

## China Consumer: Pulse Check: Government's commitment to boost consumption supports sentiment; execution remains key

### China Consumer Connections Pulse Check

[Explore >](#)

On Mar 16, the State Council published a Special Action Plan to boost consumption ([link in Chinese](#), see GS macro team's report [here](#)); the Special Action Plan **outlined and reiterated the general directions to support consumption, covering comprehensive aspects** from demand (e.g. improving income/social security) to supply and the consumption environment (e.g. policies to support specific categories/removal restrictions in consumption). Categories being highlighted include home durables/appliances (trade-in policy), infant/kids' products including dairy/IMF (childcare subsidies), sportswear (ice & snow consumption), IP (Chinese brand and consumption upgrade), and services (incl. travel, characteristic catering etc). While **the message is not new and the directions of policies are mainly reiterated**, we see the government's commitment to support consumption and consistent policy stimulus as positive for the retail and consumption sentiment, and we await more specific policies and execution clarity.

**From 4Q24, while we are yet to see meaningful rebound in overall consumption, we note signs of bottoming out.** The NBS data suggests that Jan-Feb retail sales growth had marginal improvement sequentially; post CNY holiday consumption pull-back was better than feared; pricing and promotion trend saw signs of stabilization/rationalization in some categories. Share price wise, P/E valuation level has improved by 35%/16% on average since the trough level in Sep-24/Jan-25, while most sectors remained at 1 STD below historical average level ([Exhibit 11](#), [Exhibit 12](#)). If the policies are executed well, we could see upside coming from both earnings revision and further valuation re-rating.

While we still prefer the idiosyncratic opportunities for sectors/companies that can explore the white space as we highlighted in our 2025 Consumer Outlook report, we see upside for areas of improvement from 1) **increase in wage inflation** if employment market and corporate profits recover, to drive overall household discretionary cashflow, 2) **declining saving rate** from better social security protection such as pension, new birth subsidies, health insurance, to drive

#### Michelle Cheng

+852-2978-6631 | [michelle.cheng@gs.com](mailto:michelle.cheng@gs.com)  
Goldman Sachs (Asia) L.L.C.

#### Leaf Liu

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

#### Nicolas Yi

+86(21)2401-8922 | [nicolas.yi@goldmansachs.cn](mailto:nicolas.yi@goldmansachs.cn)  
Goldman Sachs (China) Securities Company Limited

#### Cathy Chen, CFA

+852-2978-6621 | [kaigi.chen@gs.com](mailto:kaigi.chen@gs.com)  
Goldman Sachs (Asia) L.L.C.

#### Valerie Zhou

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

#### Cecilia Tang

+86(21)2401-8738 | [cecilia.tang@goldmansachs.cn](mailto:cecilia.tang@goldmansachs.cn)  
Goldman Sachs (China) Securities Company Limited

#### Xinyu Ruan

+852-2978-7347 | [xinyu.ruan@gs.com](mailto:xinyu.ruan@gs.com)  
Goldman Sachs (Asia) L.L.C.

#### Hongda Zhong

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

#### Carol Chen

+852-2978-7999 | [carol.chen@gs.com](mailto:carol.chen@gs.com)  
Goldman Sachs (Asia) L.L.C.

#### Julia Mu

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

#### Molly Dai

+852-3966-4000 | [molly.dai@gs.com](mailto:molly.dai@gs.com)  
Goldman Sachs (Asia) L.L.C.

#### Christina Liu

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

#### Mia Gu

+852-2978-6973 | [mia.gu@gs.com](mailto:mia.gu@gs.com)  
Goldman Sachs (Asia) L.L.C.

Goldman Sachs does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. For Reg AC certification and other important disclosures, see the Disclosure Appendix, or go to [www.gs.com/research/hedge.html](http://www.gs.com/research/hedge.html). Analysts employed by non-US affiliates are not registered/qualified as research analysts with FINRA in the U.S.

household discretionary cashflow, 3) **wealth effect** from rising stock market and stabilizing property market to benefit top tier cities' retail sales.

We will enter the peak result releases from this week. We believe investors likely will look beyond the 2024 results but focus on 1) the 2025 sales guidance and the trajectory of the recovery/improvement, 2) pricing strategies, 3) views on changes in the competitive landscape, 4) investment cycles, 5) white space, 6) margin drivers.

**Category preference:** Leading white goods, Sports brands, Diversified retailer, Dairy, Beverage.

**Stock preference:** Anta (on CL), Moutai, Midea, YUMC, Laopu, Mengniu, Tsingtao H-share, Tingyi, Giant Biogene, Miniso, Hisense, China Resources Beverage, Robam, China Pet Foods, Ligao (Buy names ranked by market cap as of Mar 17, 2025).

## Policy to support and boost consumption

### What's new this time?

On Mar 16, the State Council published a Special Action Plan to boost consumption ([Exhibit 1](#)) and hosted a press conference on Mar 17. The Special Action Plan outlined the general directions to support consumption, reiterating and requiring each region/department to put boosting consumption in a more prominent position. **While the document mainly reiterated the general directions mentioned earlier, we note:**

- **Comprehensive aspects mentioned to support consumption:** The Special Action plan covers from demand to supply/consumption environment and fiscal policy/credit support. On the demand side, the document highlighted the plans to support **wage income growth and reiterated the plans to stabilize wealth effect related to stock and property market**; and enhance social security (including childcare, pension, education, healthcare, unemployment etc.) which could **help reduce household's saving demand** in our view (see consumption growth sensitivity to income and saving rating in [Exhibit 3](#)).
- **Category wise,** 1) on **trade in program**, it reiterated that the government will allocate Rmb300bn for consumer goods trade-in program in 2025 (doubling from last year), which is below GS macro team's earlier expectation of Rmb500-600bn and slightly below our earlier [base case](#) if assuming 30% of the fund used in [appliances](#). However, the allocation may depend on consumers' actual purchase choice and our macro team also sees a possibility for extra-budget funding arrangement later this year should growth headwinds increase. 2) The document mentioned plans to develop **childcare subsidy** which is in line with the mention on [Two Sessions](#), and would be a tailwind for **dairy/IMF**. The lowered burden for childcare could also increase household's spending willingness in our view. 3) it mentioned plans to promote service consumption, such as promoting cultural, sports, tourism consumption/silver generation tourism, supporting characteristic local catering, which could benefit related categories such as catering and sportswear; 4) the document also mentioned to promote ice and snow consumption (**outdoor sports**

**demand**), support IP brand development and promote consumption related to animation, games, e-sports (relevant to **IP retailers**).

- **More specific policies to follow:** Following the announcement, specific policies are expected to be launched from relevant departments, from both central and local government level per GS Macro team. On childcare subsidy specifically, several cities/provinces have already launched measures month to date, including Hohhot and Zhejiang province where Rmb10k/50k/100k will be offered to household having first/second/third child and above.

## Summary of recent policy to support consumption

**Exhibit 1: Summary of Special Action Plan to Boost Consumption**

Special Action Plan to Boost Consumption		Key beneficiary sectors
<b>Goal</b>	To vigorously boost consumption, expand domestic demand, enhance consumption capacity by increasing income and reducing burdens, create effective demand with high-quality supply, enhance consumption willingness by optimizing the consumption environment, and solve the prominent problems that restrict consumption. All regions and departments should give greater prominence to boosting consumption.	
<b>Income growth</b>	Implement <b>employment</b> support programs; expand channels for property income gain, by <b>stabilizing stock market</b> ; promote <b>farmers' income</b> growth; urge local governments to settle overdue corporate accounts	Overall consumption
<b>Property</b>	Continue to <b>stabilize the real estate market</b> , reduce housing provident fund loan interest rates in a timely manner, and expand the scope of housing provident fund use	Overall consumption
<b>Supportive policies</b>	Reduce <b>consumption restrictions</b> in an orderly manner, encourage financial institutions to increase <b>personal consumption loan</b> issuance under the premise of controllable risks; encourage trade unions to use funds for employee fitness, culture and sports and other consumption areas	Overall consumption
<b>Consumption service and quality upgrade</b>	On consumption <b>services</b> , develop anti-aging, silver economy tourisms; promote life service consumption, by supporting development of <b>characteristic local catering</b> ; enhance cultural and <b>sports</b> tourism consumption; promote ice and snow consumption; orderly expand the scope of unilateral visa-free countries. On consumption <b>quality</b> , strengthen the leadership of Chinese brand equity, by integrating traditional Chinese culture into product design, supporting the development of original intellectual property ( <b>IP</b> ), and promoting the consumption of animation, games, e-sports; support the accelerated development of new consumption, by cultivating quality e-commerce, and promoting " <b>AI+ consumption</b> "; improve the integration of domestic and foreign trade.	Sportswear, Catering, Diversified retailers
<b>Trade-in</b>	Continue support consumer goods trade-in	Home appliances/ Consumer electronics
<b>Consumption capacity</b>	Gradually establish <b>childcare subsidy</b> framework; expand the supply of educational resources; appropriately <b>increase the basic pension for retirees</b> ; protect the rights and interests of rest and vacation; enhance urban and rural consumption facilities	Dairy/IMF

Source: State Council, Data compiled by Goldman Sachs Global Investment Research

## Exhibit 2: Various policy measures to restore economy and consumer confidence

Date	Policy	Key beneficiary sectors
Politburo meetings		
26-Sep-24	<p><b>On the direction of incremental policy support</b>, policymakers pledged to strengthen fiscal and monetary easing more proactively, facilitate property sector stabilization, bolster the equity market, support the operation of troubled companies, and boost consumption and employment</p> <p><b>On consumption and labor market</b>, policymakers highlighted the need to boost consumption and improve people's livelihood, and reiterated their pledge to increase the income of low and middle-income groups. They also required improving the employment of key groups including college graduates, migrant workers and low-income families, and strengthening the policy support for groups such as the elderly, disabled and unemployed people.</p> <p><b>On the property market</b>, policymakers added a new requirement to "stem the property market from falling and facilitate its stabilization"</p>	Overall economy
9-Dec-24	On <b>fiscal</b> , policymakers vowed to implement "more proactive" fiscal policy; On <b>monetary</b> side, it projected "moderately loose" monetary policy next year; On <b>property</b> market, policymakers are working on policies to leverage LGSB for local government purchases of raw lands and housing inventory.	Overall economy
Two sessions		
5-Mar-25	<p>In 2025 National People's Congress (NPC), premier Li Qiang announced comprehensive measures to boost economy targeting <b>real GDP</b> growth at around 5% and <b>CPI</b> inflation at 2% :</p> <p>On <b>fiscal</b>, the total quota for government bond net issuance would be RMB11.9tn, including RMB1.8tn for CGSB (vs. RMB1.0tn in 2024), RMB4.4tn for LGSB (vs. RMB3.9tn in 2024), etc.</p> <p>On <b>monetary</b>, policymakers pledged to cut RRR and policy rates when appropriate, maintain adequate liquidity conditions, and strengthen the policy support for the healthy development of property and equity markets, etc.</p> <p>On <b>labor markets</b>, policymakers kept the new urban jobs creation target at above 12 million and surveyed unemployment rate target also remained unchanged at around 5.5%.</p> <p>On <b>consumption</b> (as the top priority set for economic work this year): Besides the RMB300bn CGSB funding for the consumer goods trade-in program, policymakers pledged to increase the minimum standard of basic pension, accelerate the development of the third pillar of China's pension system (individual savings plan), develop subsidy policies to boost birth rates, and enhance childcare related services.</p> <p>On <b>industrial</b> policy (especially for <b>high-tech</b> manufacturing): Policymakers vowed to accelerate the adoption of digital technology (including AI) in high-tech manufacturing industries, and facilitate the healthy development of platform economy.</p> <p>On <b>property</b>: Policymakers specifically vowed to effectively contain property developer debt default risks, accelerate the progress of urban village renovation, and expand the areas for public housing reletting support.</p>	Overall economy
Consumption-specific		
25-Jul-24	Consumer goods trade-in program: China will allocate Rmb300 bn out of the Rmb 1tn long-term special treasury bond quota in 2024 to support consumer goods trade-in and equipment upgrade program	Home appliances
Aug-Sep	Many cities including Shanghai, Beijing, Shenzhen, Jiangsu, etc have announced plans for consumer goods trade-in programs	
25-Sep-24	Shanghai announced to distribute Rmb500mn consumption vouchers targeting catering (72%), accommodation (18%), movie-going (6%), sporting activities (4%)	Restaurant, Beer, Consumer services, Sportswear
26-Sep-24	7 ministries (led by Ministry of Agriculture and Rural Affairs) jointly issued a notice on promoting the stable development of beef and dairy production	Dairy
28-Oct-24	The General Office of the State Council released a notice about measures to improve the fertility support policy system and to promote a maternity-friendly society on Oct 28. The main goals are to lower the costs of child-bearing, upbringing and education, to support child-bearing and ultimately, boost the birth rate.	Dairy
29-Dec-24	The Ministry of Civil Affairs encourages local government to issue one-time subsidies additionally before New Year's Day and Spring Festival	Overall consumption
10-Jan-25	NDRC and Ministry of Finance of PRC jointly announced Measures to expand consumer goods trade-in programs in 2025	Home appliances/ Consumer electronics
5-Mar-25	Premier Li Qiang announced the issuance of RMB300bn CGSB for the consumer goods trade-in program (vs. RMB150bn in 2024) in 2025 two sessions (NPC) Government Work Report.	Home appliances/ Consumer electronics
13-Mar-25	Hohhot (the capital of Inner Mongolia) rolled out various measures to boost birth rates including up to Rmb10k/50k/100k maternity/child-raising subsidies in total for each 1st/2nd/3rd+ born child via annual installments of Rmb10k for 1 year/5 years/10 years, following multiple regions in 2022~2024.	Dairy/IMF
16-Mar-25	State Council issued the "Special Action Plan to Boost Consumption", focusing on increasing income, stimulating trade-in, upgrading consumer service/products supply, etc.	Overall consumption

Source: PBoC, CSRC, National Financial Regulatory Administration, Data compiled by Goldman Sachs Global Investment Research

## Exhibit 3: Consumption growth sensitivity table

2025E adj discretionary cash flow yoy							2025E consumption yoy growth						
2025E saving rate	2025E wage yoy						2025E saving rate	2025E wage yoy					
	-28%	3.3%	4.3%	5.3%	6.3%	7.3%		-28%	3.3%	4.3%	5.3%	6.3%	7.3%
	-26%	-0.9%	0.1%	1.1%	2.1%	3.0%		-26%	-3.0%	-1.9%	-0.9%	0.2%	1.2%
	-24%	1.9%	2.9%	3.9%	4.9%	5.9%		-24%	0.0%	1.1%	2.2%	3.3%	4.4%
	-22%	4.7%	5.7%	6.8%	7.8%	8.8%		-22%	3.1%	4.2%	5.3%	6.4%	7.5%
	-20%	7.5%	8.5%	9.6%	10.6%	11.7%		-20%	6.1%	7.2%	8.4%	9.5%	10.6%
		10.3%	11.4%	12.4%	13.5%	14.6%			9.1%	10.3%	11.4%	12.6%	13.8%

Saving rate is defined as (disposable income - consumption)/consumption

Source: Goldman Sachs Global Investment Research

## A review of past policy cycle

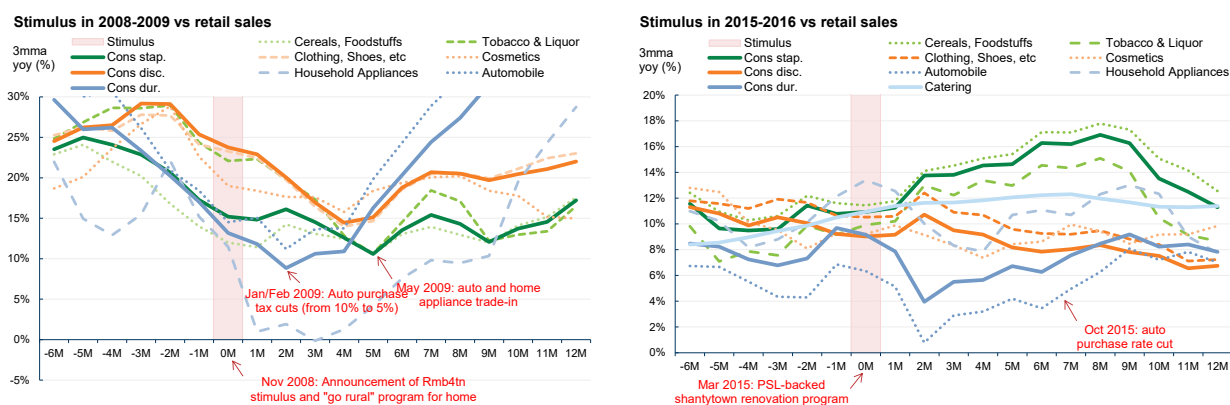
Historically, large-scale consumption stimulus in China has focused on durable goods, which can boost the underlying supply chain as well and had a more targeted result to

be measured. For other categories, the recovery in past downcycles usually came together with broader macro/demand improvement, wealth effect, or driven by category specific cycles (e.g. post de-stocking recovery for sportswear, raw milk price recovery for dairy).

Fundamental wise, based on historical cycles of 2008/2015, retail sales growth of consumer durable goods (such as auto and home appliances) which directly benefit from policy stimulus, recovered quickly after the introduction of specific industry policies. For other categories, retail sales growth picked up a few months later in a more gradual way with a broader macro recovery and wealth effect. In more recent cycles, we note there are more direct demand-side measures (i.e. consumption coupons) marginally from some local governments. For example, during Covid, local governments issued >Rmb19bn consumption vouchers in 1H20 to enhance consumer confidence, which directly benefit discretionary spending.

In terms of stock performance, consumer sectors have consistently outperformed MSCI China index during past policy easing cycles. In 2008, the stock market bottomed out thanks to the Rmb4tn stimulus package, and gained stronger momentum when more specific stimulus were introduced (i.e., auto and home appliance trade-in); by category, consumer discretionary saw stronger outperformance. While in 2015, the stock market positively reacted to the shantytown renovation program for 2 months, but then fell back to the previous levels triggered by the unwind of margin trading accounts. The market didn't rebound again until retail sales regained momentum. In 2020, more direct stimulus measures, combined with the resumption of traffic after reopening helped retail sales quickly recover, which caused stock prices to gain great momentum especially for consumer discretionary, until the Delta virus outbreak.

#### Exhibit 4: Historically, policies leaned to consumer durables



Cons. stap. denotes consumer staples, whose retail sales is calculated as the sum of Cereals, Foodstuffs and Tobacco, Liquor; Cons. disc. denotes consumer discretionary, whose retail sales is calculated as the sum of Clothing, Cosmetics, and Jewelry; Cons. dur. denotes consumer durables, whose retail sales is calculated as the sum of household appliances, autos, and telecom equipment. We use 3-month average retail sales yoy. For example, 0M yoy = avg (-2M:0M) / avg (-14M:-12M) - 1

Source: NBS, Goldman Sachs Global Investment Research

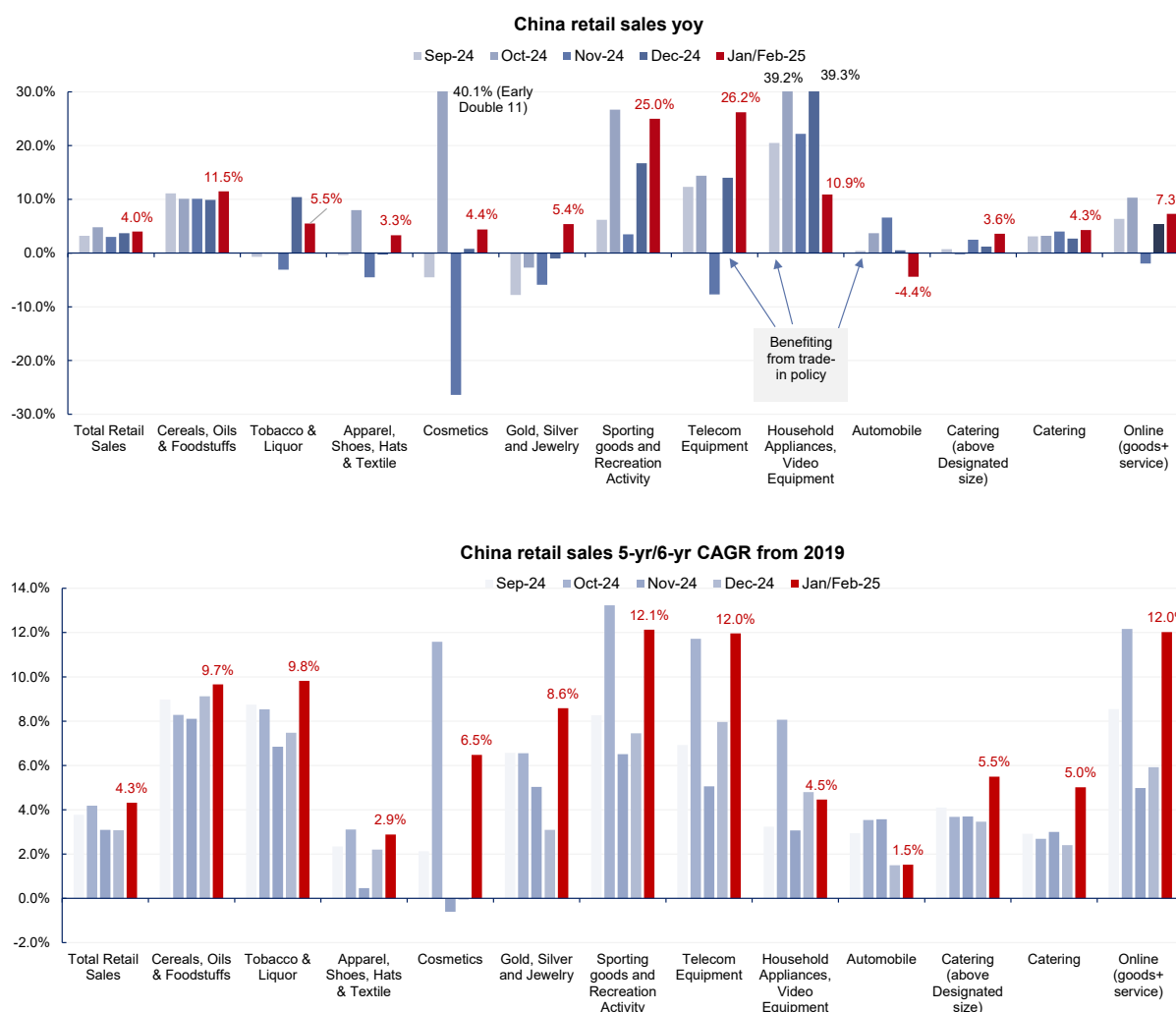
## Recent consumption data points

While we are yet to see meaningful rebound in consumption so far, we have seen **signs of bottoming out from 4Q24** with gradual policy support kicking in. NBS retail sales

yoy growth in Jan-Feb improved to 4% yoy (from 3.0%/3.7% yoy in Nov/Dec). In addition, the **post-CNY holiday pull-back has been better than feared** — in restaurant, Haidilao/Jiumaojiu saw smaller post-holiday pull back compared to 2024 National Day holiday; air traffic and airfares improved in the later part of Chunyun; spirits wholesale prices were steady post holiday. That being said, recent data points from property market remained uninspiring.

Following the intensified price competition in 2023-24, we started to see companies talking about promotion control from 2H24, and in recent months we see **stabilized/improving pricing trend in multiple categories along with price hike activities from some leading players**. In restaurant, Haidilao/Jiumaojiu continued to execute disciplined promotion strategy, KFC hiked price by 2% on average in Dec 24; in F&B, Tingyi hiked instant noodle price from 2H24 following which UPC also saw price hike at retail terminals; home appliance ASP improvement has been supported by product mix improvement via the trade-in program.

**Exhibit 5: Retail sales growth in Jan-Feb sequentially improved**



Source: NBS



**Exhibit 6: We see stabilized pricing trend, and selective categories have seen ASP improvement/price hike actions**

Sector	Metrics	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25 to date	1Q25 momentum	2025E momentum
<b>Sportswear</b>	Discount yoy change (positive number -> discount improvement)	-2.2pp	0.6pp	0.4pp	0.4pp	0.9pp	1.5pp	-0.4pp	-1.5pp	Still promotional but trend likely improve in the coming months with inventory level normalizing	➡	➡
<b>Restaurant</b>	ASP yoy (market cap weighted average of YUMC, Haidilao, Jiumaojiu, Nayuki)	-1%	-5%	-7%	-10%	-6%	-7%	-2%	-2%	Relatively disciplined on promotion	➡	⬆
<b>Cosmetics</b>	Skincare+Color makeup ASP on Tmall+Taobao	96	107	80	110	81	93	77	109	Relatively disciplined on promotion	⬇	⬇
<b>Pet care</b>	Pet food ASP yoy on Tmall+Taobao	2%	-6%	-7%	-15%	-20%	-19%	-15%	-6%	12%	⬆	⬆
<b>Spirits</b>	53% v/v Feitian Moutai wholesale price (original case)	2,953	2,930	2,977	2,948	2,950	2,708	2,496	2,286	Wholesale price stabilizing	➡	➡
<b>Beer</b>	ASP yoy (market cap weighted average of CRB, BUD APAC, Tsingtao Brewery, Chongqing Brewery)	4%	6%	6%	6%	3%	-1%	-1%	0%	Focus on in-home channel mix upgrades	➡	⬆

Cosmetics ASP qoq downtrend could be partly attributable to promotion season impact (i.e. Double 11 in 4Q)

Source: AVC, Moojing, Company data, Daily Spirits Price

## Forecast and valuation

**Exhibit 7: We already factored in yoy sales growth improvement in 4Q24 vs 2Q/3Q24 on easier base**

GS Consumer coverage forecasts - quarterly yoy growth

Sector	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24E
Sports brands	-10.1%	4.5%	11.9%	16.4%	59.5%	38.4%	13.2%	52.7%	15.0%	-3.0%	11.1%	-9.8%	6.2%	15.5%	10.3%	27.6%	11.8%	7.0%	2.7%	8.0%
Sports retailer	-8.8%	-11.3%	-0.9%	6.2%	36.6%	5.9%	-13.2%	-21.7%	-18.8%	-27.5%	-3.0%	-18.3%	-9.7%	20.5%	-1.9%	12.1%	-0.5%	-5.7%	-12.7%	-4.8%
OEM	-3.5%	-13.6%	-4.9%	-0.7%	12.5%	29.5%	7.2%	14.8%	16.7%	21.9%	33.4%	6.0%	-15.9%	-12.5%	-10.4%	3.3%	16.5%	13.8%	13.6%	9.2%
Catering	-19.0%	-11.0%	10.2%	13.2%	59.6%	48.5%	3.5%	1.2%	-6.8%	-14.7%	-1.0%	-6.3%	20.9%	29.3%	25.4%	29.2%	9.3%	7.6%	1.9%	2.0%
Prepared food	14.7%	25.2%	25.4%	23.5%	40.7%	17.4%	20.1%	23.6%	15.1%	23.6%	20.4%	20.5%	19.5%	15.1%	9.2%	-2.8%	6.8%	3.8%	10.7%	7.2%
Diversified retailers	-20.6%	-23.0%	-13.5%	2.4%	51.8%	54.4%	54.7%	32.9%	41.2%	-1.4%	-0.3%	-15.7%	12.7%	37.3%	33.8%	60.9%	59.6%	79.6%	89.1%	115.0%
Jewelry	-31.7%	-7.2%	21.5%	18.0%	29.9%	55.9%	52.7%	34.4%	27.3%	5.7%	19.8%	-13.4%	21.0%	25.4%	4.9%	36.5%	11.9%	-16.8%	-26.9%	-14.3%
Traditional Appliances	-25.8%	1.1%	13.8%	11.9%	45.1%	13.9%	3.5%	14.9%	9.6%	2.7%	3.7%	-8.0%	4.2%	8.5%	7.9%	11.6%	7.9%	5.4%	0.2%	9.9%
Emerging Appliances	-22.9%	10.3%	47.4%	42.5%	79.5%	43.5%	30.6%	33.1%	24.6%	15.2%	9.6%	10.5%	2.0%	23.1%	30.5%	14.9%	29.6%	15.0%	15.2%	36.4%
Beer	-29.9%	-2.2%	2.6%	3.9%	55.1%	6.9%	2.2%	9.0%	3.8%	3.7%	7.7%	-12.5%	10.0%	8.2%	-0.5%	3.2%	-2.9%	-8.4%	-7.7%	-5.0%
Spirits	8.1%	7.3%	11.5%	14.0%	21.3%	23.4%	15.0%	14.2%	20.6%	14.6%	16.8%	17.4%	17.4%	19.0%	14.8%	17.4%	17.0%	14.7%	9.2%	2.1%
Condiments	6.2%	25.9%	18.1%	15.7%	24.0%	-10.1%	-0.5%	19.9%	2.1%	21.9%	5.6%	-4.3%	1.9%	-3.9%	4.2%	-7.2%	8.5%	4.9%	8.2%	15.9%
Dairy	-9.6%	15.8%	8.1%	5.2%	30.1%	11.7%	8.9%	10.5%	11.2%	9.5%	6.6%	12.6%	7.6%	2.5%	3.4%	0.3%	-5.3%	-15.5%	-7.2%	-4.2%
Cosmetics	-3.7%	16.6%	21.4%	43.8%	65.6%	49.5%	35.6%	41.0%	41.0%	32.4%	37.6%	38.7%	30.9%	38.1%	18.7%	24.5%	35.3%	30.6%	21.7%	21.8%
F&B (assume 1Q/2Q=1H, 3Q/4Q=2H)	-3.8%	-3.8%	-1.1%	-1.1%	27.0%	27.0%	25.0%	25.0%	9.1%	9.1%	13.5%	13.5%	20.0%	20.0%	26.6%	26.6%	7.2%	7.2%	3.7%	3.7%
Snacks	22.2%	32.9%	15.9%	1.6%	18.9%	-9.0%	6.3%	19.8%	-4.8%	9.3%	6.8%	12.5%	5.9%	22.6%	30.5%	13.9%	52.4%	15.1%	18.3%	23.9%
Pet Care	13.2%	48.9%	42.4%	21.3%	45.0%	13.7%	-0.7%	28.3%	31.2%	18.6%	54.0%	-3.3%	9.8%	17.1%	23.5%	32.2%	31.6%	14.6%	19.5%	23.0%
Furniture	-29.1%	1.8%	21.3%	26.4%	115.0%	44.3%	28.7%	16.1%	20.4%	9.3%	1.7%	-2.5%	-12.1%	10.2%	4.4%	5.1%	6.0%	-14.7%	-17.1%	-4.4%
Luxury	-32.2%	7.5%	37.9%	35.6%	149.3%	60.3%	11.2%	14.2%	0.2%	-27.2%	0.6%	-12.4%	17.8%	48.5%	9.9%	15.6%	-8.2%	-13.1%	-17.3%	-7.9%
<b>Average</b>	<b>-10%</b>	<b>7%</b>	<b>15%</b>	<b>16%</b>	<b>51%</b>	<b>28%</b>	<b>16%</b>	<b>20%</b>	<b>14%</b>	<b>7%</b>	<b>13%</b>	<b>1%</b>	<b>9%</b>	<b>18%</b>	<b>13%</b>	<b>17%</b>	<b>16%</b>	<b>8%</b>	<b>7%</b>	<b>13%</b>
<b>Macro</b>																				
China real GDP growth	-6.9%	3.1%	4.8%	6.4%	18.7%	8.3%	5.2%	4.3%	4.8%	0.4%	3.9%	2.9%	4.5%	6.3%	4.9%	5.2%	5.3%	4.7%	4.6%	5.4%
China retail sales growth	-20%	-4%	0%	3%	34%	14%	5%	3%	3%	-5%	4%	-3%	6%	11%	4%	8%	5%	3%	3%	4%
<b>Household Cash Flow</b>																				
Disposable income growth	1%	4%	7%	7%	14%	11%	6%	5%	6%	3%	7%	4%	5%	8%	6%	6%	6%	4%	5%	6%
Saving rate	41%	35%	36%	25%	39%	31%	33%	23%	38%	34%	33%	28%	38%	32%	30%	26%	37%	31%	31%	27%
Home purchase growth	-23%	9%	21%	22%	95%	19%	-15%	-20%	-26%	-36%	-21%	-27%	6%	-8%	-23%	-20%	-33%	-22%	-16%	4%
Adj. discretionary cash flow growth									-20%	-22%	-12%	-32%	3%	19%	10%	42%	15%	9%	1%	9%
Household Consumption growth	-8%	-3%	1%	3%	18%	18%	12%	9%	7%	-2%	5%	-2%	5%	12%	11%	9%	8%	5%	3%	5%

As of Mar. 17, 2025; the aggregate growth for each sector is weighted by the latest market cap

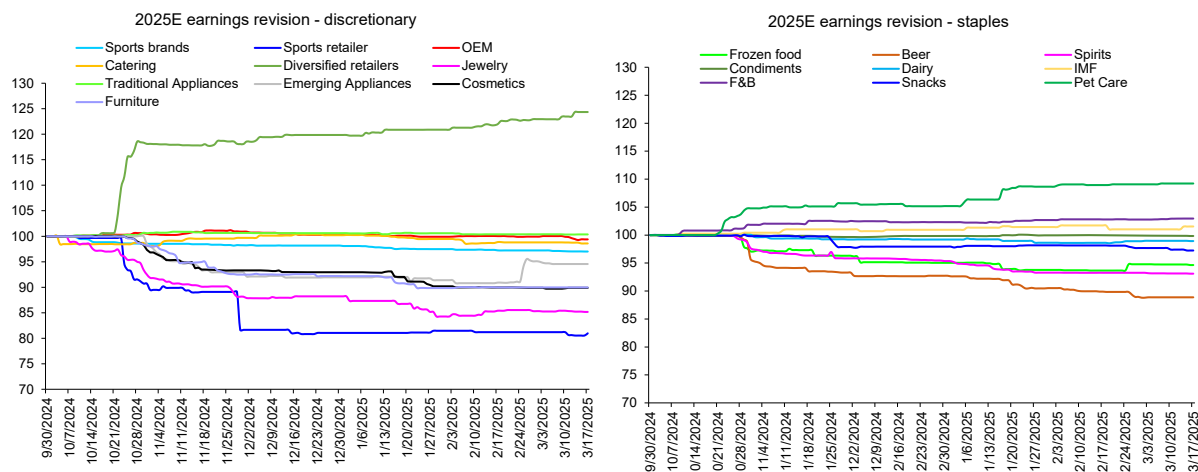
Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 8: Our current 2025E sales growth is similar to 2024E**

GS Consumer coverage forecasts

Sector	Quarterly sales CAGR vs 2019								Annual sales yoy growth								
	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24E	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Sports brands	15.1%	12.8%	11.6%	19.6%	14.4%	11.6%	9.8%	17.2%	37.6%	36.4%	5.4%	37.9%	10.0%	16.5%	11.0%	8.9%	8.8%
Sports retailer	-2.2%	-4.8%	-4.9%	-6.6%	-1.9%	-5.0%	-6.5%	-6.2%	22.4%	7.5%	5.3%	-8.9%	-15.1%	3.2%	-5.1%	0.6%	3.9%
OEM	1.6%	4.5%	5.1%	5.7%	4.4%	6.3%	6.7%	6.4%	15.0%	10.1%	-4.6%	16.6%	15.6%	-10.9%	14.1%	9.3%	8.9%
Catering	9.9%	9.9%	9.1%	8.5%	9.7%	9.4%	7.6%	7.2%	28.3%	25.8%	-0.5%	26.4%	-9.6%	22.4%	3.9%	5.3%	6.3%
Prepared food	22.1%	20.2%	18.6%	15.6%	18.8%	16.7%	17.0%	13.9%	19.2%	17.6%	20.8%	25.4%	19.7%	9.2%	6.8%	9.2%	9.1%
Diversified retailers	17.7%	12.6%	15.6%	16.6%	25.1%	23.7%	27.6%	31.8%			44.4%	63.9%	2.7%	50.0%	86.1%	43.0%	21.7%
Jewelry	8.1%	17.7%	23.6%	17.1%	8.9%	9.8%	11.3%	10.0%	14.0%	-2.7%	7.1%	35.8%	7.0%	15.3%	-11.3%	3.2%	5.6%
Traditional Appliances	5.3%	6.4%	7.1%	7.2%	5.8%	6.2%	5.7%	7.7%	14.5%	5.7%	4.5%	19.6%	3.0%	9.1%	6.0%	8.1%	4.7%
Emerging Appliances	15.2%	22.4%	28.8%	24.6%	17.9%	20.9%	26.0%	26.9%			22.6%	28.0%	42.2%	13.8%	16.8%	23.8%	15.9%
Beer	5.6%	4.1%	3.0%	0.6%	3.8%	1.4%	0.7%	-0.6%	7.2%	20.4%	-6.6%	14.0%	2.1%	7.0%	-5.1%	2.6%	3.5%
Spirits	16.7%	15.9%	14.5%	15.7%	16.8%	15.7%	13.4%	12.9%	28.7%	18.2%	9.5%	18.5%	18.0%	17.6%	10.3%	7.0%	8.6%
Condiments	8.2%	7.3%	6.7%	5.4%	8.3%	6.8%	7.0%	7.4%	19.6%	17.8%	16.5%	7.9%	5.2%	-1.4%	9.2%	9.0%	9.2%
Dairy	8.9%	9.8%	6.7%	7.0%	5.9%	4.2%	3.8%	4.7%	16.3%	13.7%	4.3%	14.6%	9.6%	3.6%	-8.2%	2.5%	2.9%
Cosmetics	31.0%	33.6%	28.1%	36.8%	31.8%	33.0%	26.8%	33.7%	40.0%	38.4%	24.6%	38.9%	36.9%	28.9%	26.2%	19.1%	15.3%
F&B (assume 1Q/2Q=1H, 3Q/4Q=2H)	12.4%	12.4%	15.4%	15.4%	11.4%	11.4%	13.0%	13.0%	12.8%	18.9%	1.6%	28.7%	13.2%	23.9%	11.8%	16.2%	12.9%
Snacks	10.0%	12.8%	14.5%	11.8%	17.4%	13.3%	15.2%	14.1%	18.2%	11.0%	11.4%	9.7%	2.7%	7.1%	11.8%	8.8%	8.0%
Pet Care	24.0%	23.8%	28.0%	18.8%	25.5%	21.9%	26.3%	19.6%	38.7%	16.5%	39.6%	25.6%	27.9%	21.0%	20.6%	18.2%	18.5%
Furniture	12.7%	15.3%	13.5%	10.8%	11.3%	8.6%	6.6%	7.5%	21.7%	14.2%	11.8%	34.8%	1.8%	2.0%	-8.0%	4.5%	3.3%
Luxury	18.8%	16.8%	14.1%	11.9%	12.9%	10.1%	7.0%	7.6%	16.0%	12.0%	6.0%	50.0%	-15.0%	12.0%	-20.0%	-2.0%	11.0%
<b>Average</b>	<b>13%</b>	<b>13%</b>	<b>14%</b>	<b>13%</b>	<b>13%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>22%</b>	<b>18%</b>	<b>13%</b>	<b>26%</b>	<b>7%</b>	<b>12%</b>	<b>9%</b>	<b>10%</b>	<b>9%</b>
<b>Macro</b>																	
China real GDP growth	4.9%	4.5%	4.7%	4.7%	5.0%	4.5%	4.7%	4.8%	6.0%	6.0%	2.2%	8.5%	3.0%	5.2%	5.0%	4.5%	4.0%
China retail sales growth	4%	4%	3%	3%	4%	3%	3%	3%	8%	8%	-5%	12%	0%	7%	3%		
<b>Household Cash Flow</b>																	
Disposable income growth	6%	7%	6%	6%	6%	6%	6%	6%	10%	9%	5%	9%	5%	6%	5%	5%	
Saving rate	39%	33%	33%	26%	38%	32%	33%	26%	30%	30%	34%	31%	33%	32%	32%	31%	
Home purchase growth	4%	-7%	-11%	-13%	-4%	-10%	-12%	-10%	15%	10%	11%	5%	-30%	-9%	-18%	-9%	
Adj. discretionary cash flow growth	-5%	-2%	-1%	-1%	-1%	0%	0%	1%	1%	2%	1%	13%	-22%	18%	8%	7%	
Household Consumption growth	5%	6%	7%	4%	6%	6%	6%	5%	10%	9%	-1%	14%	2%	9%	5%	5%	

As of Mar. 17, 2025; the aggregate growth for each sector is weighted by the latest market cap // Source: Company data, Goldman Sachs Global Investment Research

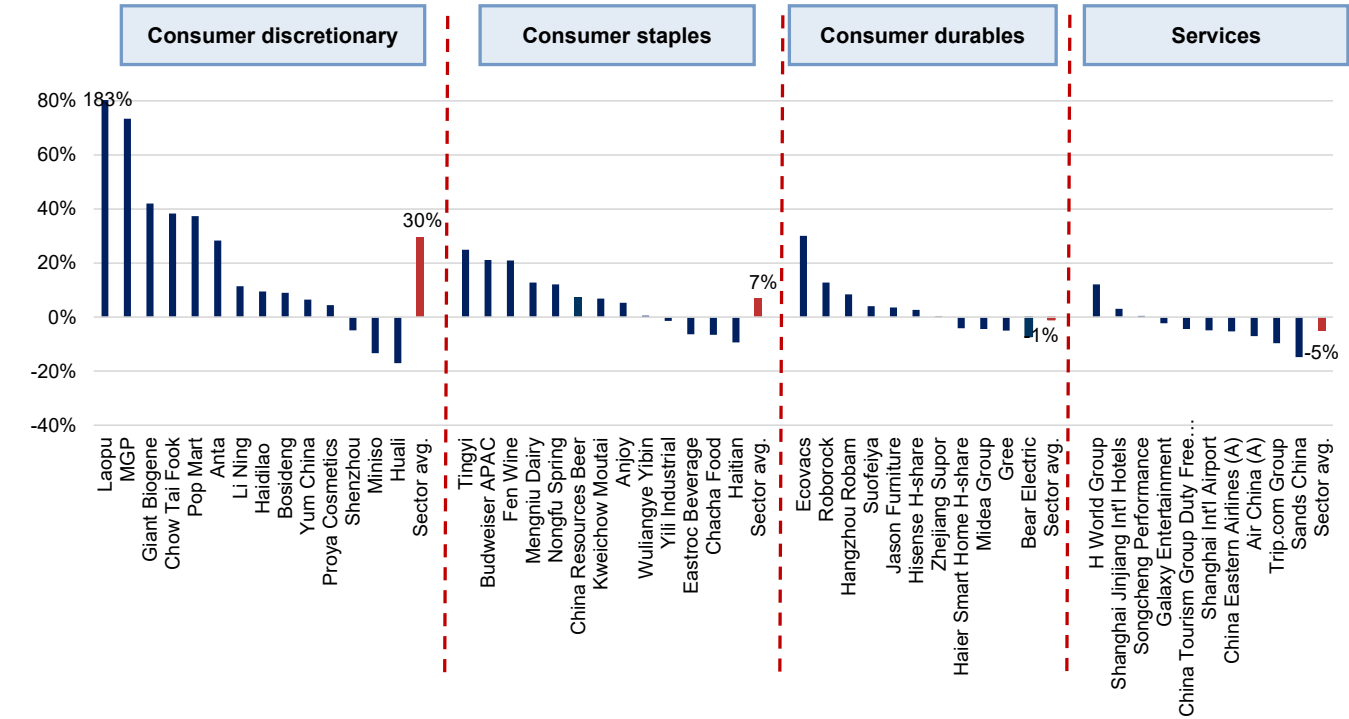
**Exhibit 9: Earnings revision for most sectors stabilized after 3Q24; meanwhile we see continuous upward revision for IP retailers, pet care, and earnings cut for sports retailers, jewelry (excl Laopu)**

As of Mar. 17, 2025

Source: Bloomberg, Goldman Sachs Global Investment Research



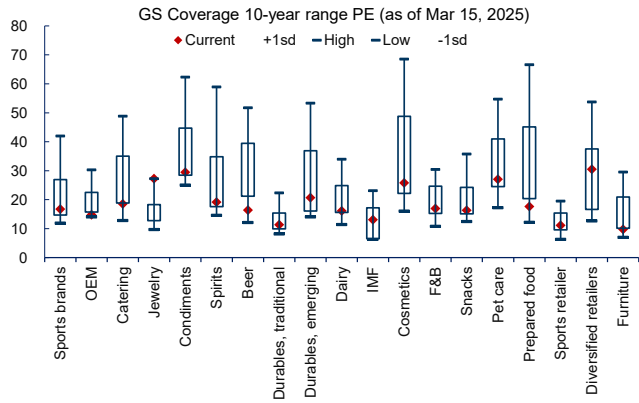
Exhibit 10: YTD share price performance



As of Mar 14

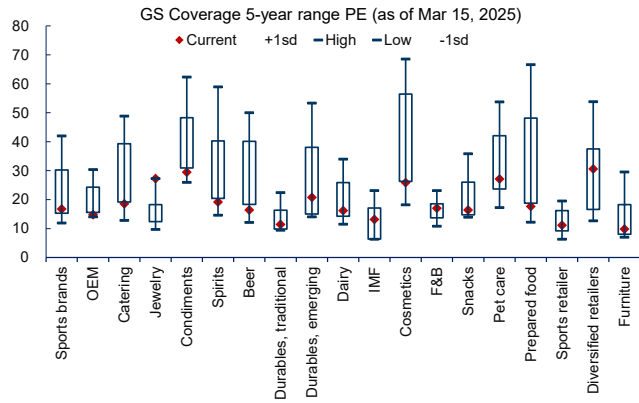
Source: Datastream

Exhibit 11: GS coverage 5-year range PE



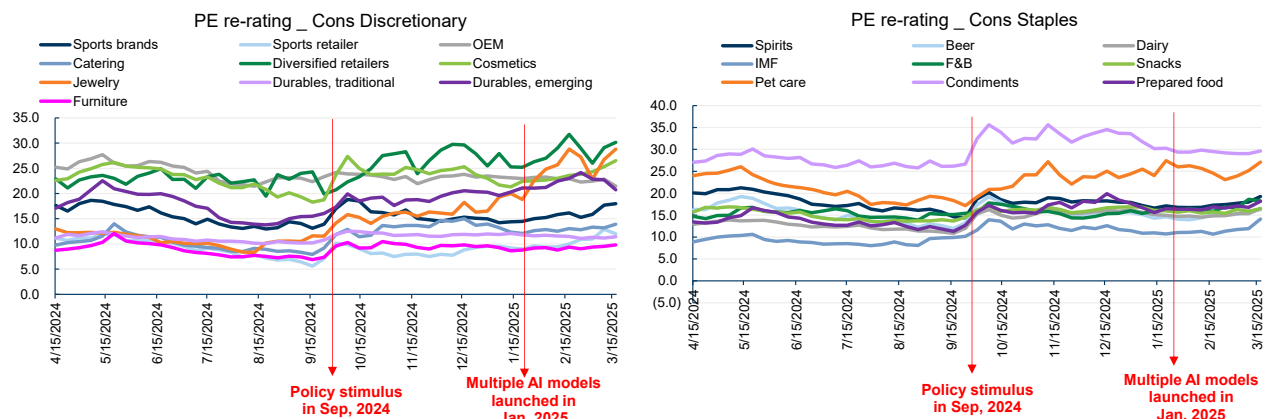
Source: Eikon Datastream

Exhibit 12: GS coverage 10-year range PE



Source: Eikon Datastream

Exhibit 13: Valuation has been re-rated



Source: Eikon Datastream

## GS sector/stock preferences

We reiterate most of our sector preferences: 1) we continue to prefer white goods (beneficiary of policy boost), diversified retailers (resilient IP demand in domestic market along with overseas expansion opportunity), selective sportswear brands (selective companies see product cycle/category momentum benefits, undemanding valuation), dairy (turnaround story; support on new birth to benefit IMF), and beverage (penetration opportunity). 2) We upgrade sportswear retailer to Neutral from least preferred, given the gradually clearer inventory level which is a better setup for turnaround; and we also upgrade restaurants to Neutral given the more disciplined price competition. However, we downgrade OEMs to least preferred on tariff uncertainties which could also lead to lower demand/order visibility in US, though we still like names with diversified production location/favorable customer base and good shareholder return. 3) furniture, projectors, discretionary small kitchen appliances, jewelry and non super-premium spirits remain our least preferred sectors.

Exhibit 14: Sector preference

Sector	
<b>Preferred</b>	Leading white goods, Sports brands, Diversified retailer, Dairy, Beverage
<b>Neutral</b>	Condiment, Cosmetics, Snacks, Beer, Major/small kitchen appliances, RVC, Pet food, Super premium spirits, Prepared food, Sports retailer ↑, Restaurants ↑
<b>Least preferred</b>	Furniture, Projectors, Discretionary small kitchen appliances, Jewelry, Spirits (non super-premium), Apparel OEM ↓

As of Mar 17, 2025

Source: Goldman Sachs Global Investment Research

## Exhibit 15: Comp sheet of preferred stocks

Company	Ticker	Rating	Mkt cap (US\$mn)	3m Ave. daily turnover (US\$mn)	12m TP (LLC)	Current price (LLC)	Net income (yoy)			PE (x)			EV/EBITDA (x)			ROE			Dividend yield			FCF yield		
							17-Mar	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E
China consumer discretionary																								
Anta	2020.HK	Buy*	36,409	119.1	110.00	99.15	14%	14%	16%	20	20	17	18	16	14	25%	22%	23%	2%	3%	3%	4%	7%	5%
Yum China	YUMC	Buy	18,917	119.2	58.00	51.30	10%	4%	13%	17	20	17	8	9	8	15%	17%	21%	2%	2%	2%	4%	4%	6%
Laopu Gold	6181.HK	Buy	14,774	44.0	553.00	698.00	242%	112%	29%	69	35	28	50	26	20	54%	60%	49%	0%	1%	1%	0%	1%	3%
Giant Biogene	2367.HK	Buy	9,010	24.2	64.00	71.75	41%	25%	21%	32	26	21	27	21	16	39%	35%	33%	1%	1%	1%	2%	3%	4%
Miniso	MNSO	Buy	6,536	23.2	27.90	20.69	17%	15%	22%	17	15	12	12	10	8	27%	27%	28%	3%	3%	4%	5%	7%	8%
China consumer staples																								
Kweichow Moutai	600519.SS	Buy	282,897	648.5	2,017.00	1,637.86	15%	10%	11%	24	22	20	16	14	12	38%	38%	38%	3%	3%	4%	4%	5%	5%
Mengniu	2319.HK	Buy	9,984	61.3	23.60	19.86	n.m.	n.m.	17%	n.m.	13	12	21	10	8	0%	12%	13%	3%	4%	5%	1%	9%	10%
Tsingtao H-Share	0168.HK	Buy	9,473	28.7	59.00	55.25	4%	11%	7%	15	14	13	8	7	7	16%	16%	16%	4%	5%	0%	5%	6%	6%
Tingyi	0322.HK	Buy	9,160	13.7	13.00	12.90	19%	16%	11%	18	15	14	9	8	7	26%	29%	31%	6%	7%	7%	7%	8%	8%
China Resources Beverage	2460.HK	Buy	4,604	6.4	19.00	15.14	19%	22%	22%	18	17	14	9	8	6	18%	17%	18%	n.m.	2%	2%	-2%	1%	6%
China Pet Foods	002891.SZ	Buy	1,755	39.4	42.00	41.90	63%	11%	32%	33	30	23	22	18	13	16%	16%	18%	1%	1%	1%	0%	1%	2%
Ligao	300973.SZ	Buy	1,068	20.5	39.60	45.20	281%	14%	40%	28	24	17	16	14	11	11%	12%	16%	2%	2%	3%	0%	0%	4%
China durables																								
Midea Group	000333.SZ	Buy	76,047	317.9	90.00	71.88	13%	13%	9%	14	13	12	11	10	9	22%	23%	24%	4%	5%	6%	10%	7%	8%
Hisense	0921.HK	Buy	4,839	9.7	31.00	27.45	14%	14%	8%	11	9	9	7	5	5	23%	23%	22%	5%	5%	6%	10%	10%	10%
Robam	002508.SZ	Buy	3,050	25.0	25.00	23.83	-3%	12%	2%	13	12	12	11	9	8	15%	16%	15%	5%	5%	5%	7%	8%	8%

\* refers to stocks on the APAC Conviction List. Ranked by market cap.

Source: Goldman Sachs Global Investment Research, Company data, Bloomberg

## Appendix

## Exhibit 16: Goldman Sachs China Household Discretionary Cashflow Model

(Rmb tn)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E
<b>Disposable income</b>												
Wage income	17.0	18.5	20.2	22.0	24.0	25.2	27.7	29.1	31.1	32.9		
Business income	5.4	5.8	6.2	6.7	7.3	7.5	8.3	8.7	9.2	9.7		
Property income	2.4	2.6	2.9	3.3	3.7	3.9	4.3	4.6	4.7	4.8		
Transfer income	5.2	5.9	6.6	7.6	8.3	8.9	9.2	9.7	10.2	10.8		
<b>A) Disposable income</b>	<b>30.0</b>	<b>32.7</b>	<b>35.9</b>	<b>39.7</b>	<b>43.3</b>	<b>45.5</b>	<b>49.6</b>	<b>52.1</b>	<b>55.3</b>	<b>58.2</b>	<b>61.3</b>	<b>64.8</b>
Surveyed disposable income growth	9.5%	9.0%	9.7%	10.5%	9.2%	4.9%	9.2%	4.9%	6.2%	5.2%	5.3%	5.7%
<b>Financing activities</b>												
B) Debt service	(4.3)	(4.7)	(5.7)	(7.3)	(8.4)	(9.6)	(11.7)	(12.7)	(14.1)	(15.2)	(15.4)	(15.7)
Mortgage	(1.7)	(2.0)	(2.5)	(3.2)	(3.7)	(4.2)	(4.8)	(5.1)	(5.2)	(6.1)	-5.9	-5.8
Non-mortgage HH loan	(2.5)	(2.7)	(3.2)	(4.1)	(4.7)	(5.4)	(6.9)	(7.6)	(8.9)	(9.1)	-9.5	-9.8
C) Gross borrowing	6.5	9.3	10.6	11.7	12.3	13.5	15.1	12.3	15.4	14.6	14.9	15.9
Total mortgage balance	13.1	18.0	21.9	25.8	30.2	34.5	38.3	38.8	38.2	37.4	37.2	37.4
Yearly mortgage payment %	-16%	-15%	-14%	-15%	-14%	-14%	-14%	-13%	-14%	-16%	-16%	-16%
<b>D) Discretionary cash flow = A + B + C</b>	<b>32.2</b>	<b>37.4</b>	<b>40.8</b>	<b>44.0</b>	<b>47.2</b>	<b>49.4</b>	<b>53.0</b>	<b>51.7</b>	<b>56.6</b>	<b>57.6</b>	<b>60.7</b>	<b>65.0</b>
yoy growth	11.6%	15.9%	9.3%	7.7%	7.3%	4.6%	7.4%	-2.5%	9.5%	1.7%	5.5%	7.1%
<b>E) Saving - Deposit change</b>	<b>4.5</b>	<b>(5.5)</b>	<b>(4.5)</b>	<b>(7.2)</b>	<b>(9.7)</b>	<b>(11.3)</b>	<b>(9.9)</b>	<b>(17.9)</b>	<b>(16.7)</b>	<b>(14.4)</b>	<b>(14.6)</b>	<b>(15.4)</b>
% of disposable income	15%	-17%	-13%	-18%	-22%	-25%	-20%	-34%	-30%	-25%	-24%	-24%
Saving - Macro team's definition = A - G	8.6	9.2	10.6	11.8	12.9	15.5	15.6	17.4	17.5	18.4	19.4	20.3
Saving rate on Macro team's definition	28%	28.2%	29.5%	29.7%	29.9%	34.1%	31.4%	33.5%	31.7%	31.6%	31.1%	30.9%
<b>F) Adj. discretionary cash flow = D + E</b>	<b>36.7</b>	<b>31.9</b>	<b>36.3</b>	<b>36.7</b>	<b>37.5</b>	<b>38.1</b>	<b>43.1</b>	<b>33.8</b>	<b>39.9</b>	<b>43.2</b>	<b>46.1</b>	<b>49.6</b>
yoy growth	31.2%	-13.1%	13.7%	1.3%	2.1%	1.4%	13.3%	-21.7%	18.2%	8.2%	6.8%	7.6%
<b>Discretionary cash outflow</b>												
G) Consumption	21.5	23.5	25.3	27.9	30.4	30.0	34.0	34.6	37.8	39.8	41.9	44.5
yoy growth	9.0%	9.4%	7.7%	10.1%	9.0%	-1.5%	13.7%	1.8%	9.0%	5.3%	5.3%	6.2%
H) House purchase and other investments	15.3	8.4	11.0	8.8	7.1	8.1	9.1	(0.9)	2.1	3.4	4.2	5.1
Home purchase	7.3	9.9	11.0	12.6	13.9	15.5	16.3	11.4	10.3	8.5	7.7	7.4

Source: NBS, Wind, Goldman Sachs Global Investment Research

## Exhibit 17: Price targets risks and methodology

Company name	Ticker	Rating	Valuation methodology	Key risks
Anta	2020.HK	Buy (on CL)	Our TP is HK\$110 based on 20.5x 2026E PE discounted back to 2025E	Weaker Fila growth, lower retail sales growth of the core Anta brand and opex control.
Moutai	600519.SS	Buy	Our 12m TP is Rmb2,017 based on a 26.5x 2026E P/E, discounted back to 2025 year-end using a 9.5% COE. Our target P/E is benchmarked to the company's full cycle average P/E in 2015-1H24.	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.
Midea	000333.SZ/0300.HK	Buy	Our 12-m TP of (A/H-share) Rmb90/HK\$90 is based on a 16X exit multiple applied to our 2026E EPS, discounted back to 2025E using a 9.5% cost of equity.	1) Worse-than-expected disruption on white goods demand from weaker macro globally; 2) Rising material costs affecting product margins; 3) Execution risk of its premiumization strategy; and 4) Rising competition in the low-to-mid-end segment.
YUMC	YUMC/9987.HK	Buy	We are Buy rated on YUMC with 12-m SOTP-based target prices of US\$58/HK\$452 for the ADR/H-share. Our target multiples are 12x 2025E EV/EBITDA for KFC China and 7x for Pizza Hut China.	1) weaker-than-expected SSSG; 2) higher-than-expected commodity costs; 3) stronger-than-expected competition; and 4) lower-than-expected execution efficiency.
Tsingtao-H	0168.HK	Buy	Our 12m TP of HK\$59.0 is based on 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) More intense competition from higher marketing and channel investments by peers; 3) Unsuccessful national scale price hikes.
Tingyi	0322.HK	Buy	We are Buy rated on Tingyi. Our 12-m TP of HK\$13.0 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	1) Higher-than-expected raw material cost pressures; weaker premiumization trends in instant noodle/beverage.
CR Beverage	2460.HK	Buy	We are Buy rated on China Resources Beverage with a 12-month TP of HK\$19.0, based on a 19.0x 2025E P/E	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.
Mengniu	2319.HK	Buy	We are Buy rated on Mengniu. Our 12-month TP of HK\$23.6 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	1) Slower-than-expected premium demand; 2) A slower-than-expected dairy demand recovery; 3) More intense dairy industry competition; 4) Wider losses in new categories.
Miniso	MNSO/9896.HK	Buy	We are Buy rated on Miniso with 12-m TPs of US\$27.9/HK\$54 per ADR/H-share. Our 12m price targets are based on 20x CY2025E P/E	1) Lower store productivity in China from intensified competition, lagging product innovation or product quality issues that could discourage retail partners' willingness to expand (SSSG was negative before Covid-19); 2) worse-than-expected SSSG recovery and store expansion globally; 3) geopolitical risks; 4) higher-than-expected OPEX and additional investments.
Giant Biogene	2367.HK	Buy	Our 12-month TP of HK\$64 is based on 20x 2026E P/E discounted back to 2025E using a 9.6% COE.	Slower-than-expected growth/intensified competition in the professional skin treatment market; inability to develop successful products; regulatory risk.
Laopu	6181.HK	Buy	We derive our 12-m TP of HK\$553 for Laopu Gold, based on 20x 2027E target PE and discount back to mid-2026E at 9.6% COE.	1) potential gold price slump, 2) tough regulatory environment over luxury consumption, 3) regional concentration, and 4) potential sell-off of IPO shares post lock-up expiry.
Hisense	000921.SZ/0921.HK	Buy	Our 12-m TP (A/H-share) of Rmb37/HK\$31 is based on 16x/12x 2026E P/Es for Hisense-Hitachi JV/legacy white goods, discounted back to 2025E at a 9.5% COE	1) Worse-than-expected disruption in white goods demand from weaker macro globally; 2) a further property market slowdown leading to sluggish demand for VRF; 3) increasing competition from domestic players that may jeopardize the leading position of its Hisense-Hitachi JV; 4) increasing penetration in the developer channel resulting in margin dilution; 5) below-expected integration of the Hisense-Hitachi JV; and 6) lower-than-expected performance of the company's legacy white goods business.
Robam	002508.SZ	Buy	Our 12-m target price of Rmb25 is based on 14x exit multiple applied to 2026E EPS and discounted back to 2025E using a 9.5% cost of equity.	1) increasing competition from mass-market players such as Vatti and Supor, which could hurt growth, especially in the lower-tier cities and online channels; 2) an increasing share of the developer channel, which could dilute overall operating margins; and 3) failure to launch new successful products such as dishwashers, steam ovens and integrated range hoods, which would impact revenue growth.
China Pet Foods	002891.SZ	Buy	Our 12-month TP of Rmb42.0 is based on a SOTP with: 1) the domestic business valued at a 26X 2026E P/E discounted back 1 year at 9.5% COE, and 2) the overseas business at 18X P/E on 2025E earnings.	1) Slower-than-expected domestic revenue growth; 2) Food safety issues; 3) Forex fluctuations; 3) Freight and raw material costs; 4) Additional tariffs on pet food exports from China to the US.
Ligao	300973.SZ	Buy	We are Buy rated on Ligao with a 12m TP of Rmb39.6 based on a 16x P/E applied to our 2026E EPS, discounted back 1 year at 9.8% COE.	1) Weaker-than-expected fresh bakery recovery; 2) Weaker-than-expected KA client sales; 3) Shareholding reduction by major shareholders; 4) Higher raw material costs; 5) Intensifying competition in the frozen bakery market; and 6) Food safety

Source: Goldman Sachs Global Investment Research

# Disclosure Appendix

## Reg AC

We, Michelle Cheng, Leaf Liu, Nicolas Yi, Cathy Chen, CFA 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 (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

### 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.

## 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 U7140MH2006FTC160634, 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:** 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 (Sv. 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.fiadocumentation.org/fia/regulatory-disclosures\\_1/fia-uniform-futures-and-options-on-futures-risk-disclosures-booklet-pdf-version-2018](https://www.fiadocumentation.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.