Goldman Sachs Research

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CHINA CONSUMER STAPLES

May Check-in: Sequential softness on unfavorable weather/consumption sentiment; beer under pressure/dairy more resilient; Value retailers accelerating store openings

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We noted a further deceleration/softness in May with continued unfavorable weather and likely weaker consumption sentiment. In particular, **beer** continued to face volume pressure under rainy weather (especially in South China) and still bumpy recovery in on-trade consumption, seeing volume declines widened sequentially vs. April. **Condiments** outperformed with stronger resilience and dairy continued demand recovery for liquid milk, with leading companies sustaining positive sales growth despite some deceleration, where we highlight Haitian's continued solid trends. **Value retailers** accelerated store openings with Busy Ming and Wanchen each adding 1k net adds in May vs. 400-600 in Feb-Apr. **Into June, we highlight: 1)** A low base gradually starts to kick in for on-trade channels/Spirits (2025 May/June/July catering retail sales at 5.9%/0.9%/1.1% yoy); **2)** More cost headwinds kicking in despite slightly MoM moderation in PET prices, while most staples companies remain cautious on pricing actions (CR Beer's price hike on Heineken canned beer since late May remains regional); **3)** Per-store GMV trends for value retailers remain a key focus as store openings further accelerate.

May trends by subsector based on channel checks: **Beer** volumes were sequentially weaker in May vs. April due to continued unfavorable weather conditions. In particular, the heavier rainfall seen across South/Central China in April appears to have extended into North China in May, according to the China Meteorological Administration. **Tsingtao**'s volume decline widened to -9% in May, while **Budweiser's** volume decline remained in the low-teens% and **Chongqing Brewery**'s volume continued to contract; **CR Beer** also saw a slight sequential slowdown vs. April but meaningfully outperforming peers. Meanwhile, **condiments/frozen food** remained relatively resilient among leading players: **Haitian**'s sales growth largely maintained at HSD~DD% in May vs. HSD% in April, **Yihai**'s third-party sales sustained DD% growth in Jan-May, but **Anjoy's** growth moderated sequentially to HSD% in May despite easier comp. **Beverages sell-through** also softened in Apr/May relative to 1Q on unfavorable weather (meanwhile, beverage-related social retail sales still grew 3.6% yoy in April, continuing to outperform overall consumer goods retail sales excluding autos at +1.8% yoy). **Nongfu's** bottled water slowed down in May (with water industry likely seeing decline), while sugar-free tea sustained strong momentum at +25% yoy growth, though slightly moderated vs. Apr. **Eastroc** saw energy drinks slightly accelerating to mid teens % growth while Bushuila shipment also accelerated to

20~30% in April-May post destocking vs. 1Q26. **Value retailers'** store opening pace further accelerated in May with c.900/c.1,000+ net adds for **Busy Ming/Wanchen** per our channel checks, while Wanchen's positive avg. per-store daily GMV sustained positive growth (including new stores). **Snacks brands** especially Yankershop/Weilong will likely continue to benefit from value retailers' strong store expansion with high-30s%/mid-30% sales exposure respectively in the value retailers channel. Meanwhile, Yankershop is seeing narrowing decline in traditional unpacked channels in 2QTD while Weilong is muted. We expect Yankershop/Weilong to remain on track to deliver konjac growth of 30%+/c.20% yoy in 2Q/1H26.

Key stock ideas: We continue to highlight **dairy (Mengniu)** on S/D cycle re-balancing, **F&B value retailers (Busy Ming/Wanchen)** with strong expansion trend in white space and leading players' reaffirmed stances towards a healthy competition environment, **Nongfu** as best positioned to navigate rising cost inflation challenges with strong portfolio/new product launches, and **pork (WH Group)** on cost tailwinds/efficiency gains. We continue to like **Haitian-H/Yihai** supported by solid execution for market share gain and dividend (Exhibit 15). We also reiterate our constructive view on **Moutai/CR Beer/Yankershop**.

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

Related Read:

China Staples: Value Retailers: Busy Ming/Wanchen officially reiterated commitment to healthy competitive environment; Store open acceleration in May; Buy

China Snacks: 2Q/1H early color: Konjac resilience for growth and cost benefits, though other products see short-term softness; Buy Yankershop and Weilong

China Beverages: Factoring in higher and more enduring cost inflation; Competition yet to rationalize; Who is best positioned?

China Dairy: Navigating the S/D inflection and IMF divergence; Buy Mengniu/Yili on attractive risk reward

China Consumer Staples Cost Index Tracker: May 2026: PET cost easing but still high; Aluminum sequentially trended down

May Check-in: Sequential volume moderation except for resilient condiment/dairy

Beer Monthly Tracker

Exhibit 1: Monthly volume table 2024-2026 by GSe

	2025E Jan	Feb	March	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2026E Jan	Feb	Mar	Apr	May
CRB		up MSD%	positive growth	positive growth, slightly faster than 1Q	up LSD%	minor positive growth	up 4-5%	up LSD%	up LSD%	slightly positive	flattish to slightly positive	flattish	positive	Positive growth Jan+Feb Heineken up by DD%	Slightly growth	Up LSD%, similar to 1Q26	slower than April trend
Bud APAC China		down MSD%	decline	down LSD%	down HSD%	down HSD%	down low teens%	down c.Mid teens %	down SD%	Minor decline	Down 7-8%	down DD%	Likely negative	Volume under pressure	up 3-4%	Volume declined by low teens% (super premium up by low teens%, premium down by low	down 12~13%
Tsingtao	down MSD%	up MSD%	up DD%	down LSD%	up MSD%	flattish	flattish	up 1.5%	up 3%	down HSD%	up 1.1%	up 12%	volume down c.MSD%	down 9.5%	up 5-6%	Volume declined by 7.5%	down 9%
Chongqing		positive growth	up LSD%	largely steady	flattish to minor decline	down LSD%	minor decline	down LSD%	up MSD%	Minor decline	up slightly %	up slightly %	Jan Feb negative on relatively high base		positive growth	Volume down by LSD%	decline
Bairun		RTD cocktails down c.10%			RTD cocktail sales down teens%		RTD cocktail down c.high teens%	DD% growth in RTD drinks due to low base	flattish		offline shipment up 30%		up DD%+ on calendar shift				
Yanjing															SD% positive growth		
Industry		-4.90%	1.90%	4.80%	1.30%	-0.20%	1.90%	-1.80%	3.10%	-1.00%	-5.80%	-8.70%		6.50%	0.20%	-0.10%	

Source: Goldman Sachs Global Investment Research

F&B value retailer monthly store opening tracker and per Store GMV tracker

Exhibit 2: Value retailer monthly store opening table

Store number monthly tracker	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Busy Ming	14,737	14.958	15.152	15,474	15.989	16,783	17,584	18.551	19,517	20.513	21.041	21,948	22.801	23.291	23,771	24.271	25178
Net add	343	219	196	322	515	794	801	967	987	996	528	907	853	490	480	500	907
store open %	2.4%	1.5%	1.3%	2.1%	3.3%	5.0%	4.8%	5.5%	5.2%	5.1%	2.6%	4.3%	3.9%	2.1%	2.1%	2.1%	3.7%
Haoxianglai only	12,977	13.325	13.632	14,119	14.358	15,385	15,565	15.612	16,320	16.619	16.626	17,248	17.834	18.434	18.909	19,509	20.560
Net add	1,229	348	307	487	237	1,009	200	47	708	299	7	622	588	600	475	600	1,051
store open %	10.5%	2.7%	2.3%	3.6%	1.7%	7.0%	1.3%	0.3%	4.5%	1.8%	0.0%	3.7%	3.4%	3.4%	2.6%	3.2%	5.4%

The data may have time/lagging differences vs the act. numbers

Source: Douyin, Wechat official accounts, GeoQ, Company data, Goldman Sachs Global Investment Research

Exhibit 3: Avg GMV per store summary (GSe)

Store performance: avg GMV per store yoy	1Q25	2Q25	3Q25	4Q25	Jan-Feb 2026	Apr-26	May-26
Busy Ming	-MSD% yoy		Down SD% yoy	Flattish yoy	HSD% growth yoy		
Wanchen	Down mid teens%	Down mid teens%	Down SD%	MSD% decline yoy	9% yoy	Up SD%	positive average daily GMV

Source: Company data, Goldman Sachs Global Investment Research

Beverage Monthly Tracker

Exhibit 4: Beverage monthly data summary

		Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Nongfu	Water yoy %	down DD%	positive growth	teens%+	up DD%	up 10%	up 15%+	up DD%	up strong DD% on low base	decline on high base	up c.20%	up DD%	up high teens%	up 20%+	up 15-20%	positive growth	Growth deceleration for water	Slow down
	Beverage yoy % (Oriental Leaf)		up DD%		positive growth	Oriental Leaf up 50%	Oriental Leaf up 25%+	Sugar free tea up strong DD%	Sugar free tea up strong DD% on low base	Tea maintained strong momentum	up c.20% (regional difference)	up DD% (tea)	up 20%+ (beverage overall)				up DD% for OL tea	Non-sugar tea up 25% (sequentially slow down on base comp)
	Water: green water portion %																	
	Water: AC Nielsen market share %																	
	Overall yoy %	down DD%		up teens%	up DD%	up 20%+	up 20%	up DD%	up DD%	up DD%	up c.20%	up DD%, Fiscal year quota completed	up c.20%	up DD%				
CR Bev	Water yoy %	up 12%			Steady yoy		up LSD%		volume positive but sale under heavy discount					positive growth				
	Volume yoy %							Volume down SD%	Positive									
	Beverage yoy %	up 50%			up 30%-40%		up DD%											
	Volume yoy %							Volume up 20% (before discount)						positive growth				
Tingyi	Beverage sales yoy %	minor positive growth		SD% decline	PepsiCo positive growth; others HSD% decline	PepsiCo positive growth; others HSD% decline	PepsiCo positive growth; others HSD% decline	PepsiCo LSD-MSD% positive growth; Others MSD-HSD% decline	PepsiCo LSD-MSD% positive growth; Others MSD-HSD% decline	Down MSD%	Non-carbonates down MSD-HSD%; Carbonates up LSD%; Overall down LSD%	SD% decline	Non-carbonates down HSD-DD%; Carbonates slight positive	Positive	up slightly, think Tingyi beverage (non carbonates)		Beverage up LSD%; Carbonates drink turn positive at 2-3%	
	Noodles sales yoy %	minor positive growth		SD% decline	Slight decline	LSD% decline	down MSD%	Up LSD%	SD% positive (raised price to mid-range noodles in Aug)	up SD%	up LSD%		slight positive	Positive	up SD%		Positive, better than beverages	
UPC	Beverage sales yoy %	up [illegible]			up nearly 10%	up MSD%	up MSD%	Decline	Decline	Decline	Down MSD%	Down DD%	Decline	up MSD% to DD% on LNY shift	Jan-Feb up MSD%	positive growth	Overall flattish	
	Noodles sales yoy %	up DD%		positive growth	up HSD%	up HSD%	up HSD%	Positive	Positive growth	Up LSD%	Positive growth				Jan-Feb up MSD% due to calendar shift	positive growth		
Eastroc	Overall yoy %	15% yoy	c.50% yoy	30%+ yoy	35% yoy	30% yoy	Energy drink 30% yoy	Retail momentum up c.50%	Retail momentum up c.50%+	Retail momentum up c.55%+	Retail sales up 58%-60%	Retail sales up 56%; shipment grew at 25%+	Retail sales up 60%+; shipment grew at 30%+	Retail sales up c.60%; shipment grew at DD%	Bushuila sell-out in line with company expectation in Jan-Feb	Energy drink sell-out at DD% in line with company expectation; Bushuila sell-out behind company expectation in March	Energy drinks slightly accelerating to mid teens % growth; Bushuila shipment also accelerated to 20-30%	

Source: Goldman Sachs Global Investment Research

Dairy Monthly Tracker

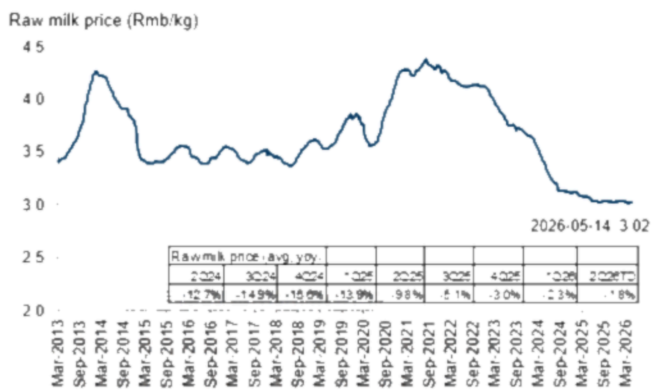
Exhibit 5: Dairy monthly data summary

		Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Mengniu	Liquid milk sales yoy	Down LSD%	Down DD% (UHT milk down DD%, chilled yogurt flat, fresh milk up 30%)	Down		Flat (fresh milk up DD%, Deluxe down LSD%)	Mild decline to mild positive	Decline	Down low teens%	Down High teens%	Flattish to up LSD%	Down MSD%	10% decline	Positive growth HSD~DD% due to calendar shift	Up SD-HSD%	SD% positive growth	Liquid milk up LSD-MSD %	positive growth
Yili	Liquid milk sales yoy	Down 13%	Down 3% (Santine better than Basic UHT milk). Positive growth since Mar			Up SD% (Basic UHT milk better than Satine; positive for liquid milk in May)		Decline	Down LSD%	Down SD%	Steady to down SD%. 3Q liquid milk volume down c.8%	Down MSD%	SD% decline	Up MSD%	Up SD%	Steady yoy	Liquid milk up LSD %	

Source: Goldman Sachs Global Investment Research

Dairy supply-demand update

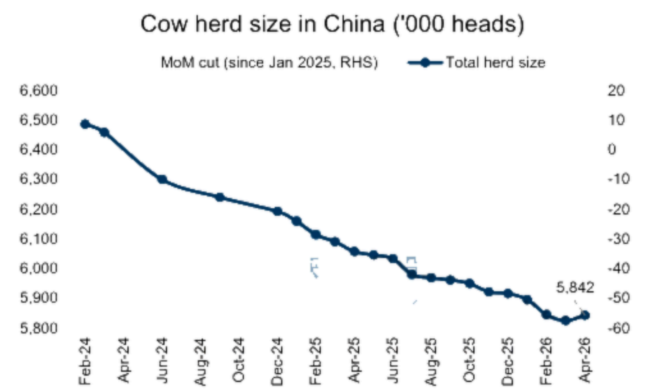
Exhibit 6: Raw milk price has stabilized at around Rmb3.0/kg since mid-June; 2Q26QTD avg. raw milk price yoy decline at LSD%



Latest price on May 14, 2026.

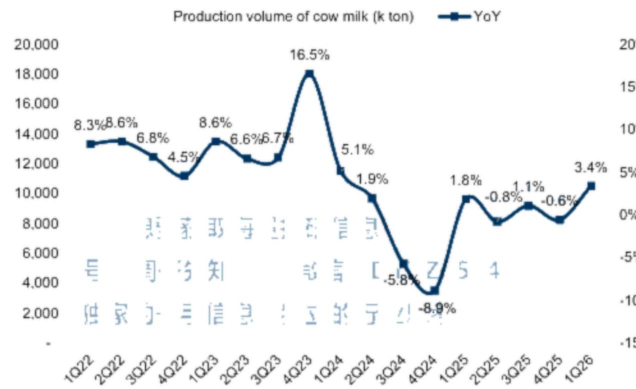
Source: Ministry of Agriculture and Rural Affairs

Exhibit 7: Cow herd size declined by 3.6% yoy in Apr 2026



Source: Ministry of Agriculture and Rural Affairs

Exhibit 8: Cow milk production was up 3.4% yoy in 1Q26



Source: Ministry of Agriculture and Rural Affairs, Goldman Sachs Global Investment Research

Exhibit 9: Production of dairy products in China increased by 1.5% yoy in Mar

Source: NBS

Snacks Monthly Tracker

Exhibit 10: Snacks monthly data summary

Chacha	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26
Chacha	Jan yoy decline, Dec + Jan flattish				30-40%	c.DD%	Flattish	Flattish	Decrease slightly			decline on high base		30%		decline yoy	Up HSD% on base
Weilong Delicious	**Dec-24**	**Jan-25**	**Feb-25**	**Mar-25**	**Apr-25**	**May-25**	**Jun-25**	**Jul-25**	**Aug-25**	**Sep-25**	**Oct-25**	**Nov-25**	**Dec-25**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**
Weilong Delicious	Positive yoy growth			30% yoy	25%	19%-20%		21%	Offline +DD%	20%+	up high teens%	up 17-18%	up teens%	20%		mid teens% overall	up 18%
Seasoned flour					Decrease slightly	Decrease MSD-HSD%		Decrease LSD%	Decrease LSD%	Flattish	Down 5%	Down 5-6%		up 15%			
Vegetable						48%		45%				up 38%	up 30%+	up 65%			Declined
Konjac					50%+	50%		c.50% mainly on Sesame pasted flavor	50%	Strong growth	up c.40%	up 43%					up 30%+
Yankershop	**Dec-24**	**Jan-25**	**Feb-25**	**Mar-25**	**Apr-25**	**May-25**	**Jun-25**	**Jul-25**	**Aug-25**	**Sep-25**	**Oct-25**	**Nov-25**	**Dec-25**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**
Yankershop														Offline 20% yoy			offline up 20%+

Source: Goldman Sachs Global Investment Research

Condiments/Prepared food Monthly Tracker

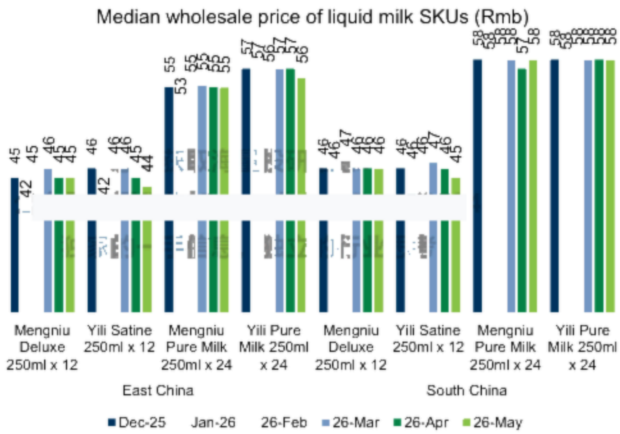
Exhibit 11: Prepared food/Condiments monthly data table

	2024 Dec	2025E Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	2026E Jan	Feb	Mar	Apr	May
Prepared food/Condiments																		
Haitian	20% yoy	flattish yoy		4% yoy	MSD% yoy	5% yoy	4.2% yoy	1% yoy	7.5% yoy	10% yoy	up SD% (faster than 3Q)	HSD% growth	MSD–HSD% growth	Jan up 10%+ (pre LNY shipment)	Up HSD%-10%	positive growth yoy	Up c.7%	HSD ~ DD%
Yihai								2H25 2C down LSD% mainly on convenience foods						third party sales up 20%+		3rd party sales up teens%	3rd party sales Up teens%	third party DD% growth
Jonjee														20%+		Slowdown vs Jan-Feb but still positive		
Anjoy					DD%	MSD%	Down due to soft macro	yoy decline	flat yoy	up DD%	up DD%	up DD%	up DD%, faster than Oct-Nov	c.20% yoy growth partially due to CNY shift	Jan -Feb up 15%	control pace in March but positive growth	Up DD%	HSD%~low teens%
Guoquan (NC)		SSSG HSD%						SSSG MSD%			SSSG HSD%	SSSG MSD%	SSSG HSD% in 4Q	up 20%+ for New Year Eve holiday	LNY period (8/9 days) up by low teens%	low teens % SSSG	Apr/Labor day holiday SSSG MSD%	

Source: Channel checks, Data compiled by Goldman Sachs Global Investment Research

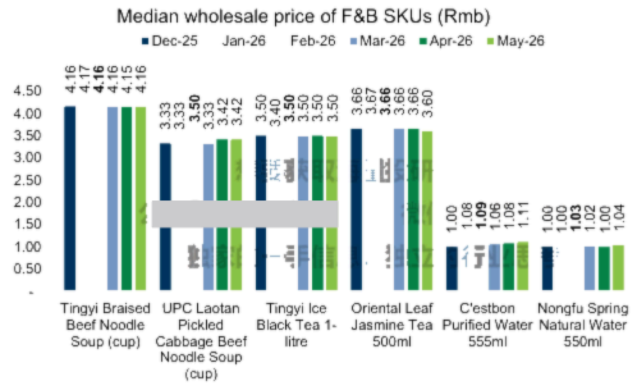
Mashangying price tracker

Exhibit 12: Mengniu Deluxe saw stable price in East China while Yili decreased slightly; Yili Satine decreased slightly in South China in May



Source: Brand CT

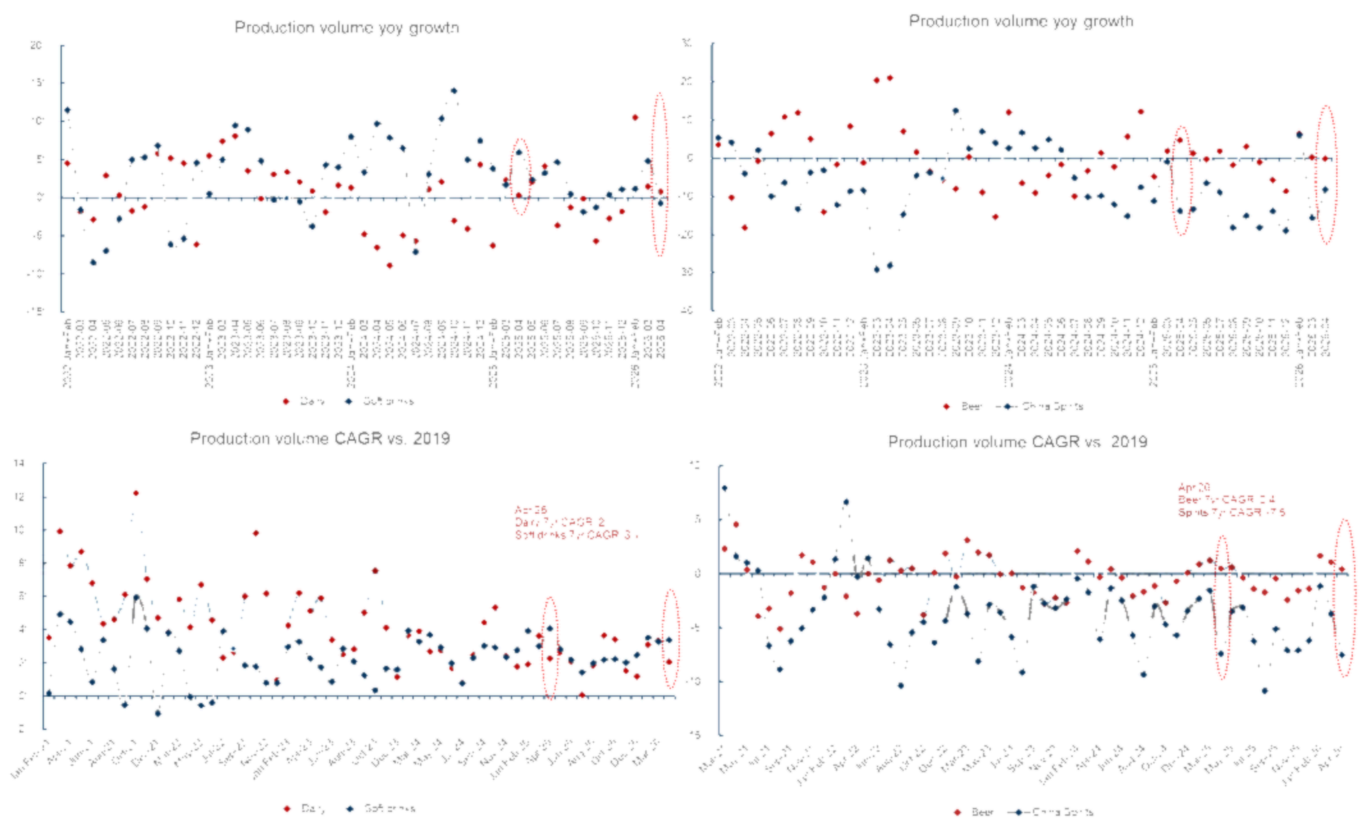
Exhibit 13: Instant noodles prices mixed across brands while beverage/packaged water wholesale prices increased slightly in May



Due to data availability, wholesale price of Tingyi's products is based on the East China region, that of bottled water/ UPC noodles is based on South China, and that of Oriental Leaf is based on Central China; Nov data is applied to the Braised Beef Noodle Soup.

Source: Brand CT

Exhibit 14: Monthly production volumes point to a sequential deceleration in Apr



Source: NBS

Dividend Yield Summary

Exhibit 15: Yield summary table - staples companies with dividend yield > 4%

Company name	Ex dividend date	Dividend payout ratio		Dividend yield		FCF yield		FCF as % of sales		Net cash to equity		NP YoY
		2026	2027	2026	2027	2026	2027	2026	2027	2026	2027	2027E
High dividend yield (>4%)												
Yihai International	5/28/2026	92%	92%	7.5%	8.3%	9.7%	10.5%	16%	16%	46%	49%	9%
Feihe	6/9/2026	99%	97%	7.5%	8.2%	7.8%	6.5%	11%	9%	28%	27%	10%
WH Group	5/13/2026	64%	64%	6.8%	6.8%	15.4%	13.2%	8%	7%	0%	4%	1%
Jiangsu Yanghe	5/20/2026	170%	150%	9.8%	9.7%	0.7%	4.6%	2%	14%	23%	15%	10%
Tingyi	6/10/2026	102%	101%	6.8%	7.1%	7.7%	9.5%	6%	7%	-22%	-13%	3%
UPC	6/9/2026	100%	100%	6.7%	7.0%	6.1%	6.6%	6%	6%	18%	18%	2%
Wuliangye Yibin	pending	117%	102%	6.3%	6.3%	-0.7%	7.5%	-4%	40%	87%	90%	12%
Shuanghui	4/29/2026	98%	98%	6.1%	5.9%	6.4%	6.5%	9%	9%	-7%	-5%	-6%
Qianhe Condiment	pending	100%	100%	6.0%	7.0%	3.9%	4.4%	10%	11%	32%	28%	14%
Tsingtao-H	6/30/2026	70%	73%	5.9%	6.7%	5.9%	7.4%	11%	13%	39%	39%	8%
Weilong Delicious	6/15/2026	60%	60%	5.5%	6.4%	8.1%	9.6%	17%	18%	77%	77%	15%
CR Beer	5/22/2026	62%	67%	5.4%	6.3%	11.7%	12.6%	21%	21%	23%	33%	7%
Budweiser APAC	5/20/2026	86%	87%	5.2%	5.8%	6.2%	7.3%	12%	14%	25%	27%	12%
Yili Industrial	6/5/2026	75%	75%	5.1%	5.6%	9.8%	10.8%	14%	15%	-29%	-13%	9%
Chongqing Brewery	pending	100%	100%	4.9%	5.4%	11.3%	12.6%	20%	21%	59%	80%	9%
Sichuan Teway	5/11/2026	100%	100%	4.6%	5.2%	2.6%	5.3%	10%	19%	34%	36%	11%
Fen Wine	pending	65%	65%	4.6%	5.0%	0.8%	6.6%	3%	26%	7%	12%	6%
Mengniu Dairy	6/9/2026	50%	52%	4.3%	5.2%	11.1%	11.6%	7%	7%	-5%	6%	9%
Tsingtao-A	6/30/2026	70%	73%	4.2%	4.8%	4.2%	5.2%	11%	13%	39%	39%	8%
Foshan Haitian-H	5/13/2026	85%	85%	4.2%	4.8%	4.1%	5.1%	21%	23%	55%	58%	13%

Price as of June 2.

Source: Company data, LSEG Data & Analytics, Goldman Sachs Global Investment Research

Valuation Comps

Exhibit 16: Coverage Valuation Comps with global peers

	Company	Rating	Mkt cap	Ccy	Price	12-m TP	+/-	PE			TP Implied PE			26-28E	26-28E	EV/EBITDA			ROE	Div yield	YTD perf
			US$ mn		6/2/2026			2026E	2027E	2028E	2026E	2027E	2028E	Rev CAGR	NP CAGR	2026E	2027E	2028E	2026E	2026E	%
Spirits																					
600519 SS	Kweichow Moutai	Buy	238,139	CNY	1307.22	1616.00	24%	19X	18X	17X	24X	22X	21X	6%	7%	12X	11X	11X	32%	4.3%	-5%
000858 SZ	Wuliangye Yibin	Sell	47,271	CNY	82.71	83.00	0%	18X	15X	14X	13X	15X	14X	12%	13%	10X	8X	7X	14%	6.3%	-22%
6979 HK	ZJLD	Neutral	2,650	HKD	7.22	7.00	-3%	26X	19X	14X	25X	18X	14X	15%	33%	12X	9X	7X	6%	1.7%	-17%
600809 SS	Shanxi Xinghuacun Fen Wine	Neutral	22,282	CNY	125.70	161.00	28%	14X	13X	12X	18X	17X	15X	6%	8%	10X	9X	8X	26%	4.7%	-27%
000568 SZ	Luzhou Laojiao	Neutral	19,057	CNY	88.50	98.00	11%	14X	13X	12X	16X	15X	13X	7%	8%	8X	8X	7X	18%	5.4%	-24%
002304 SZ	Jiangsu Yanghe	Sell	9,810	CNY	44.69	38.00	-15%	17X	15X	n.a.	15X	13X	n.a.	n.a.	n.a.	11X	10X	n.a.	8%	9.9%	-26%
000596 SZ	Anhui Gujing Distillery Co	Sell	7,074	CNY	93.05	129.00	39%	13X	17X	n.a.	17X	16X	n.a.	n.a.	n.a.	7X	6X	n.a.	14%	5.3%	-30%
000799 SZ	Jiugui Liquor	Sell	2,224	CNY	45.70	18.30	-60%	n.m.	44X	n.a.	n.m.	18X	n.a.	n.a.	n.a.	n.m.	34X	n.a.	5%	0.9%	-16%
600779 SS	Sichuan Swellfun Co	Sell	2,359	CNY	32.39	26.50	-18%	27X	21X	n.a.	22X	17X	n.a.	n.a.	n.a.	15X	12X	n.a.	10%	1.3%	16%
603369 SS	Jiangsu King's Luck Brewery	Neutral	5,471	CNY	29.19	39.00	34%	12X	11X	n.a.	16X	15X	n.a.	n.a.	n.a.	8X	7X	n.a.	17%	3.5%	-16%
Avg.								**18X**	**18X**	**14X**	**19X**	**17X**	**16X**	**9%**	**8%**	**10X**	**11X**	**8X**	**15%**	**4.3%**	**-20%**
Beer																					
1876 HK	Budweiser APAC	Buy	11,936	HKD	7.11	8.80	24%	17X	16X	14X	22X	19X	17X	5%	13%	6X	5X	4X	7%	5.2%	-5%
0291.HK	China Resources Beer	Buy	9,960	HKD	24.14	34.70	44%	12X	11X	10X	17X	15X	14X	2%	7%	6X	5X	5X	17%	5.4%	3%
0168 HK	Tsingtao Brewery (H)	Buy	8,481	HKD	50.25	62.00	23%	12X	11X	10X	15X	14X	13X	3%	8%	6X	5X	5X	15%	6.1%	3%
600600 SS	Tsingtao Brewery (A)	Neutral	11,951	CNY	61.01	67.60	11%	17X	15X	15X	19X	17X	16X	3%	8%	10X	9X	8X	15%	4.3%	0%
600132 SS	Chongqing Brewery	Neutral	3,715	CNY	52.90	50.00	-5%	20X	19X	17X	19X	18X	16X	3%	8%	7X	6X	6X	38%	5.0%	1%
002568 SZ	Shanghai Bairun	Neutral	2,990	CNY	19.88	20.00	1%	26X	21X	n.a.	25X	21X	n.a.	n.a.	n.a.	16X	14X	n.a.	15%	2.0%	9%
Avg.								**17X**	**15X**	**13X**	**19X**	**17X**	**15X**	**3%**	**8%**	**8X**	**8X**	**6X**	**17%**	**4.6%**	**-3%**
Condiment																					
603288 SS	Foshan Haitian Flavouring & Food	Neutral	29,759	CNY	34.68	43.10	24%	26X	23X	21X	32X	28X	25X	8%	11%	18X	16X	15X	18%	3.3%	-6%
3288 HK	Foshan Haitian Flavouring & Food*	Buy	23,028	HKD	31.20	47.30	52%	21X	18X	15X	31X	27X	25X	8%	11%	14X	12X	11X	16%	4.2%	-4%
600872 SS	Jonjee Hi-Tech	Sell	2,179	CNY	18.97	16.00	-16%	21X	19X	17X	18X	15X	15X	9%	11%	15X	13X	12X	11%	3.0%	8%
1579 HK	Yihai International Holding	Buy	1,688	HKD	13.89	19.10	38%	12X	11X	10X	17X	15X	14X	5%	9%	6X	5X	5X	19%	7.6%	10%
603027 SS	Qianhe Condiment and Food	Sell	1,185	CNY	7.76	5.90	-24%	21X	19X	n.a.	16X	14X	n.a.	n.a.	n.a.	10X	9X	n.a.	13%	6.0%	-21%
603317 SS	Sichuan Teway Food Group	Sell	2,205	CNY	14.60	10.90	-25%	22X	19X	18X	16X	15X	13X	7%	10%	14X	13X	12X	15%	4.8%	17%
Avg.								**20X**	**18X**	**17X**	**22X**	**19X**	**19X**	**7%**	**10%**	**13X**	**12X**	**11X**	**15.9%**	**5.3%**	**1%**
Dairy																					
600887 SS	Yili Industrial	Buy	25,288	CNY	25.86	35.00	30%	14X	13X	12X	19X	17X	15X	3%	10%	11X	10X	9X	19%	5.1%	-5%
2319 HK	Mengniu Dairy	Buy	8,657	HKD	17.26	24.00	39%	12X	10X	9X	16X	14X	13X	6%	9%	7X	5X	5X	11%	4.3%	15%
6186 HK	China Feihe Ltd	Neutral	3,742	HKD	3.28	3.43	5%	11X	10X	10X	11X	10X	10X	1%	3%	4X	4X	4X	9%	7.5%	-19%
Avg.								**12X**	**11X**	**10X**	**15X**	**14X**	**13X**	**3%**	**8%**	**7X**	**7X**	**6X**	**13.2%**	**5.6%**	**-3%**
F&B																					
9633 HK	Nongfu Spring	Buy	62,166	HKD	44.04	58.70	33%	24X	21X	18X	32X	28X	25X	12%	13%	15X	13X	12X	42%	3.0%	-6%
0322 HK	Tingyi	Neutral	9,214	HKD	12.63	12.60	0%	15X	14X	13X	15X	14X	13X	2%	8%	7X	7X	6X	22%	6.7%	7%
0220 HK	Uni-President China	Neutral	4,723	HKD	8.57	8.50	-1%	15X	14X	13X	15X	14X	13X	4%	6%	6X	8X	7X	16%	5.7%	5%
605499 SS	Eastroc Beverage	Buy	15,630	CNY	149.60	184.60	23%	20X	18X	15X	25X	22X	19X	15%	16%	12X	12X	10X	33%	3.1%	-27%
2460 HK	China Resources Beverage	Neutral	2,491	HKD	8.18	8.20	0%	17X	15X	13X	17X	15X	13X	5%	13%	6X	5X	4X	9%	4.3%	-19%
Avg.								**18X**	**17X**	**14X**	**21X**	**19X**	**16X**	**8%**	**11%**	**10X**	**9X**	**8X**	**24.5%**	**4.7%**	**-8%**
Value retailer																					
300972 SZ	Fujian Wanchen Food	Buy	5,423	CNY	191.67	319.00	66%	14X	12X	11X	24X	20X	18X	11%	15%	6X	5X	4X	59%	1.0%	5%
1768 HK	Busy Ming Group	Buy	9,734	HKD	361.40	550.00	52%	17X	13X	11X	26X	21X	17X	12%	22%	11X	8X	6X	34%	0.7%	53%
Avg.								**16X**	**13X**	**11X**	**25X**	**20X**	**17X**	**11%**	**18%**	**9X**	**6X**	**5X**	**46.7%**	**0.8%**	**24%**
Snacks																					
002557 SZ	Chacha Food Co	Sell	1,622	CNY	22.50	20.90	-7%	15X	14X	13X	14X	13X	12X	4%	8%	9X	9X	8X	13%	3.9%	4%
002847 SZ	Yankershop Food	Buy	2,275	CNY	59.64	87.00	46%	18X	15X	13X	26X	22X	19X	14%	17%	13X	11X	9X	39%	3.0%	-13%
0151 HK	Want Want China	Sell	6,474	HKD	4.23	4.00	-5%	10X	10X	10X	9X	9X	9X	2%	0%	5X	5X	4X	20%	3.8%	-9%
9985 HK	Weilong Delicious Global Holdings	Buy	2,430	HKD	8.17	14.00	71%	11X	10X	9X	19X	16X	15X	9%	13%	4X	4X	3X	20%	5.5%	-27%
300783 SZ	Three Squirrels	Neutral	1,032	CNY	17.81	22.10	24%	18X	15X	15X	23X	20X	18X	7%	11%	12X	10X	8X	12%	1.7%	-23%
Avg.								**15X**	**14X**	**13X**	**19X**	**17X**	**15X**	**7%**	**-8%**	**9X**	**8X**	**7X**	**18.8%**	**2.0%**	**-12%**
Frozen Food																					
603345 SS	Anjoy Foods Group	Neutral	4,425	CNY	93.97	106.00	13%	17X	15X	14X	19X	17X	15X	9%	14%	10X	9X	8X	11%	4.3%	19%
2648 HK	Anjoy Foods Group	Buy	2,722	HKD	75.80	98.00	29%	12X	10X	9X	15X	13X	12X	9%	13%	5X	4X	2X	11%	6.6%	15%
001215 SZ	Qianweiyangchu	Sell	572	CNY	39.15	24.30	-38%	40X	34X	31X	25X	21X	19X	6%	14%	15X	13X	12X	5%	0.0%	2%
300973 SZ	Ligao Foods	Buy	678	CNY	27.19	44.00	59%	14X	12X	10X	23X	19X	17X	9%	17%	7X	7X	6X	12%	1.9%	-36%
002216 SZ	Sanquan Foods	Neutral	1,664	CNY	13.08	11.00	-16%	18X	18X	18X	15X	15X	15X	2%	2%	16X	16X	15X	13%	5.1%	16%
600298 SS	Angel Yeast	Buy	4,547	CNY	35.86	45.10	22%	16X	16X	16X	20X	18X	19X	9%	2%	10X	10X	9X	14%	1.6%	-16%
Avg.								**22X**	**20X**	**19X**	**21X**	**19X**	**17X**	**7%**	**9%**	**12X**	**11X**	**11X**	**11.2%**	**2.1%**	**-9%**
Pet Care																					
002891 SZ	China Pet Foods	Neutral	1,368	CNY	30.10	36.00	20%	24X	15X	11X	28X	18X	13X	19%	46%	15X	10X	7X	12%	1.3%	-42%
300673 SZ	Petpal Pet Nutrition Technology	Sell	578	CNY	15.35	12.70	-17%	23X	19X	15X	19X	15X	13X	14%	24%	12X	10X	8X	8%	0.8%	-14%
301498 SZ	Gambol Pet Group Co	Neutral	2,532	CNY	43.73	66.00	51%	25X	18X	14X	38X	27X	21X	17%	33%	16X	11X	9X	14%	1.2%	-33%
Avg.								**24X**	**17X**	**13X**	**28X**	**20X**	**16X**	**17%**	**35%**	**14X**	**11X**	**8X**	**11.4%**	**1.1%**	**-30%**
Pork																					
0288 HK	WH Group	Buy	14,734	HKD	9.10	11.80	30%	9X	9X	9X	12X	12X	12X	3%	1%	4X	4X	4X	12%	6.9%	5%
000895 SZ	Henan Shuanghui Ltd	Neutral	12,619	CNY	24.93	27.00	8%	16X	17X	17X	17X	18X	18X	2%	-4%	10X	10X	10X	25%	6.2%	6%
Avg.								**13X**	**13X**	**13X**	**15X**	**15X**	**15X**	**2%**	**-1%**	**7X**	**7X**	**7X**	**18.5%**	**6.6%**	**0%**

Data as of Jun 2; *indicates the stock is on the regional Conviction List; Busy Ming YTD perf. is vs first trading day closing price

Source: Refinitiv Eikon, Company data, Goldman Sachs Global Investment Research