CHINA CONSUMER DURABLES

1Q26 Wrap: Overseas the key growth driver into 2Q, competition/cost inflation the key focus; white goods leaders more resilient

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Our covered Consumer Durable companies reported a weighted average of **0%/-3% revenue/profits yoy growth in 1Q26**, showing a generally mild improvements vs 4Q25 with company divergence. **Results beats mainly came from better-than-expected margins for white goods and RVC companies** despite concerns on cost inflation and/or competition. **Results misses** primarily came from weak demand and resultant operating de-leverage of property-related companies (especially customized furniture) as well as FX losses that impacted companies with notable overseas exposure (e.g. Ninebot, Xinbao).

Sector wise, **white goods** stayed resilient in general (-1%/-2% revenue/profits yoy growth in 1Q26) that showed sequential domestic improvements supported by trade-in stimulus extension on an easier base, though overseas growth weakened on a high base due to front-loaded demand last year. **Consumer electronics** largely maintained high revenue growth especially for RVC, but margins were impacted by cost, FX losses and operating de-leverage of projector companies (20%/-18% revenue/profits yoy). **Small kitchen appliances** exhibited muted domestic demand and overseas growth pressure on a high base with margin pressure for most companies (-4%/-23% revenue/profits yoy). On **property value chain**, customized furniture exhibited the most drastic decline (20%+ revenue decline and even larger profits decline). Kitchen appliances are also faced with weak demand with a milder decline, while upholstered furniture companies (i.e., Jason Furniture) and select home products company (e.g. Gongniu) are more resilient thanks to overseas and company idiosyncratic factors.

Looking into 2Q26, we summarize our key observations and forecasts:

1) Investors generally have low expectations for domestic growth off a high base with key focus on the demand trend post price hikes since April. Considering the rising base pressure into 2Q due to trade-in stimulus last year, market generally expect higher domestic growth pressure vs 1Q. As companies have been adjusting pricing/mix to mitigate cost impacts, the demand trend would be the key focus especially during 618, the key promotion event in 1H. On competition, we expect easing competition for white goods constrained by cost pressure, compared to very intense competition last year, while the competition in select consumer electronics and discretionary small appliances might remain intense.

2) Easing overseas base and branded business share gain, with the key uncertainty from demand impact from the Middle East conflict. We see sequentially better overseas growth considering OEM recovery on a lower base and continued market share gain from branded business especially for white goods and consumer electronics companies, which is supported by competitive products and more investment into local manufacturing/branding/distribution networks. That said, the demand risk due to the Middle East conflict remains an overhang. We have seen early signs in US where recent major consumer appliances demand showed greater decline likely due to rising oil prices and weakening consumer confidence (Haier, WHR, Electrolux).

3) Cost inflation of petrochemicals to kick in with more pricing/mix adjustment. While our coverage companies (esp. white goods) generally exhibit resilient margins in 1Q on back of cost inflation of key metals (e.g. copper and aluminum), we foresee sequentially higher cost pressure from petrochemicals into 2Q that will likely emerge in late 2Q once the lower-cost inventory is depleted. That said, we also noticed more pricing adjustments (white goods and electric two-wheelers) and more new product launches (electric two-wheelers) under new cost structure into 2Q. Sector wise, we continue expect more resilient margin performance for white goods, while small appliances would face the most notable incremental cost pressure from petrochemicals.

Collectively, we have revised our 2026E-28E EPS forecasts for our Consumer Durable coverage by -28% to 13% to factor in the latest results and the industry trends, and our 12m TPs by -15% to 12% reflecting our earnings revisions. Within this note, we make earnings and TP changes for XGimi, Appotronics, Joyoung, Bear, Jason Furniture, Man Wah, Oppein and Suofeiya; post 1Q26 results changes for other coverage companies have been made in previous reports.

On stocks, we highlight 1) **Midea** on its growth potential from overseas market expansion and emerging 2B business and limited downside risk protected by industry-leading shareholder returns, 2) **Ninebot** on continued industry-outperforming revenue growth via competitive products and sequentially easing drag from cyclical factors with attractive valuation, and 3) **Hisense Home Appliances** on stabilizing central AC business, sequentially recovering revenue growth/profitability off easing bases, and mid to long-term margin expansion potential with downside protected by dividend yield.

1Q26 results summary

Exhibit 1: Our covered Consumer Durables companies reported a weighted average of 0%/-3% revenue/profits yoy growth in 1Q26, showing a generally mild improvements vs 4Q25 with company divergence. Results beats mainly came from better-than-expected margins for white goods and RVC companies. Results misses primarily came from weak demand and resultant operating de-leverage of property-related companies as well as FX losses.

Company	Ticker	Revenue (Rmb mn)									% yoy									vs GSe	
		1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	4Q25	1Q26
Midea	000333 SZ	106,483	111,639	102,228	86,714	128,428	121,901	112,181	91,789	131,581	10%	10%	8%	9%	21%	11%	10%	6%	2%	0%	1%
Gree	000651 SZ	36,596	64,697	47,140	42,622	41,619	55,920	40,034	31,455	41,060	4%	1%	-10%	-13%	14%	-12%	-15%	-21%	1%	11%	14%
Haier	600690 SS	68,978	66,545	67,349	83,010	79,118	77,376	77,562	68,293	73,687	5%	0%	0%	32%	15%	16%	15%	-18%	7%	0%	3%
Hisense	000921 SZ	23,466	27,156	21,937	22,167	24,838	24,402	22,192	16,396	23,060	21%	7%	0%	7%	6%	3%	1%	-26%	-7%	0%	0%
White goods											6%	39%	10%	-7%	16%	5%	6%	-10%	-1%	0%	0%
Robam	002508 SZ	2,237	2,492	2,666	1,817	2,076	2,511	2,704	2,604	1,963	3%	-10%	-11%	17%	-7%	2%	1%	-27%	-5%	-16%	-7%
Kitchen appliances											3%	-10%	-11%	17%	-7%	2%	1%	-27%	-5%	-16%	-7%
Supor	002032 SZ	5,178	5,586	5,448	5,914	5,786	5,691	5,423	5,874	5,882	8%	11%	3%	0%	8%	2%	2%	1%	2%	0%	4%
Joyoung	002242 SZ	2,065	2,321	1,795	2,667	2,000	1,987	1,598	2,625	1,812	9%	4%	-27%	-6%	-3%	-14%	-11%	-2%	-9%	0%	8%
Bear	002959 SZ	1,194	931	1,008	1,615	1,320	1,215	1,156	1,539	1,239	-5%	-14%	3%	16%	11%	30%	15%	-5%	-6%	0%	-6%
Xinbao	002705 SZ	3,474	4,249	4,967	4,117	3,834	3,968	4,481	3,909	3,417	23%	21%	13%	6%	10%	-7%	-10%	-5%	-10%	0%	-5%
Ecovacs	603486 SS	3,474	3,502	3,250	6,316	3,858	4,818	4,201	6,162	4,902	7%	10%	4%	27%	11%	38%	29%	2%	27%	3%	23%
Roborock	688169 SS	1,841	2,677	2,491	4,918	3,428	4,475	4,163	6,628	4,227	59%	16%	12%	67%	86%	74%	61%	34%	21%	1%	1%
XGimi	688696 SS	825	774	842	1,123	813	816	701	1,147	791	-7%	4%	-14%	-1%	-2%	4%	3%	2%	-2%	0%	9%
Appotronics	688007 SS	445	536	638	699	461	500	392	356	232	-3%	4%	11%	24%	4%	-21%	-39%	-49%	-50%	0%	-23%
Ninebot	689009 SS	2,562	4,104	4,239	3,290	5,112	6,630	6,648	2,898	5,870	54%	51%	35%	22%	100%	62%	57%	-12%	15%	0%	2%
Anker	300866 SZ	4,378	5,271	6,600	8,261	5,993	6,873	8,152	9,495	7,608	30%	42%	44%	44%	37%	30%	20%	15%	27%		
Small appliances											18%	15%	12%	21%	27%	23%	17%	4%	10%	0%	5%
Oppein	603833 SS	3,521	4,962	5,296	5,048	3,447	4,794	4,973	4,018	2,652	1%	-21%	-21%	-19%	5%	1%	6%	-20%	-23%	14%	-21%
Suofeiya	002572 SZ	2,111	2,818	2,726	2,815	2,038	2,513	2,457	2,339	1,519	17%	4%	-21%	-18%	3%	-11%	10%	-17%	-25%	0%	16%
Jason Furniture	603816 SS	4,350	4,548	4,291	4,678	4,974	4,887	5,211	5,044	5,071	10%	-7%	-7%	-8%	13%	7%	7%	8%	2%	4%	0%
Gongniu	603195 SS	3,903	4,583	4,247	4,227	3,922	4,246	4,030	3,829	4,060	14%	8%	5%	3%	3%	-7%	-4%	-9%	4%	-6%	8%
Furniture and home products											10%	-8%	-12%	-11%	3%	3%	3%	-9%	-7%	-3%	8%

Company	Ticker	Net income (Rmb mn)									% yoy									vs GSe	
		1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	4Q25	1Q26
Midea	000333 SZ	9,300	11,804	10,896	6,818	12,422	11,791	11,873	6,062	12,674	6%	12%	14%	13%	38%	15%	9%	11%	2%	0%	1%
Gree	000651 SZ	4,675	9,461	7,825	10,224	5,904	8,508	7,049	7,542	6,082	12%	53%	90%	13%	26%	10%	10%	26%	3%	2%	12%
Haier	600690 SS	4,773	5,647	4,734	3,687	5,487	6,546	5,343	2,183	4,652	28%	85%	19%	23%	15%	16%	13%	39%	15%	0%	2%
Hisense	000921 SZ	381	1,035	777	555	1,127	949	739	375	1,035	19%	182%	26%	37%	15%	8%	5%	32%	8%	0%	8%
White goods											0%	90%	45%	-14%	20%	6%	3%	-24%	2%	0%	4%
Robam	002508 SZ	398	361	443	376	340	372	446	99	307	2%	-13%	18%	4%	15%	3%	1%	74%	10%	-76%	-10%
Kitchen appliances											2%	-18%	-18%	4%	-15%	3%	1%	-74%	-10%	-76%	-10%
Supor	002032 SZ	470	471	492	812	497	443	425	731	507	7%	6%	2%	1%	6%	6%	13%	10%	2%	0%	2%
Joyoung	002242 SZ	130	45	17	24	101	21	1	5	83	7%	64%	166%	5%	22%	53%	101%	124%	18%	0%	2%
Bear	002959 SZ	151	13	19	108	130	75	41	147	80	9%	86%	76%	37%	14%	642%	113%	36%	39%	0%	36%
Xinbao	002705 SZ	173	269	343	268	247	296	298	159	79	25%	5%	4%	11%	43%	10%	13%	41%	-68%	1%	-59%
Ecovacs	603486 SS	298	311	6	197	475	505	438	343	405	9%	21%	69%	2170%	59%	62%	7161%	78%	15%	2%	14%
Roborock	688169 SS	399	722	771	704	267	410	362	126	323	96%	15%	43%	27%	13%	47%	1%	36%	21%	1%	8%
XGimi	688696 SS	14	10	44	160	63	26	9	54	50	73%	125%	177%	357%	337%	-355%	80%	60%	20%	0%	39%
Appotronics	688007 SS	45	34	32	15	21	110	5	138	37	226%	155%	40%	41%	148%	226%	114%	820%	75%	8%	20%
Ninebot	689009 SS	136	460	374	114	466	786	545	29	207	675%	124%	39%	48%	276%	71%	46%	126%	55%	0%	60%
Anker	300866 SZ	311	561	399	643	496	571	766	612	472	2%	9%	52%	60%	60%	20%	26%	5%	5%		
Small appliances											19%	12%	7%	10%	28%	11%	37%	22%	20%	0%	2%
Oppein	603833 SS	218	772	1,041	768	308	710	814	164	157	47%	21%	12%	22%	41%	8%	22%	71%	50%	70%	52%
Suofeiya	002572 SZ	165	399	343	449	12	307	362	223	78	59%	1%	21%	15%	93%	23%	1%	51%	-418%	0%	131%
Jason Furniture	603816 SS	420	475	463	58	519	501	518	252	496	5%	9%	-20%	-89%	24%	5%	12%	334%	-4%	32%	7%
Gongniu	603195 SS	929	1,309	1,025	1,009	971	1,285	919	1,092	1,056	26%	21%	3%	5%	5%	17%	10%	8%	9%	7%	12%
Furniture and home products											24%	1%	-10%	-20%	5%	-12%	-9%	-17%	-8%	16%	29%

Source: Company data, Goldman Sachs Global Investment Research

TP/EPS & rating changes

Collectively, we have revised our 2026E-28E EPS forecasts for our Consumer Durables coverage by -28% to 13% to factor in the latest results and industry trends, and our 12m TPs by -15% to 12% reflecting our earnings revisions.

Within, we make earnings and TP changes for XGimi, Appotronics, Joyoung, Bear, Jason Furniture, Man Wah, Oppein and Suofeiya. We make more significant changes to Oppein due to the impact of their substantial earnings misses (First Take). Similarly, we revise down earnings and TP for Bear, Joyoung, XGimi, Appotronics and Suofeiya to reflect below-expectation 1Q26 results. We also revise down the multiple of XGimi from 23x to 21x (4-year historical median) to reflect lower growth and higher demand uncertainty. Comparatively, we fine-tuned our forecasts for two upholstered furniture companies by less than 1% to reflect in-line Jason Furniture's results and read-across to Man Wah. Our ratings for our coverage companies remain unchanged.

Exhibit 2: We have revised our 12m TPs across our coverage by -12% to 10% post 3Q25 results

Company	Ticker	Rating		Latest close	Valuation method	COE	Multiple new	Multiple old	Target Price new	Target Price old	Target Price change	U/D %	EPS change 25A	EPS change 26E	EPS change 27E	EPS change 28E	Trading P/E 25A	Trading P/E 26E	TP implied P/E 25A	TP implied P/E 26E	Growth, yoy % 25A	Growth, yoy % 26E	Dividend yield 25A	Dividend yield 26E
White goods																								
Midea A	000333.SZ	Buy	Rmb	79.8	Discounted P/E	9.5%	16	16	99.0	98.0	1%	24.0%	0%	0%	1%	0%	[illegible]	[illegible]	[illegible]	[illegible]	12%	14%	5%	6%
Midea H	0300.HK	Buy	HK$	85.0	Discounted P/E				113.0	111.0	2%	32.5%					[illegible]	[illegible]	[illegible]	[illegible]	14%	14%	6%	[illegible]
Gree	000651.SZ	Neutral	Rmb	39.9	Discounted P/E	9.5%	9	9	41.0	40.0	2%	2.8%	-1%	2%	3%	2%	[illegible]	[illegible]	7.9x	[illegible]	10%	2%	[illegible]	[illegible]
Haier A	600690.SS	Buy	Rmb	21.4	Discounted P/E	9.5%	11	11	29.0	29.0		35.3%	0%	0%	0%	0%	[illegible]	[illegible]	[illegible]	[illegible]	13%	4%	[illegible]	[illegible]
Haier H	6690.HK	Buy	HK$	21.8	Discounted P/E				30.0	30.0		37.7%					[illegible]	[illegible]	[illegible]	[illegible]	13%	4%	6%	[illegible]
Hisense A	000921.SZ	Buy	Rmb	24.2	Discounted P/E	9.5%	14x, 11x	14x, 11x	30.0	28.0	7%	23.8%	0%	5%	5%	5%	[illegible]	[illegible]	[illegible]	[illegible]	18%	-5%	5%	5%
Hisense H	0921.HK	Buy	HK$	[illegible]	Discounted P/E				27.0	25.0	8%	13.7%					[illegible]	[illegible]	[illegible]	[illegible]	18%	5%	[illegible]	[illegible]
Kitchen appliances																								
Robam	002508.SZ	Buy	Rmb	18.[illegible]	Discounted P/E	9.5%	14	14	20.0	22.0	-9%	8.0%	-20%	-16%	-13%	-10%	[illegible]	[illegible]	[illegible]	[illegible]	-20%	5%	5%	6%
Small appliances																								
Supor	002032.SZ	Buy	Rmb	47.[illegible]	Discounted P/E	9.5%	20	20	[illegible]	[illegible]	2%	12.0%	0%	1%	1%	1%	[illegible]	[illegible]	[illegible]	[illegible]	-7%	4%	6%	6%
Joyoung	002242.SZ	Sell	Rmb	11.[illegible]	Discounted P/E	9.5%	15	15	4.5	4.9	-8%	-59.1%	0%	-14%	-10%	-7%	[illegible]	[illegible]	[illegible]	[illegible]	-4%	51%	[illegible]	2%
Ecovacs	603486.SS	Sell	Rmb	66.[illegible]	Discounted P/E	9.5%	17	17	55.0	49.0	12%	-17.3%	0%	13%	11%	10%	[illegible]	[illegible]	[illegible]	[illegible]	118%	0%	[illegible]	[illegible]
Roborock	688169.SS	Buy	Rmb	118.[illegible]	Discounted P/E	9.5%	18	18	170.0	[illegible]	-6%	43.9%	0%	-6%	-3%	-3%	22.4x	[illegible]	[illegible]	[illegible]	-31%	33%	[illegible]	[illegible]
Ninebot	689009.SS	Buy	Rmb	42.[illegible]	Discounted P/E	9.5%	16	16	62.0	62.0		45.3%	0%	-13%	-2%	-1%	[illegible]	[illegible]	[illegible]	[illegible]	62%	2%	[illegible]	[illegible]
XGimi	688696.SS	Sell	Rmb	90.[illegible]	Discounted P/E	9.5%	21	23	87.0	95.0	-8%	-3.7%	0%	0%	-2%	-1%	42.4x	39.5x	[illegible]	37.1x	19%	14%	[illegible]	[illegible]
Appotronics	688007.SS	Sell	Rmb	[illegible]	Discounted P/E	9.5%	21	23	[illegible]	[illegible]	-8%	-61.[illegible]%	4%	-18%	-7%	-8%	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bear	002959.SZ	Neutral	Rmb	41.[illegible]	2026E P/E	9.5%	18	18	42.0	47.0	-11%	2.4%	0%	-11%	-10%	-10%	[illegible]	[illegible]	[illegible]	[illegible]	36%	6%	3%	3%
Xinbao	002705.SZ	Neutral	Rmb	14.5	2026E P/E	9.5%	13	13	13.7	14.0	-2%	-5.5%	0%	-17%	-6%	-7%	[illegible]	[illegible]	[illegible]	[illegible]	-5%	-15%	3%	3%
Furniture & home products																								
Gongniu	603195.SS	Neutral	Rmb	44.[illegible]	Discounted P/E	9.5%	22	20	44.0	42.0	5%	-1.2%	2%	2%	2%	1%	[illegible]	[illegible]	[illegible]	[illegible]	-5%	4%	[illegible]	[illegible]
Oppein	603833.SS	Sell	Rmb	46.[illegible]	Discounted P/E	9.8%	13	13	40.0	47.0	-15%	-14.0%	-16%	-20%	-22%	-17%	[illegible]	[illegible]	[illegible]	[illegible]	-23%	10%	[illegible]	[illegible]
Suofeiya	002572.SZ	Neutral	Rmb	11.9	Discounted P/E	9.8%	12	12	10.9	11.4	-4%	-8.2%	0%	-13%	-7%	-5%	[illegible]	[illegible]	[illegible]	[illegible]	-34%	-9%	[illegible]	[illegible]
Man Wah	1999.HK	Neutral	HK$	4.4	Discounted P/E	10.0%	9	9	4.5	4.5	2%	4.1%	0%	0%	0%	0%	8.2x	8.2x	8.6x	8.6x	1%	0%	6%	6%
Jason Furniture	603816.SS	Neutral	Rmb	29.9	Discounted P/E	9.8%	14	14	32.0	32.0		7.0%	-6%	-1%	0%	0%	[illegible]	[illegible]	[illegible]	[illegible]	26%	12%	[illegible]	[illegible]

We make earnings and TP changes for XGimi, Appotronics, Joyoung, Bear, Jason Furniture, Man Wah, Oppein and Suofeiya with this note. We have made changes for other coverage companies post results in previous reports. Pricing as of May 7, 2026.

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

Exhibit 3: Revenue and profits forecasts of China Consumer Durables coverage

Company	Ticker	Revenue (Rmb mn) 2024	2025	2026E	2027E	2028E	% yoy 2024	2025	2026E	2027E	2028E	Net income (Rmb mn) 2024	2025	2026E	2027E	2028E	% yoy 2024	2025	2026E	2027E	2028E
Midea	000333.SZ	409,084	458,[illegible]	488,879	519,906	[illegible]	9%	12%	7%	6%	7%	38,537	43,941	47,598	51,830	55,219	14%	14%	8%	9%	7%
Gree	000651.SZ	190,038	171,118	172,112	173,896	176,783	7%	10%	1%	1%	2%	32,185	29,00[illegible]	28,491	29,116	29,911	11%	10%	2%	2%	3%
Haier	600690.SS	285,981	302,147	307,662	318,672	331,486	4%	6%	2%	4%	4%	18,741	19,541	20,001	22,189	24,362	11%	4%	2%	11%	8%
Hisense	000921.SZ	92,746	87,928	89,536	94,813	100,890	8%	-5%	2%	6%	6%	3,348	3,18[illegible]	3,280	3,576	3,899	18%	-5%	3%	9%	9%
White goods							6%	4%	3%	5%	5%						13%	7%	4%	8%	6%
Robam	002508.SZ	11,213	10,116	10,048	10,507	10,841	-3%	-10%	-1%	5%	3%	1,577	1,256	1,325	1,452	1,556	9%	-20%	5%	10%	7%
Kitchen appliances							0%	-10%	1%	5%	3%						9%	-20%	5%	10%	7%
Supor	002032.SZ	22,427	22,77[illegible]	23,418	24,512	25,582	5%	2%	3%	5%	4%	2,244	2,097	2,186	2,353	2,457	3%	-7%	4%	8%	4%
Joyoung	002242.SZ	8,849	8,210	8,121	8,483	8,794	-8%	-7%	-1%	4%	4%	122	118	178	224	265	-69%	-4%	51%	26%	18%
Bear	002959.SZ	4,758	5,230	5,240	5,614	5,970	1%	10%	0%	7%	6%	288	392	369	411	440	-35%	36%	6%	11%	7%
Xinbao	002705.SZ	16,821	16,192	16,408	17,311	18,059	15%	-4%	1%	6%	4%	1,063	999	840	1,077	1,152	8%	-6%	15%	27%	7%
Ecovacs	603486.SS	16,542	19,040	21,582	23,530	25,974	7%	15%	13%	9%	10%	806	1,763	1,759	1,938	2,143	32%	118%	0%	10%	11%
Roborock	688169.SS	11,945	18,695	21,660	25,[illegible]	28,682	38%	57%	16%	16%	14%	1,977	1,363	1,813	2,446	2,997	-4%	-31%	33%	35%	23%
XGimi	688696.SS	3,405	3,467	3,501	3,828	4,148	-4%	2%	1%	9%	8%	120	143	164	246	338	-0%	19%	14%	50%	37%
Appotronics	688007.SS	2,479	1,705	1,476	1,822	2,169	-9%	-29%	-14%	23%	19%	28	24	-13	44	140	-73%	n.m.	n.m.	n.m.	221%
Ninebot	689009.SS	14,196	21,278	26,072	32,521	38,143	39%	50%	23%	25%	17%	1,084	1,793	[illegible]	2,568	[illegible]	81%	62%	2%	44%	27%
Small appliances							17%	17%	11%	13%	11%						8%	11%	11%	23%	17%
Oppein	603833.SS	18,925	17,232	15,622	16,446	16,920	-17%	-9%	-9%	5%	3%	2,599	1,997	1,787	2,003	2,180	-14%	-23%	-10%	12%	9%
Suofeiya	002572.SZ	10,494	9,367	8,256	8,680	8,971	-10%	-11%	-12%	5%	3%	1,371	901	819	931	1,009	8%	-34%	-9%	14%	8%
Man Wah	1999.HK	16,903	16,140	16,014	16,537	17,104	-8%	-5%	-1%	3%	3%	2,063	2,093	2,094	2,244	2,394	10%	1%	0%	7%	7%
Jason Furniture	603816.SS	18,480	20,056	20,851	21,617	22,492	4%	9%	4%	4%	4%	1,417	1,792	2,008	2,134	2,230	-29%	26%	12%	6%	5%
Gongniu	603195.SS	16,811	16,026	16,767	17,555	18,263	7%	-5%	5%	5%	4%	4,272	4,071	4,226	4,428	4,596	10%	-5%	4%	5%	4%
Furniture and home products							7%	3%	2%	4%	4%						6%	7%	1%	7%	6%

Source: Company data, Goldman Sachs Global Investment Research

Price Target Risks & Methodology

Exhibit 4: Price Target Risks & Methodology of China Consumer Durables coverage

Company	Ticker	Rating	Pricing currency	12m Target price	Valuation			Key Risks
					Method	Exit multiple	COE	
White goods								
Midea A	000333 SZ	Buy	Rmb	99.0	Discounted P/E	16	9.5%	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
Midea H	0300 HK	Buy	HK$	113.0	Discounted P/E			
Gree	000651 SZ	Neutral	Rmb	41.0	Discounted P/E	9	9.5%	1) Worse/better-than-expected white goods demand from weaker/better macro, property market and/or stimulus; 2) Rising/lower material costs such as those for steel and copper, which could erode/boost GPM; 3) Higher/lower channel inventory, which could negatively/positively impact ex-factory shipments and thus revenue growth; 4) Worse/better-than-expected progress for its diversification into other areas including other home appliances
Haier A	600690 SS	Buy	Rmb	29.0	Discounted P/E	13	9.5%	1) Worse-than-expected disruption on white goods demand from weaker macro globally; 2) Rising raw materials costs; 3) Less effective in marketing/channel expenses savings; 4) Failure to integrate Candy successfully and realize acquisition synergies
Haier H	6690 HK	Buy	HK$	30.0	Discounted P/E			
Hisense A	000921 SZ	Buy	Rmb	30.0	Discounted P/E	14x/11x	9.5%	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
Hisense H	0921 HK	Buy	HK$	27.0	Discounted P/E			
Kitchen appliances								
Robam	002508 SZ	Buy	Rmb	20.0	Discounted P/E	14	9.5%	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
Small appliances								
Supor	002032 SZ	Buy	Rmb	53.0	Discounted P/E	20	9.5%	1) sluggish consumer demand for cookware and small kitchen appliances in the event consumer confidence is further impacted by the macro economic slowdown; 2) failure to launch popular new products to further boost revenue growth; and 3) failure to expand into the premium segment
Joyoung	002242 SZ	Sell	Rmb	4.5	Discounted P/E	15	9.5%	1) Better-than-expected small appliance demand; 2) Better-than-expected pricing from either premiumization or competitive dynamics; 3) Better-than-expected margins with related-party exports and supply chain management; 4) Better-than-expected new product launches
Ecovacs	603486 SS	Sell	Rmb	55.0	Discounted P/E	17	9.5%	1) faster demand recovery supported by better-than-expected macro conditions; 2) better-than-expected product development/expansion; 3) easing competition. What would make us more positive: 1) better cleaning appliances demand; 2) more favorable pricing environment; 3) improving marketing efficiency
Roborock	688169 SS	Buy	Rmb	170.0	Discounted P/E	18	9.5%	1) Intensifying competition in domestic/overseas market; 2) slower-than-expected product launch or new category expansion; 3) faster growing lower-margin direct sales; 4) a decline in disposable income and consumer confidence from weaker macro conditions; 5) potential tariff changes
Ninebot	689009 SS	Buy	Rmb	62.0	Discounted P/E	16	9.5%	1) Decline in disposable income and consumer confidence from weaker macro conditions; 2) Slower-than-expected product launches or new category expansion; 3) Intensifying competition in domestic/overseas markets; 4) Potential tariffs/anti-dumping duties may reduce profitability; 5) Higher-than-expected raw materials cost
XGimi	688696 SS	Sell	Rmb	87.0	Discounted P/E	21	9.5%	1) Better-than-expected macro conditions; 2) Better-than-expected product launches and 2B expansion; 3) Lower-than-expected raw material costs; 4) Less intensified competition
Appotronics	688007 SS	Sell	Rmb	6.0	Discounted P/E	23	9.5%	1) better-than-expected macro conditions; 2) less intensified competition; 3) lower-than-expected raw material costs; and 4) better-than-expected product launches and expansion, which could lead to faster growth
Bear	002959 SZ	Neutral	Rmb	42.0	2026E P/E	18	9.5%	1) Weaker/better-than-expected demand recovery; 2) intensifying/easing competition; 3) rising/decreasing raw material costs; 4) unsuccessful/successful channel expansion or product launches
Xinbao	002705 SZ	Neutral	Rmb	13.7	2026E P/E	13	9.5%	1) Slower/faster economic growth dragging/boosting demand; 2) Worse-than-expected integration of acquired companies; 3) Product/channel expansion above/below expectation; 4) Rising/falling raw materials/shipping costs; 5) More/less intensified competition
Furniture & home products								
Gongniu	603195 SS	Neutral	Rmb	44.0	Discounted P/E	20	9.5%	1) Weaker-/better-than-expected macro conditions; 2) Intensifying/easing competition; 3) Slower/faster channel expansion or unsuccessful/better-than-expected product launches; and 4) Rising/declining raw materials costs
Oppein	603833 SS	Sell	Rmb	40.0	Discounted P/E	13	9.8%	1) Loosening on government property policies/actions; 2) faster-than-expected growth in emerging channels; 3) successful expansion of product portfolio
Suofeiya	002572 SZ	Neutral	Rmb	10.9	Discounted P/E	12	9.8%	1) Better-/worse-than-expected property market impacting demand; 2) Product/channel expansion above/below expectations; 3) More/less intense competition; 4) Larger/smaller share of the developer channel to dilute/expand margins
Man Wah	1999 HK	Neutral	HK$	4.6	Discounted P/E	9	10.0%	1) Better/Weaker-than-expected macro conditions; 2) Faster/Slower-than-expected product expansion; 3) Lower/Higher-than-expected raw material costs; 3) Less/More intensified competition; 4) Lower/Higher-than-expected tariffs on overseas factories
Jason Furniture	603816 SS	Neutral	Rmb	32.0	Discounted P/E	14	9.8%	1) Slower/faster economic growth dragging demand; 2) Worse/better-than-expected integration of acquired companies; 3) Product/channel expansion below/above expectation; 4) Rising/decreasing raw materials/shipping costs; 5) More/less intensified competition

Source: Company data, Goldman Sachs Global Investment Research