	14,135	15%	59,830	13%	15,876	12%
0322.HK	Tingyi	39,387	0%	1,815	23%	80,588	0%	3,701	19%	83,054	3%	4,309	16%	85,503	3%	4,798	11%
0220.HK	Uni-President China*	14,853	6%	683	12%	30,332	6%	1,849	11%	32,305	7%	2,111	14%	33,853	5%	2,334	11%
2460.HK	CR Beverage	6,481	n.m.	395	n.m.	14,097	4%	1,601	19%	15,250	8%	1,947	22%	16,639	9%	2,377	22%
0151.HK	Want Want China	12,423	1%	2,125	-6%	23,354	0%	3,986	4%	23,684	1%	3,953	-1%	24,296	3%	3,973	0%
0291.HK	China Resources Beer	14,837	-1%	282	-44%	38,581	-1%	4,987	-3%	39,147	1%	5,332	7%	39,877	2%	5,944	11%
6979.HK	ZJLD	2,883	-18%	624	-24%	7,016	0%	1,642	1%	7,042	0%	1,647	0%	7,699	9%	1,860	13%

* Denotes companies that have already issued 2024 preliminary results/ official results; Mengniu's NP refers to recurring NP, adjusted for one-off items (goodwill impairment, associate losses, raw milk powder impairment etc). Want Want Want calendar year data (shown in table, Mar-Apr) is different from financial year (Jan-Dec).

Source: Goldman Sachs Global Investment Research

Exhibit 2: 2024, 4Q24, 1Q25 results preview (spirits)

Ticker	Company	4Q24E				1Q25E				2024E				2025E				2026E			
		Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy	Sales	Sales yoy	Net profit	NP yoy
Spirits																					
600519.SS	Kweichow Moutai*	50,684	12%	24,856	14%	50,901	10%	26,562	10%	173,806	15%	85,883	15%	188,740	9%	94,577	10%	205,822	9%	104,725	11%
000858.SZ	Wuliangye Yibin	18,717	-10%	6,304	-15%	36,575	5%	14,683	5%	86,632	4%	31,235	3%	91,482	6%	33,284	7%	98,642	8%	36,434	9%
600809.SS	Shanxi Xinghuacun Fen Wine	4,777	-8%	809	-20%	16,565	8%	6,795	9%	36,134	13%	12,159	16%	39,123	8%	13,227	9%	43,138	10%	14,684	11%
000568.SZ	Luzhou Laojiao	6,257	-25%	1,864	-30%	9,188	0%	4,552	0%	30,561	1%	13,457	2%	31,218	2%	14,038	4%	33,573	8%	15,455	10%
002304.SZ	Jiangsu Yanghe	1,771	-38%	(836)	n.m.	13,817	-15%	4,811	-21%	29,288	-12%	7,743	-23%	29,032	-1%	7,727	0%	29,885	3%	8,083	5%
000596.SZ	Anhui Gujing Distillery Co.	4,252	-1%	750	-3%	6,949	8%	2,256	9%	23,320	15%	5,487	20%	25,551	10%	6,105	11%	27,800	9%	6,766	11%
600779.SS	Sichuan Sweifun Co.*	1,429	0%	216	-12%	933	0%	182	-2%	5,217	5%	1,341	6%	5,461	5%	3,399	4%	5,814	6%	1,484	5%
603369.SS	Jiangsu King's Luck Brewery	1,915	10%	535	7%	5,138	10%	1,690	10%	11,856	16%	3,620	15%	13,093	10%	4,022	11%	14,378	10%	4,410	10%
Weighted Avg.			2%		3%		7%		7%		16%		10%		7%		9%		9%		10%
Weighted Avg.			-11%		-41%		0%		-2%		4%		1%		6%		7%		8%		10%
Non-super premium spirits																					

* Denotes companies that have already issued 2024 preliminary results/ official results

Source: Goldman Sachs Global Investment Research

Exhibit 3: Our estimates for our consumer staples coverage in 24E/25E are generally lower than Bloomberg consensus

GSe vs. Bloomberg consensus 2024E-25E

Ticker	Company	2024E		2025E	
		Sales +/- % vs. BBG con	NP +/- % vs. BBG con	Sales +/- % vs. BBG con	NP +/- % vs. BBG con
Spirits					
600519.SS	Kweichow Moutai*	0.1%	-0.2%	-0.8%	0.4%
000858.SZ	Wuliangye Yibin	-3.9%	-4.5%	-5.4%	-5.2%
600809.SS	Shanxi Xinghuacun Fen Wine	-2.5%	-1.7%	-6.7%	-6.3%
000568.SZ	Luzhou Laojiao	-5.5%	-4.3%	-9.3%	-6.5%
002304.SZ	Jiangsu Yanghe	-2.0%	-6.4%	-2.0%	-5.3%
000596.SZ	Anhui Gujing Distillery Co.	-2.1%	-2.2%	-4.5%	-6.2%
600779.SS	Sichuan Swellfun Co.*	0.6%	-1.6%	-0.7%	-3.8%
603369.SS	Jiangsu King's Luck Brewery	0.5%	0.2%	-1.0%	-0.3%
Beer					
600600.SS	Tsingtao Brewery	-0.4%	0.6%	-1.6%	2.6%
600132.SS	Chongqing Brewery*	-0.9%	-3.0%	-0.9%	-1.1%
002568.SZ	Shanghai Bairun	-8.9%	-9.8%	-7.6%	-3.4%
1876.HK	Budweiser APAC*	-0.6%	-5.0%	-0.5%	-1.9%
Condiments					
600872.SS	Jonjee Hi-Tech*	-6.2%	6.6%	-10.6%	-3.2%
002507.SZ	Fuling Zhacai*	-2.5%	-2.8%	-3.3%	-3.5%
600305.SS	Jiangsu Hengshun Vinegar	-0.7%	3.2%	-0.3%	10.7%
603027.SS	Qianhe Condiment and Food	-3.7%	-0.6%	-6.0%	-3.4%
603317.SS	Sichuan Teway Food Group*	0.8%	3.2%	-2.5%	-0.5%
Dairy					
600887.SS	Yili Industrial	-1.2%	-16.7%	-2.2%	-4.7%
Beverage					
605499.SS	Eastroc*	-1.4%	1.2%	-0.7%	-1.5%
Snacks					
002557.SZ	Chacha Food Co.*	-4.2%	-10.1%	-7.6%	-22.1%
002847.SZ	Yankershop Food	1.3%	-0.1%	-1.3%	-1.5%
300783.SZ	Three Squirrels	2.0%	-0.1%	5.9%	-5.5%
Frozen Food					
001215.SZ	Qianweiyangchu	-4.7%	-11.3%	-7.8%	-12.9%
603345.SS	Fu Jian Anjoy Foods Co.	-1.3%	-4.2%	-1.4%	-8.7%
300973.SZ	Ligao Foods*	0.1%	1.2%	3.3%	0.0%
605089.SS	Weizhixiang	-4.9%	-23.4%	-6.3%	-28.9%
002216.SZ	Sanquan Foods	-1.7%	-22.7%	-2.6%	-23.1%
600298.SS	Angel Yeast	-1.5%	1.3%	-3.2%	1.3%
Pet Care					
002891.SZ	China Pet Foods*	0.2%	4.4%	-3.6%	1.8%
301498.SZ	Gambol Pet Group	-1.8%	1.6%	-3.4%	-0.2%
300673.SZ	Petpal Pet Nutrition Technology*	-1.8%	1.4%	-1.6%	-8.8%
H share					
Ticker	Company	2024E		2025E	
		Sales +/- % vs. BBG con	NP +/- % vs. BBG con	Sales +/- % vs. BBG con	NP +/- % vs. BBG con
1579.HK	Yihai International Holding	-3.9%	-8.9%	-6.0%	-3.4%
2319.HK	Mengniu Dairy*	-2.1%	n.m.	-3.6%	10.2%
6186.HK	China Feihe Ltd.	-0.7%	16.8%	1.1%	15.9%
9633.HK	Nongfu Spring	-2.7%	-1.7%	-1.6%	-0.7%
0322.HK	Tingyi	-1.2%	4.4%	-1.7%	9.5%
0220.HK	Uni-President China*	-0.7%	-2.0%	-0.3%	1.1%
2460.HK	CR Beverage	-0.9%	-2.1%	-0.6%	-2.9%
0151.HK	Want Want China	-2.6%	2.4%	-0.3%	-6.1%
0291.HK	China Resources Beer	-0.9%	-8.0%	-1.9%	-9.5%
6979.HK	ZJLD	-11.5%	-9.6%	-21.1%	-24.6%

* Denotes companies that have already issued 2024 preliminary results/ official results. Want Want calendar year data (shown in table, Mar-Apr) is different from financial year (Jan-Dec).

Source: Bloomberg, Goldman Sachs Global Investment Research

Exhibit 4: Summary of sales/NP growth by sub-sector

	2024E		2025E		2026E	
	Sales yoy	NP yoy	Sales yoy	NP yoy	Sales yoy	NP yoy
Super premium spirits	10%	10%	7%	9%	9%	10%
Non super premium spirits	4%	1%	6%	7%	8%	10%
Beer	-4%	-7%	3%	11%	3%	11%
Condiments	8%	10%	9%	12%	9%	10%
Dairy	-9%	3%	2%	6%	3%	9%
Frozen Food	6%	-1%	9%	10%	9%	17%
Snacks	12%	10%	11%	4%	11%	7%
Pet Care	21%	51%	17%	16%	18%	28%
Foods	2%	16%	4%	16%	3%	11%
Beverage	12%	11%	17%	19%	14%	16%
Total	3%	7%	6%	10%	3%	9%

Source: Goldman Sachs Global Investment Research

1Q25 Early Color by Sector/Company

Spirits- channel management and wholesale price stabilization are the key focus

by brands in 1Q25: We noted more sales management measures by leading spirits companies in 1Q25 following disciplined shipment in 4Q24, which has helped to support wholesale prices level, digest channel inventory and support distributors sentiment since LNY. Retail sales trend were under pressure of a high comp base in LNY 2025 but we expect sequentially recovery into next festival season in Dragon Boat Festival. We also expect distributors sentiment to be relatively cautiously optimistic in the **upcoming China Food & Drinks Fair hosted in Chengdu on 25-27 March**.

- **Moutai (Buy):** Company has enhanced supply of special SKUs such as Zodiac Moutai, 1KG Feitian etc around LNY to support growth momentum. For Feitian Moutai, the shipment of March quota (c.6% of full year) is under progress, bringing Q1 quota to 35~37% of full year, while the wholesale price in early Mar is still largely stable (latest tracker), with the channel inventory level now standing at c.0.5 month. Series spirits targets at 15% growth for 2025, while Moutai 1935 achieved positive retail growth and open-bottle ratio in LNY.
- **Wuliangye (Buy):** Wuliangye expects positive sales growth for 2025 and for 1Q25 (likely SD% yoy in 1Q despite a high base) with sales management measures (three specialized sales companies were recently established/owned by some of Wuliangye's large distributors), channel reforms and market share gain. With supply control to traditional distributors, channel inventory has decreased to 2-3% from a peak at 8-9% last year, and wholesale prices have seen a notable pickup during LNY.
- **Laojiao (Buy):** "Strong-start" prepayment made this year so far accounts for c.35% of annual prepayments and prepayments are front-loaded ahead of LNY. Distributors/retail terminals are expected to digest inventory in Mar and the current sentiment level remains muted for prepayment post LNY vs. c.40%+ completed in early March 2024. Company feedback indicated they have observed steady LNY retail sales trend and Laojiao will still aim for positive growth in 2025 following a more disciplined 4Q24. On Mar 13, Laojiao's controlled shareholder Luzhou Laojiao Group announced the plan of increasing equity ownership by Rmb150-300mn within next 6 months.
- **Selective Regional players are more resilient and are outperforming YTD.** The prepayment pace of **Fen Wine, Gujing, King's Luck** is largely at par vs. the same period in 2024 at c. 35%/+50%/40% by early March 2025 following a completion of 2024 target, at a healthier pace vs. others (e.g. Swellfun/Jiugui/Yanghe).

Beer: We see the beer retail growth being relatively steady during LNY period.

Shipment in Feb has picked up sequentially vs. Jan with the help from calendar shift.

The Jan-Feb shipment trend have showed divergence:

- **Jan-Feb shipment trend:** Bud down SD% with continued control of shipment focusing on channel inventory digestion; CRB achieved positive volume growth in Jan-Feb 2025 despite a relatively high base, and we note a much easier comp in

March to 4Q25; Tsingtao saw slight decline in Jan-Feb combined amid an easy base last year; Chongqing edged up from a soft 2H24 and delivered positive growth in Jan-Feb.

- **Cost front:** Our cost tracker showed sequential cost tailwinds in Barley (YTD down -5% vs. 2024 avg). By brand: Budweiser APAC looks flattish or slightly inflated costs in 2025 based on: 1) continued LSD% decline in barley on a 12-month basis vs. last year, despite at a smaller scale vs. 2024; 2) likely a MSD% yoy price increase in aluminum. CRB/Tsingtao still look for cost tailwind in 2025 mainly from barley deflation.

F&B- Beverage maintained solid momentum in Jan-Feb and promotion

sequentially subdued: We noticed continued strong trend for beverage in Jan-Feb 2025 with UPC (up DD%), Tingyi (resilient at SD%) mainly driven by strong RTD tea momentum, while Eastroc accelerated since Feb post LNY calendar shift impact. We also expect more disciplined promotion for bottled water this year, with Nongfu's "Strong Start" promotion sequentially lowered for green bottle purified water (see our EU investor feedback report), and CR Bev is seeing DD% growth for water and beverage lapping a relatively easier comp in Jan-Feb.

- **Eastroc (Buy): 1) new driver:** The company is optimistic about large-pack sweetened tea Guozhicha launched in Feb to meet consumer demand for value-for-money products and accelerate penetration into more cost sensitive PoS. The company has made trial sales of Guozhicha in Hainan in end of 2024 with good consumer feedback and will roll out Guozhicha nationwide in 2025. **2) Margin-front,** Eastroc expects continued strong growth and potential GPM expansion for Energy Drinks with cost benefits and continued room for more disciplined promotion in 2025.
- **UPC (Neutral):** UPC noted that Beverage and noodles both recorded DD% sales growth in Jan-Feb built on sequentially improved consumer sentiments in LNY, healthy channel inventory (lower yoy), and raised channel confidence on enhanced brand power, with further help from refrigerator investments in 4Q that starts to yield benefits in 1Q. By segment, RTD tea continued strong momentum, milk tea saw notable sequential improvements, and Haizhiyan registered high DD% growth despite continued pressure on other juices.

Dairy: S/D continued to improve for raw milk. Shipment volume remained weak in Jan-Feb (Yili down SD% and Mengniu down DD%) but promotion level stabilized yoy. We look for shipment growth lapping an easier comp since March.

- For upstream, as we mentioned in the supply reduction update note dated late Jan, we see raw milk price stabilizing in 1Q2025, with the overall herd size down -4.5% yoy as of end-2024. The continued exit of smaller dairy farms is in line with our expectation and pushes forward the supply/ demand rebalance, which we estimate to happen in 2H25. The latest raw milk price trended lower to Rmb3.08/kg vs. Rmb3.13/3.09 in end of Jan/Feb with seasonal factors. On demand side, the initial positive signal is narrower discount and stable sales trends during LNY. We note Hohhot government issued a childcare subsidy policy (our thoughts on implications

to coverage).

- **Yili (Buy):** Mgmt noted stable retail sales momentum yoy during LNY largely in-line with expectations, with some key markets (e.g., Henan/Shandong) relatively outperforming, thanks to proactive de-stocking actions in 2H24 and the introduction of more gift-packaging products in preparation. The company did not push for sell-in volume to the channel before LNY, and now sees better alignment between sell-in/sell-through pace with healthy channel inventory level. The company also observed better pricing trend in retail terminals for Satine/Basic milk with more disciplined promotion level vs. 2024 LNY. The key factor to monitor is the replenishment demand post Lantern Festival and promotion level going forward.

Condiments: Per our channel checks, leading condiments players have been relatively more resilient while mid-scale players sales have been under pressure mainly due to fluid demand and channel inventory level after LNY shipments.

- **Teway (Sell):** The company has pushed for pre LNY shipment in 4Q24 in order to achieve its ESOP target and we think the accelerating growth in 4Q24 mainly came from winter seasons (sausage related seasoning). For 1Q25, Teway would likely take some time to digest the inventory in channels. The company had achieved major expansion in GPM- Selling expense ratio in 2024 with significant cut in marketing dollars on top of cost tailwinds. We expect the margin expansion to slowdown in 2025.
- **Jonjee (Neutral):** We note a softer retail momentum and potential market share loss to leading players amid Jonjee's organization/channel reform in 4Q24, and we are yet to see a turnaround in its condiments sales given the current high channel inventory (approaching 3~4 months in some regions per our channel checks) despite the LNY period.
- **Fuling (Neutral):** We believe that Fuling has undergone an inventory digesting period after LNY shipments, with increased promotions weighing on ASP and operating leverage -impacting NPM. We understand that Fuling is still going through a reform in 2024, into 2025, we look for potential improvement in sales momentum as well as expecting continued cost tailwinds to last until Jun-Jul 2025.

Prepared food: Shipment has been soft overall, however channel inventory remains healthy and pricing pressure is limited. On 2B demand, as a read-cross from catering, restaurant SSSG in Feb was sequentially lower due to calendar impact as expected, yet the decline magnitude post CNY holiday was better than feared in Feb.

- **Ligao (Buy):** We highlight the encouraging sales momentum of Ligao's new products in the Sam's Club channel and light cream products, while raw material costs weighed on profit margins. Looking into 1Q25E, we remain positive for the new products rolling out in Sam Club's channel and we see less cost pressure in Jan, per mgmt in AGM, with cream products GPM likely to see signs of qoq recovery from 1Q-2Q25. We remain Buy rated on Ligao, which could benefit from the favourable product cycles to facilitate topline at mid-teens % yoy growth, while noting that the palm oil cost is the key swing factor.

- **Angel Yeast (Buy):** Due to the internal reform, earlier LNY in 2025 and fluid demand, for Jan and Feb combined, the company-level sales have seen a yoy decline, attributable to negative growth of domestic sales in Jan+Feb while overseas remained strong (sales growth rates for all regions except North America (down ~5% yoy) and Europe (10% yoy) exceeded 20%~30%). Cost-wise, avg. molasses procurement prices of the 24-25 season recorded yoy savings of c.15%. For 1Q25, company targets 9% yoy sales growth to be supported by 20%+ yoy sales growth in Mar 25.

Snacks: LNY early color in fast-growing emerging channels was not particularly encouraging for 2025 start: **1) Wechat gifting:** amid expectations as a potential positive catalyst for snack brands, Wechat gifting appears to have been more muted per our channel checks with brands not recording significant volumes sold; **2) Douyin:** Douyin GMV growth appeared soft lapping a high base and brands' different focus on GMV/profitability, e.g. higher KOL sales mix of Chacha on Douyin, the opposite for Yanker. **3) Discounters:** Discounter shipments were encouraging before LNY and we note that discounter store openings slightly slowed down to c.200~300 stores in Feb vs, c.300~350 stores per month into Jan, although potentially due to LNY calendar shift.

- **Chacha Food (Sell):** Membership KAs and discounters channels outperformed with traditional KAs still under pressure, and profit margin still uncertain in the short-term. Sunflower seeds costs remain largely flattish MoM in Feb. Now we look for 7%/36% sales/NP decline for Chacha in 1Q25E.
- **Yankershop (Buy):** For Jan and Feb combined Yankershop have seen 8% yoy GMV decline on Douyin and Mar MTD growth has also been soft. We believe that the company has lowered paid traffic and cut non-core SKUs for quality growth on top of a tough base. For offline channels, discounters channel remain strong with store openings; SKUs in Membership KAs have also seen solid growth momentum. Product-wise, the large SKUs (e.g. Dan Huang, Da Mo Wang) continued to ramp up. In terms of profitability, we expect higher selling costs in the recent two quarters for LNY holidays and newly-added category Fish Tofu to have slight pressure on GPM - selling ratio. Now we look for 15% yoy growth for Yanker in 1Q25E.
- **Three Squirrels (Neutral):** Three Squirrels was leading in the Wechat gifting channel but the sales contribution seems to be limited. For Jan and Feb combined Three Squirrels have seen 7% yoy growth on Douyin.

Pet food:

For Jan and Feb combined we are encouraged to see ongoing market share gains for leading domestic companies including **Gambol (Buy)** (market share at 7.7%/12.7% on Tmall+Taobao/Douyin in Jan+Feb 2025 vs. 7.1%/11.4% in FY24), with a GMV growth rate of 50% yoy for Gambol (thanks to Fregate brand's strong, ongoing growth momentum of 163% yoy in Jan+Feb). We note softness for **China Pet Foods (Buy)** (+12% yoy in Jan+Feb 25, vs. 13% yoy for FY24) which may be due to the company's higher exposure to the offline channel and seasonality factors. Meaty way under **Petpal (Neutral)** also recorded strong triple digit growth for Jan and Feb combined lapping a smaller base. We continue to see our covered companies' strength in

innovative products, where Myfoodie/Fregate/Wanpy are all introducing higher-end new concept products (e.g. Goat Milk/Gold Shield in Myfoodie/Wanpy) to drive brand momentum, on top of faster new client acquisition, healthy repurchase rate and disciplined promotion costs tracked in Douyin.

Key reports:

China Consumer Staples: Investor feedback from European marketing trip: Focus on consumption recovery and further signs of bottoming

China Consumer Staples Cost Index Tracker: Feb 2025: Easing prices of meats benefiting prepared foods / pet foods

China Consumer Staples: Snacks: Offline discounters' new store formats driving open momentum though online muted

China Staples: Pet food monthly: Feb-25: New products fuel growth; further cost benefits

China Consumer Staples: LNY Pulse Check: Snacks: Early Color: softer wechat gifting and online

China consumer staples: Condiments Pre-LNY Pulse Check: Haitian outperforms on robust mgmt. capability and Jan 2025 prepayment pace strongly ahead of schedule

China Consumer Staples: Pre-LNY Pulse Check: Snack expert call takeaways - leading discounters on steady roll-out & quality growth

China Consumer Staples: 2025 Outlook: A year of valued growth, Four key themes through the cycle

China Brewing: Navigating the tide from channel mix/category shift as the key for 2025

For the exclusive use of CHRISTINA.LIU@GS.COM

Monthly Tracker by Sub Sector

Exhibit 5: Monthly volume table 2024-2025 by GSE

Beer	Jan	Feb	Mar	Apr	May	2024E Beer companies' volume change yoy								2025E	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Jan	Feb
CRB	up c.9%	roughly flattish	down HSD%	down LSD%	down LSD%	down LSD%	down HSD%	down c.LSD%	positive growth	positive growth	flattish to minor growth	likely flattish	CRB	up MSD%	
Bud APAC China	total volume under pressure while Premium continued growth, but SP declined.		total volume decline, with SP down on a high base		down LSD-MSD%	down HSD%~10%	down DD%	down HSD%	down Mid-High teens-%	down low teens-%	down DD%	down DD%	Bud APAC China	down MSD%	
Tsingtao	up c.1%	down high teens%	down HSD%	down LSD%	down MSD-HSD%	down DD%	down LSD%	down LSD%	down HSD%	up LSD%	up MSD%	up Mid-teens-%	Tsingtao	down MSD%	up MSD%
Chongqing	likely up mid-to-high single digit % on low base	moderation in growth mom	decline	flattish	slightly decline LSD%	flat to slight growth	down SD%	down SD%	down low SD%	Down LSD%	down SD%	decline	Chongqing	positive growth	
Industry		12.10%	-6.50%	-9.10%	-4.50%	-1.70%	-10.00%	-3.30%	1.40%	-2.30%	5.70%	12.20%	Industry		

Source: Goldman Sachs Global Investment Research based on channel checks with distributors

Exhibit 6: Beverage monthly tracker 2024-2025 by GSE

		Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
Nongfu	Water yoy %	19%			down DD%	down DD%	down DD%	down strong DD%	down 41%		down DD%			down DD%	positive growth up DD%
	Beverage yoy % (Oriental Leaf)								down 5.3% (OL flat)		OL up 60%+				
	Water : green water portion %							c.50%	c.50%	down to below 50%	down to 20%+				
	Water AC									30.20%	31.20%				
	Nielsen market Overall yoy %							down DD%	down 18%	up nearly 10%	up 13%		decline	down DD%	
CR Bev	Water yoy %													up 12%	
	Beverage yoy %													up 50%	
Tingyi	Beverage sales yoy %							down SD%	down SD%	positive growth down LSD%	positive (better than positive growth)	positive growth		positive growth	
	Noodles sales yoy %							down LSD%	down LSD%			positive growth			
UPC	Beverage sales yoy %	up DD%	up DD%		up MSD-HSD%	up MSD-HSD%	up LSD%	up MSD%	up low teens%	up low teens%	up DD%	up DD%		up SD%	up DD%
	Noodles sales yoy %	up SD%	up SD%			down SD%	down LSD%	flattish	up LSD%	up LSD%	up MSD-HSD%	up DD%		up DD%	
Eastroc	Overall yoy %	46% yoy	28% yoy	32% yoy	38% yoy	40%+ yoy	30%+ yoy		25% yoy		35%+ yoy	85% yoy	18% yoy	15% yoy	c.50% yoy

Source: Channel checks, Goldman Sachs Global Investment Research

Exhibit 7: Snacks company monthly tracker

Chacha	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25
Chacha			Muted demand		Improving MoM	Recovery, yoy +		Jul-Aug strong teens yoy	Muted, yoy decline on nuts	Flattish yoy	DD%	Jan yoy decline, Dec + Jan flattish	
Sunflower seeds				-20%+	Digesting inv., demand			Encouraging Jul-Aug	Stable	Slight growth		Teens % yoy	
Nuts		+dd% on gift bundles						Jul-Aug digesting inv, Still yoy + for Jul-Aug	Gift bundles faster	Decline	20%	Teens % yoy	
Yoy		1Q24			2Q24			3Q24					
Company		36%			-20%			4%					
Sunflower seed		20%			-18%			10%					
Nuts		80%			-12%			-10%					

Source: Channel checks, Goldman Sachs Global Investment Research

Exhibit 8: Frozen food monthly tracker by GSE

Company	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25
Ligao	25-30%	25-30%	30%+	<20%	High teens%	Flattish or small growth	High DD	Jan + Feb 20%+	Slowdown MoM, 1Q high teens - 20%	Similar to 2Q trend, slight improvement mom	Broadly similar as before	Broadly similar as before	Encouraging recovery and look for DD% in 4Q			Flattish; +10% post LNY
Qianweiyangchu	25-30%	25%	20-25%	25%	25%+	20%+	high DD	Jan + Feb 20%+	Accelerating growth in Jul but mainly on shipment schedule		3Q: direct sales down SD% while distributor at positive yoy		Similar to 3Q trend	No significant recovery	4Q and 1Q under yoy pressure	

Source: Channel checks, Goldman Sachs Global Investment Research

Exhibit 9: Snacks Douyin Tracker

Company (Brand) GMV yoy growth	Feb-25	Jan-25 + Dec 24	Jan-25	Dec-24	2024	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23
	Douyin	Douyin	Douyin	Douyin	Douyin	Douyin	Douyin	Douyin	Douyin	Tmall+ taobao	Tmall+ taobao	Tmall+ taobao	Tmall+ taobao
Yankershop	53%	-12%	-17%	4%	70%	18%	57%	81%	137%	-2%	41%	82%	96%
Chacha	-37%	115%	133%	59%	14%	23%	-48%	-13%	123%	-29%	11%	24%	-18%
3 Squirrels	65%	26%	4%	128%	132%	73%	39%	173%	357%	-32%	-8%	-23%	-50%
Ganyuan	728%	-30%	-57%	191%	38%	96%	-21%	-7%	50%	-28%	18%	20%	-32%
Jinzai	109%	-17%	-30%	17%	-13%	-19%	-25%	-22%	18%	-11%	15%	7%	7%
Bestore	53%	17%	48%	-33%	29%	-15%	-6%	92%	115%	-48%	-20%	-29%	-31%

Source: Moojing

Exhibit 10: Fregate and Wanpy outperformed in Feb among domestic brands; Royal Canin and Instinct accelerated on Douyin for Jan-Feb

Company brand GMV yoy growth	Jan + Feb 25			Feb-25			Jan-25			2024			4Q24			3Q24	2Q24	1Q24
	Tmall/ Taobao	Douyin	Total	Tmall/ Taobao	Douyin	Total	Tmall/ Taobao	Douyin	Total	Tmall/ Taobao	Douyin	Total	Tmall/ Taobao	Douyin	Total	Total	Total	Total
Local brands																		
Gambol	30%	94%	50%	40%	146%	72%	22%	61%	35%	28%	69%	40%	33%	91%	49%	29%	37%	43%
Myfoodie	12%	61%	27%	25%	103%	48%	2%	36%	14%	8%	52%	20%	1%	63%	19%	17%	20%	26%
Fregate	116%	282%	163%	115%	345%	187%	117%	227%	146%	183%	160%	175%	188%	228%	199%	117%	160%	230%
China Pet	2%	53%	12%	5%	80%	20%	-1%	35%	6%	2%	81%	13%	2%	59%	11%	16%	21%	3%
Wanpy	-11%	85%	0%	-1%	122%	13%	-17%	59%	-9%	-15%	56%	-9%	-10%	68%	-2%	-9%	-8%	-18%
Zeal	11%	91%	29%	-6%	96%	19%	23%	86%	35%	3%	147%	22%	-22%	60%	-9%	39%	56%	34%
Toptrees	30%	22%	27%	27%	49%	34%	33%	6%	22%	50%	80%	58%	43%	54%	46%	69%	67%	60%
Petpal																		
Meatway	117%	90%	110%	62%	84%	69%	168%	97%	151%	28%	95%	38%	32%	98%	39%	74%	28%	12%
Covered - simple avg	49%	79%		36%	104%		63%	64%	64%	20%	82%	30%	22%	83%	33%	39%	29%	19%
Nourse	11%	-15%	1%	17%	0%	11%	5%	-25%	-7%	-11%	70%	4%	-7%	21%	0%	1%	24%	-7%
Yanxuan	11%	-6%	8%	13%	31%	15%	10%	-24%	2%	-14%	26%	-9%	-32%	9%	-26%	1%	4%	4%
Keres	-1%	-4%	-2%	8%	26%	10%	-8%	-21%	-9%	-18%	21%	-16%	-15%	-20%	-15%	-15%	-12%	-22%
Pure & natural	8%	27%	12%	20%	71%	29%	0%	7%	2%	-5%	48%	2%	-14%	32%	-6%	-7%	16%	11%
Honest bite	93%	58%	82%	103%	107%	104%	86%	33%	67%	3%	102%	20%	3%	80%	19%	48%	4%	31%
Other local - simple avg	24%	12%		32%	47%		19%	-6%	11%	-9%	53%	0%	-13%	24%	-6%	6%	7%	3%
Global brands																		
Royal Canin	32%	236%	38%	38%	370%	47%	28%	157%	32%	24%	266%	28%	16%	257%	21%	50%	31%	13%
Instinct	14%	283%	21%	12%	619%	25%	15%	108%	18%	3%	167%	6%	7%	561%	14%	-4%	3%	6%
Orijen	61%	-18%	54%	72%	-12%	65%	53%	-22%	45%	-11%	94%	-5%	2%	161%	12%	3%	-14%	-22%
Acana	85%	-13%	77%	92%	-20%	85%	79%	-10%	70%	-10%	95%	-4%	11%	182%	20%	24%	-20%	-33%
Global brands - simple avg	48%	122%		54%	239%		44%	58%	47%	1%	156%	6%	9%	290%	17%	18%	0%	-9%
Industry	7%	44%		14%	95%		2%	15%		0%			-3%					

Source: Moojing Market Intelligence, Channama, Data compiled by Goldman Sachs Global Investment Research

Estimate changes

- **Wuliangye/Laojiao/Fen Wine (Buy):** To factor in the shipment control since 4Q24, we trim topline estimates within c.3%/ EPS estimates within c.4% in 2024E-26E for Wuliangye/Laojiao, and we trim within 2% for Fen Wine's sales/NP in the same period, while we look for gradual recovery since 2025E with a healthier channel inventory in place. We also updated COE assumptions based on latest Beta calculations (now 10.3%/8.4%/10.3% for Wuliangye/Laojiao/Fen Wine). Accordingly, our 12m TP is unchanged for Wuliangye at Rmb166, and update Laojiao 12m TP to Rmb151 (from Rmb152), and our updated Fen Wine 12m TP is Rmb238 (from Rmb235). Remain Buy for Wuliangye/Laojiao/Fen Wine.
- **Tsingtao (Buy):** We maintain estimates largely unchanged for Tsingtao, and introduce 2027E estimates. Our 12m TP is unchanged at Rmb69/HK\$59 respectively for A/H-shares.
- **Bairun (Neutral):** We update our topline estimates by -5% ~ -11% for 2024-26E to reflect the adjustment cycle of Rio Strong in channel inventory, but partly helped by a ramp-up of newly-released whisky product sales. We look for roughly Rmb500mn/700mn/800mn ex-fac sales from the whisky business, mainly driven by channel penetration. Net-net, our EPS estimates are lowered by 4% to 16% in 2024-26E. We also introduce our 2027E estimates. Considering a faster earnings growth path going forward driven by the new initiative of whisky business, we revise up the target P/E (still 2026E) to 21X from 19X, with reference to the last FY's average trading P/E (vs. prior at same level as China brewers). Our 12m TP is revised up to Rmb17.7 (from Rmb16.4), on the aforementioned estimates changes and target P/E update, with no other assumptions changed.
- **Feihe (Neutral):** With reference to our Nielsen tracker, we trimmed our topline estimates for Feihe by 2% in 2024, while we remain largely unchanged for 2025E/26E topline forecast given better than expected new births in 2024. Looking forward with a better earnings growth outlook, we revise up our target P/E (2026E)

for Feihe to 9x from 8x, with 55% discount to 1STD below global peers' 5YR avg P/E (prior 60% discount, updated based on last 2 yr avg gap), arriving at our 12m TP of HK\$5.1 (from \$4.5) with no other assumptions changed.

- **Swellfun (Sell):** We update our estimates according to Swellfun's preliminary results with largely in-line FY24 sales and lower-than-expected net profits that came at 3% below GSe. We revise up sales in 2024-26E by c.1% factoring in likely better performance of Zhenniang No. 8 per our channel checks. We trim EPS in 2024-26E by 1~3% considering the margin miss likely on lower gross margin and higher expense ratio. Our 12m TP is down from Rmb33.7 to Rmb33.3 with other assumptions unchanged.
- **Jiugui (Sell):** We update our estimates according to Jiugui's preliminary results that missed GSe on both topline and net margin in 2024. We now expect sequentially improved but still pressured 2025E and more on-track recovery in 2026E. We revise down sales in 2024E by c.14% and in 2025-26E by up to 5%. Our EPS estimates in 2024E/2025E/2026E is down c.94%/17%/1%. Our TP is slightly down from Rmb27.4 to Rmb27.2 with other assumptions unchanged.
- We update 2025 quarterly estimates for Yanghe, Gujing, King's Luck while maintain full year estimates and 12m TP unchanged.

We factor in 2024 preliminary results for Teway, Jonjee and Fuling;

- **Teway (Sell):** we revised up 2024-26E sales/NP by 2%/0% on avg on higher shipments for LNY. Our 12m TP of Rmb10.2 is unchanged, still based on 16x P/E applied to 2026E avg. EPS, discounted back to 2025YE using 9.5% COE (unchanged).
- **Jonjee (Neutral):** we align with 2024 preliminary results and adjust down total sales by c.3% for 25-26E and revised down net income by c.3% in 25-26E; mainly on lower sales growth. Our 12m TP is now revised down by 3.3% on lower earnings estimates to Rmb17.8 vs. Rmb18.4 prior, still based on 16x P/E applied to 2026E avg. EPS, discounted back to 2025YE using 10.3% COE (unchanged).
- **Fuling (Neutral):** we align with 2024 preliminary results and revised down total sales by 2.8%~3.7% and NP by 6%~9% for 24-26E, mainly considering the channel inventory digestion. Our 12m TP is now revised down by 8% on lowered earnings estimates from Rmb13.10 to Rmb12.00 and is still based on 16x P/E applied to 2026E avg. EPS, discounted back to 2025YE using 7.5% COE (unchanged).

For prepared food, we revised estimates for:

- **Ligao (Buy),** mainly to factor in preliminary results and our 24-26E NP estimates are adjusted down 2%~14%. Our 12m TP is now Rmb39.6, vs. prior Rmb40.5, down 2.2% still based on 16x P/E applied to 2026E EPS discounted back 1 year at COE 8.4%.
- For **Qianweiyangchu (Neutral)**, we take into account 1Q25 trend and revise down our 24-26E NP estimates by 0%~11%. Our 12m TP of Rmb23.2 is unchanged, still based on 15.1x P/E applied to 2026E EPS discounted back 1 year at COE 8.6%.

Exhibit 11: Summary of target/ trading valuation of consumer staples coverage

Company	Ticker	Rating	Market Cap (US\$m)	Ccy	Share Price 03/13/25	Exit P/E			Old TP	New TP	TP Chg	±% new TP	Trading P/E			TP Implied P/E			2024e-26e CAGR		2024e-26e CAGR (Old)		Div yield 2025E
						Old	New	New vs Old					2024e	2025e	2026e	2024e	2025e	2026e	Sales	NP	Sales	NP	
China Spirits																							
Kweichow Moutai	600519.SS	Buy	266,707	CNY	1537.77	26.5x	26.5x	0.0%	2017.00	2,017.00	0%	31%	23X	20X	18X	30X	27X	24X	8.8%	10.6%	8.8%	10.6%	3.7%
Wuliangye Yibin	000858.SZ	Buy	70,950	CNY	132.39	19.5x	19.5x	0.0%	166.00	166.00	0%	25%	16X	15X	14X	21X	19X	18X	6.7%	8.0%	5.7%	6.8%	4.5%
Luzhou Laojiao	000568.SZ	Buy	27,354	CNY	135.26	15.6x	15.6x	0.0%	152.00	151.00	-1%	12%	15X	14X	13X	17X	16X	14X	4.8%	7.2%	3.8%	5.9%	4.2%
Jiangsu Yanghe	002304.SZ	Sell	15,952	CNY	76.67	12.4x	12.4x	0.0%	60.00	60.00	0%	-22%	15X	15X	14X	12X	12X	11X	1.0%	2.2%	1.0%	2.2%	6.1%
Fen Wine	600805.SS	Buy	36,368	CNY	215.90	21.8x	21.8x	0.0%	235.00	238.00	1%	10%	22X	20X	18X	24X	22X	20X	9.3%	9.9%	8.4%	9.0%	2.6%
Anhui Geping	000598.SZ	Neutral	13,611	CNY	166.50	15.5x	15.5x	0.0%	163.00	163.00	0%	-2%	18X	16X	15X	18X	16X	14X	9.2%	10.9%	9.2%	10.9%	2.5%
King's Luck	603369.SS	Neutral	9,505	CNY	54.88	14.0x	14.0x	0.0%	44.50	44.50	0%	-19%	19X	17X	16X	15X	14X	13X	10.1%	10.4%	10.1%	10.4%	2.3%
Sichuan Swellfun	600779.SS	Sell	3,268	CNY	48.47	12.4x	12.4x	0.0%	33.70	33.30	-1%	-31%	18X	17X	16X	12X	12X	11X	5.6%	4.5%	5.3%	3.4%	2.1%
Jiugui Liquor	000799.SZ	Sell	2,116	CNY	47.16	19.3x	19.3x	0.0%	27.40	27.20	-1%	-42%	n.m.	55X	30X	n.m.	32X	17X	29.4%	n.m.	20.5%	53.5%	0.7%
ZILD	6079.HK	Buy	3,106	HKD	7.75	14.5x	14.5x	0.0%	8.20	8.20	0%	6%	14X	15X	13X	15X	15X	14X	4.8%	6.4%	4.8%	6.4%	2.5%
China Beer																							
CR Beer	0291.HK	Buy	10,707	HKD	25.65	19.0x	19.0x	0.0%	33.80	33.80	0%	32%	15X	14X	13X	20X	19X	17X	1.7%	9.2%	1.7%	9.2%	4.4%
Budweiser APAC	1876.HK	Buy	14,697	HKD	8.64	19.0x	19.0x	0.0%	9.50	9.50	0%	10%	20X	18X	16X	22X	20X	18X	4.4%	13.0%	4.4%	13.0%	5.3%
Taigang Brewery H	0168.HK	Buy	9,066	HKD	52.10	15.2x	15.2x	0.0%	59.00	59.00	0%	13%	15X	13X	12X	17X	15X	14X	2.4%	8.7%	2.4%	8.7%	4.8%
Chongqing Brewery	600132.SS	Neutral	3,799	CNY	56.86	19.0x	19.0x	0.0%	51.30	51.30	0%	-10%	22X	21X	19X	20X	19X	17X	3.1%	7.8%	3.1%	7.8%	4.8%
Taigang Brewery A	600600.SS	Neutral	13,430	CNY	72.00	19.0x	19.0x	0.0%	69.00	69.00	0%	-4%	22X	20X	18X	21X	19X	18X	2.4%	8.7%	2.4%	8.7%	3.2%
Shanghai Bairun	002568.SZ	Neutral	4,176	CNY	28.80	19.0x	21.0x	10.5%	16.40	17.70	8%	-39%	44X	36X	31X	27X	22X	19X	12.9%	18.3%	9.4%	10.4%	1.4%
China Dairy																							
Mengniu Dairy	2319.HK	Buy	9,157	HKD	18.16	15.1x	15.1x	0.0%	23.60	23.60	0%	30%	n.m.	12X	11X	n.m.	16X	14X	2.6%	6.7%	2.6%	6.7%	4.0%
Yili Industrial	600887.SS	Buy	24,201	CNY	27.39	18.9x	18.9x	0.0%	31.90	31.90	0%	16%	17X	16X	15X	20X	19X	17X	2.8%	8.2%	2.8%	8.2%	4.5%
China Feihe Ltd.	6186.HK	Neutral	6,822	HKD	5.93	8.0x	9.0x	12.5%	4.50	5.10	13%	-14%	11X	10X	10X	9X	9X	8X	5.8%	7.2%	4.7%	5.9%	6.8%
China Condiments																							
Yihai Int'l	1579.HK	Buy	1,840	HKD	14.68	15.0x	15.0x	0.0%	14.80	14.80	0%	1%	18X	15X	13X	18X	15X	14X	6.8%	15.6%	6.8%	15.6%	6.4%
Jonjee Hi-Tech	600872.SS	Neutral	2,283	CNY	21.05	16.0x	16.0x	0.0%	18.40	17.80	-3%	-15%	19X	19X	17X	16X	16X	15X	7.1%	6.4%	4.5%	-3.3%	1.6%
Fuling Zhacai	002507.SZ	Neutral	2,202	CNY	13.82	16.0x	16.0x	0.0%	13.10	12.00	-8%	-13%	19X	18X	17X	17X	16X	15X	5.2%	6.2%	5.7%	7.7%	2.3%
Jiangsu Hengshun	600305.SS	Sell	1,136	CNY	7.39	32.0x	32.0x	0.0%	5.70	5.70	0%	-23%	56X	41X	34X	43X	32X	26X	9.9%	29.1%	9.9%	29.1%	2.2%
Qianhe Condiment	603027.SS	Sell	1,699	CNY	11.97	16.0x	16.0x	0.0%	8.50	8.50	0%	-29%	25X	23X	20X	18X	16X	15X	8.4%	10.0%	8.4%	10.0%	4.2%
Sichuan Teway	603317.SS	Sell	1,921	CNY	13.18	23.0x	23.0x	0.0%	10.20	10.20	0%	-23%	22X	21X	19X	17X	16X	15X	7.1%	9.0%	7.1%	9.0%	3.4%
China F&B																							
Nongfu Spring	9633.HK	Buy	53,612	HKD	37.05	27.0x	27.0x	0.0%	38.00	38.00	0%	3%	31X	28X	24X	32X	28X	25X	14.9%	13.8%	14.9%	13.8%	2.5%
Tingyi	0322.HK	Buy	9,015	HKD	12.44	15.0x	15.0x	0.0%	13.00	13.00	0%	5%	17X	15X	14X	18X	16X	14X	3.0%	13.9%	3.0%	13.9%	6.6%
Uni-President China	0220.HK	Neutral	5,018	HKD	9.03	15.0x	15.0x	0.0%	8.20	8.20	0%	-9%	19X	17X	16X	18X	16X	14X	5.6%	12.4%	5.6%	12.4%	5.8%
China Resources Beverage	2460.HK	Buy	4,332	HKD	14.34	19.0x	19.0x	0.0%	19.00	19.00	0%	32%	17X	16X	13X	23X	21X	17X	8.6%	21.9%	8.6%	21.9%	1.9%
Eastroc Beverage	605499.SS	Buy	15,821	CNY	220.36	30.0x	30.0x	0.0%	284.00	284.00	0%	29%	34X	27X	21X	44X	34X	28X	24.0%	26.9%	24.0%	26.9%	2.6%
China Frozen Food																							
Ligao Foods	300973.SZ	Buy	973	CNY	41.61	16.0x	16.0x	0.0%	40.50	39.60	-2%	-5%	25X	22X	16X	24X	21X	15X	15.2%	26.2%	11.9%	24.0%	2.7%
Sanguan Foods	002216.SZ	Neutral	1,352	CNY	11.14	15.0x	15.0x	0.0%	8.50	8.50	0%	-24%	19X	20X	18X	15X	15X	14X	2.5%	2.2%	2.5%	2.2%	2.9%
Qianweiyangchu	012115.SZ	Neutral	353	CNY	29.52	15.1x	15.1x	0.0%	23.20	23.20	0%	-21%	23X	20X	18X	18X	16X	14X	6.9%	12.7%	6.8%	6.8%	0.6%
Angel Yeast	600298.SS	Buy	4,298	CNY	35.83	20.0x	20.0x	0.0%	39.90	39.90	0%	11%	23X	19X	17X	25X	21X	18X	9.7%	16.5%	9.7%	16.5%	1.3%
Weizhihang	605089.SS	Sell	464	CNY	24.35	20.0x	20.0x	0.0%	13.60	13.60	0%	-44%	40X	36X	33X	22X	20X	18X	4.9%	10.1%	4.9%	10.1%	1.9%
China Snacks																							
Want Want China	0151.HK	Sell	7,782	HKD	5.09	10.0x	10.0x	0.0%	3.50	3.50	0%	-31%	14X	14X	14X	10X	10X	10X	2.6%	0.1%	2.6%	0.1%	5.6%
Chacha Food Co.	002557.SZ	Sell	1,814	CNY	26.00	13.0x	13.0x	0.0%	23.20	23.20	0%	-11%	15X	16X	14X	14X	14X	12X	5.5%	5.1%	5.5%	5.1%	3.8%
Yankershop Food	002847.SZ	Buy	2,278	CNY	60.12	22.0x	22.0x	0.0%	69.10	69.10	0%	15%	25X	20X	18X	29X	23X	21X	17.4%	19.2%	17.4%	19.2%	2.9%
Three Squirrels	300783.SZ	Neutral	1,492	CNY	26.95	24.0x	24.0x	0.0%	37.60	37.60	0%	40%	27X	21X	16X	38X	29X	22X	29.1%	29.7%	29.1%	29.7%	2.1%
China Pet Care																							
China Pet Foods	002891.SZ	Buy	1,707	CNY	42.04	26/18	26/18	0.0%	42.00	42.00	0%	0%	33X	29X	22X	32X	29X	22X	13.7%	21.1%	13.7%	21.1%	1.0%
Peipai Pet Nutrition	300673.SZ	Neutral	607	CNY	17.36	26/16	26/16	0.0%	17.10	17.10	0%	-1%	23X	21X	17X	23X	21X	17X	19.4%	16.5%	19.4%	16.5%	0.9%
Gambol Pet	301498.SZ	Buy	5,422	CNY	88.16	37/18	37/18	0.0%	96.00	96.00	0%	-2%	64X	52X	41X	62X	51X	41X	19.7%	23.9%	19.7%	23.9%	0.3%

Source: Refinitiv Eikon, Goldman Sachs Global Investment Research

Exhibit 12: Summary of estimate changes in consumer staples coverage

Company	Revenue changes			NI changes			Revenue (mn, new)			Net Income (mn, new)			Revenue (mn, old)			Net Income (Rmb mn, old)		
	2024e	2025e	2026e	2024e	2025e	2026e	2024e	2025e	2026e	2024e	2025e	2026e	2024e	2025e	2026e	2024e	2025e	2026e
China Spirits																		
Wuliangye Yibin	-3.1%	-3.1%	-1.2%	-4.0%	-3.8%	-1.8%	86,632	91,482	98,642	31,235	33,284	36,344	89,443	94,438	99,853	32,524	34,600	37,087
Luzhou Laojiao	-3.3%	-3.3%	-1.3%	-3.9%	-3.6%	-1.5%	30,561	31,218	33,573	13,457	14,038	15,455	31,592	32,271	34,014	14,007	14,557	15,696
Fen Wine	-2.3%	-2.3%	-0.7%	-1.6%	-1.6%	-0.1%	36,134	39,123	43,138	12,159	13,227	14,684	36,996	40,037	43,434	12,362	13,444	14,692
Sichuan Swellfun	1.2%	0.8%	1.7%	-3.0%	-2.2%	-0.9%	5,217	5,461	5,814	1,341	1,399	1,464	5,154	5,417	5,719	1,383	1,431	1,477
Jiugui Liquor	-13.6%	-5.2%	-0.4%	-94.2%	-17.3%	-0.7%	1,423	1,887	2,383	13	279	518	1,647	1,991	2,392	222	337	522
China Beers																		
Shanghai Bairun	-11.2%	-6.8%	-5.5%	-16.4%	-6.6%	-4.0%	2,995	3,436	3,816	694	849	972	3,371	3,686	4,036	831	908	1,012
China Dairy																		
China Feihe Ltd.	-1.9%	-0.1%	0.1%	-2.0%	0.2%	0.4%	20,694	22,039	23,149	4,520	4,951	5,196	21,088	22,068	23,130	4,611	4,942	5,176
China Condiments																		
Fonjee Hi-Tech	-1.2%	-2.6%	-2.6%	-2.0%	-3.4%	-3.3%	5,147	5,426	5,901	850	870	963	5,548	5,569	6,056	1,064	901	995
Junleig Zhacai	-2.8%	-3.3%	-3.7%	-6.0%	-7.1%	-8.6%	2,408	2,531	2,667	824	889	930	2,478	2,617	2,770	876	957	1,017
Sichuan Teway	1.8%	1.8%	1.8%	0.1%	0.1%	0.1%	3,476	3,738	3,989	626	683	743	3,415	3,672	3,919	625	683	743
China Frozen Food																		
Ligao Foods	1.2%	2.1%	7.2%	-5.6%	-14.4%	-2.1%	3,848	4,480	5,107	278	318	444	3,804	4,389	4,765	295	371	453
Qianweiyangchu	-1.3%	-3.0%	-3.0%	-10.7%	0.5%	-0.1%	1,912	2,050	2,183	114	128	144	1,972	2,114	2,249	127	127	145

Earnings calendar

Exhibit 13: Earnings calendar - March

2025 MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						01
02	03	04 UPC	05	06 Eastroc Beverage	07	08
09	10	11	12	13	14	15
16	17 China Resources Beer	18	19 ZILD	20 Shede China Resources Beverage	21	22
23 Tingyi	24 Yihai Nongfu Spring Modern Dairy	25 Mengniu Dairy	26 Teway	27 Jonjee Fuling Zhacai Angel Yeast	28	29
30 Tsingtao	31					

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 14: Earnings calendar - April

2025 APRIL						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		01 Kweichow Moutai Chongqing Brewery	02	03	04	05
06	07	08	09	10	11	12
13	14 Qianhe	15	16	17 Petpal	18	19
20	21 Gambol Sanquan Hengshun Vinegar	22 Yankershop Food	23 Chacha Food China Pet Food	24 Qianweiyangchu Wuliangye Yibin	25	26
27 Gujing Luzhou Laojiao	28 Weizhixiang Ligao Food Shanghai Bairun Jiugui Liquor Jiangsu Yanghe	29 Yili Fen Wine Swellfun King's Luck	30			

Source: Company data, Goldman Sachs Global Investment Research

For the exclusive use of CHRISTINA.LIU@GS.COM

Dividend and FCF yield spreadsheet for China consumer staples coverage

Exhibit 15: Dividend and FCF yield comp spreadsheet for China consumer staples
As of Mar 13, 2025

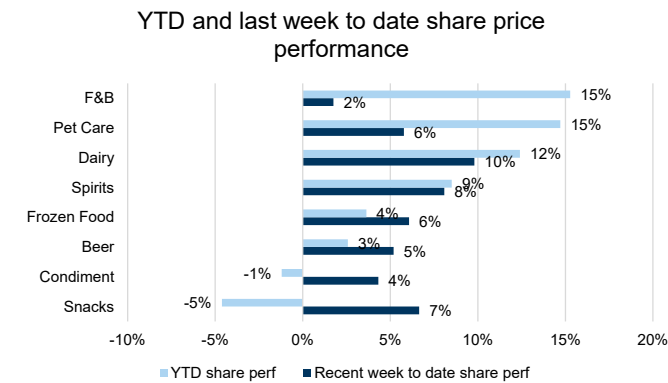
Ticker	Company	Net cash / (debt) as % of total equity			FCF as % of total sales			FCF Yield (%)			Dividend Payout Ratio (%)			Dividend Yield (%)			FCF Yield - Dividend Yield (pp)		
		2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
Spirits																			
600519.SS	Kweichow Moutai	81%	84%	87%	48%	50%	51%	4.3%	4.8%	5.4%	75%	75%	75%	3.3%	3.7%	4.1%	1.0pp	1.2pp	1.3pp
000858.SZ	Wuliangye Yibin	90%	93%	95%	37%	39%	39%	6.3%	6.9%	7.6%	70%	70%	70%	4.3%	4.5%	5.0%	2.0pp	2.4pp	2.6pp
6979.HK	ZJLD	37%	33%	30%	-5%	5%	5%	-1.7%	1.5%	1.9%	30%	35%	40%	2.2%	2.5%	3.3%	-	-	-
600809.SS	Fen Wine	12%	25%	35%	16%	31%	32%	2.2%	4.6%	5.2%	51%	51%	51%	2.4%	2.6%	2.8%	-	2.1pp	2.3pp
000568.SZ	Luzhou Laojiao	42%	48%	52%	42%	43%	43%	6.5%	6.7%	7.2%	60%	60%	60%	4.1%	4.2%	4.7%	2.4pp	2.5pp	2.5pp
002304.SZ	Jiangsu Yanghe	54%	57%	59%	29%	27%	27%	7.3%	6.7%	7.0%	91%	91%	90%	6.1%	6.1%	6.3%	1.2pp	0.6pp	0.7pp
000596.SZ	Anhui Gujing	63%	64%	68%	12%	19%	24%	2.8%	4.9%	6.7%	40%	40%	40%	2.2%	2.5%	2.7%	0.6pp	2.4pp	4.0pp
000799.SZ	Jiugui Liquor	48%	46%	46%	2%	0%	9%	0.2%	0.0%	1.4%	40%	40%	40%	0.0%	0.7%	1.4%	0.2pp	-	0.1pp
600779.SS	Sichuan Swellfun	58%	57%	58%	21%	17%	18%	4.7%	3.9%	4.5%	35%	35%	35%	2.0%	2.1%	2.2%	2.7pp	1.9pp	2.3pp
603369.SS	King's Luck	42%	38%	35%	17%	13%	14%	2.9%	2.5%	2.9%	40%	40%	40%	2.1%	2.3%	2.5%	0.8pp	0.2pp	0.4pp
Avg.		53%	54%	56%	22%	24%	26%	3.6%	4.3%	5.0%	53%	54%	54%	2.9%	3.1%	3.5%	1.4pp	1.6pp	1.8pp
Beer																			
1876.HK	Budweiser APAC	26%	29%	33%	12%	17%	18%	5.1%	7.5%	8.5%	97%	92%	86%	5.1%	5.3%	5.7%	0.0pp	2.1pp	2.8pp
0291.HK	CR Beer	5%	12%	19%	12%	15%	17%	5.8%	7.3%	8.6%	58%	64%	70%	3.7%	4.3%	5.2%	2.1pp	3.0pp	3.4pp
0168.HK	Tsingtao-H	68%	69%	70%	13%	14%	15%	6.3%	7.1%	7.9%	63%	63%	63%	4.4%	4.8%	5.1%	1.9pp	2.4pp	2.7pp
600600.SS	Tsingtao-A	68%	69%	70%	13%	14%	15%	4.2%	4.8%	5.3%	63%	63%	63%	2.9%	3.2%	3.5%	1.3pp	1.6pp	1.8pp
600132.SS	Chongqing Brewery	69%	81%	89%	14%	19%	20%	7.6%	10.6%	11.4%	100%	100%	100%	4.6%	4.8%	5.3%	3.0pp	5.8pp	6.2pp
002568.SZ	Shanghai Bairun	-4%	2%	9%	4%	18%	21%	0.4%	2.1%	2.7%	50%	50%	50%	1.2%	1.4%	1.6%	-	0.7pp	1.1pp
Avg.		39%	44%	48%	11%	16%	18%	4.9%	6.6%	7.4%	72%	72%	72%	3.6%	4.0%	4.4%	1.7pp	2.6pp	3.0pp
Condiment																			
002507.SZ	Fuling Zhacai	46%	47%	47%	29%	28%	26%	4.4%	4.4%	4.3%	42%	42%	42%	2.2%	2.3%	2.4%	2.3pp	2.1pp	1.9pp
1579.HK	Yihai International	57%	59%	62%	12%	14%	14%	5.9%	7.2%	8.0%	95%	95%	95%	5.3%	6.4%	7.1%	0.6pp	0.8pp	0.9pp
600305.SS	Hengshun Vinegar	16%	15%	14%	2%	4%	6%	0.5%	1.1%	1.8%	90%	90%	90%	1.6%	2.2%	2.7%	-	-	-
603027.SS	Qianhe Condiment	39%	35%	30%	11%	10%	10%	2.8%	2.6%	2.9%	97%	97%	97%	3.9%	4.2%	4.7%	-	-	-
603317.SS	Sichuan Teway	31%	32%	33%	6%	15%	15%	1.6%	3.9%	4.4%	70%	70%	70%	3.2%	3.4%	3.7%	-	0.5pp	0.7pp
Avg.		38%	38%	37%	12%	14%	14%	3.1%	3.8%	4.3%	79%	79%	79%	3.2%	3.7%	4.1%	1.4pp	1.1pp	1.2pp
Dairy																			
600887.SS	Yili Industrial	-11%	-2%	7%	11%	11%	11%	7.2%	7.2%	7.9%	73%	73%	73%	4.2%	4.5%	4.9%	3.0pp	2.7pp	3.0pp
2319.HK	Mengniu Dairy	-43%	-31%	-19%	4.9%	5.8%	6.0%	6.5%	7.7%	8.4%	39%	48%	55%	3.3%	4.0%	5.2%	3.3pp	3.7pp	3.2pp
6186.HK	Feihe	38%	43%	48%	21%	23%	24%	8.6%	10.2%	11.1%	63%	68%	73%	5.8%	6.8%	7.6%	2.8pp	3.5pp	3.4pp
Avg.		-5%	4%	12%	12%	13%	14%	7.4%	8.4%	9.1%	59%	63%	67%	4.4%	5.1%	5.9%	3.0pp	3.3pp	3.2pp
F&B																			
9633.HK	Nongfu Spring	75%	80%	85%	26%	28%	28%	3.0%	3.8%	4.3%	70%	70%	70%	2.2%	2.5%	2.9%	0.8pp	1.3pp	1.5pp
605499.SS	Eastroc Beverage	-13%	6%	14%	26%	15%	16%	3.6%	2.6%	3.5%	69%	69%	69%	2.0%	2.6%	3.2%	1.6pp	-	0.2pp
2460.HK	CR Beverage	52%	46%	51%	-4%	2%	12%	-1.9%	0.8%	6.5%	n.m.	30%	30%	n.m.	1.9%	2.3%	n.m.	-	4.3pp
0322.HK	Tingyi	-31%	-21%	-11%	6%	7%	7%	7.2%	8.3%	9.1%	100%	100%	100%	5.7%	6.6%	7.3%	1.5pp	1.7pp	1.8pp
0220.HK	UPC	23%	25%	28%	12%	7%	8%	10.1%	5.9%	7.1%	100%	100%	100%	5.1%	5.8%	6.4%	5.0pp	0.1pp	0.7pp
Avg.		21%	27%	33%	13%	12%	14%	4.4%	4.3%	6.1%	85%	74%	74%	3.8%	3.9%	4.4%	2.2pp	1.0pp	1.7pp
Snacks																			
002557.SZ	Chacha Food Co.	47%	46%	47%	11%	9%	10%	5.8%	5.3%	6.2%	60%	60%	60%	3.9%	3.8%	4.3%	1.9pp	1.5pp	1.9pp
002847.SZ	Yankershop Food	11%	18%	24%	9%	9%	10%	2.9%	3.4%	4.2%	60%	60%	60%	2.4%	2.9%	3.4%	0.5pp	0.5pp	0.9pp
300783.SZ	Three Squirrels	55%	50%	48%	2%	1%	2%	1.5%	1.7%	3.0%	45%	45%	45%	1.7%	2.1%	2.8%	-	-	0.2pp
0151.HK	Want Want China	22%	27%	31%	18%	17%	17%	7.6%	7.3%	7.3%	77%	80%	80%	5.5%	5.6%	5.6%	2.2pp	1.7pp	1.7pp
Avg.		34%	35%	37%	10%	9%	10%	4.4%	4.4%	5.2%	60%	61%	61%	3.4%	3.6%	4.0%	1.5pp	1.2pp	1.2pp
Frozen Food																			
001215.SZ	Qianweiyangchu	2%	-4%	-1%	-2%	-3%	3%	-1.4%	-2.4%	2.8%	12%	12%	12%	0.5%	0.6%	0.7%	-	-	2.2pp
300973.SZ	Ligao Foods	1%	-4%	-1%	1%	1%	6%	0.6%	0.8%	4.5%	64%	64%	63%	2.4%	2.7%	3.8%	-	-	0.7pp
605089.SS	Weizhixiang	60%	63%	61%	6%	16%	9%	1.2%	3.2%	2.0%	75%	75%	74%	1.8%	1.9%	2.2%	-	1.3pp	-
002216.SZ	Sanguan Foods	19%	14%	23%	12%	3%	12%	8.4%	1.8%	8.4%	74%	74%	73%	3.1%	2.9%	3.2%	5.3pp	-	5.2pp
600298.SS	Angel Yeast	-31%	-25%	-16%	1%	5%	8%	0.5%	2.5%	4.4%	25%	25%	25%	1.1%	1.3%	1.5%	-	1.2pp	2.9pp
Avg.		10%	9%	13%	4%	4%	8%	1.9%	1.2%	4.4%	50%	50%	49%	1.8%	1.9%	2.3%	5.3pp	1.3pp	2.7pp
Pet Care																			
002891.SZ	China Pet Foods	-29%	-24%	-15%	1%	4%	6%	0.4%	1.5%	2.6%	30%	30%	30%	0.9%	1.0%	1.4%	-	0.5pp	1.3pp
300673.SZ	Petpal	4%	4%	6%	-1%	1%	4%	-0.4%	0.7%	2.3%	15%	20%	20%	0.7%	0.9%	1.2%	-	-	1.1pp
301498.SZ	Gambol	33%	36%	40%	8%	8%	8%	1.1%	1.2%	1.6%	16%	16%	16%	0.3%	0.3%	0.4%	0.8pp	0.9pp	1.2pp
Avg.		3%	6%	10%	3%	4%	6%	0.4%	1.2%	2.2%	20%	22%	22%	0.6%	0.8%	1.0%	0.8pp	0.7pp	1.2pp

Source: Refinitiv Eikon, Goldman Sachs Global Investment Research

For the exclusive use of CHRISTINA.LIU@GS.COM

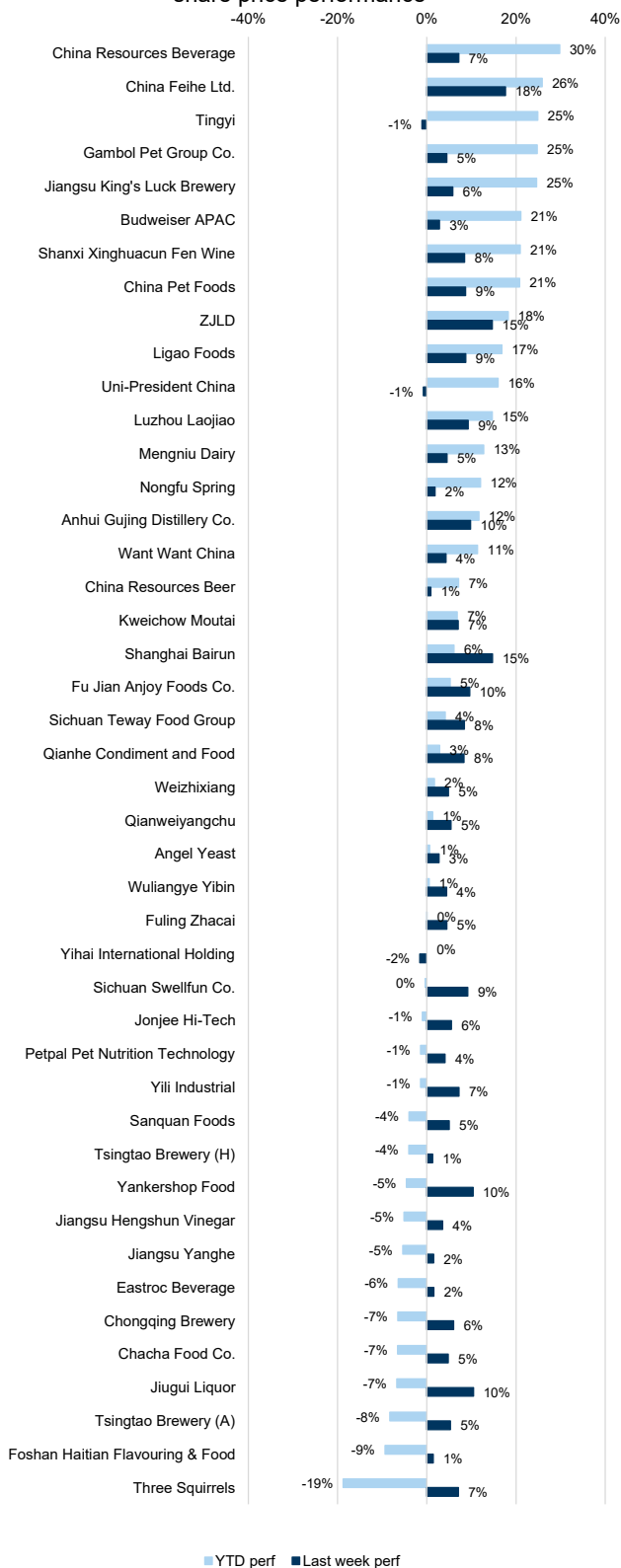
Valuation Analysis

Exhibit 16: Share price performance: Last week (Mar 7 - 14) vs. YTD by consumer staples category



Source: Refinitiv Eikon

Exhibit 17: Share price performance: Last week vs. YTD by stock

YTD and recent week-to-date (Mar 7 - Mar 14)
share price performance

Source: Refinitiv Eikon

Exhibit 18: Valuation comp sheet for China consumer staples

	Company	Rating	Mkt cap US\$ mn	Ccy	Price 3/13/2025	12-m TP	+/-	PE			TP Implied PE			24-26E Rev CAGR		24-26E NP CAGR		EV/EBITDA			ROE	Div yield	YTD perf		
								2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E						
Spirits																									
600519.SS	Kweichow Moutai	Buy	266,707	CNY	1537.77	2017.00	31%	23X	20X	18X	30X	27X	24X	9%	11%	15X	13X	12X	36%	3.7%	1%				
000858.SZ	Wuliangye Yibin	Buy	70,950	CNY	132.39	166.00	25%	16X	15X	14X	21X	19X	18X	7%	8%	9X	9X	8X	22%	4.5%	-5%				
6979.HK	Z.J.D	Buy	3,106	HKD	7.75	8.20	6%	14X	15X	13X	15X	15X	14X	5%	6%	8X	8X	7X	11%	2.5%	14%				
600809.SS	Shanxi Xinghuacun Fen Wine	Buy	36,368	CNY	215.90	238.00	10%	22X	20X	18X	24X	22X	20X	9%	10%	16X	14X	12X	35%	2.6%	17%				
000568.SZ	Luzhou Laojiao	Buy	27,354	CNY	135.26	151.00	12%	15X	14X	13X	17X	16X	14X	5%	7%	10X	9X	8X	28%	4.2%	8%				
002304.SZ	Jiangsu Yanghe	Sell	15,952	CNY	76.67	60.00	-22%	15X	15X	14X	12X	12X	11X	1%	2%	9X	9X	8X	15%	6.1%	-8%				
000596.SZ	Anhui Gujing Distillery Co.	Neutral	13,611	CNY	186.50	183.00	-2%	18X	16X	15X	18X	16X	14X	9%	11%	11X	9X	8X	22%	2.5%	8%				
000799.SZ	Jiugui Liquor	Sell	2,116	CNY	47.16	27.20	-42%	n.m	55X	30X	n.m	32X	17X	29%	n.m	n.m	37X	19X	6%	0.7%	-15%				
600779.SS	Sichuan Swellfun Co.	Sell	3,268	CNY	48.47	33.30	-31%	18X	17X	16X	12X	12X	11X	6%	4%	11X	10X	9X	24%	2.1%	-9%				
603369.SS	Jiangsu King's Luck Brewery	Neutral	9,505	CNY	54.88	44.50	-19%	18X	17X	16X	15X	14X	13X	10%	10%	13X	12X	10X	24%	2.3%	21%				
Avg.								18X	20X	17X	18X	18X	16X	9%	8%	11X	13X	10X	22.3%	3.1%	3%				
DGE.L	Diageo	Sell	61,028	GBP	2082.50	2300.00	10%	15X	16X	16X	16X	18X	17X	0%	-3%	13X	13X	12X	28%	3.7%	-18%				
PERP.PA	Pernod Ricard	Buy	27,585	EUR	96.22	140.00	45%	12X	13X	13X	18X	19X	18X	0%	-2%	10X	11X	10X	11%	4.5%	-12%				
RCOP.PA	Remy Cointreau	Buy	2,513	EUR	44.86	101.00	125%	12X	13X	12X	26X	28X	26X	-3%	0%	8X	9X	8X	10%	4.2%	-23%				
Avg.								13X	14X	13X	20X	22X	21X	-1%	-2%	10X	11X	10X	16.3%	4.1%	-18%				
Beer																									
1876.HK	Budweiser APAC	Buy	14,697	HKD	8.64	9.50	10%	20X	18X	16X	22X	20X	18X	4%	13%	7X	6X	6X	8%	5.3%	15%				
0291.HK	China Resources Beer	Buy	10,707	HKD	25.65	33.80	32%	15X	14X	13X	20X	19X	17X	2%	9%	9X	8X	7X	14%	4.3%	2%				
0168.HK	Tsingtao Brewery (H)	Buy	9,056	HKD	52.10	59.00	13%	15X	13X	12X	17X	15X	14X	2%	9%	8X	7X	6X	16%	4.8%	-8%				
800800.SS	Tsingtao Brewery (A)	Neutral	13,430	CNY	72.00	69.00	-4%	22X	20X	18X	21X	19X	18X	2%	9%	13X	12X	11X	16%	3.2%	-11%				
600132.SS	Chongqing Brewery	Neutral	3,799	CNY	56.86	51.30	-10%	22X	21X	19X	20X	19X	17X	3%	8%	8X	7X	7X	24%	4.8%	-10%				
002568.SZ	Shanghai Baonr	Neutral	4,176	CNY	28.80	17.70	-39%	44X	36X	31X	27X	22X	19X	13%	18%	29X	24X	21X	17%	1.4%	3%				
Avg.								23X	20X	18X	21X	19X	17X	4%	9%	12X	11X	10X	16%	4.0%	-2%				
ABIBR	Anheuser-Busch InBev	Neutral	125,673	EUR	56.82	61.00	7%	20X	16X	15X	21X	18X	16X	2%	13%	10X	9X	9X	7%	1.8%	18%				
CARLB.CO	Carlsberg	Buy	18,102	DKK	889.40	1000.00	12%	17X	14X	12X	19X	16X	14X	15%	16%	11X	10X	9X	29%	2.8%	29%				
HEIN.AS	Heineken	Buy	48,518	EUR	77.60	95.00	22%	16X	15X	13X	19X	18X	16X	4%	8%	9X	8X	7X	13%	2.3%	13%				
2502.T	Asahi Group	Buy	19,658	JPY	1925.50	2400.00	25%	16X	14X	13X	20X	18X	16X	2%	9%	10X	9X	8X	8%	2.9%	16%				
2503.T	Kirin Holdings	Sell	11,166	JPY	2063.00	2000.00	-3%	16X	13X	13X	15X	13X	12X	3%	12%	9X	9X	8X	8%	3.5%	1%				
2587.T	Suntory Beverage & Food Ltd	Buy	10,123	JPY	4862.00	7100.00	46%	17X	15X	14X	25X	22X	21X	3%	9%	6X	6X	5X	8%	2.6%	-3%				
Avg.								17X	15X	13X	20X	17X	16X	5%	11%	9X	9X	8X	12%	2.7%	12%				
Condiment																									
600872.SS	Jonjee Hi-Tech	Neutral	2,283	CNY	21.05	17.80	-15%	19X	19X	17X	16X	16X	15X	7%	6%	13X	13X	12X	13%	1.6%	-4%				
002507.SZ	Fuling Zhacai	Neutral	2,202	CNY	13.82	12.00	-13%	19X	18X	17X	17X	16X	15X	5%	6%	13X	12X	11X	10%	2.3%	-2%				
1579.HK	Yihai International Holding	Buy	1,840	HKD	14.68	14.80	1%	18X	15X	13X	18X	15X	14X	7%	16%	8X	7X	6X	17%	6.4%	-3%				
600305.SS	Jiangsu Hengshun Vinegar	Sell	1,136	CNY	7.39	5.70	-23%	56X	41X	34X	43X	32X	26X	10%	29%	35X	27X	22X	6%	2.2%	-7%				
603027.SS	Qianhe Condiment and Food	Sell	1,699	CNY	11.97	8.50	-29%	25X	23X	20X	18X	16X	15X	8%	10%	17X	15X	14X	15%	4.2%	-1%				
603317.SS	Sichuan Teway Food Group	Sell	1,921	CNY	13.18	10.20	-23%	22X	21X	19X	17X	16X	15X	7%	9%	17X	16X	14X	14%	3.4%	-1%				
Avg.								28X	24X	21X	23X	20X	18X	8%	12%	18X	16X	14X	13.7%	#N/A	-4%				
Dairy																									
600887.SS	Yili Industrial	Buy	24,201	CNY	27.39	31.90	16%	17X	16X	15X	20X	19X	17X	3%	8%	13X	11X	10X	17%	4.5%	-9%				
2319.HK	Mengniu Dairy	Buy	9,157	HKD	18.16	23.60	30%	n.m	12X	11X	n.m	16X	14X	3%	7%	18X	9X	8X	11%	4.0%	3%				
6186.HK	China Felhe Ltd.	Neutral	6,822	HKD	5.93	5.10	-14%	11X	10X	10X	9X	9X	8X	6%	7%	6X	5X	4X	17%	6.8%	9%				
Avg.								14X	13X	12X	15X	15X	13X	4%	7%	12X	8X	7X	15.0%	5.1%	1%				
F&B																									
9633.HK	Nongfu Spring	Buy	53,612	HKD	37.05	38.00	3%	31X	28X	24X	32X	28X	25X	15%	14%	20X	17X	15X	40%	2.5%	9%				
0322.HK	Tingyi	Buy	9,015	HKD	12.44	13.00	5%	17X	15X	14X	18X	16X	14X	3%	14%	8X	7X	7X	23%	6.6%	23%				
0220.HK	Uni-President China	Neutral	5,018	HKD	9.03	8.20	-9%	19X	17X	16X	18X	16X	14X	6%	12%	10X	9X	8X	16%	5.6%	16%				
605499.SS	Eastroc Beverage	Buy	15,821	CNY	220.36	284.00	29%	34X	27X	21X	44X	34X	28X	24%	27%	28X	21X	17X	52%	2.6%	-11%				
2460.HK	China Resources Beverage	Buy	4,332	HKD	14.34	19.00	32%	17X	16X	13X	23X	21X	17X	9%	22%	9X	7X	6X	16%	1.9%	n.a				
KO	Coca-Cola Co.	Neutral	298,815	USD	69.62	65.00	-7%	24X	24X	22X	23X	22X	20X	4%	5%	22X	21X	19X	46%	2.9%	12%				
PEP	PepsiCo Inc.	Buy	204,211	USD	148.34	175.00	18%	18X	18X	16X	21X	21X	19X	2%	5%	14X	14X	13X	58%	3.7%	-2%				
Avg.								23X	21X	18X	26X	23X	20X	9%	14%	16X	14X	12X	35.8%	3.7%	8%				
Snacks																									
002557.SZ	Chacha Food Co.	Sell	1,814	CNY	26.00	23.20	-11%	15X	16X	14X	14X	14X	12X	6%	5%	10X	10X	9X	13%	3.8%	-10%				
002847.SZ	Yankershop Food	Buy	2,278	CNY	60.12	69.10	15%	25X	20X	18X	29X	23X	21X	17%	19%	20X	17X	14X	43%	2.9%	-4%				
0151.HK	Want Want China	Sell	7,782	HKD	5.09	3.50	-31%	14X	14X	14X	10X	10X	10X	3%	0%	8X	8X	8X	22%	5.6%	12%				
300783.SZ	Three Squirrels	Neutral	1,492	CNY	26.95	37.60	40%	27X	21X	16X	38X	29X	22X	29%	30%	21X	15X	11X	18%	2.7%	-27%				
2229.T	Calbee Inc	Sell	2,527	JPY	2850.00	3000.00	5%	18X	18X	18X	19X	19X	19X	5%	0%	9X	8X	8X	10%	2.0%	-10%				
Avg.								20X	18X	16X	22X	19X	17X	12%	11%	14X	12X	10X	21.1%	2.3%	-8%				
Frozen Food																									
001216.SZ	Qianweiyangchu	Neutral	353	CNY	29.52	23.20	-21%	23X	20X	18X	18X	16X	14X	7%	13%	11X	10X	9X	9%	0.6%	-4%				
300713.SZ	Liguan Foods	Buy	973	CNY	41.61	39.60	-5%	25X	22X	16X	24X	11X	15X	5%	18%	14X	12X	9X	12%	2.7%	7%				
505899.SS	Weichang	Sell	464	CNY	24.35	13.60	-44%	40X	36X	33X	22X	20X	18X	5%	10%	26X	23X	21X	7%	1.9%	-2%				
002216.SZ	Sanqun Foods	Neutral	1,352	CNY	11.14	8.50	-24%	19X	19X	20X	18X	15X	15X	4%	2%	15X	16X	13X	10%	0.2%	9%				
600298.SS	Angel Yeast	Buy	4,298	CNY	35.83	39.90	11%	23X	19X	17X	25X	21X	18X	10%	16%	15X	13X	11X	13%	1.3%	-1%				
Avg.								24X	22X	19X	20X	19X	16X	8%	13%	15X	14X	12X	10.4%	2.0%	-1%				
Pet Care																									
002891.SZ	China Pet Foods	Buy	1,707	CNY	42.04	42.00	0%	33X	29X	22X	32X	29X	22X	14%	21%	22X	17X	13X	14%	1.0%	18%				
300673.SZ	Petpal Pet Nutrition Technology	Neutral	607	CNY	17.36	17.10	-1%	23X	21X	17X	23X	21X	17X	19%	16%	13X	12X	10X	9%	0.9%	-2%				
301498.SZ	Gambol Pet Group Co.	Buy	5,422	CNY	98.16	96.00	-2%	64X	52X	41X	62X	51X	41X	20%	24%	45X	36X	29X	17%	0.3%	25%				
Avg.								40X	34X	27X	39X	34X	26X	18%	21%	27X	22X	17X	13.5%	0.8%	14%				

Appendix - Price Target Risks and Methodology

Exhibit 19: Valuation Methodology and Key Risks- Spirits

Ticker	Company	Valuation Methodology	Key Risks
600519.SS	Kweichow Moutai	Our 12-m TP is based on 26.5x 2026E P/E discounted back to end-2025E using a 9.5% COE	Downside: 1) Potential regulation changes such as a consumption tax rate hike; 2) Environmental pollution; 3) A slower-than-expected macroeconomic recovery; 4) Capacity constraints; 5) More volatility in US rate hikes given the negative correlation between Moutai's P/E and the US 10-yr bond yield.
000858.SZ	Wuliangye Yibin	Our 12-m TP is based on 19.5x 2026E P/E discounted back to end-2025E using a 10.3% COE	Downside: 1) Potential Consumption tax rate hike, 2) Potential threats from Moutai-flavor brands, 3) Intensifying competition in high-end spirits.
6979.HK	ZJLD	Our 12-m TP is based on 14.5x 2026E P/E discounted back to end-2025E using an 8.2% COE	Downside: 1) Regulations risks on spirits sector may have adverse business impacts; 2) Intensified competition may deteriorate profitability; 3) Macroeconomic and industry uncertainties may lead to channel destocking and decrease in wholesale prices; 4) Environmental pollution of key production regions and potential natural disasters may impose business risks; 5) Potential conflict of interests.
600809.SS	Shanxi Xinghuacun Fen Wine	Our 12-m TP is based on 21.8x 2026E P/E discounted back to end-2025E using an 10.3% COE	Downside: 1) Consumption tax reform, 2) Economic slowdown.
000568.SZ	Luzhou Laojiao	Our 12-m TP is based on 15.6x 2026E P/E discounted back to end-2025E using a 8.4% COE	Downside: 1) Potential Consumption tax rate hike, 2) Potential threats from Moutai-flavor brands, 3) Intensifying competition in high-end spirits.
000596.SZ	Anhui Gujing Distillery Co.	Our 12-m TP is based on 15.5x 2026E P/E discounted back to end-2025E using an 8.3% COE	Downside: 1) Higher-than expected competition in Anhui province, 2) Further economic slowdown, 3) Greater channel inventory amid weaker retail sell-through. Upside: 1) Stronger-than-expected management execution for national expansion, 2) Better-than-expected product upgrade
603369.SS	Jiangsu King's Luck Brewery	Our 12-m TP is based on 14.0x 2026E P/E discounted back to end-2025E using a 10.6% COE	Upside: 1) Better-than-expected competitive landscape in Jiangsu province; 2) Stronger-than-expected management execution for national expansion; 3) Better-than-expected product upgrade Downside: 1) More intensified competition/ worsened demand in Jiangsu; 2) Weaker distributors' confidence and channel inventory situation
002304.SZ	Jiangsu Yanghe	Our 12-m TP is based on 12.4x 2026E P/E discounted back to end-2025E using a 10.8% COE	Upside: 1) Stronger-than-expected policy stimulus execution; 2) Better-than expected competitive landscape in Jiangsu province; 3) Stronger-than-expected performance outside Jiangsu province
000799.SZ	Jiugui Liquor Co.	Our 12-m TP is based on 19.3x 2026E P/E discounted back to end-2025E using a 13.2% COE	Upside: 1) Significant improvement on channel inventory level; 2) Stabilization of wholesale prices, especially Neican; 3) Better-than-expected commercial banquet demand recovery.
600779.SS	Sichuan Swellfun Co.	Our 12-m TP is based on 12.4x 2026E P/E discounted back to end-2025E using an 11.5% COE	Upside: 1) Expansion of Diancang series, 2) Faster than expected penetration of Tianhaochen in the mass market, 3) Better than expected inventory digestion

Source: Goldman Sachs Global Investment Research

Exhibit 20: Valuation Methodology and Key Risks- Beer

China beer

Ticker	Company	Valuation Methodology	Key Risks
0291.HK	China Resources Beer	19.0x 2026E P/E, in line with global peers' full cycle average in the last five years, discounted back to end-2025E using a 10.1% COE	1) Slower-than-expected premium volume growth; 2) Intense competition in the premium segment; 3) Higher-than-expected cost pressure.
1876.HK	Budweiser APAC	19.0x 2026E P/E, in line with global peers' full cycle average in the last five years, discounted back to end-2025E using a 8.8% COE	1) Weaker-than-expected premium channel recovery; 2) More intense China competition; 3) Cost inflation.
0168.HK	Tsingtao Brewery - H	15.2X 2026E P/E, in line with global peers' full cycle avg in the past 5 years applying a historical average of A-H premium at 25%, discounted back to end-2025E using a 9.6% COE	1) Slower-than-expected premium volume growth; 2) Intense competition from higher marketing and channel investments by peers; 3) Unsuccessful national scale price hikes.
600600.SS	Tsingtao Brewery - A	19.0x 2026E P/E, in line with global peers' full cycle average in the last five years, discounted back to end-2025E using a 9.9% COE	1) Slower-/faster-than-expected premium volume growth; 2) Intense competition from higher marketing and channel investments by peers; 3) Successful/unsuccessful national scale price hikes.
600132.SS	Chongqing Brewery	19.0x 2026E P/E, in line with global peers' full cycle average in the last five, discounted back to end-2025E using a 10.8% COE	1) Slower-/faster-than-expected Wusu brand growth; 2) Higher ASP increase; 3) Unfavorable cost trend.
002568.SZ	Shanghai Bairun	21.0x 2026E P/E with reference to the last FY's average trading P/E, discounted back to end-2025E using a 9.9% COE	Faster/slower demand growth, more/less intense competition, higher/lower-than-expected selling expense, raw material risk.

Source: Goldman Sachs Global Investment Research

Exhibit 21: Valuation Methodology and Key Risks- F&B and Dairy

F&B			
Ticker	Company	Valuation methodology	Risks
9633.HK	Nongfu Spring	Our 12-m TP is based on 25X 2026E P/E in line with global peers in the past five years, discounted back to 2025 year-end using an 8.7% COE	Key risks: 1) Lower-than-expected tea/water sales momentum; 2) Higher-than-expected cost inflation; 3) More intense beverage industry competition.
0322.HK	Tingyi	Our 12-m TP is based on a 15X 2026E P/E based on the average of past 2 year P/E of Tingyi/UPC, discounted back to 2025 year-end using an 7.7% COE	Key risks: 1) Higher-than-expected raw material cost pressures; weaker premiumization trends in instant noodle/beverage.
0220.HK	Uni-President China	Our 12-m TP is based on a 15X 2026E P/E based on the average of past 2 year P/E of Tingyi/UPC, discounted back to 2025 year-end using an 8.1% COE	Key risks: 1) Higher-than-expected raw material cost pressures; 2) more intense competition in instant noodles/beverage; 3) food quality issue.
605499.SS	Eastroc	Our 12-m TP is based on a 30X 2026E P/E discounted back to end-2025E using an 8.9% COE, with reference to historical average P/E of Monster Beverage in 2017-2019 when Red Bull was losing share in the US	Key risks: 1) Lower industry growth in energy drinks, 2) worse competitive landscape, 3) failure/slower ramp-up of Eastroc's new product launches, 4) potential capacity shortage with already high utilization ratio, 5) higher increases in raw material costs, 6) slower geographical expansion of Eastroc, 7) slower POS penetration/ deployment of fridges, and 8) reputational risks.
2460.HK	CR Beverage	Our 12-m TP is based on a 15X 2026E P/E based on a 19.0x 2025E P/E referring to the avg. P/E of Tingyi/UPC during 2018-2024YTD given similar growth stages.	Key risks: 1) More intensified competition than expected in the bottled water market; 2) Slower than expected development of the beverage business; 3) Raw material price movements; 4) Uncertainty over channel/distribution management; 5) Reputational risks/ food security issues.
Dairy			
Ticker	Company	Valuation methodology	Risks
600887.SS	Yili	Our 12-month TP is based on 2026E P/E of 18.9x (20% A/H premium to the target level of 1STD below prior downcycle P/E in 2015-16), discounted back to 2025 year-end using an 8.8% COE	Key risks: Slower-than-expected liquid milk premium demand, slower dairy demand recovery, more intense competition
2319.HK	Mengniu	Our 12-month TP is based on 2026E P/E of 15.1x (1STD below prior downcycle P/E in 2015-16), discounted back to 2025 year-end using a 9.6% COE	Key risks: Slower-than-expected premium demand, slower than expected dairy demand recovery, more intense dairy industry competition, wider losses in new categories.
6186.HK	Feihe	Our 12-m TP is based on an 9x 2026E P/E (55% discount to 1 STD below the historical 5-year avg. P/E of global IMF names), discounted back to 2025 year-end using an 11.3% COE	Key risks: 1) Higher-/lower-than-expected new birth rates; 2) less/more intense competition; 3) faster/slower premium segment growth; 4) industry-wide food safety issues; 5) incremental policy support.

Source: Goldman Sachs Global Investment Research

Exhibit 22: Valuation Methodology and Key Risks- Condiments

Ticker	Company	Valuation Methodology	Key Risks
002507.SZ	Fuling Zhacai	16x P/E applied to 2026E avg. EPS, which is broadly in line with US peers' trading P/E in the downturn around 2018 when facing private label competition, discounted back to 2025YE using 7.5% COE	Downside/upside risks: 1) Better/worse-than-expected demand recovery, amid-the current consumption backdrop; 2) Slower/faster expansion into new products/categories: Fuling has attempted to diversify its product portfolio and allocate resources to developing products aside from its main sales driver Zhacai; 3) Slower/faster expansion into channels & more/less efficient use of expenses
600872.SS	Jonjee Hi-Tech	16x P/E applied to 2026E avg. EPS, which is broadly in line with US peers' trading P/E in the downturn around 2018 when facing private label competition, discounted back to 2025YE using 10.3% COE	1) Faster-/slower-than-expected distributor recruitment; 2) More/less efficient and targeted channel investments; 3) Better-/worse-than-expected consumer demand recovery and mix; 4) Better-/worse-than-expected margin from internal changes in operation efficiency; 5) Better-/worse than expected competition landscape in the soy sauce market.
603027.SS	Qianhe Condiment and Food	16x P/E applied to 2026E avg. EPS, which is broadly in line with US peers' trading P/E in the downturn around 2018 when facing private label competition, discounted back to 2025YE using 9.9% COE	Upside risks: 1) Higher margin on expansion of high-end product lines; 2) Margin improvement on cost deflation; 3) Penetration increase in wholesale channels; 4) More efficient marketing investments
600305.SS	Jiangsu Hengshun Vinegar	32x P/E applied to 2025E avg. EPS, on SOE reform potential benefits	Upside risks: 1) Stronger-than-expected volume growth, 2) Better-than-expected return from enhanced marketing investment.
1579.HK	Yihai International Holding	15x P/E applied to 2026E avg. EPS discounted back to 2025YE using 12.0% COE	Downside risks: 1) intensifying competition in the compound condiments market; and 2) a further slowdown in related party sales.
603317.SS	Sichuan Teway Food Group	16x P/E applied to 2026E avg. EPS, which is broadly in line with US peers' trading P/E in the downturn around 2018 when facing private label competition, discounted back to 2025YE using 9.5% COE	Upside risks: 1) Utilization ramp-up; 2) More efficient brand building; 3) Penetration into 2B markets. Downside risk: 1) Cost pressure weighs on margins.

Source: Goldman Sachs Global Investment Research

Exhibit 23: Valuation Methodology and Key Risks - Prepared food, Snacks, Pet

Ticker	Company	Valuation Methodology	Risks
Prepared food			
300973.SZ	Ligao Foods	Our Price Target is based on 16x P/E applied to 2026E EPS discounted back 1 year at COE 8.4%.	Key downside risks: 1) Weaker-than-expected fresh bakery recovery; 2) Weaker-than-expected KA client sales; 3) Shareholding reduction by major shareholders; 4) Raw material costs; and 5) Intensifying competition in the frozen bakery market; 6) Food safety.
001215.SZ	Qianweiyangchu	Our Price Target is based on 15.1x P/E applied to 2026E EPS discounted back 1 year at COE 8.6%.	Key upside risks: 1) more SKUs supplied to top clients; 2) faster-than-expected pace of new clients development; 3) easing competition; Key downside risks: 1) top client (e.g. YUMC) concentration risks; 2) related party risks; 3) food safety
002216.SZ	Sanquan Foods	Our Price Target is based on 15.1x P/E applied to 2026E EPS discounted back 1 year at COE 8.6%.	Key risks: 1) higher/lower than expected foodservice channel growth; 2) higher/lower than expected performances of new products; 3) raw material costs; 4) shareholding structure; and 5) food safety.
605089.SS	Weizhixiang	Our Price Target is based on 20x P/E applied to 2026E EPS discounted back 1 year at COE 9.3%.	Key upside risks: 1) Successful store rollout in new regions; 2) Better aligned management incentives; 3) Easier competitive landscape; and 4) Raw material costs.
600298.SS	Angel Yeast	Our 12-month TP is based on a 20X P/E applied to our 2026E EPS, discounted back 1 year at 8.1% COE.	Key downside risks: 1) Faster-than-expected capacity expansion pace leading to oversupply pressure on pricing/sales; 2) Cost headwinds leading to margin contraction; 3) Worse-than-expected baking yeast demand in the domestic market.
Snacks			
002847.SZ	Yankershop	Our 12-m TP is based on a 22x P/E and 2026E EPS discounted back 1 year to 2025 end at a COE of 7.0%.	Key risks: More intense competition in the snacking industry; snack discounters roll out private label products; higher-than-expected raw material cost; slower distributor expansion
002557.SZ	Chacha food	Our 12-m TP is based on a 13X P/E on our 2026E EPS discounted back 1 year to 2025 end at a COE of 7.1%.	Key upside risks: 1) Downstream demand is less value-focus; 2) Successful launch of new blockbuster SKUs; 3) Faster-than-expected margin improvement on cost deflation
0151.HK	Wang Want China	Our 12-m TP is based on a 10X P/E on our 2026E EPS discounted back 1 year to 2025 end at a COE of 5.8%.	Key upside risks: Better-than-expected dairy recovery, faster-than-expected new products/channel sales contribution, stronger margin recovery from favorable costs.
300783.SZ	Three Squirrels	Our 12-m TP is based on a 24x 2026E P/E discounted back to 2025E at 7.6% COE.	Key risks: 1) More effective/ineffective initiatives for reviving offline channel; 2) Faster/slower-than-expected ramping up of capacity; 3) Larger-than-expected raw material prices tailwind/headwind.
Pet food			
002891.SZ	China Pet	Our 12m SOTP-based target price is based on 18X FY25E P/E for the overseas business and 26X FY27E P/E for the domestic business discounted back 2 years at 7.9% COE.	Key downside risks: Slower than expected domestic revenue growth, food safety issues, fluctuation in exchange rates, and freight and raw material costs.
300673.SZ	Petpal	Our 12-m TP is based on SOTP, with 16X FY25E P/E for the overseas business and 26X FY26E P/E discounted back 1 year with 6.9% COE for the domestic business.	Key risks: More/less intense competition in the overseas business; risks of order change/receivable collection from large clients; better-/worse-than-expected execution of domestic brand building and channel expansion.
301498.SZ	Gambol Pet	Our 12m TP is based on a SOTP, with 1) the domestic business valued at a 37X 2027E P/E discounted back to end-2025 at a 7.0% COE, and 2) the overseas business at 18X P/E on 2025E earnings.	Downside risks: Food safety issues; stock overhang from pre-IPO investors' exit; overseas: fluctuation of exchange rates, freight and input prices, potential tariff on export.

Source: Goldman Sachs Global Investment Research

Disclosure Appendix

Reg AC

We, Leaf Liu, Valerie Zhou, Hongda Zhong, Julia Mu and Christina Liu, hereby certify that all of the views expressed in this report accurately reflect our personal views about the subject company or companies and its or their securities. We also certify that no part of our compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Unless otherwise stated, the individuals listed on the cover page of this report are analysts in Goldman Sachs' Global Investment Research division.

GS Factor Profile

The Goldman Sachs Factor Profile provides investment context for a stock by comparing key attributes to the market (i.e. our universe of rated stocks) and its sector peers. The four key attributes depicted are: Growth, Financial Returns, Multiple (e.g. valuation) and Integrated (a composite of Growth, Financial Returns and Multiple). Growth, Financial Returns and Multiple are calculated by using normalized ranks for specific metrics for each stock. The normalized ranks for the metrics are then averaged and converted into percentiles for the relevant attribute. The precise calculation of each metric may vary depending on the fiscal year, industry and region, but the standard approach is as follows:

Growth is based on a stock's forward-looking sales growth, EBITDA growth and EPS growth (for financial stocks, only EPS and sales growth), with a higher percentile indicating a higher growth company. **Financial Returns** is based on a stock's forward-looking ROE, ROCE and CROCI (for financial stocks, only ROE), with a higher percentile indicating a company with higher financial returns. **Multiple** is based on a stock's forward-looking P/E, P/B, price/dividend (P/D), EV/EBITDA, EV/FCF and EV/Debt Adjusted Cash Flow (DACF) (for financial stocks, only P/E, P/B and P/D), with a higher percentile indicating a stock trading at a higher multiple. The **Integrated** percentile is calculated as the average of the Growth percentile, Financial Returns percentile and (100% - Multiple percentile).

Financial Returns and Multiple use the Goldman Sachs analyst forecasts at the fiscal year-end at least three quarters in the future. Growth uses inputs for the fiscal year at least seven quarters in the future compared with the year at least three quarters in the future (on a per-share basis for all metrics).

For a more detailed description of how we calculate the GS Factor Profile, please contact your GS representative.

M&A Rank

Across our global coverage, we examine stocks using an M&A framework, considering both qualitative factors and quantitative factors (which may vary across sectors and regions) to incorporate the potential that certain companies could be acquired. We then assign a M&A rank as a means of scoring companies under our rated coverage from 1 to 3, with 1 representing high (30%-50%) probability of the company becoming an acquisition target, 2 representing medium (15%-30%) probability and 3 representing low (0%-15%) probability. For companies ranked 1 or 2, in line with our standard departmental guidelines we incorporate an M&A component into our target price. M&A rank of 3 is considered immaterial and therefore does not factor into our price target, and may or may not be discussed in research.

Quantum

Quantum is Goldman Sachs' proprietary database providing access to detailed financial statement histories, forecasts and ratios. It can be used for in-depth analysis of a single company, or to make comparisons between companies in different sectors and markets.

Disclosures

The rating(s) for Angel Yeast, Anhui Gujing Distillery Co., Chacha Food Co., China Feihe Ltd., China Pet Foods, China Resources Beer, China Resources Beverage, Eastroc Beverage, Fuling Zhacai, Gambol Pet Group Co., Jiangsu King's Luck Brewery, Jiangsu Yanghe, Jiugui Liquor, Jonjee Hi-Tech, Kweichow Moutai, Ligao Foods, Luzhou Laojiao, Mengniu Dairy, Nongfu Spring, Petpal Pet Nutrition Technology, Qianweiyangchu, Sanquan Foods, Shanghai Bairun, Shanxi Xinghuacun Fen Wine, Sichuan Swellfun Co., Sichuan Teway Food Group, Three Squirrels, Tingyi, Tsingtao Brewery (A), Tsingtao Brewery (H), Uni-President China, Wuliangye Yibin, Yankershop Food and Yili Industrial is/are relative to the other companies in its/their coverage universe: Angel Yeast, Anhui Gujing Distillery Co., Budweiser APAC, Chacha Food Co., China Feihe Ltd., China Pet Foods, China Resources Beer, China Resources Beverage, Chongqing Brewery, Eastroc Beverage, Foshan Haitian Flavouring & Food, Fu Jian Anjoy Foods Co., Fuling Zhacai, Gambol Pet Group Co., Jiangsu Hengshun Vinegar, Jiangsu King's Luck Brewery, Jiangsu Yanghe, Jiugui Liquor, Jonjee Hi-Tech, Kweichow Moutai, Ligao Foods, Luzhou Laojiao, Mengniu Dairy, Nongfu Spring, Petpal Pet Nutrition Technology, Qianhe Condiment and Food, Qianweiyangchu, Sanquan Foods, Shanghai Bairun, Shanxi Xinghuacun Fen Wine, Sichuan Swellfun Co., Sichuan Teway Food Group, Three Squirrels, Tingyi, Tsingtao Brewery (A), Tsingtao Brewery (H), Uni-President China, Want Want China, Weizhixiang, Wuliangye Yibin, Yankershop Food, Yihai International Holding, Yili Industrial, ZJLD

Company-specific regulatory disclosures

Compendium report: please see disclosures at <https://www.gs.com/research/hedge.html>. Disclosures applicable to the companies included in this compendium can be found in the latest relevant published research

Distribution of ratings/investment banking relationships

Goldman Sachs Investment Research global Equity coverage universe

	Rating Distribution			Investment Banking Relationships		
	Buy	Hold	Sell	Buy	Hold	Sell
Global	48%	34%	18%	64%	57%	43%

As of January 1, 2025, Goldman Sachs Global Investment Research had investment ratings on 3,021 equity securities. Goldman Sachs assigns stocks as Buys and Sells on various regional Investment Lists; stocks not so assigned are deemed Neutral. Such assignments equate to Buy, Hold and Sell for the purposes of the above disclosure required by the FINRA Rules. See 'Ratings, Coverage universe and related definitions' below. The Investment Banking Relationships chart reflects the percentage of subject companies within each rating category for whom Goldman Sachs has provided investment banking services within the previous twelve months.

Price target and rating history chart(s)

Compendium report: please see disclosures at <https://www.gs.com/research/hedge.html>. Disclosures applicable to the companies included in this compendium can be found in the latest relevant published research

Regulatory disclosures

Disclosures required by United States laws and regulations

See company-specific regulatory disclosures above for any of the following disclosures required as to companies referred to in this report: manager or co-manager in a pending transaction; 1% or other ownership; compensation for certain services; types of client relationships; managed/co-managed public offerings in prior periods; directorships; for equity securities, market making and/or specialist role. Goldman Sachs trades or may trade as a principal in debt securities (or in related derivatives) of issuers discussed in this report.

The following are additional required disclosures: **Ownership and material conflicts of interest:** Goldman Sachs policy prohibits its analysts, professionals reporting to analysts and members of their households from owning securities of any company in the analyst's area of coverage.

Analyst compensation: Analysts are paid in part based on the profitability of Goldman Sachs, which includes investment banking revenues. **Analyst as officer or director:** Goldman Sachs policy generally prohibits its analysts, persons reporting to analysts or members of their households from serving as an officer, director or advisor of any company in the analyst's area of coverage. **Non-U.S. Analysts:** Non-U.S. analysts may not be associated persons of Goldman Sachs & Co. LLC and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with subject company, public appearances and trading securities held by the analysts.

Distribution of ratings: See the distribution of ratings disclosure above. **Price chart:** See the price chart, with changes of ratings and price targets in prior periods, above, or, if electronic format or if with respect to multiple companies which are the subject of this report, on the Goldman Sachs website at <https://www.gs.com/research/hedge.html>.

Additional disclosures required under the laws and regulations of jurisdictions other than the United States

The following disclosures are those required by the jurisdiction indicated, except to the extent already made above pursuant to United States laws and regulations. **Australia:** Goldman Sachs Australia Pty Ltd and its affiliates are not authorised deposit-taking institutions (as that term is defined in the Banking Act 1959 (Cth)) in Australia and do not provide banking services, nor carry on a banking business, in Australia. This research, and any access to it, is intended only for "wholesale clients" within the meaning of the Australian Corporations Act, unless otherwise agreed by Goldman Sachs. In producing research reports, members of Global Investment Research of Goldman Sachs Australia may attend site visits and other meetings hosted by the companies and other entities which are the subject of its research reports. In some instances the costs of such site visits or meetings may be met in part or in whole by the issuers concerned if Goldman Sachs Australia considers it is appropriate and reasonable in the specific circumstances relating to the site visit or meeting. To the extent that the contents of this document contains any financial product advice, it is general advice only and has been prepared by Goldman Sachs without taking into account a client's objectives, financial situation or needs. A client should, before acting on any such advice, consider the appropriateness of the advice having regard to the client's own objectives, financial situation and needs. A copy of certain Goldman Sachs Australia and New Zealand disclosure of interests and a copy of Goldman Sachs' Australian Sell-Side Research Independence Policy Statement are available at: <https://www.goldmansachs.com/disclosures/australia-new-zealand/index.html>. **Brazil:** Disclosure information in relation to CVM Resolution n. 20 is available at <https://www.gs.com/worldwide/brazil/area/gir/index.html>. Where applicable, the Brazil-registered analyst primarily responsible for the content of this research report, as defined in Article 20 of CVM Resolution n. 20, is the first author named at the beginning of this report, unless indicated otherwise at the end of the text. **Canada:** This information is being provided to you for information purposes only and is not, and under no circumstances should be construed as, an advertisement, offering or solicitation by Goldman Sachs & Co. LLC for purchasers of securities in Canada to trade in any Canadian security. Goldman Sachs & Co. LLC is not registered as a dealer in any jurisdiction in Canada under applicable Canadian securities laws and generally is not permitted to trade in Canadian securities and may be prohibited from selling certain securities and products in certain jurisdictions in Canada. If you wish to trade in any Canadian securities or other products in Canada please contact Goldman Sachs Canada Inc., an affiliate of The Goldman Sachs Group Inc., or another registered Canadian dealer. **Hong Kong:** Further information on the securities of covered companies referred to in this research may be obtained on request from Goldman Sachs (Asia) L.L.C. **India:** Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (India) Securities Private Limited, Research Analyst - SEBI Registration Number INH000001493, 951-A, Rational House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India, Corporate Identity Number U74140MH2006FTC160634, Phone +91 22 6616 9000, Fax +91 22 6616 9001. Goldman Sachs may beneficially own 1% or more of the securities (as such term is defined in clause 2 (h) the Indian Securities Contracts (Regulation) Act, 1956) of the subject company or companies referred to in this research report. Investment in securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Goldman Sachs (India) Securities Private Limited compliance officer and investor grievance contact details can be found at this link: <https://publishing.gs.com/disclosures/hedge.html> - /general/equity. **Japan:** See below. **Korea:** This research, and any access to it, is intended only for "professional investors" within the meaning of the Financial Services and Capital Markets Act, unless otherwise agreed by Goldman Sachs. Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (Asia) L.L.C., Seoul Branch. **New Zealand:** Goldman Sachs New Zealand Limited and its affiliates are neither "registered banks" nor "deposit takers" (as defined in the Reserve Bank of New Zealand Act 1989) in New Zealand. This research, and any access to it, is intended for "wholesale clients" (as defined in the Financial Advisers Act 2008) unless otherwise agreed by Goldman Sachs. A copy of certain Goldman Sachs Australia and New Zealand disclosure of interests is available at: <https://www.goldmansachs.com/disclosures/australia-new-zealand/index.html>. **Russia:** Research reports distributed in the Russian Federation are not advertising as defined in the Russian legislation, but are information and analysis not having product promotion as their main purpose and do not provide appraisal within the meaning of the Russian legislation on appraisal activity. Research reports do not constitute a personalized investment recommendation as defined in Russian laws and regulations, are not addressed to a specific client, and are prepared without analyzing the financial circumstances, investment profiles or risk profiles of clients. Goldman Sachs assumes no responsibility for any investment decisions that may be taken by a client or any other person based on this research report. **Singapore:** Goldman Sachs (Singapore) Pte. (Company Number: 198602165W), which is regulated by the Monetary Authority of Singapore, accepts legal responsibility for this research, and should be contacted with respect to any matters arising from, or in connection with, this research. **Taiwan:** This material is for reference only and must not be reprinted without permission. Investors should carefully consider their own investment risk. Investment results are the responsibility of the individual investor. **United Kingdom:** Persons who would be categorized as retail clients in the United Kingdom, as such term is defined in the rules of the Financial Conduct Authority, should read this research in conjunction with prior Goldman Sachs research on the covered companies referred to herein and should refer to the risk warnings that have been sent to them by Goldman Sachs International. A copy of these risks warnings, and a glossary of certain financial terms used in this report, are available from Goldman Sachs International on request.

European Union and United Kingdom: Disclosure information in relation to Article 6 (2) of the European Commission Delegated Regulation (EU) (2016/958) supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council (including as that Delegated Regulation is implemented into United Kingdom domestic law and regulation following the United Kingdom's departure from the European Union and the European Economic Area) with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest is available at <https://www.gs.com/disclosures/europeanpolicy.html> which states the European Policy for Managing Conflicts of Interest in Connection with Investment Research.

Japan: Goldman Sachs Japan Co., Ltd. is a Financial Instrument Dealer registered with the Kanto Financial Bureau under registration number Kinsho 69, and a member of Japan Securities Dealers Association, Financial Futures Association of Japan Type II Financial Instruments Firms Association, The Investment Trusts Association, Japan, and Japan Investment Advisers Association. Sales and purchase of equities are subject to commission pre-determined with clients plus consumption tax. See company-specific disclosures as to any applicable disclosures required by Japanese stock

exchanges, the Japanese Securities Dealers Association or the Japanese Securities Finance Company.

Ratings, coverage universe and related definitions

Buy (B), Neutral (N), Sell (S) Analysts recommend stocks as Buys or Sells for inclusion on various regional Investment Lists. Being assigned a Buy or Sell on an Investment List is determined by a stock's total return potential relative to its coverage universe. Any stock not assigned as a Buy or a Sell on an Investment List with an active rating (i.e., a stock that is not Rating Suspended, Not Rated, Early-Stage Biotech, Coverage Suspended or Not Covered), is deemed Neutral. Each region manages Regional Conviction Lists, which are selected from Buy rated stocks on the respective region's Investment Lists and represent investment recommendations focused on the size of the total return potential and/or the likelihood of the realization of the return across their respective areas of coverage. The addition or removal of stocks from such Conviction Lists are managed by the Investment Review Committee or other designated committee in each respective region and do not represent a change in the analysts' investment rating for such stocks.

Total return potential represents the upside or downside differential between the current share price and the price target, including all paid or anticipated dividends, expected during the time horizon associated with the price target. Price targets are required for all covered stocks. The total return potential, price target and associated time horizon are stated in each report adding or reiterating an Investment List membership.

Coverage Universe: A list of all stocks in each coverage universe is available by primary analyst, stock and coverage universe at <https://www.gs.com/research/hedge.html>.

Not Rated (NR). The investment rating, target price and earnings estimates (where relevant) are removed pursuant to Goldman Sachs policy when Goldman Sachs is acting in an advisory capacity in a merger or in a strategic transaction involving this company, when there are legal, regulatory or policy constraints due to Goldman Sachs' involvement in a transaction, and in certain other circumstances. **Early-Stage Biotech (ES).** An investment rating and a target price are not assigned pursuant to Goldman Sachs policy when this company neither has a drug, treatment or medical device that has passed a Phase II clinical trial nor a license to distribute a post-Phase II drug, treatment or medical device. **Rating Suspended (RS).** Goldman Sachs Research has suspended the investment rating and price target for this stock, because there is not a sufficient fundamental basis for determining an investment rating or target price. The previous investment rating and target price, if any, are no longer in effect for this stock and should not be relied upon. **Coverage Suspended (CS).** Goldman Sachs has suspended coverage of this company. **Not Covered (NC).** Goldman Sachs does not cover this company.

Global product; distributing entities

Goldman Sachs Global Investment Research produces and distributes research products for clients of Goldman Sachs on a global basis. Analysts based in Goldman Sachs offices around the world produce research on industries and companies, and research on macroeconomics, currencies, commodities and portfolio strategy. This research is disseminated in Australia by Goldman Sachs Australia Pty Ltd (ABN 21 006 797 897); in Brazil by Goldman Sachs do Brasil Corretora de Títulos e Valores Mobiliários S.A.; Public Communication Channel Goldman Sachs Brazil: 0800 727 5764 and / or contatogoldmanbrasil@gs.com. Available Weekdays (except holidays), from 9am to 6pm. Canal de Comunicação com o Público Goldman Sachs Brasil: 0800 727 5764 e/ou contatogoldmanbrasil@gs.com. Horário de funcionamento: segunda-feira à sexta-feira (exceto feriados), das 9h às 18h; in Canada by Goldman Sachs & Co. LLC; in Hong Kong by Goldman Sachs (Asia) L.L.C.; in India by Goldman Sachs (India) Securities Private Ltd.; in Japan by Goldman Sachs Japan Co., Ltd.; in the Republic of Korea by Goldman Sachs (Asia) L.L.C., Seoul Branch; in New Zealand by Goldman Sachs New Zealand Limited; in Russia by OOO Goldman Sachs; in Singapore by Goldman Sachs (Singapore) Pte. (Company Number: 198602165W); and in the United States of America by Goldman Sachs & Co. LLC. Goldman Sachs International has approved this research in connection with its distribution in the United Kingdom.

Goldman Sachs International ("GSI"), authorised by the Prudential Regulation Authority ("PRA") and regulated by the Financial Conduct Authority ("FCA") and the PRA, has approved this research in connection with its distribution in the United Kingdom.

European Economic Area: GSI, authorised by the PRA and regulated by the FCA and the PRA, disseminates research in the following jurisdictions within the European Economic Area: the Grand Duchy of Luxembourg, Italy, the Kingdom of Belgium, the Kingdom of Denmark, the Kingdom of Norway, the Republic of Finland and the Republic of Ireland; GSI - Succursale de Paris (Paris branch) which is authorised by the French Autorité de contrôle prudentiel et de résolution ("ACPR") and regulated by the Autorité de contrôle prudentiel et de résolution and the Autorité des marchés financiers ("AMF") disseminates research in France; GSI - Sucursal en España (Madrid branch) authorized in Spain by the Comisión Nacional del Mercado de Valores disseminates research in the Kingdom of Spain; GSI - Sweden Bankfilial (Stockholm branch) is authorized by the SFSA as a "third country branch" in accordance with Chapter 4, Section 4 of the Swedish Securities and Market Act (Sw. lag (2007:528) om värdepappersmarknaden) disseminates research in the Kingdom of Sweden; Goldman Sachs Bank Europe SE ("GSBE") is a credit institution incorporated in Germany and, within the Single Supervisory Mechanism, subject to direct prudential supervision by the European Central Bank and in other respects supervised by German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and Deutsche Bundesbank and disseminates research in the Federal Republic of Germany and those jurisdictions within the European Economic Area where GSI is not authorised to disseminate research and additionally, GSBE, Copenhagen Branch filial af GSBE, Tyskland, supervised by the Danish Financial Authority disseminates research in the Kingdom of Denmark; GSBE - Sucursal en España (Madrid branch) subject (to a limited extent) to local supervision by the Bank of Spain disseminates research in the Kingdom of Spain; GSBE - Succursale Italia (Milan branch) to the relevant applicable extent, subject to local supervision by the Bank of Italy (Banca d'Italia) and the Italian Companies and Exchange Commission (Commissione Nazionale per le Società e la Borsa "Consob") disseminates research in Italy; GSBE - Succursale de Paris (Paris branch), supervised by the AMF and by the ACPR disseminates research in France; and GSBE - Sweden Bankfilial (Stockholm branch), to a limited extent, subject to local supervision by the Swedish Financial Supervisory Authority (Finansinspektionen) disseminates research in the Kingdom of Sweden.

General disclosures

This research is for our clients only. Other than disclosures relating to Goldman Sachs, this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate, but various regulations may prevent us from doing so. Other than certain industry reports published on a periodic basis, the large majority of reports are published at irregular intervals as appropriate in the analyst's judgment.

Goldman Sachs conducts a global full-service, integrated investment banking, investment management, and brokerage business. We have investment banking and other business relationships with a substantial percentage of the companies covered by Global Investment Research. Goldman Sachs & Co. LLC, the United States broker dealer, is a member of SIPC (<https://www.sipc.org>).

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and principal trading desks that reflect opinions that are contrary to the opinions expressed in this research. Our asset management area, principal trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

The analysts named in this report may have from time to time discussed with our clients, including Goldman Sachs salespersons and traders, or may discuss in this report, trading strategies that reference catalysts or events that may have a near-term impact on the market price of the equity securities

discussed in this report, which impact may be directionally counter to the analyst's published price target expectations for such stocks. Any such trading strategies are distinct from and do not affect the analyst's fundamental equity rating for such stocks, which rating reflects a stock's return potential relative to its coverage universe as described herein.

We and our affiliates, officers, directors, and employees will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research, unless otherwise prohibited by regulation or Goldman Sachs policy.

The views attributed to third party presenters at Goldman Sachs arranged conferences, including individuals from other parts of Goldman Sachs, do not necessarily reflect those of Global Investment Research and are not an official view of Goldman Sachs.

Any third party referenced herein, including any salespeople, traders and other professionals or members of their household, may have positions in the products mentioned that are inconsistent with the views expressed by analysts named in this report.

This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments.

Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Investors should review current options and futures disclosure documents which are available from Goldman Sachs sales representatives or at <https://www.theocc.com/about/publications/character-risks.jsp> and https://www.fiaadocumentation.org/fia/regulatory-disclosures_1/fia-uniform-futures-and-options-on-futures-risk-disclosures-booklet-pdf-version-2018. Transaction costs may be significant in option strategies calling for multiple purchase and sales of options such as spreads. Supporting documentation will be supplied upon request.

Differing Levels of Service provided by Global Investment Research: The level and types of services provided to you by Goldman Sachs Global Investment Research may vary as compared to that provided to internal and other external clients of GS, depending on various factors including your individual preferences as to the frequency and manner of receiving communication, your risk profile and investment focus and perspective (e.g., marketwide, sector specific, long term, short term), the size and scope of your overall client relationship with GS, and legal and regulatory constraints. As an example, certain clients may request to receive notifications when research on specific securities is published, and certain clients may request that specific data underlying analysts' fundamental analysis available on our internal client websites be delivered to them electronically through data feeds or otherwise. No change to an analyst's fundamental research views (e.g., ratings, price targets, or material changes to earnings estimates for equity securities), will be communicated to any client prior to inclusion of such information in a research report broadly disseminated through electronic publication to our internal client websites or through other means, as necessary, to all clients who are entitled to receive such reports.

All research reports are disseminated and available to all clients simultaneously through electronic publication to our internal client websites. Not all research content is redistributed to our clients or available to third-party aggregators, nor is Goldman Sachs responsible for the redistribution of our research by third party aggregators. For research, models or other data related to one or more securities, markets or asset classes (including related services) that may be available to you, please contact your GS representative or go to <https://research.gs.com>.

Disclosure information is also available at <https://www.gs.com/research/hedge.html> or from Research Compliance, 200 West Street, New York, NY 10282.

© 2025 Goldman Sachs.

You are permitted to store, display, analyze, modify, reformat, and print the information made available to you via this service only for your own use. You may not resell or reverse engineer this information to calculate or develop any index for disclosure and/or marketing or create any other derivative works or commercial product(s), data or offering(s) without the express written consent of Goldman Sachs. You are not permitted to publish, transmit, or otherwise reproduce this information, in whole or in part, in any format to any third party without the express written consent of Goldman Sachs. This foregoing restriction includes, without limitation, using, extracting, downloading or retrieving this information, in whole or in part, to train or finetune a machine learning or artificial intelligence system, or to provide or reproduce this information, in whole or in part, as a prompt or input to any such system.