

## Eastroc Beverage (605499.SS): 3Q Preview: Expect Strong sales momentum with solid growth in Energy Drinks and Retail ramp-up for

Eastroc is scheduled to report 3Q25 results on Oct 24<sup>th</sup>. **We expect 31% sales and 35% NP growth in 3Q25**, while we maintain our positive view on the company's solid market share gains in energy drink category, and continued growth momentum and PoS ramp up on its sports drinks Bushuila/Other beverage especially fruity tea. **For topline**, we now look for 20% yoy sales growth in Energy drinks, 62% yoy growth in Bushuila and 101% growth in other beverages. **For margin**, we expect overall GPM to stay at 45.8% in 3Q25, flattish yoy, benefiting from COGS savings but partially offset by mix shift in products (GSE on Energy drinks GPM at 52% in 3Q25, and Bushuila at 34% in 3Q25, while expect other beverages GPM remain low at c.15% with scale expansion as priority). We expect NPM at 21.5%, up 0.7ppt yoy mainly on opex leveraging, especially with limited investment on refrigerators in 3Q and controllable marketing expense offsetting promotion expense related to QR-code-scan bonus. Therefore, we now look for 35% yoy recurring NP growth in 3Q25, slightly outpacing sales growth. **Looking into 2026**, we expect solid momentum to continue in 2026 and expect 23%/28% sales/NP growth with further ramp up of non-energy drink beverages while GPM will likely benefit from continued cost benefit (lock-in PET price higher than market price in 2025) and enhanced economy of scale in other beverages. We essentially maintain our earnings forecast. The stock is trading at 27x 2026 P/E. We maintain our Buy rating (on CL) on Eastroc.

### Momentum and strategy By product:

- **Energy drink:** Retail sales continued strong growth momentum with nationwide penetration (at c. 30%+, largely similar to the trend in 1H25, the gap vs. sell-in was mainly from QR-code-scan bonus at Rmb1- for-one more), lapping a high base in 2024. Channel inventory still remains healthy.
- **Bushuila:** Bushuila has increased promotion and marketing to further boost retail sales momentum after fast POS expansion since launched in 2023. The company also expects Bushuila's PoS number to exceed Energy drink's PoS at 4mn in the future. **Channel vise**, Bushuila launched customized 900ml package for discounters channels, and the direct cooperation with Discounter channels also boost retail sales momentum. Large-pack SKUs now can account for c. 50% of Bushuila sales. The company also launched 380ml small-pack SKUs this year. With continued QR-code-scan bonus to end-consumers, the company also achieved GPM expansion for Bushuila with calibrating channel profits and enhanced operating leveraging.

#### Leaf Liu

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

#### Christina Liu

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

#### Valerie Zhou

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

- **Guozhicha:** The new product saw strong retail sell-through momentum since launch in March 2025, which enhanced the company’s confidence in making it a long-lasting SKU. The company also plans to launch 550ml package next year to expand the current portfolio (only large package now) together with the help of promotions QR-code-scan bonus.
- **Other tea beverage:** The company launched 1L package this year and achieved better performance in Northern-China market, in response to the fierce competition in tea beverage industry.
- **Other beverage: Haidao Coconut:** the company highlighted 1) catering channel with higher acceptance nationwide; 2) increased investment in gifting pack. **Newly launched HK-style Milk Tea (Jun 2025):** this new product is currently being tested in some cities in Guangdong province now. **Daka (coffee beverage):** the company has launched more large pack SKUs which saw more promising retail sales trend, and started with in-house production since April of this year.
- **Channel expense vise:** The total refrigerators invested for full-year 2025 will bec.150-200k units with net investment at 100k units considering substitutions of old refrigerators. Most of the refrigerator investment has been concentrated in 2Q25, and we expect limited investment in 3Q25. Other marketing expenses have seen savings in 2Q which was offset by growth in refrigerator expenses and end-consumer promotion expenses.

The authors would like to thank Lily Qi for her contribution to this report.

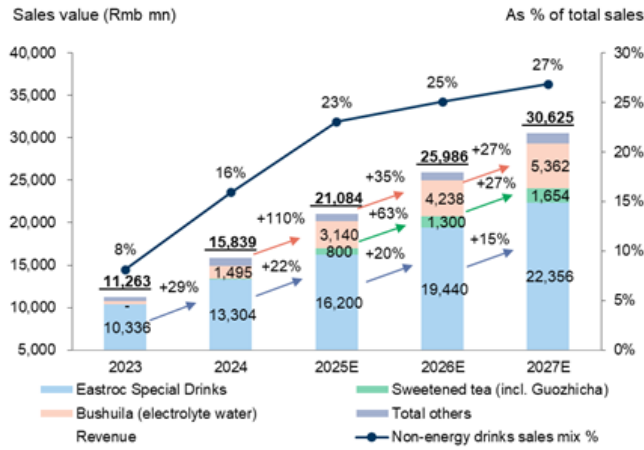
Key Charts

Exhibit 1: Eastroc monthly tracker

Monthly operating data tracker for Eastroc based on our channel checks																				
		Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Aug-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Monthly sales																				
Eastroc Special Drink	46% yoy	28% yoy	32% yoy	38% yoy	40%+ yoy	30%+ yoy	25% yoy	35%+ yoy	85% yoy	6% yoy		30% yoy		25% yoy	26% yoy	30% yoy	retail momentum up c.30%+	retail momentum up c.35%	retail momentum up c.35%	
	Rmb110mn		Rmb100mn+ c.Rmb165mn						c.Rmb170mn	c.Rmb190mn	c.Rmb100mn	c.Rmb130mn		c.100% yoy	85% yoy		retail momentum up c.90%	retail momentum up c.50%+	retail momentum up c.50%+	
Total										90%		15%	50%	30%+	35%	39%				
Number of PoS (mn; by end of each month)																				
Special Drink										4									4.3	
Bushula										2.65				3.0		3.18		3.3	3.3	
Guozhicha			1.3			2.0							0.8		1.5+		2.0	2.1	2.0	

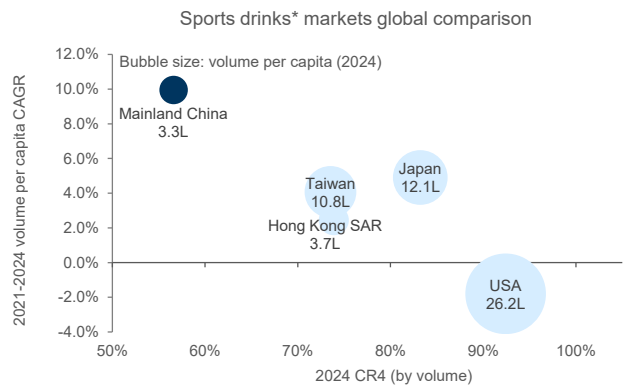
Source: Company data and industry participants, Data compiled by Goldman Sachs Global Investment Research

Exhibit 2: Eastroc segment revenue growth trajectory



Source: Company data, Goldman Sachs Global Investment Research

Exhibit 3: Sports drinks global markets comparison



Source: Company data, Goldman Sachs Global Investment Research

### Earnings and TP Revisions

We slightly tweak our 2025-2027 earnings down by 0.4~0.7% on more admin exp, with better energy drink GPM offsetting mix shift, while we lower other beverage sales forecast but uplift Bushuila sales growth forecast. This results in our TP moving to Rmb350 from Rmb351 prior.

**Exhibit 4: Earnings Revision**

New vs. Old

Eastroc Beverage (605499.SS)									
Summary P&L (Rmb mn)		New			Old			%	
		2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E 2027E
<b>Total revenues</b>		<b>21,084</b>	<b>25,986</b>	<b>30,625</b>	<b>21,258</b>	<b>26,219</b>	<b>30,918</b>	<b>-0.8%</b>	<b>-0.9% -0.9%</b>
Energy drinks		16,200	19,440	22,356	16,200	19,440	22,356	0.0%	0.0% 0.0%
Other beverage		4,881	6,514	8,223	5,034	6,746	8,517	-3.4%	-3.4% -3.4%
Bushuila		3,140	4,238	5,362	3,020	4,077	5,157	4.0%	4.0% 4.0%
Other beverages		1,721	2,275	2,862	2,014	2,669	3,360	-14.6%	-14.8% -14.8%
<b>COGS</b>		<b>11,554</b>	<b>14,058</b>	<b>16,468</b>	<b>11,688</b>	<b>14,275</b>	<b>16,728</b>	<b>-1.1%</b>	<b>-1.5% -1.6%</b>
<b>GP</b>		<b>9,530</b>	<b>11,928</b>	<b>14,157</b>	<b>9,570</b>	<b>11,943</b>	<b>14,191</b>	<b>-0.4%</b>	<b>-0.1% -0.2%</b>
Energy drinks		8,257	10,004	11,493	8,240	9,936	11,415	0.2%	0.7% 0.7%
Other beverage		1,257	1,902	2,631	1,313	1,984	2,743	-4.3%	-4.2% -4.1%
<b>SG&amp;A</b>		<b>4,261</b>	<b>5,122</b>	<b>5,929</b>	<b>4,260</b>	<b>5,123</b>	<b>5,933</b>	<b>0.0%</b>	<b>0.0% -0.1%</b>
Other operating expenses, net		(55)	(39)	(43)	(55)	(39)	(43)	0.0%	0.0% 0.0%
<b>EBITDA</b>		<b>5,741</b>	<b>7,353</b>	<b>9,011</b>	<b>5,782</b>	<b>7,369</b>	<b>9,045</b>	<b>-0.7%</b>	<b>-0.2% -0.4%</b>
Depreciation		393	475	698	393	477	701	-0.1%	-0.3% -0.5%
Amortization		24	33	43	24	33	43	-0.1%	-0.3% -0.5%
<b>EBIT (Operating profit)</b>		<b>5,324</b>	<b>6,845</b>	<b>8,270</b>	<b>5,365</b>	<b>6,859</b>	<b>8,300</b>	<b>-0.8%</b>	<b>-0.2% -0.4%</b>
Interest income		292	346	369	292	348	370	0.0%	-0.4% -0.2%
Interest expense		131	131	131	131	131	131	0.0%	0.0% 0.0%
<b>Net interest income/(expense)</b>		<b>(161)</b>	<b>(215)</b>	<b>(238)</b>	<b>(161)</b>	<b>(216)</b>	<b>(238)</b>	<b>0.0%</b>	<b>-0.6% -0.4%</b>
Investment gains/losses		110	110	110	110	110	110	0.0%	0.0% 0.0%
Non-operating income/(loss)		(37)	(37)	(37)	(37)	(37)	(37)	0.0%	0.0% 0.0%
<b>Pre-tax profit (Income before tax)</b>		<b>5,617</b>	<b>7,191</b>	<b>8,639</b>	<b>5,658</b>	<b>7,207</b>	<b>8,670</b>	<b>-0.7%</b>	<b>-0.2% -0.4%</b>
Provision for taxes		1,123	1,438	1,728	1,132	1,441	1,734	-0.7%	-0.2% -0.4%
Effective tax rate		20%	20%	20%	20%	20%	20%	0.0%	0.0% 0.0%
<b>Net income</b>		<b>4,494</b>	<b>5,753</b>	<b>6,912</b>	<b>4,526</b>	<b>5,766</b>	<b>6,936</b>	<b>-0.7%</b>	<b>-0.2% -0.4%</b>
<b>Basic EPS (Rmb)</b>		<b>8.64</b>	<b>11.06</b>	<b>13.29</b>	<b>8.70</b>	<b>11.09</b>	<b>13.34</b>	<b>-0.7%</b>	<b>-0.2% -0.4%</b>
YoY		35%	28%	20%	36%	27%	20%		
<b>Growth analysis</b>									
Total revenues		33%	23%	18%	34%	23%	18%		
Energy drinks		22%	20%	15%	22%	20%	15%		
Other beverage		93%	34%	26%	100%	34%	26%		
GP		34%	25%	19%	35%	25%	19%		
Energy drinks		29%	21%	15%	28%	21%	15%		
Other beverage		87%	51%	38%	95%	51%	38%		
OP		40%	29%	21%	41%	28%	21%		
NP		35%	28%	20%	36%	27%	20%		
<b>Margin analysis</b>									
Gross margin		45.2%	45.9%	46.2%	45.0%	45.6%	45.9%	0.2%	0.3% 0.3%
Energy drinks		51.0%	51.5%	51.4%	50.9%	51.1%	51.1%	0.1%	0.3% 0.3%
Other beverage		25.9%	29.2%	32.0%	26.1%	29.4%	32.2%	-0.2%	-0.2% -0.2%
EBITDA margin		27.2%	28.3%	29.4%	27.2%	28.1%	29.3%	0.0%	0.2% 0.2%
SG&A		19.9%	19.6%	19.2%	19.8%	19.4%	19.1%	0.2%	0.2% 0.2%
Operating profit margin		25.3%	26.3%	27.0%	25.2%	26.2%	26.8%	0.0%	0.2% 0.2%
Pre-tax profit margin		26.6%	27.7%	28.2%	26.6%	27.5%	28.0%	0.0%	0.2% 0.2%
Net profit margin		21.3%	22.1%	22.6%	21.3%	22.0%	22.4%	0.0%	0.2% 0.1%

Source: Goldman Sachs Global Investment Research

## Exhibit 5: Quarterly summary

Revenue (quarterly)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25E	4Q25E
Energy Drinks	2,383	2,752	2,859	2,342	3,103	3,752	3,652	2,797	3,901	4,460	4,382	3,457
yoy %	25%	24%		32%	30%	36%	28%	19%	26%	19%	20%	24%
Bushuila			184	84	158	318	735	284	570	923	1,190	457
yoy %							300%	237%	261%	190%	62%	61%
Other drinks			136	190	217	314	281	211	375	503	565	279
yoy %							107%	11%	73%	60%	101%	32%
All other drinks			320	275	375	632	1,016	495	945	1,425	1,755	736
							218%	80%	152%	125%	73%	49%
<b>Mix</b>												
Energy Drinks			90%	89%	89%	85%	78%	85%	80%	76%	71%	82%
All other drinks			10%	10%	11%	14%	22%	15%	19%	24%	29%	17%
Bushuila			6%	3%	5%	7%	16%	9%	12%	16%	19%	11%
Other drinks			4%	7%	6%	7%	6%	6%	8%	9%	9%	7%
<b>GPM - GSE</b>												
Energy Drinks					1,396	1,853	1,839	1,331	1,912	2,319	2,325	1,701
GPM%					45.0%	49.4%	50.3%	47.6%	49.0%	52.0%	53.0%	49.2%
Bushuila					46	95	227	77	179	300	404	137
GPM%					29.1%	29.8%	30.8%	27.0%	31.4%	32.5%	34.0%	30.0%
Other drinks					48	74	81	32	64	72	82	34
GPM%					21.9%	23.5%	28.7%	15.0%	17.2%	14.4%	14.5%	12.3%
<b>TOTAL</b>					<b>1,489</b>	<b>2,022</b>	<b>2,146</b>	<b>1,440</b>	<b>2,156</b>	<b>2,691</b>	<b>2,811</b>	<b>1,872</b>

Source: Company data, Goldman Sachs Global Investment Research

## Exhibit 6: Quarterly financial summary

Consolidated P/L (Rmb mn)	FY22	FY23	FY24	FY25E	FY26E	FY27E	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25E	3Q25E	4Q25E
Revenue	8,505	11,263	15,839	21,084	25,986	30,625	3,482.2	4,391.1	4,685.0	3,280.6	4,848.1	5,888.6	6,137.3	4,210.4
COGS	-4,905	-6,412	-8,742	-11,554	-14,058	-16,468	-1,992.8	-2,368.9	-2,539.0	-1,840.8	-2,692.2	-3,197.2	-3,326.4	-2,338.1
GP	3,600	4,851	7,097	9,530	11,928	14,157	1,489.3	2,022.2	2,146.0	1,439.8	2,155.9	2,691.3	2,810.9	1,872.3
SG&A (excl. other rev/exp)	(1,841)	(2,500)	(3,329)	(4,261)	(5,122)	(5,929)	-746.5	-785.6	-1,009.9	-787.2	-992.5	-1,089.8	-1,227.0	-951.7
Selling Exp.	(1,449)	(1,956)	(2,681)	(3,436)	(4,131)	(4,792)	-595.9	-629.1	-836.9	-619.2	-808.8	-872.8	-1,000.4	-754.3
Admin Exp.	(299)	(423)	(488)	(612)	(728)	(828)	-113.7	-109.1	-133.5	-131.9	-136.9	-154.5	-171.8	-148.8
OP	1,759	2,351	3,768	5,269	6,807	8,228	743	1,237	1,136	653	1,163	1,602	1,584	921
Other income/expenses	12	28	32	55	39	43	26.7	-13.8	13.9	5.2	23.3	54.0	-1.4	-20.9
EBIT (reported)	1,771	2,379	3,800	5,324	6,845	8,270	769.5	1,222.8	1,149.9	657.8	1,186.8	1,655.5	1,582.6	899.6
D&A	(224)	(254)	(343)	(416)	(508)	(741)								
EBITDA	1,995	2,633	4,143	5,741	7,353	9,011	769.5	1,222.8	1,149.9	657.8	1,186.8	1,655.5	1,582.6	899.6
Net Finance Exp.	-41	-2	191	161	215	238	45.1	59.4	30.5	55.6	18.1	46.2	25.5	71.4
Other Non-Op Income	106	202	117	131	131	131	15	30	32	40	28	67	35	2
Profit Before Tax	1,836	2,579	4,107	5,617	7,191	8,639	829.7	1,312.2	1,212.0	753.3	1,233.2	1,768.4	1,642.7	972.7
Tax	-395	-539	-781	-1,123	-1,438	-1,728	-165.8	-245.5	-235.2	-134.3	-253.2	-373.8	-322.0	-174.4
Minority Interest	0	0	0	0	0	0	0.0	0.0	0.0	0.3	0.1	0.2	0.0	0.0
NPAT to shareholders	1,441	2,040	3,327	4,494	5,753	6,912	663.9	1,066.7	976.8	619.3	980.0	1,394.7	1,320.7	798.4
One-offs after tax														
Recurring NPAT	1,441	2,040	3,327	4,494	5,753	6,912	663.9	1,066.7	976.8	619.3	980.0	1,394.7	1,320.7	798.4
EPS - Basic (Rmb/Sh)	2.77	3.92	6.40	8.64	11.06	13.29	1.28	2.05	1.88	1.19	1.88	2.68	2.54	1.54
EPS - Diluted (Rmb/Sh)	2.77	3.92	6.40	8.64	11.06	13.29	1.28	2.05	1.88	1.19	1.88	2.68	2.54	1.54
													33%	
<b>Growth</b>														
Sales	22%	32%	41%	33%	23%	18%	40%	48%	47%	25%	39%	34%	31%	28%
GP	16%	35%	46%	34%	25%	19%	37%	59%	63%	22%	45%	33%	31%	30%
SG&A	6%	36%	33%	28%	20%	16%	47%	30%	44%	15%	33%	39%	21%	21%
Selling Exp.	6%	35%	37%	28%	20%	16%	53%	33%	50%	16%	36%	39%	20%	22%
Admin Exp.	2%	41%	15%	25%	19%	14%	25%	11%	19%	9%	20%	42%	29%	13%
Operating profit (GP less SG&A)	30%	34%	60%	40%	29%	21%	29%	86%	84%	32%	57%	30%	39%	41%
EBIT	20%	34%	60%	40%	29%	21%	27%	73%	90%	43%	54%	35%	38%	37%
Reported NPAT	21%	42%	63%	35%	28%	20%	34%	75%	78%	61%	48%	31%	35%	29%
Recurring NPAT	21%	42%	63%	35%	28%	20%								
<b>Margins</b>														
GP margin	42.3%	43.1%	44.8%	45.2%	45.9%	46.2%	42.8%	46.1%	45.8%	43.9%	44.5%	45.7%	45.8%	44.5%
Operating profit (GP less SG&A)	20.7%	20.9%	23.8%	25.0%	26.2%	26.9%	21.3%	28.2%	24.2%	19.9%	24.0%	27.2%	25.8%	21.9%
EBIT margin	20.8%	21.1%	24.0%	25.3%	26.3%	27.0%	22.1%	27.8%	24.5%	20.1%	24.5%	28.1%	25.8%	21.4%
Reported NPAT margin	16.9%	18.1%	21.0%	21.3%	22.1%	22.6%	19.1%	24.3%	20.8%	18.9%	20.2%	23.7%	21.5%	19.0%
Selling expense/Sales	-17.0%	-17.4%	-16.9%	-16.3%	-15.9%	-15.6%	-17.1%	-14.3%	-17.9%	-18.9%	-16.7%	-14.8%	-16.3%	-17.9%
Admin expense/Sales	-3.5%	-3.8%	-3.1%	-2.9%	-2.8%	-2.7%	-3.3%	-2.5%	-2.9%	-4.0%	-2.8%	-2.6%	-2.8%	-3.5%
SG&A/Sales	-21.6%	-22.2%	-21.0%	-20.2%	-19.7%	-19.4%	-21.4%	-17.9%	-21.6%	-24.0%	-20.5%	-18.5%	-20.0%	-22.6%
Effective Tax Rate	-22%	-21%	-19%	-20%	-20%	-20%	-20%	-19%	-19%	-18%	-21%	-21%	-20%	-18%

Source: Company data, Goldman Sachs Global Investment Research

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

Price Target Risks and Methodology - Eastroc Beverage

Price Target Risks and Methodology - Eastroc Beverage

We are Buy rated on Eastroc (on CL) with a 12-month TP of Rmb350, based on a 33X 2026E P/E discounted back to mid-2026E at a CoE of 8.9%, with reference to 2024-to-1H25 average P/E of its global fast-growing beverage peers Monster Beverage, Celsius, and Vita Coco.

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.

605499.SS	12m Price Target: <b>Rmb350.00</b>	Price: <b>Rmb303.80</b>	Upside: <b>15.2%</b>
-----------	------------------------------------	-------------------------	----------------------

Buy <span>CL</span>		GS Forecast			
Market cap: Rmb158.0bn / \$22.2bn Enterprise value: Rmb157.3bn / \$22.1bn 3m ADTV: Rmb636.9mn / \$89.0mn China China Consumer Staples M&A Rank: 3 Leases incl. in net debt & EV?: No APAC Conviction List	Revenue (Rmb mn) New	12/24	12/25E	12/26E	12/27E
	Revenue (Rmb mn) Old	15,838.9	21,084.3	25,986.2	30,624.7
	EBITDA (Rmb mn)	4,143.1	5,741.0	7,353.2	9,011.4
	EPS (Rmb) New	6.40	8.64	11.06	13.29
	EPS (Rmb) Old	6.40	8.70	11.09	13.34
	P/E (X)	27.5	35.2	27.5	22.9
	P/B (X)	11.9	17.4	14.6	12.2
	Dividend yield (%)	2.5	2.0	2.5	3.0
	CROCI (%)	42.1	47.6	55.7	57.8
	EPS (Rmb)	3/25	6/25	9/25E	12/25E
		1.88	2.68	2.54	1.54

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of 30 Sep 2025 close.



## Disclosure Appendix

### Reg AC

We, Leaf Liu, Christina Liu and Valerie Zhou, 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 (DAFCF) (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 Eastroc Beverage is/are relative to the other companies in its/their coverage universe:** Angel Yeast, Anhui Gujing Distillery Co., Anjoy Foods Group (A), Anjoy Foods Group (H), 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 (A), Foshan Haitian Flavouring & Food (H), Fuling Zhacai, Gambol Pet Group Co., Henan Shuanghui Ltd., 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, WH Group, Want Want China, Weizhixiang, Wuliangye Yibin, Yankershop Food, Yihai International Holding, Yili Industrial, ZJLD

### Company-specific regulatory disclosures

The following disclosures relate to relationships between The Goldman Sachs Group, Inc. (with its affiliates, "Goldman Sachs") and companies covered by Goldman Sachs Global Investment Research and referred to in this research.

Goldman Sachs expects to receive or intends to seek compensation for investment banking services in the next 3 months: Eastroc Beverage (Rmb303.80)

Goldman Sachs had an investment banking services client relationship during the past 12 months with: Eastroc Beverage (Rmb303.80)

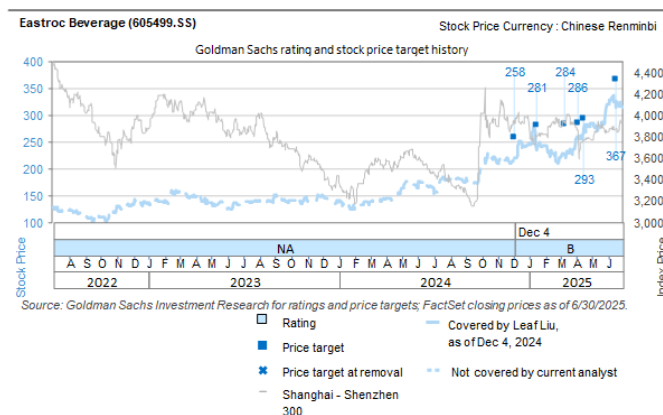
### Distribution of ratings/investment banking relationships

Goldman Sachs Investment Research global Equity coverage universe

	Rating Distribution				Investment Banking Relationships		
	Buy	Hold	Sell		Buy	Hold	Sell
Global	49%	34%	17%		62%	57%	40%

As of July 1, 2025, Goldman Sachs Global Investment Research had investment ratings on 2,968 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)



The price targets shown should be considered in the context of all prior published Goldman Sachs research, which may or may not have included price targets, as well as developments relating to the company, its industry and financial markets.

## 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 a subject company, public appearances and trading in securities covered 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](mailto: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](mailto: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:** 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 within the European Economic Area.

## 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.goldmansachs.com/disclosures/cftc\\_fcm\\_disclosures](https://www.goldmansachs.com/disclosures/cftc_fcm_disclosures). 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.