Goldman Sachs Research

Equity Research

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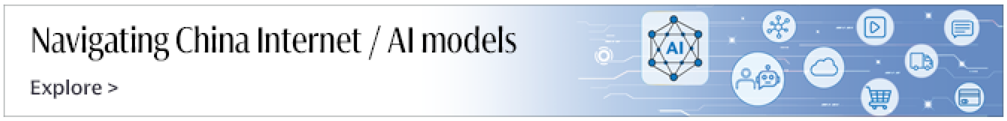
NAVIGATING CHINA INTERNET/AI MODELS

Key AI & mega-cap debates; What to do from here?



Coming out of the results season and Asia Communacopia + Technology, we re-assess the five key investor debates shaping the China AI model landscape: 1) the competitive dynamics between US vs. China AI models, 2) the intensifying price competition within Chinese model players, 3) drivers of exponential token growth and whether enterprise or consumer agents will justify the surge in token bills as global consumption scales toward quadrillions of tokens, 4) hyperscaler capex/FCF outlook, and 5) agentic AI form factors and agent-to-agent disruptions.

We forecast China to reach 350 trillion daily tokens by year-end (or 10.5 quadrillion tokens per month by Dec 2026) where the Cloud & Data Center sub-sector continues to be our top preference into 2H26 (with key ideas still being: Alibaba (on the APAC Conviction list), GDS, VNET, and Kingsoft Cloud). Despite softer-than-expected live capacity expansion and move-in pace in 1Q, we expect cloud price hikes/ongoing token proliferation to drive cloud growth and margin expansion, with capex uplift from hyperscalers (we now estimate BBAT capex at US$100bn for CY26, 2H skewed) to support data centers' sequential acceleration into 2H26. Meanwhile, soft macro/consumption trends quarter-to-date lead us to lift games & entertainment to #2 (NetEase as a new idea, alongside Tencent) and we move eCommerce & mobility down to #3 (yet we highlight JD as a key idea for 2H26, as we believe 2Q will be the last tough quarter for comps, while we anticipate a 2H top line and profit yoy recovery). For AI models (#4), we highlight MiniMax (new) on its ARR upside with upwardly skewed risk-reward.

We lay out our refreshed detailed sub-sector and key views by companies post-results. In particular, we look into where valuations stand for AI model companies/addressing key pushbacks on MiniMax and what to do from here for Alibaba and Tencent after the YTD underperformance. We see a bottoming of Alibaba's EPS downgrade cycle (with EPS inflecting over the second half of 2026) and Tencent's bottoming of valuation multiples (at 12X, already lowest amongst China and global peers through the cycles) as potential signs of share price support/with inflection over the second half of 2026.

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PM Summary

Our views on five key latest AI debates

Exhibit 1: Summary of the latest five key AI topics/questions, investor focuses/concerns and our views

Key Topic	Key Questions	Investor Concerns	Our Views/Analysis
1. US vs. China AI Models	Are Chinese models "good enough" for day-to-day tasks, and will their lower prices disrupt the AI value chain pricing/margins?	Whether Chinese models' much lower pricing ($0.2-$1 per 1M tokens vs. US SOTA models at $4 blended) and "good enough" performance will impact global market shares and profit pools. Concerns also include computing resource access, anti-distillation tactics, and security regulations.	Chinese models will strengthen their value-for-money positioning. Token demand is splitting between frontier models for high-value scenarios and cheaper flash/SLM/Chinese models for agentic tasks. Chinese models hold up to 50% token market share on OpenRouter but represent only a single-digit share of the revenue pool. Multi-modal models have higher pricing power (e.g., Seedance 2.0).
2. Chinese AI Model Competition & Moats	Will there be another sector-wide price war or a two-tiered pricing landscape? How will the eventual China model landscape look?	Fragmentation (5-6 independents and 4 mega-caps) and whether frontier/intelligence leaders can establish pricing premiums (e.g., Qwen3.7 Max at $1.4, GLM-5.1 at $0.9 per 1M tokens) against deep price cuts from competitors like DeepSeek/MiMo ($0.2 per 1M tokens).	Coding, multi-modal performance, training efficiencies, and balance sheet strength are key differentiators. Output metrics show strong momentum, with Alibaba MaaS ARR targeting $4.4bn by year-end, ByteDance targeting $2.2bn for CY2026, and Zhipu and MiniMax both targeting >= $1bn ARR by 2026 year-end.
3. Token Growth Drivers & ROI	Will Enterprise or Consumer AI be bigger drivers? Can ROI be justified as token bills explode?	Token cost burdens from "tokenmaxxing" and agentic tools. According to an Entelligence.AI survey, 82% of enterprise tokens are lost to engineering overheads (debugging), with only 18% delivering actual value.	Agentic AI will drive a 24X surge in global token consumption by 2030, led by enterprise agents (55X) over consumer agents (12X), as detailed by our US Research Team. China's daily token scale reached 140 trillion in March 2026 where we estimate to grow 2.5X to 350 trillion by year-end. ROI will depend on all-in costs where token pricing is a key swing factor.
4. Hyperscaler Margins & Capex/FCF	Will Chinese hyperscalers see substantial capex uplifts like US peers? Why are AI cloud margins lower in China?	High-end chip access, domestic chip ramp-up, custom silicon/memory cost push, and the sustainability of capex if value only accrues to the hardware layer.	China's cycle is a year behind the US. Expect China hyperscalers to lift capex over 2H26-2027 as domestic chip supply ramps up. The pivot to domestic chips/custom silicon will accelerate over 2026-28. MaaS/cloud margins have upside (30% for AI-related revenues for Alibaba Cloud). Gross margin expansion of inference tokens is critical.
5. Consumer AI Agents	How will the landscape look between OS-level agents vs. In-app agents in China? What is the margin impact to agentic functions and eventual TAM?	Battle between OS-level agents (handset makers) and In-app agents (super-apps like Weixin), risk of standalone apps becoming backend utility providers, and less favorable cost structures due to high inference costs.	Consumer Agentic AI is a profound paradigm shift threatening traditional apps by taking over traffic entry points. Expect fierce strategic battles and partnerships (e.g., Meituan with Weixin/Yuanbao). Consumer AI faces risks of lower incremental margins due to inference costs, with revenue hinging on advertising TAM shifts rather than new enterprise TAM.

Source: Goldman Sachs Global Investment Research

What are the drivers for our continued top preference for Cloud & Data Centers sub-sector into 2H26? Cloud price hikes/ongoing token proliferation to drive cloud growth and margin expansion, where despite a softer-than-expected live capacity expansion and move-in pace in 1Q26 (on seasonality/domestic chip supply), we expect cloud price hikes/ongoing token proliferation to drive cloud growth and margin expansion in 2Q26, with further capex uplift from hyperscalers over 2H26 to support data centers' sequential acceleration.

What has changed/what is new? 2Q top line ads/eCommerce weakness underpins our more defensive sub-sector preferences: Soft macro/consumption trends and negative 2Q eCom headline ads/double-digit declines in electronics & appliance growth lead us to lift games & entertainment to #2 (newly flagging NetEase amongst large caps), eCommerce & mobility down to #3 (yet we highlight JD for the first time as we believe 2Q will be the last tough quarter for comps, while we anticipate a 2H top line and profit yoy recovery). We also highlight MiniMax as a key idea in AI models on its next video-generation Hailuo model (this month)/further larger parameter foundation model launches (in 3Q) and ARR upside from its unique full-modal/coding frontier performances.

Where do valuations stand for AI model companies and key pushbacks on MiniMax? With Knowledge Atlas (NC, 2513.HK) and MiniMax's latest market caps at US$75bn/$20bn, a significant divergence from their similar market caps over Jan-Feb 2026, implying 2026 year-end P/ARR of 75X and 20X respectively on both companies' own targeted year-end ARR levels, investor debates/pushbacks since our MiniMax upgrade have focused around the risks to the global AI trade and specifically on the company-level:

- **Intense pricing competition**, and potential risks to M3's premium pricing strategy (at 2-4X of its previous M2.7 model), as DeepSeek/Tencent/MiMo have gained significant token shares since price cuts (with DeepSeek V4 Flash, Hy3 and MiMo as Top 3 used globally by token numbers on OpenRouter over the past week) while frontier Chinese models like Qwen/GLM continue to iterate at a fast pace. On June 8, MiniMax announced its initial temporary 7-day 50% price cuts on API channel (no pricing change to token plan, but with increased tokens included) will become permanent, implying US$0.22 per 1M tokens vs. DeepSeek & MiMo at US$0.18 per 1M tokens.
- **Seedance 2.0's success** in locking in enterprise contracts/partnerships (with reported US$1.7bn ARRs in a short period) raised questions on whether Bytedance's first-mover advantage could widen the gap with smaller players, and whether multi-modal Hailuo-3 can deliver the step-uplift in performance needed to be seen as a formidable competitor with Seedance/Kling,
- **Upcoming six-month lock up expiry** (in second week of July) that could lead to share price volatility due to a significant increase in free-float shares (from current mid-single digit %).
- ***GS views:*** While we acknowledge the near-term share price volatility, we believe MiniMax's strategy on differentiation (model efficiencies/cost, agentic, multi-modal/video, global), unique architectures (focusing on quality of data, pre-/post-training, computing efficiencies) and full-modal capabilities will enable the company to remain amongst the top model players at higher cost efficiencies/underlying gross margins in each model iteration (evident from its ongoing highest gross margins for its API revenues vs. peers) which will be one of the most important metrics for a long-term sustainable business model and eventual path for a larger TAM globally. At 20X year-end P/ARR (or at 1/3 of global peers and Knowledge Atlas at similar stages of ARR ramp-up), we believe risk-reward is skewed to the upside on a 12-month horizon (vs. our bear/base/bull valuations of HK$420/HK$1,000/HK$1,600 implying -17%/+97%/+215%) given its unique AI full-modal footprint and pricing/cost advantages that allows for best-in-class API revenue gross margins vs. Chinese peers.

What to do from here for China internet mega-caps after the YTD underperformance? We decompose Alibaba and Tencent's YTD share price declines into two parts (valuation contraction vs. EPS downgrades), where Alibaba's 22% decline YTD has been mainly driven by EPS cuts on elevated consumer AI investments booked in its 'All others' segment (-9ppts from multiple, from 18X 2026E P/E in the beginning of the year to 16X, GSe multiple-implied EPS downgrades of 15ppts) while Tencent's 27% share price decline YTD (-25ppts decline from multiple contraction, 17X 2026E P/E at the beginning of the year to 13X, GSe multiple-implied EPS cuts of 3ppts) have mainly been due to multiple contraction on concerns around its AI progress and weaker visibility of ROI for consumer AI agent initiatives vs. enterprise AI-focused Alibaba/US hyperscalers. **What could change for 2H 2026?** We lean further towards large/SMIDs (6 out of 8 key ideas) for our China internet key ideas as we believe mega-caps need to defend their leadership vs. ByteDance and step-up in AI opex + capex investments in 2026 (as highlighted in our 2026 sector outlook published in Jan 2026). These being said, we see a bottoming of Alibaba's EPS downgrade cycle (with EPS inflecting over second half of 2026) and a bottoming of Tencent's valuation multiples (at 11-12X, already lowest amongst China and global peers through the cycles) as potential signs of share price support/inflection over the second half of 2026.

With China internet mega-caps having one of the most undemanding valuations amongst global internet peers (lower 'bubble'/circular revenue concerns), and with still ample room to fund higher capex from operating cash flow/net cash balance sheets for their AI hyperscaler businesses, we see the following key drivers for Alibaba and Tencent:

- **Key potential drivers for Alibaba (at 16X 26E P/E, EPS revisions bottoming):** (-) Near-term risks: CMR weakness, on the 3-5ppts sequential deceleration in 2Q retail sales, (+) further cloud revenue acceleration with margin upside on price hikes, (+) reiteration of MaaS ARR trends, with recent further restructuring of model layer/computing resources with launch of Alibaba Token Foundry, (+/-) gradual stabilization in EPS revisions on sequentially narrower 'All other' losses.

- **Key potential drivers for Tencent (at 13X 26E P/E, with cloud, ad growth & capex accelerating):** (-) Near-term risks: Fintech revenue weakness on soft 2Q retail sales, slower profit growth on AI investments, (+) sustained high teens-20% ad growth on AI targeting/higher adload, (+) cloud growth acceleration on enterprise AI growth, growing MaaS business from further Hunyuan model launches, (+) further marked capex uplift over 2H26 on domestic ASICs supply, (+/-) Weixin AI agent pilot launches over 2H26, with unique Mini-Program transaction capabilities and social context, yet at incremental inference costs with no immediate monetization.

Cloud & Data Centers still our top preferred sub-sector; three new stock ideas in games (#2), eCom (#3) and AI models (#4): We continue to rank Cloud & Data Centers as our preferred sub-sector (#1) post results/Asia Communacopia Conference with key ideas: GDS, VNET, Alibaba and Kingsoft Cloud on proliferation of AI token demand from agentic AI with improving cloud pricing/margin upside and hyperscalers' further capex ramp up into 2H26 as key catalysts. Given weak/soft macro trends 2Q-to-date, we lift Games & Entertainment to #2 (from #3) given counter-cyclical nature of games with key ideas: Tencent and **NetEase** (new) on attractive trough-cycle valuations/new games launches, followed by eCommerce & Mobility (down to #3, from #2) with key idea **JD** (new) on its profit yoy recovery (from 2Q26) and re-acceleration of top-line from 3Q26 (despite mid-to-high single digit JD Retail top line declines for 2Q, which is now well-anticipated), and we flag AI models (unchanged at #4) with key idea **MiniMax** (new) on its unique AI full-modal footprint and clearer ARR ramp-up visibility from M3/Hailuo 3 and further model launches over 2H26.

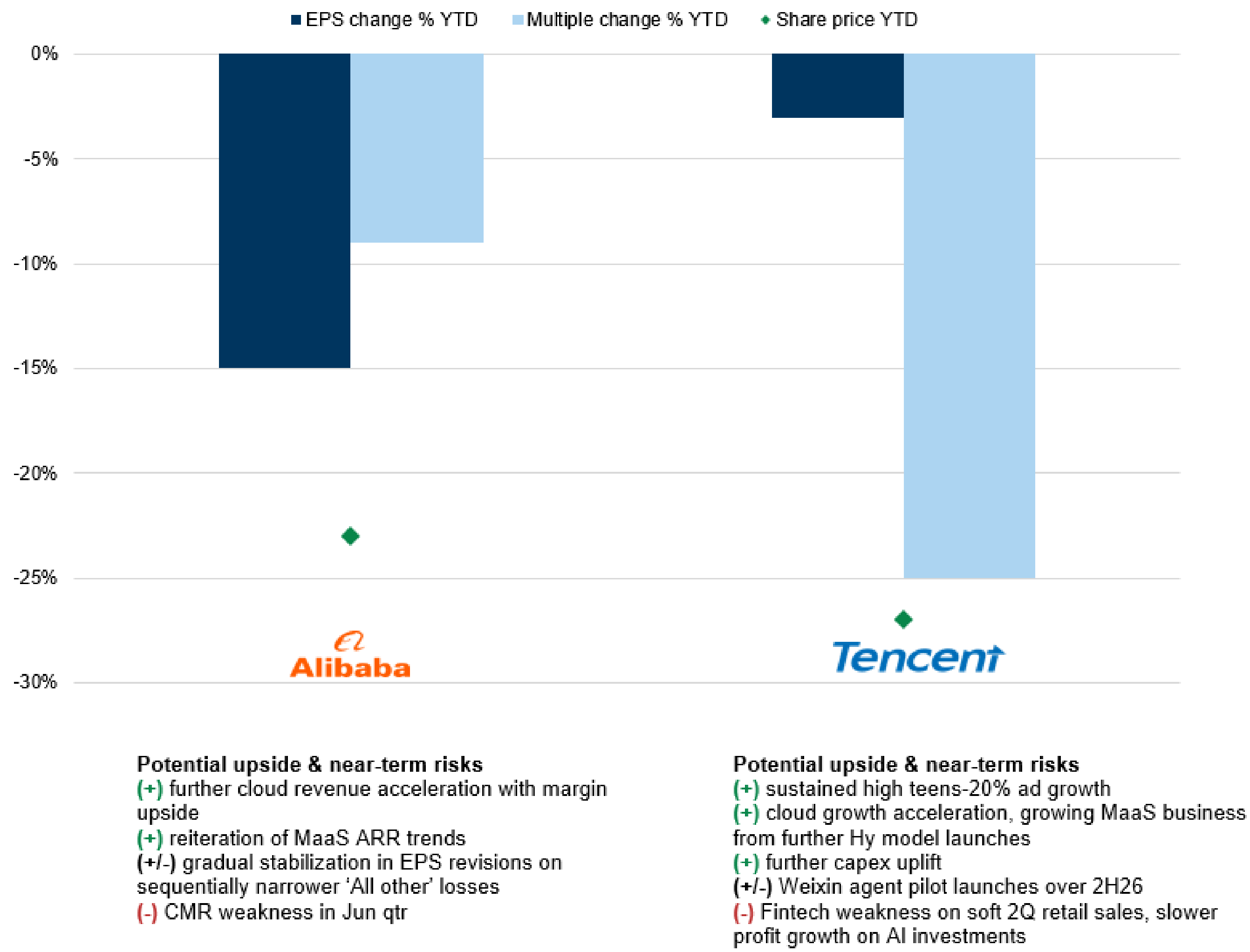
Related research

[Navigating China Internet/AI models: Framing five key AI debates; Buy Alibaba (on CL); upgrade MiniMax to Buy](), May 3, 2026

[Americas Technology: Decoding the Agentic Economy - The Coming Inflection in AI Usage and Margins](), May 5, 2026, by James Schneider, Eric Sheridan, Gabriela Borges & team

The authors would also like to thank Iris Xiao for her contribution to this report.

Exhibit 2: Decomposing Alibaba & Tencent share price performance YTD, where Alibaba has been mainly driven by EPS cuts while Tencent has been mainly due to multiple contraction
Pricing as of Jun 5



Source: Goldman Sachs Global Investment Research

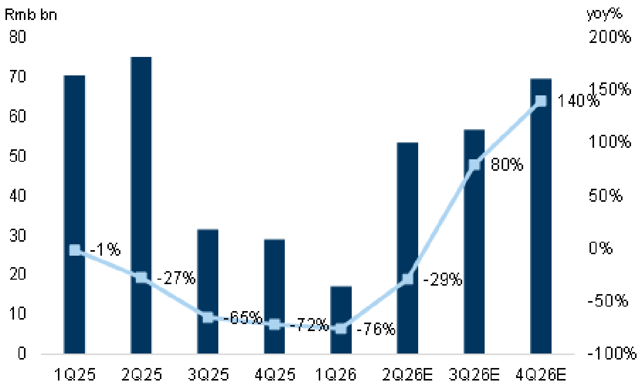
Exhibit 3: China Internet: Share price performance and valuation
Pricing as of Jun 3rd

Share price performance	Market cap	Past 1-week	Past 1-month	Past 3-month	Year-to-date	1 Year	PE 26E	Rev Growth 25-27E	EPS Growth 25-27E
Z.AI (not covered)	80,366	-13%	47%	531%	1110%	NM	NA	NA	NA
MiniMax	27,012	-21%	-16%	-16%	305%	NM	NM	235%	NM
Range Intelligent	19,635	-4%	-9%	-14%	54%	92%	NM	49%	38%
SUNeVision	1,846	1%	-4%	-4%	29%	-10%	NM	11%	14%
Shanghai Athub	3,863	0%	-1%	0%	20%	53%	NM	7%	33%
Kingsoft Cloud	3,514	-3%	-16%	8%	17%	14%	NM	32%	NM
VNET Group	2,832	-4%	22%	5%	13%	86%	NM	21%	NM
KE Holdings	19,181	2%	-3%	4%	5%	-8%	15X	4%	38%
JD.com	46,630	-1%	-2%	15%	0%	-9%	7X	9%	27%
GDS Holdings	6,833	4%	-18%	-8%	-8%	47%	NM	13%	NM
Baidu	46,504	2%	4%	13%	-12%	58%	15X	8%	9%
TAL Education Group	5,447	-1%	-11%	-7%	-15%	-6%	11X	18%	1%
NetEase	77,855	-1%	5%	8%	-17%	-3%	12X	10%	14%
Alibaba	305,312	0%	-5%	-2%	-18%	11%	17X	13%	21%
Full Truck Alliance	9,762	6%	5%	2%	-19%	-23%	11X	2%	16%
New Oriental	7,472	-1%	-12%	-13%	-19%	1%	9X	13%	20%
VIPShop	9,708	-2%	0%	-11%	-20%	0%	5X	3%	9%
Meituan	63,992	3%	-5%	8%	-23%	-41%	18X	13%	NM
Tencent	576,952	7%	-1%	-7%	-25%	-8%	12X	13%	12%
Pinduoduo	126,772	-1%	-13%	-15%	-26%	-13%	7X	13%	12%
Xiaomi	93,990	1%	-8%	-11%	-29%	-46%	18X	15%	-1%
Kuaishou	25,430	3%	5%	-22%	-29%	-9%	9X	4%	-4%
Alibaba Health	7,535	-2%	-18%	-26%	-30%	-19%	21X	16%	9%
JD Health	15,379	-4%	-17%	-20%	-32%	-3%	13X	21%	12%
Kanzhun	6,741	6%	2%	-9%	-33%	-21%	10X	16%	14%
DiDi Global	17,698	5%	-1%	-12%	-35%	-21%	13X	14%	10%
Trip.com	30,465	0%	-9%	-8%	-36%	-24%	10X	17%	-12%
Tongcheng-Elong	3,983	-4%	-20%	-26%	-39%	-35%	7X	14%	17%
Tencent Music Entertainment	14,622	5%	3%	-32%	-47%	-47%	9X	11%	8%
Median		0%	-4%	-8%	-19%	-8%	11X	13%	13%

Sector	Past 1-week	Past 1-month	Past 3-month	Year-to-date	1 Year
AI models	-17%	15%	258%	707%	
Cloud/Data Center	-1%	-4%	-2%	15%	42%
Education	-1%	-12%	-10%	-17%	-2%
eCommerce	0%	-3%	-8%	-19%	-8%
Game	3%	2%	0%	-21%	-5%
Local services	3%	-5%	8%	-23%	-41%
Vertical	4%	0%	-10%	-26%	-28%
Healthcare tech	-3%	-18%	-23%	-31%	-11%
OTA	-2%	-15%	-17%	-37%	-30%

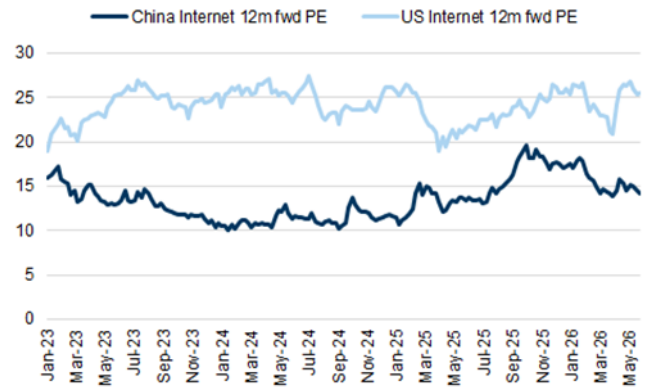
Source: Company data, Goldman Sachs Global Investment Research

Exhibit 4: eCommerce & Local services industry (Alibaba, JD, PDD, Meituan) net profit growth trend



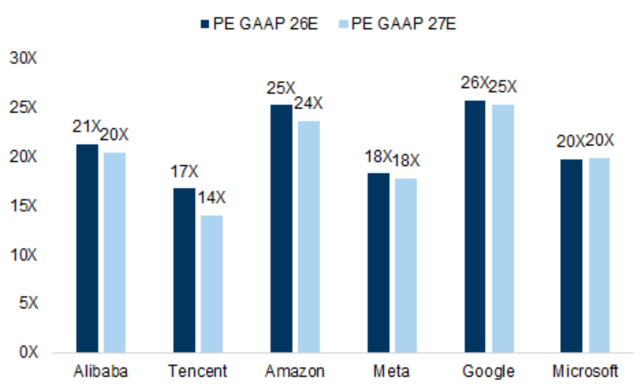
Source: Company data, Goldman Sachs Global Investment Research

Exhibit 5: China Internet vs. U.S. Internet: 12-month forward PE valuation: China internet is currently trading at 14X median forward 12-m non-GAAP P/E vs. US at 25X GAAP median):



Source: Bloomberg

Exhibit 6: GAAP P/E comparison indicates a small valuation gap between China and US mega-cap internet companies



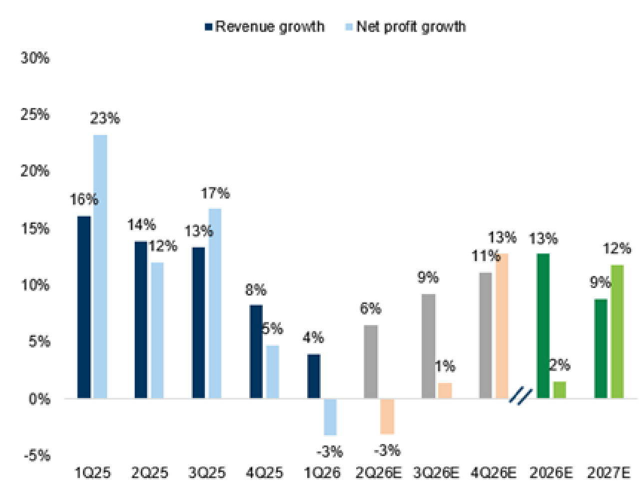
Source: Bloomberg

Exhibit 7: Cloud revenue outlook of major Chinese cloud service providers
Rmb bn

Cloud revenue (Rmb bn)	2023	2024	2025	2026E	2027E
Alibaba Cloud (external)	78	84	107	154	217
Tencent Cloud	35	38	41	49	58
Baidu Cloud	19	22	27	42	56
ByteDance Cloud	5	12	25	45	72
Kingsoft Cloud	7	8	10	13	16
YoY (%)					
Alibaba Cloud	1%	8%	29%	41%	37%
Tencent Cloud	6%	7%	8%	20%	18%
Baidu Cloud	6%	18%	22%	56%	32%
ByteDance Cloud	127%	140%	108%	80%	60%
Kingsoft Cloud	-14%	10%	23%	31%	26%

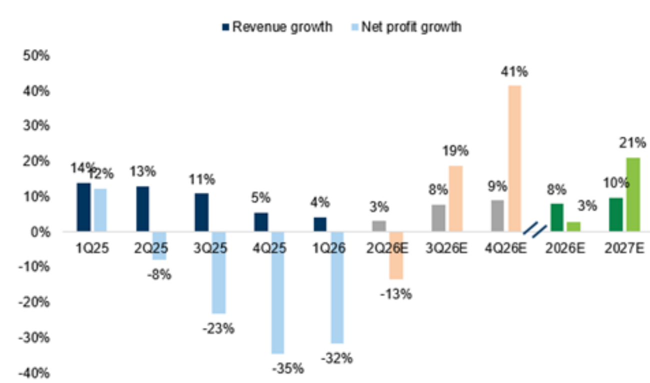
Source: Company data, LatePost, Goldman Sachs Global Investment Research

Exhibit 8: Internet sector (excl. Alibaba, JD, PDD, Meituan) revenue and net profit growth trend



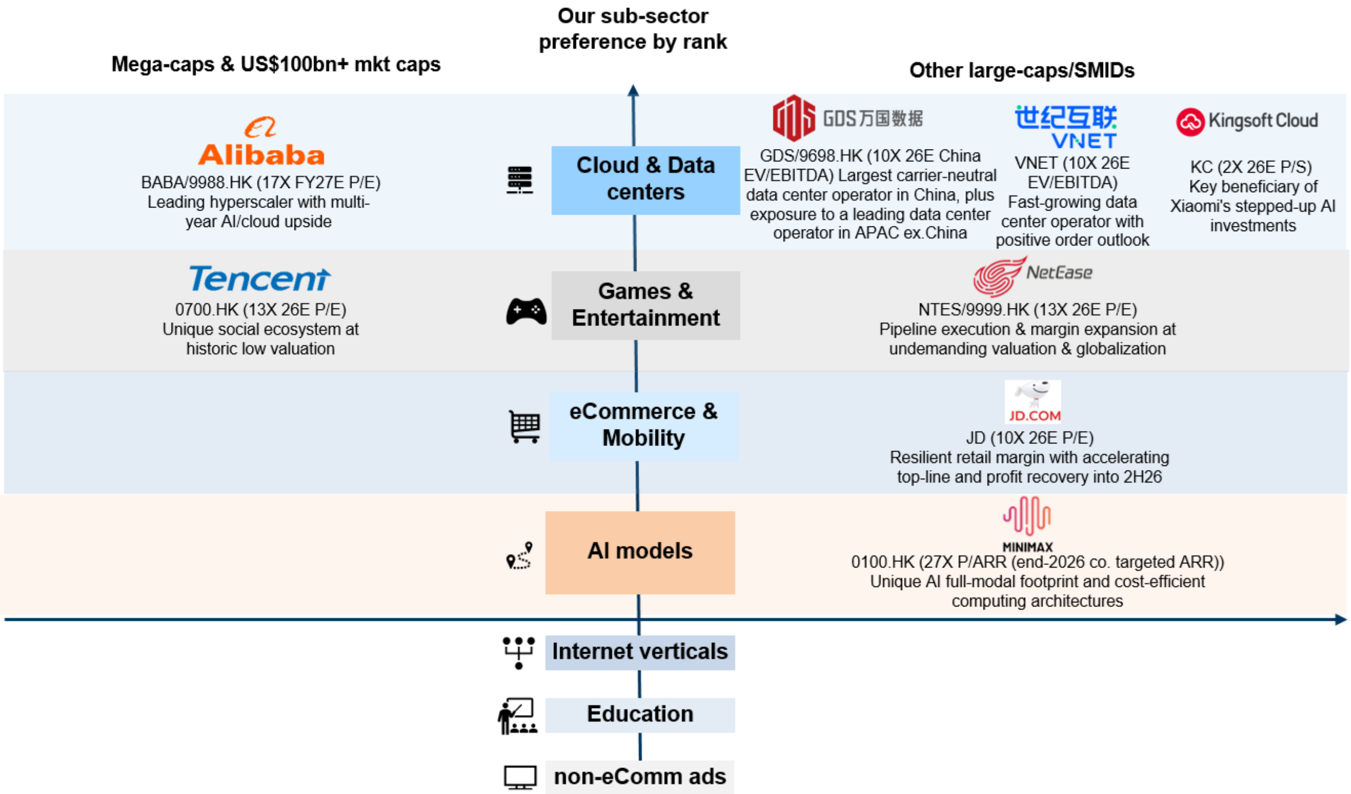
Source: Company data, Goldman Sachs Global Investment Research

Exhibit 9: Internet sector revenue and net profit growth trend



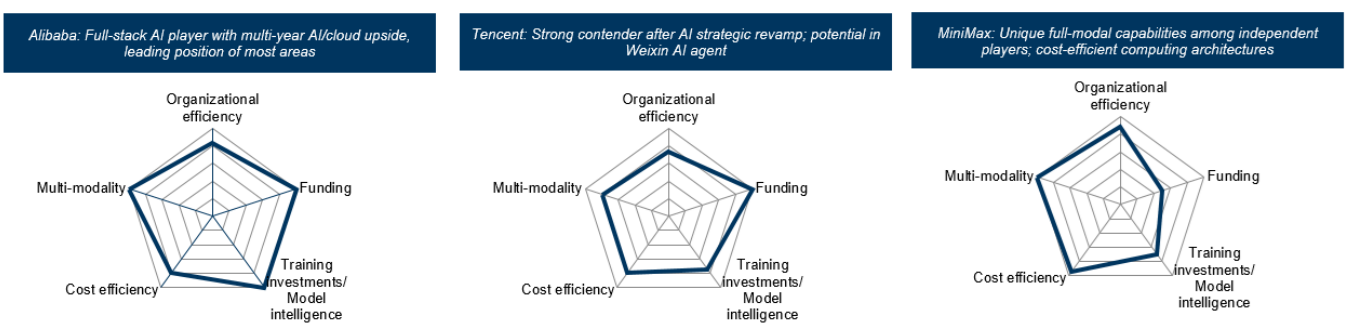
Source: Company data, Goldman Sachs Global Investment Research

Exhibit 10: China Internet key stock ideas by preferred sub-sector: we lay out our refreshed key stock ideas amongst mega-caps, and large/SMID caps
Pricing as of Jun 3, 2026



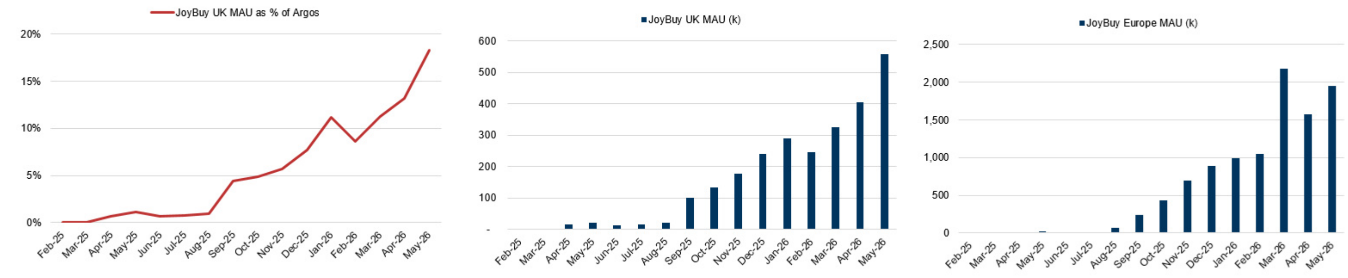
Source: Goldman Sachs Global Investment Research

Exhibit 11: An overview of the competitive analysis for Alibaba, Tencent and MiniMax's model positionings (for illustrative purposes)



Source: Goldman Sachs Global Investment Research

Exhibit 12: JD's JoyBuy user engagement metrics at a glance



Source: SensorTower, Data compiled by Goldman Sachs Global Investment Research

Exhibit 13: China Internet comps table
Pricing as of Jun 7, 2026

Company	Primary Analyst	Ticker	fx	Last Price	Target Price	+/- Side	Rating	Mkt Cap (US$mn)	Net Cash % of Mkt Cap	PE n-Gaap 26E	PE n-Gaap 27E
China Internet											
Alibaba*	Ronald Keung, CFA	BABA	$	121.06	186.00	53.6%	Buy	290,552	10.4%	24.6x	16.3x
Alibaba HK*	Ronald Keung, CFA	9988.HK	HK$	122.40	180.00	47.1%	Buy	299,960	10.1%	25.4x	16.8x
Alibaba Health	Lincoln Kong, CFA	0241.HK	HK$	3.59	4.20	17.0%	Neutral	7,394	22.5%	22.6x	20.4x
Autohome	Timothy Zhao	ATHM	$	16.53	17.00	2.8%	Neutral	1,941	16.0%	13.0x	10.7x
Autohome HK	Timothy Zhao	2518.HK	HK$	34.20	33.00	-3.5%	Neutral	2,050	15.2%	13.8x	11.3x
Baidu	Lincoln Kong, CFA	BIDU	$	121.66		#VALUE!	Not Rated	42,642	10.2%	15.4x	13.4x
Baidu HK	Lincoln Kong, CFA	9888.HK	HK$	125.60		#VALUE!	Not Rated	44,951	9.7%	16.2x	14.1x
Beijing Sinnet Technology Co Ltd.	Timothy Zhao	300383.SZ	Rmb	13.03	12.40	-4.8%	Sell	3,459	-15.9%	NM	73.8x
Bilibili	Lincoln Kong, CFA	BILI	$	17.46	28.90	65.5%	Buy	7,305	30.3%	17.7x	12.9x
Bilibili HK	Lincoln Kong, CFA	9626.HK	HK$	142.80	226.00	58.3%	Buy	7,626	29.0%	18.4x	13.5x
Damai Entertainment	Lincoln Kong, CFA	1060.HK	HK$	0.60	0.82	36.7%	Buy	2,272	18.5%	21.2x	17.3x
DiDi Global	Ronald Keung, CFA	DIDIY	$	3.56	5.90	65.7%	Buy	17,404	8.3%	NM	13.2x
East Buy	Timothy Zhao	1797.HK	HK$	21.18	12.40	-41.5%	Sell	2,927	15.0%	27.9x	23.8x
Focus Media Information Technology	Lincoln Kong, CFA	002027.SZ	Rmb	5.39	7.90	46.6%	Buy	11,497	3.8%	13.1x	12.5x
Full Truck Alliance	Ronald Keung, CFA	YMM	$	8.59	12.50	45.5%	Buy	9,225	26.7%	11.8x	10.0x
G-bits	Lincoln Kong, CFA	603444.SS	Rmb	334.97	362.00	8.1%	Sell	3,564	17.5%	13.2x	13.0x
GDS Holdings	Timothy Zhao	GDS	$	34.00	49.00	44.1%	Buy	6,606	-69.1%	20.3x	NM
GDS Holdings	Timothy Zhao	9698.HK	HK$	34.56	47.00	36.0%	Buy	6,856	-66.6%	21.1x	NM
Gaotu Techedu	Timothy Zhao	GOTU	$	1.58	2.50	58.2%	Neutral	384	-138.4%	96.0x	9.2x
iQIYI	Lincoln Kong, CFA	IQ	$	1.05	1.60	52.4%	Neutral	1,029	-103.5%	NM	8.4x
JD.com	Ronald Keung, CFA	JD	$	28.88	43.00	48.9%	Buy	45,789	48.4%	9.9x	7.1x
JD.com HK	Ronald Keung, CFA	9618.HK	HK$	115.80	169.00	45.9%	Buy	46,868	47.3%	10.1x	7.2x
JD Health	Lincoln Kong, CFA	6618.HK	HK$	37.90	65.00	71.5%	Buy	15,303	50.8%	15.9x	13.4x
JD Industrials	Ronald Keung, CFA	7618.HK	HK$	13.71	17.00	24.0%	Buy	4,391	44.2%	20.0x	13.8x
Kanzhun	Timothy Zhao	BZ	$	14.03	21.00	49.7%	Buy	6,707	47.9%	10.2x	9.9x
Kanzhun	Timothy Zhao	2076.HK	HK$	54.30	82.00	51.0%	Buy	6,580	48.9%	10.1x	9.8x
KE Holdings	Timothy Zhao	BEKE	$	16.08	23.00	43.0%	Buy	18,240	52.4%	16.7x	13.9x
KE Holdings	Timothy Zhao	2423.HK	HK$	42.32	59.00	39.4%	Buy	18,381	52.0%	16.2x	13.5x
Kingsoft Cloud	Timothy Zhao	KC	$	11.69	19.50	66.8%	Buy	3,224	-12.5%	NM	NM
Kuaishou	Lincoln Kong, CFA	1024.HK	$	46.86	70.00	49.4%	Buy	25,503	0.4%	10.8x	9.3x
Meituan	Ronald Keung, CFA	3690.HK	HK$	79.95	116.00	45.1%	Buy	63,654	37.4%	NM	17.7x
Mango	Lincoln Kong, CFA	300413.SZ	Rmb	16.66	15.50	-7.0%	Sell	4,603	5.7%	23.9x	18.2x
Ming Yuan Cloud	Timothy Zhao	0909.HK	HK$	1.81	2.60	43.6%	Neutral	423	100.7%	46.3x	38.9x
MiniMax	Ronald Keung, CFA	0100.HK	HK$	553.00	1000.00	80.8%	Buy	22,137	2.2%	NM	NM
NetEase	Lincoln Kong, CFA	NTES	$	119.48	166.00	38.9%	Buy	75,849	30.9%	12.5x	11.2x
NetEase HK	Lincoln Kong, CFA	9999.HK	HK$	188.40	260.00	38.0%	Buy	76,326	30.7%	12.6x	11.1x
New Oriental	Timothy Zhao	EDU	$	45.74	67.00	46.5%	Neutral	7,339	70.7%	10.9x	9.3x
New Oriental	Timothy Zhao	9901.HK	HK$	36.30	52.00	43.3%	Neutral	7,590	68.4%	12.4x	10.5x
Offcn Education	Timothy Zhao	002607.SZ	Rmb	2.17	1.50	-30.9%	Sell	1,977	-4.7%	35.0x	22.3x
Perfect World	Lincoln Kong, CFA	002624.SZ	Rmb	13.96	16.40	17.5%	Neutral	4,000	10.9%	18.5x	15.9x
Pinduoduo	Ronald Keung, CFA	PDD	$	85.07	145.00	70.4%	Buy	126,282	47.9%	8.2x	6.8x
Range Intelligent	Timothy Zhao	300442.SZ	$	78.17	117.00	49.7%	Buy	18,869	-10.1%	47.4x	38.5x
SUNeVision	Timothy Zhao	1686.HK	HK$	5.70	7.70	35.1%	Buy	1,717	-84.9%	19.3x	16.9x
Shanghai Athub	Timothy Zhao	603881.SS	Rmb	36.23	34.00	-6.2%	Neutral	3,844	-3.6%	NM	NM
TAL Education Group	Timothy Zhao	TAL	$	9.56	15.20	59.0%	Buy	5,352	66.2%	12.1x	10.8x
Tencent	Ronald Keung, CFA	0700.HK	HK$	453.20	700.00	54.5%	Buy	560,799	0.1%	13.2x	11.8x
Tencent Music Entertainment	Lincoln Kong, CFA	1698.HK	HK$	35.90	59.00	64.3%	Buy	14,261	34.7%	9.9x	9.0x
Tencent Music Entertainment	Lincoln Kong, CFA	TME	$	9.08	15.00	65.2%	Buy	14,130	35.0%	9.8x	9.0x
Tongcheng-Elong	Simon Cheung, CFA	0780.HK	HK$	13.90	25.30	82.0%	Buy	3,906	15.6%	7.6x	6.5x
Trip.com	Simon Cheung, CFA	TCOM	$	47.69	83.00	74.0%	Buy	30,306	7.1%	11.3x	9.6x
Trip.com HK	Simon Cheung, CFA	9961.HK	HK$	369.40	650.00	76.0%	Buy	29,962	7.2%	11.1x	9.5x
Tuhu	Timothy Zhao	9690.HK	HK$	13.02	15.00	15.2%	Neutral	1,358	74.3%	13.0x	11.4x
Tuya	Timothy Zhao	TUYA	$	1.95	3.10	59.0%	Buy	1,201	86.1%	16.8x	15.5x
VIPShop	Ronald Keung, CFA	VIPS	$	13.53	18.30	35.3%	Neutral	9,243	26.5%	5.1x	4.8x
VNET Group	Timothy Zhao	VNET	$	8.84	16.00	81.0%	Buy	2,423	-85.2%	NM	NM
Weibo	Timothy Zhao	WB	$	7.70	8.50	10.4%	Neutral	2,080	26.0%	5.1x	5.0x
Weibo HK	Timothy Zhao	9898.HK	HK$	60.40	66.00	9.3%	Neutral	2,082	26.0%	5.1x	5.0x
Weimob	Timothy Zhao	2013.HK	HK$	1.36	1.95	43.4%	Neutral	621	6.5%	35.7x	22.9x
XD	Lincoln Kong, CFA	2400.HK	HK$	50.80	78.00	53.5%	Neutral	3,060	16.7%	11.6x	10.4x
Xiaomi	Timothy Zhao	1810.HK	HK$	27.80	40.00	43.9%	Buy	91,453	25.6%	23.9x	17.6x
Zhihu	Lincoln Kong, CFA	ZH	$	3.13	4.30	37.4%	Neutral	159	240.1%	NM	21.7x
37 Interactive	Lincoln Kong, CFA	002555.SZ	Rmb	19.50	18.90	0.5%	Sell	6,387	14.0%	14.1x	13.3x
Median (Sum for Mkt cap)						**45%**		**6,782**	**17.1%**	**13.8x**	**12.7x**

Target prices on a 12m timeframe. * on APAC Conviction List

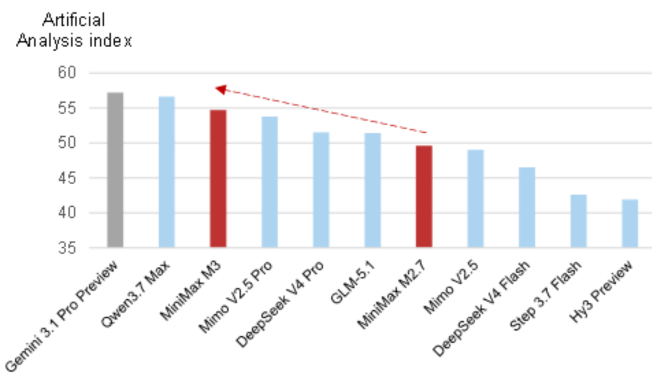
Source: Datastream, Goldman Sachs Global Investment Research

1. US vs. China AI models: Performance gap and pricing

US vs. China AI models: Are Chinese models already 'good enough' for day-to-day tasks and will their much lower prices disrupt pricing/margins of the AI value chain? Computing/budget constraints have driven a unique focus on training efficiencies/inference optimization of Chinese AI models, $0.2-1 per 1M token pricing vs. US SOTA models of $4 per 1M tokens blended, with improved gap. While US CAISI's evaluations (link) imply steepening US innovation at the frontier helped by more ample access to high-end computing, investor focuses in the past month have been on whether Chinese models' much lower pricing and recent 'good enough' performance of the latest Chinese models for more generic tasks could impact the global AI model market shares further and pricing landscape (and thus implications across the profit pools across the AI layers). Other debates include Chinese models' access to domestic/foreign computing resources for training, anti-distillation tactics, potential security concerns/regulations, with investors drawing parallels of the Chinese vs. US AI model landscape with other sectors, e.g. internet landscape (where Temu/AliExpress focus on low ticket size products in eCommerce, while TikTok/Joybuy pursue a more localization strategy) and/or other tech/EV industries (where Chinese players have competitive cost bases, yet with certain restrictions to market access).

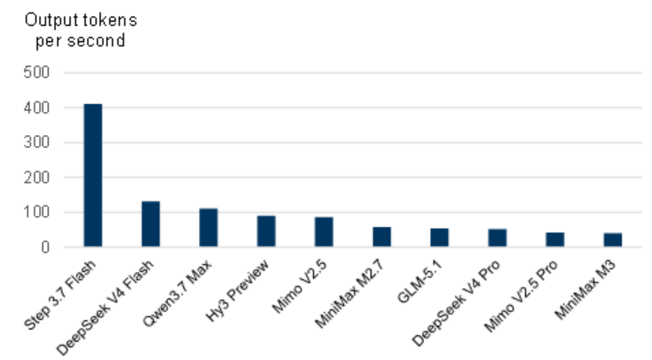
We see potential for Chinese AI models to strengthen their value-for-money positioning in the agentic era: Instead of one-size fits all, AI token demand has been splitting between frontier models for highest-value scenarios (coding, large MNCs/enterprise) and flash/SLMs/Chinese models for agentic 24/7 monitoring/execution tasks esp. for SME/one-man companies due to cost considerations (smaller models/Chinese models). US enterprises' significant token costs flagged in the latest earnings season, from tokenmaxxing and agentic tools, have also prompted more openness towards cheaper flash models/Chinese models, which is evident from third-party API platforms like OpenRouter (where Chinese AI models' token market share has continued to increase towards 50% in recent months vs. low single-digit % in late 2024). However, given the much lower token pricing, Chinese models only account for single-digit of the AI model revenue pool. Chinese multi-modal models have higher pricing power, with leading performances in video generation (e.g. Seedance 2.0 at latest month annualized revenue of US$1.7bn).

Exhibit 14: Chinese AI models are narrowing the intelligence gap with US SOTA models...



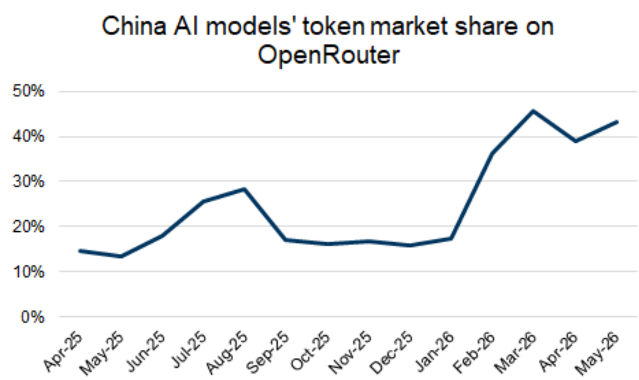
Source: Artificial Analysis, Data compiled by Goldman Sachs Global Investment Research

Exhibit 15: ...and offering higher inference speed (especially Flash version), more suitable for agentic 24/7 tasks



Source: Artificial Analysis, Company data, Data compiled by Goldman Sachs Global Investment Research

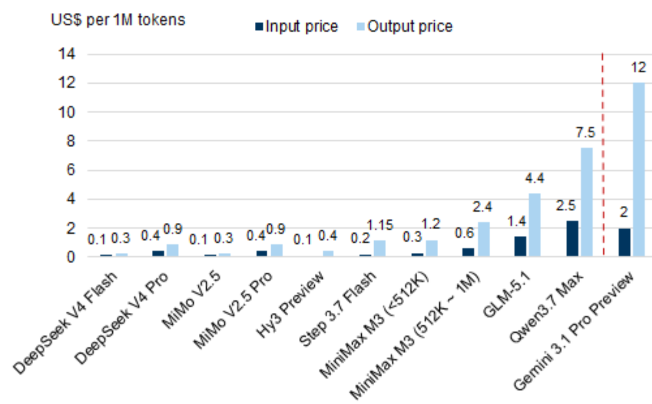
Exhibit 16: Chinese players have continued to gain market share through 2026...



Source: OpenRouter, Data compiled by Goldman Sachs Global Investment Research

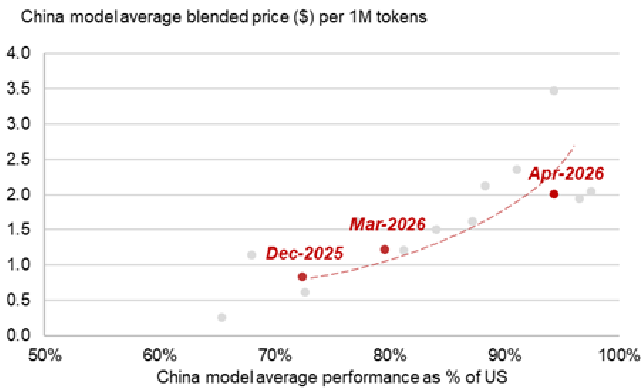
Exhibit 17: Chinese AI models pricing remain a fraction of US SOTA costs with better value-for-money positioning and pricing upside

Input and output price US$ per 1M tokens, noting KV Cache is another swing factor to blended cost



Source: Artificial Analysis, Data compiled by Goldman Sachs Global Investment Research

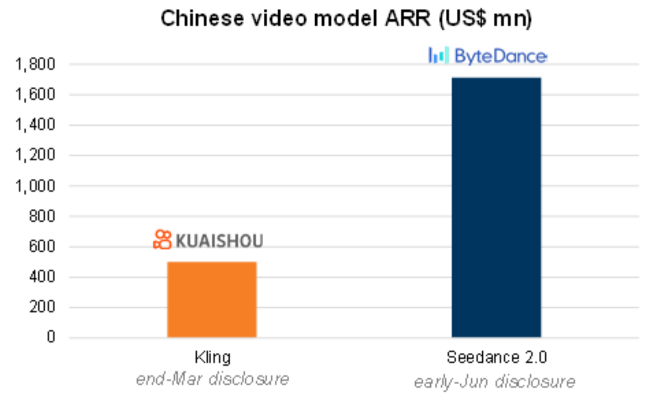
Exhibit 18: Chinese model pricing power rises as performance gap with US narrows



Performance benchmark uses Terminal Bench 2.0 and BrowseComp. Blended API price is based on weighted input/output/cached input pricing.

Source: Terminal Bench, BrowseComp, Company data, Data compiled by Goldman Sachs Global Investment Research

Exhibit 19: Latest disclosure of Chinese AI video model ARR (US$ mn)



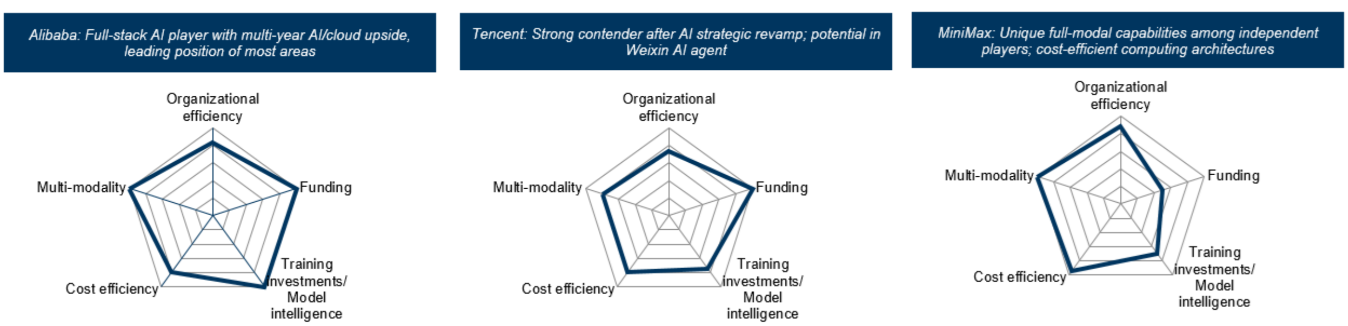
Source: Company data, 36kr, Data compiled by Goldman Sachs Global Investment Research

2. Chinese AI model competition: Framework and competitive landscape

Chinese AI model Competition & Moats: Another sector-wide price war (resembling many Chinese industries like EVs) or would the landscape settle with two-tiered pricing? What could the eventual China model landscape look like? With 5-6 independents + 4 mega-caps (BATX) competing with each other thus far in the AI model layer, the landscape in China is more fragmented vs. the US, with investor focus gravitating towards whether frontier/intelligence leadership can establish pricing premiums in an increasingly two-tiered market (e.g., Qwen3.7 Max/GLM-5.1 at blended US$1.4/0.9 per 1M tokens) vs. the backdrop of wide price cuts seen from other players like DeepSeek/MiMo (at blended US$0.2 per 1M tokens).

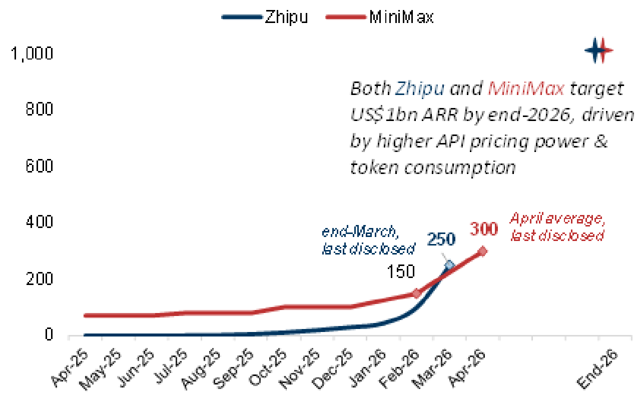
We introduce a Chinese AI model competitive positioning framework comparing talent stability, intelligence level (coding, agentic multi-modal), pricing power, cost efficiencies and funding/balance sheet. We believe coding and multi-modal (video generation, e.g. Seedance 2.0 charges US$4-7 per 1M tokens) performance, training efficiencies and balance sheet strength will be key differentiators for long-term success. **With ARR as an output metric**, we highlight Alibaba MaaS ARR at US$1.2bn/1.5bn/4.4bn (Apr/June-quarter target/year-end target, 70-80% of which will be contributed by Qwen models), ByteDance's MaaS ARR target at a similar scale (US$2.2bn target for CY2026 full year average, as per reports), and Zhipu and MiniMax both targeting >=US$1bn ARR by 2026 year-end.

Exhibit 20: An overview of the competitive analysis for Alibaba, Tencent and MiniMax's model positionings (for illustrative purposes)



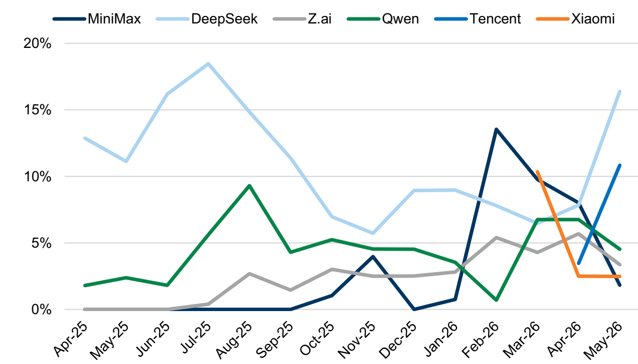
Source: Goldman Sachs Global Investment Research

Exhibit 21: MiniMax and Zhipu ramp up quickly in ARR with end-year target at US$1bn



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

Exhibit 22: ...where DeepSeek and Tencent have gained market share in recent months following new models launch



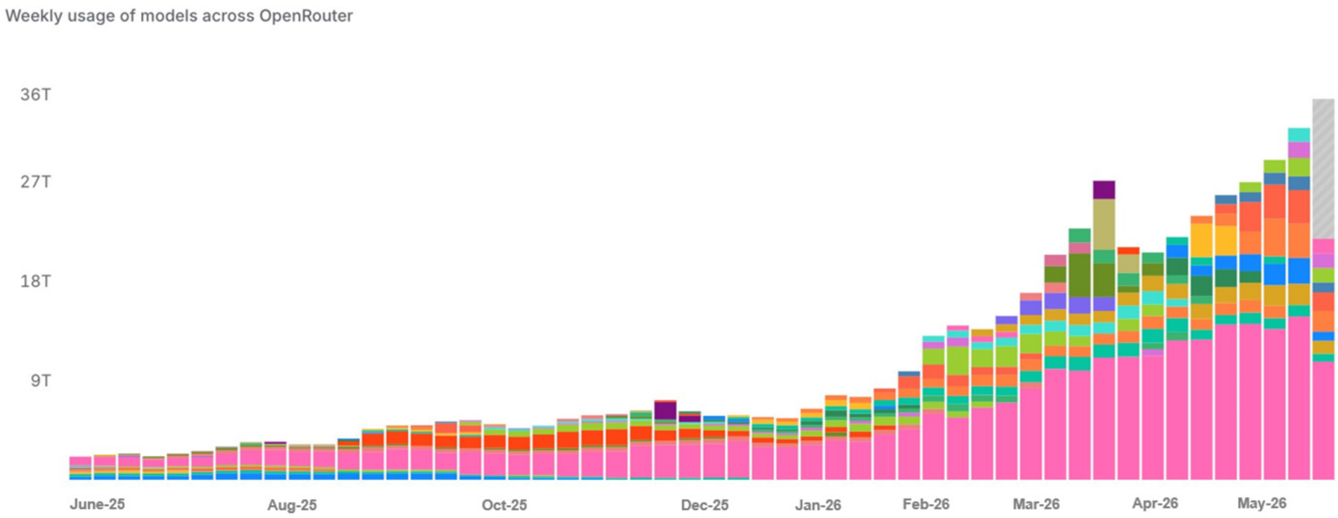
Source: OpenRouter, Data compiled by Goldman Sachs Global Investment Research

3. Token growth drivers: Enterprise or Consumer AI, and can ROI be justified?

Token growth drivers: Enterprise or Consumer AI to be bigger drivers? Can ROI be justified as token bills surge? Agentic AI driving token proliferation; where data/SLM/deployment layers & all-in costs would be key – Our US research team estimates (link) agentic AI will drive 24X growth in token consumption by 2030 (from 2026) to 120 quadrillion tokens per month (or 4 quadrillion tokens per day, from their estimate of 170 trillion daily tokens today), with the biggest driver at 55X from enterprise agents and 12X from consumer agents. We note aew important parallels in China, where 1. China (which operates in a rather standalone ecosystem) already reached a scale of 140 trillion daily tokens as of March 2026 (or 4 quadrillion tokens per month, according to China's National Data Administration), with our estimate to grow 2.5X to 350 trillion daily tokens by year-end (or 10.5 quadrillion tokens per month by Dec 2026, in-sync with key players' ARR targets); 2. Consumer AI agents have dominated China's AI token consumption thusar, with ByteDance at 120 trillion daily tokens (we estimate it has been significantly contributed by Consumer AI with China's #1 used AI chatbot Doubao), 2. The global (ex. China) landscape has seen significant token share gains from Chinese AI models, as rising model intelligence and attractive token costs (10%-25% of leading US models) have driven higher adoption across 24/7 Hermes/Claw/Productivity agents and shifting global SME mindset on using Chinese models in managing token costs.

On the ROI debate, we note US internet companies have flagged tokenmaxxing behaviors and AI agents have led to significant token cost burdens in the recent results season, and we note based on Entelligence.AI's recent survey on 2,444 companies,or every $1 spent on AI tokens, 82% of enterprise tokens were lost to engineering overheads (debugging of content that AI produced) with only 18% delivering actual value/the final product). Our GS global macro team analysis points to significant differences between AI replacing vs. augmenting jobs, with their baselineorecastor a 15% AI-driven labor productivity uplift. We believe ROI of such AI-driven token spend will depend on actual all-in costs where token pricing will become a key swingactor, as a discrepancy in task completion rates across AI models narrows (as seen from significant improvements in China AI models' multi-agent, long context task completion capabilities in global benchmarks).

Exhibit 23: Total token consumption on OpenRouter continues to hit record highs



Source: OpenRouter

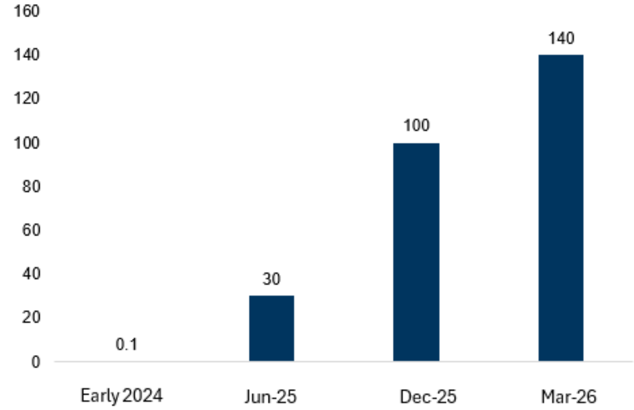
Exhibit 24: Chinese open-source models have moved to the top on OpenRouter usage ranking in the most recent week

As of Jun 8th, 2026 (Rolling 7 days)		
Ranking	Model	Tokens usage
1	DeepSeek V4 Flash	3.69T
2	Hy3 preview	2.94T
3	MiniMax M3	2.50T
4	MiMo-V2.5	2.19T

Source: OpenRouter

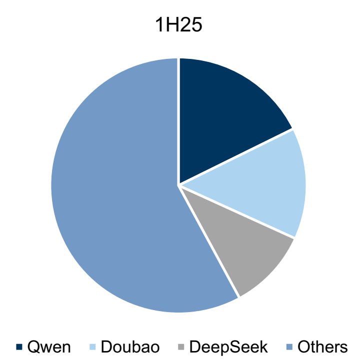
Continued proliferation of AI inference demand/tokens

Exhibit 25: China's average daily average token usage has surpassed 140trn
trn



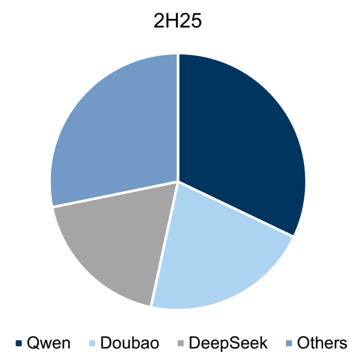
Source: NBS, Data compiled by Goldman Sachs Global Investment Research

Exhibit 26: China enterprise token consumption market share (1H25)



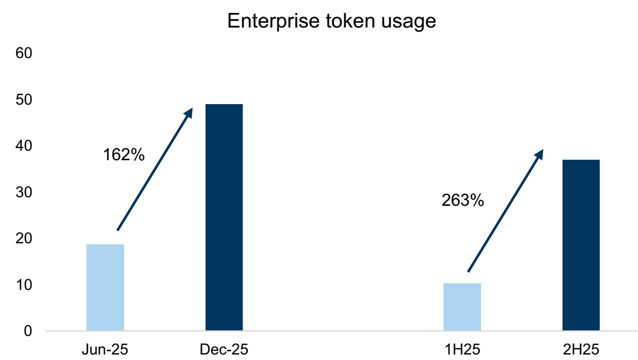
Source: Frost & Sullivan

Exhibit 27: China enterprise token consumption market share (2H25)



Source: Frost & Sullivan

Exhibit 28: China enterprise average token usage (trn) increased 263% from 1H25 to 2H25



Source: Frost & Sullivan

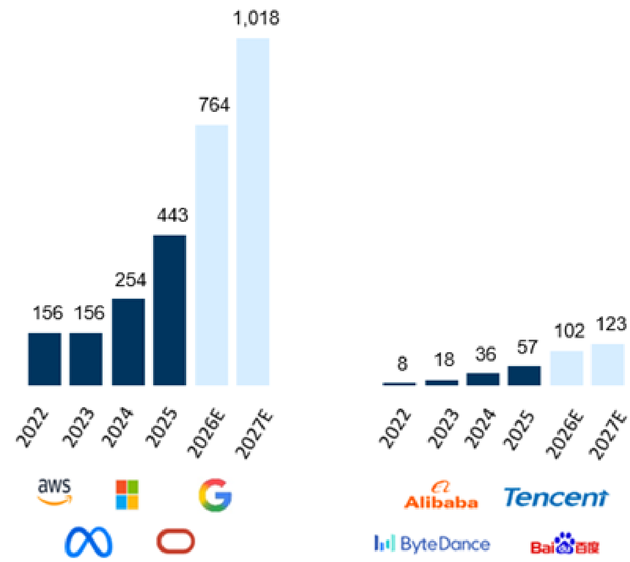
4. Hyperscaler margins/capex: Will China hyperscalers catch up?

Hyperscaler margins and capex/FCF: Will we see an eventual substantial capex uplift amongst Chinese hyperscalers, as seen at US hyperscalers? Why are AI cloud margins lower in China? Cloud pricing and domestic chip supply ramp up as key swing factors; Inference tokens' margin level will ultimately be critical to the capex-driven AI supply chain – Given nearly all the value has accrued to the semis/hardware layer since the AI investment cycle began, our US research team (link) highlighted that this is unprecedented and likely unsustainable, and they believe something has to change – either hyperscalers will need to start to earn a return on investment or they will eventually need to spend less on AI capex. For China, we believe the cycle is more nascent (at least a year behind) US hyperscalers, where China hyperscalers (due to still constrained domestic chip fab capacity up till 1H26, which will ramp up over 2H26-2027) have been spending substantially lower capex (or at 60-75% of OpCF amongst the mega-caps). On the back of increasing domestic chip supply from 2H26 and a rapid surge in token demand, we estimate China hyperscalers to further lift capex over 2H26-2027, on the back of higher domestic chip supply and potential foreign ASICs (we estimate capex at US$100mn, or 1/7 of US hyperscalers this year).

Key debates surround high-end chip access/domestic chip ramp-up/custom silicon/memory cost push, AI model layer/hyperscaler margins to drive sustainable capex. We continue to expect the pivot to domestic chips/custom silicon amongst Chinese hyperscalers to accelerate over 2026-28, though near-term supply bottlenecks persist. To offset hardware performance gaps, we expect Chinese AI models to increasingly rely on highly optimized architectures/rented equipment for training and domestic chips for inference. Meanwhile, we see upside to MaaS/cloud margins for China hyperscalers on compute tightness and chip/memory cost push, where long-term 20% Alibaba Cloud margins could imply 20-30% margins for AI-related revenues (at a more comparable level with US peers, unlike the highly competitive/more commoditized IaaS segment in China at much lower margins vs. global peers). Long-term gross margin expansion of inference tokens will be key to a sustainable China AI ecosystem narrative.

AI capex/infrastructure: Our latest China hyperscaler capex forecasts and capex-to-cloud revenue framework

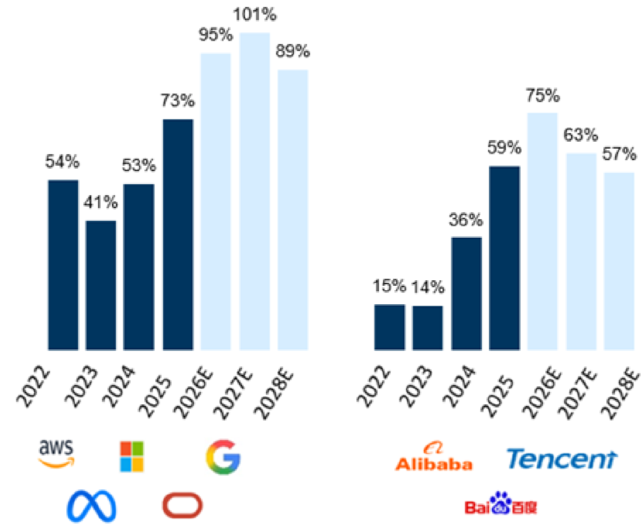
Exhibit 29: Historical and projected capex for major US & China cloud service providers
US$bn



We calculate Bytedance's (Not Covered) relevant operating metrics by analyzing the industry and companies that we cover, and then extrapolating them to Bytedance.

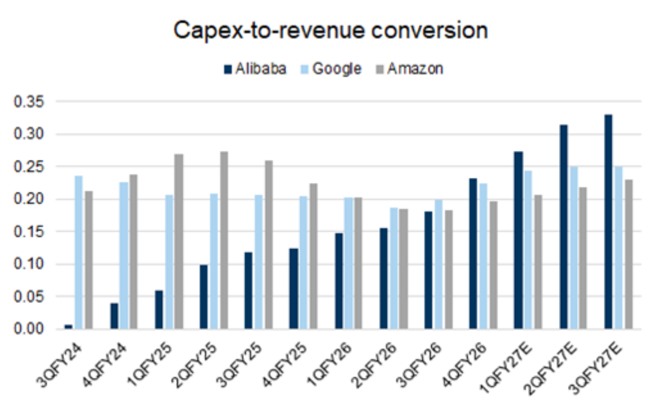
Source: Company data, Goldman Sachs Global Investment Research

Exhibit 30: Capex to operating cash flow ratio is still healthy for China hyperscalers



Source: Company data, Goldman Sachs Global Investment Research

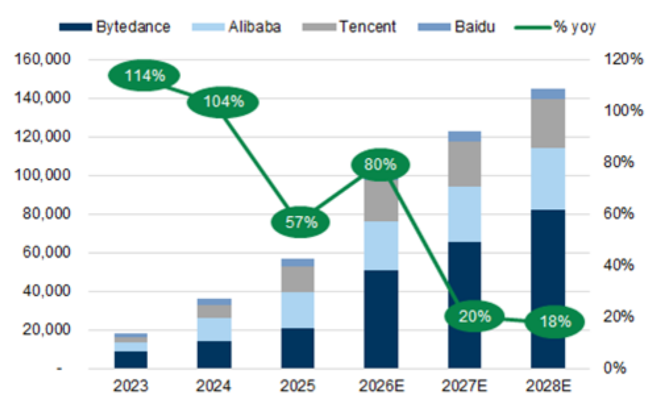
Exhibit 31: Alibaba capex-to-revenue conversion ratio vs. Amazon and Google
Rolling 12m incremental cloud revenue/rolling 12m capex (lagged by 1 quarter)



We benchmark Alibaba external cloud revenue growth to Google and Amazon Cloud (lagged c.2 years)

Source: Company data, Goldman Sachs Global Investment Research

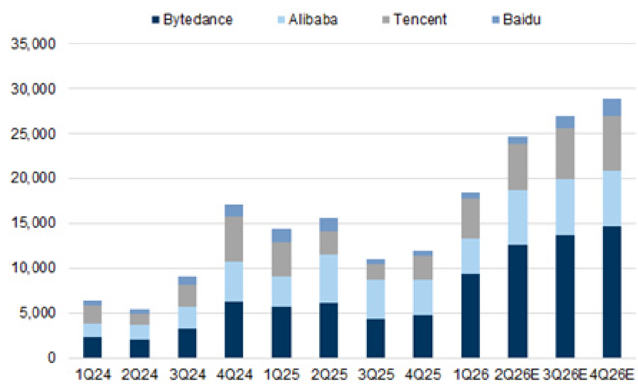
Exhibit 32: China Internet yearly capex forecast
US$mn



For ByteDance (Not Covered), we impute capex based on industry trends.

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

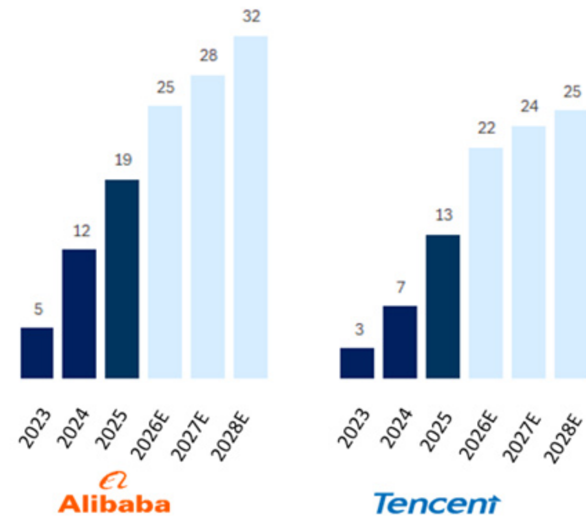
Exhibit 33: China CSP capex quarterly forecasts
US$mn



For ByteDance (Not Covered), we impute capex based on industry trends.

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

Exhibit 34: Historical and projected capex for Alibaba and Tencent
US$bn



Source: Company data, Goldman Sachs Global Investment Research

5. Consumer AI agents: Agentic AI form factors and agent-to-agent disruptions

Consumer AI agents: What could the agentic AI landscape look like between OS-level agents (e.g. handset makers) vs. In-app agents (super-apps) in China? Agent-to-agent disruptions to apps, margin impact and eventual TAM? – The consumer AI assistant/chatbot landscape in China has been dominated initially by the fully free-of-charge AI-native app, Doubao by ByteDance, yet recent announcements of adding subscription packages depending on service/usage have brought on its first month-on-month MAU decline while DeepSeek's app (that remains free) saw a further up-tick. Alibaba's Qwen app has also seen growing users from its further expanded transaction capabilities. Meanwhile, investor debate continues to be around the battleground for the next step-up of consumer AI agents: OS-level agents (e.g. handset makers, OS players' continued MCP/CLI push that enables direct deployment of apps) versus In-App agents (e.g. the upcoming Weixin AI agent that reportedly could potentially be activated by a right-swipe gesture, and will differentiate with its understanding of users' individual social relationships and deployment of Mini-Programs).

We view Consumer Agentic AI as a profound paradigm shift that could threaten/impact traditional apps by taking over the primary traffic entry point with growing agent-to-agent deployment medium-term. If OS-level agents become the default user interface, standalone apps risk being reduced to backend utility providers, losing valuable user engagement and data. We expect a fierce strategic battle over inter-operability, data permissions, and ecosystem control, and more partnerships to be formed, e.g. Meituan's cooperation with Tencent's Weixin/Yuanbao agents, and Weixin's recent Agent-to-Agent initiatives with top headset makers' own agents in allowing for sending/receiving messages/video calls by handset agents. However, instead of expanded new TAMs in enterprise AI (i.e. workforce costs), Consumer AI continues to face debates on risks from a less favorable cost structure ahead at lower incremental margins/low blended margins for each company's existing platform due to inference costs (e.g. the risk to substantial inference cost burden for super-apps if agentic functions are offered to its full user base, while initial incremental revenues will be limited and where the long-term revenue pool will hinge more on shifts in the current advertising TAM, instead of tapping new revenue TAMs in enterprise AI).

The battle of AI super assistants/entry points continue amongst To-C applications, yet the contest could go up to OS-level agents for cross-scenario assistance

Exhibit 35: AIGC to-C / Chatbot engagement increased +8% mom in Apr

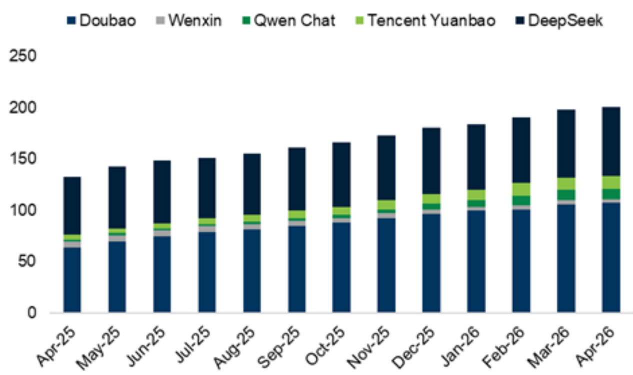
AIGC to-C / Chatbot	Timespent % mom	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03	2026-04	Apr vs. Mar- %mom chg
DeepSeek	DeepSeek	-7%	10%	-10%	1%	4%	7%	1%	8%	-7%	-4%	33%	6%	-27%
Doubao	豆包	16%	13%	-13%	7%	15%	25%	14%	22%	5%	7%	78%	12%	-66%
Maoxiang	猫箱	8%	-1%	16%	2%	-21%	15%	6%	10%	14%	5%	-4%	1%	5%
Xingye	星野	10%	0%	18%	-4%	-40%	10%	-40%	-10%	41%	13%	-25%	-11%	14%
Kimi	Kimi	0%	-36%	-29%	15%	14%	1%	-4%	-4%	-17%	-10%	11%	-6%	-16%
Wenxin	文心	-10%	-3%	-36%	-9%	18%	-4%	-2%	0%	-18%	-16%	18%	-12%	-30%
Zhumengdao	筑梦岛	12%	-6%	-9%	-6%	-28%	9%	-1%	-2%	-1%	-3%	-15%	-5%	10%
WOW	WOW	22%	5%	-12%	-37%	-16%	-4%	-16%	-63%	-98%	62%	-9%	-27%	-19%
Tiangong	天工	-18%	-41%	-73%	-30%	32%	-7%	1%	-8%	-45%	-44%	88%	-1%	-90%
Zhipu Qingyan	智谱清言	-14%	-7%	-41%	-4%	35%	13%	11%	-2%	-10%	-15%	39%	13%	-27%
Qwen	千问	-9%	-9%	-15%	62%	2%	19%	108%	177%	50%	407%	-47%	-2%	45%
Yuanbao	元宝	-2%	7%	-9%	6%	0%	9%	3%	16%	-1%	57%	-22%	2%	24%
Total		**5%**	**6%**	**-6%**	**4%**	**-1%**	**15%**	**5%**	**16%**	**4%**	**16%**	**36%**	**8%**	**-28%**

AIGC to-C / Chatbot	Timespent % share	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03	2026-04	Apr vs. Mar- %share chg
DeepSeek	DeepSeek	**28%**	**29%**	**28%**	**27%**	**28%**	**26%**	**26%**	**24%**	**21%**	**18%**	**17%**	**17%**	-0.4%
Doubao	豆包	**35%**	**37%**	**34%**	**36%**	**41%**	**45%**	**48%**	**51%**	**52%**	**48%**	**63%**	**65%**	2.2%
Maoxiang	猫箱	13%	12%	15%	15%	12%	12%	12%	12%	13%	12%	8%	8%	-0.5%
Xingye	星野	10%	10%	12%	11%	7%	7%	4%	3%	4%	4%	2%	2%	-0.4%
Kimi	Kimi	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	-0.1%
Wenxin	文心	1%	1%	1%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0.0%
Zhumengdao	筑梦岛	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%	0.0%
WOW	WOW	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.0%
Tiangong	天工	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.0%
Zhipu Qingyan	智谱清言	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.0%
Qwen	千问	0%	0%	0%	0%	0%	0%	1%	2%	2%	10%	4%	4%	-0.4%
Yuanbao	元宝	5%	5%	5%	5%	5%	5%	5%	5%	4%	6%	3%	3%	-0.2%

Source: QuestMobile

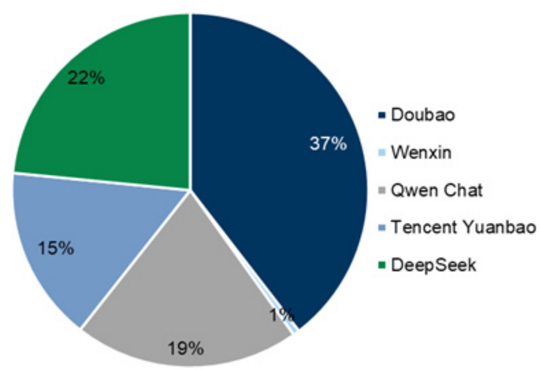
Exhibit 36: China AIGC to-C / chatbots MAU trends

MAU mn



Source: SensorTower

Exhibit 37: China AIGC to-C / chatbots monthly download share



Source: SensorTower

China Internet views by sub-sectors

Key Buy ideas by sub-sector preference:

Cloud & data center: Alibaba, GDS, VNET, Kingsoft Cloud; ***Games/entertainment:*** Tencent, NetEase; ***eCommerce & mobility***: JD; ***AI models:*** MiniMax.

By sub-sector

- **Cloud: Alibaba Cloud** saw continued strong momentum in cloud revenue to 38% yoy in the Mar quarter (vs. 36% in Dec qtr), driven by triple-digit growth in AI revenues (for the eleventh consecutive quarter) on a proliferation in token demand. Management commented on expectations of further growth acceleration ahead (with AI-related product contribution to external cloud revenue reaching 50% in 1 year). The company expects cloud margin expansion in the next 2 quarters to be driven by i) higher cloud pricing, ii) improving mix toward MaaS, and iii) further ramp up of T-head chips. **Tencent Cloud** saw acceleration in AI-related cloud demand, contributing to increased revenue across GPU, CPU, and storage as customers integrate Tencent Cloud full-stack AI agent solutions. We expect cloud revenue to further accelerate in 2Q-2H26E, on the back of AI capex and Hy model capabilities. **Baidu Cloud**'s AI Cloud Infra reached 79% yoy growth and management sees the acceleration driven by a proliferation in token usage/inference demand, claw adoption, as well as Baidu's full stack capability, as offering a differentiated and cost effective option. **Kingsoft Cloud** showed robust AI-related revenue growth (+90% yoy). We see robust revenue growth from both Xiaomi/Kingsoft and non-ecosystem customers, while MaaS services (StarFlow training and inference platform) emerge as a new growth driver. **Key stock ideas: Alibaba, Kingsoft Cloud.**
- **Data Centers:** Post 1Q26 results for our covered China & ASEAN data center operators (read our GDS & VNET 1Q26 review, Range Intelligent and Shanghai Athub initiations) as well as recent management meetings (see our meeting takeaways on Range Intelligent), we reiterate our constructive view on the data center sector, as we take confidence from rising hyperscaler's capex, robust order volume (GDS/VNET 346MW/519MW order wins YTD), and expanding capacity reserve/secured resources (GDS/VNET +240MW/+300MW). That said, 1Q26 turned out to be a softer quarter in terms of live capacity expansion and move-in pace, due to seasonality (GDS/VNET +23MW/+18MW live capacity delivery) and domestic chip constraints. We look for sequential improvements into 2Q26E and 2H26E driven by i) increased capex toward an annual target of Rmb9bn/Rmb12bn for GDS/VNET, ii) domestic chip shipment ramp-up. **Key stock ideas: GDS, VNET.**
- **Games:** A relatively healthy segment mostly uncorrelated to macro, with innovative gameplay and content updates (both benefiting from AI) enabling better potential to raise ARRPU. By platform, we see a step up in PC/console games in both China and global markets, while mobile games are witnessing a rejuvenation of evergreen/flagship titles. In March, Apple announced a reduction in App Store commission rates for mainland China with the standard commission rate for paid apps and In-App Purchases (IAP) on iOS and iPadOS dropping from 30% to 25%;

Google also announced that the Google Play Store take rate for standard IAP transactions will drop from 30% to 20%, with phased implementation across different regions globally. We believe the lowered take rate will help to reduce channel costs for mobile game developers/publishers and expand their profits, which would enable increased investment in R&D with saved costs and provide startup teams/SMEs with a longer runway, helping to boost the overall industry and fostering more innovative products. For mini-games, Apple also announced the reduction of the preferential take rate for IAP within Mini programs (mini-games most impacted) from 15% to 12% in March. We believe the changes over the mini-game iOS channel will help expand the overall mini-game TAM (still growing at 20%+ yoy) and boost monetization potential for key operating players like Tencent. Overseas expansion is accelerating with more titles targeting global release and benefits from lowered commission fees from Google Play Store and its open-up for third-party payments as well as developers/publishers' proprietary billing system. We are also seeing increasing adoption of AI application in gaming development, and regulation remains supportive. For Tencent, we see visibility for **games revenue re-acceleration** and estimate 11%/11% games revenue growth for 2Q26E/FY26E with sequential acceleration over 2Q-4Q26E on the back of deferred revenue build-up to Rmb141bn (+28% qoq), resilient evergreen titles, continued success of new titles (eg. Delta Force achieved lifetime high average DAU and Roco Kingdom: World sustained over 13mn average DAU in its first month) and healthy momentum in international games. For NTES, we have seen strong **GP/OP margin expansion** momentum driven by structural channel shift and elevated cost/expenses efficiency and impressive evergreen franchise strength with successful user expansion initiatives, with the next catalyst on the launch Sea of Remnants in 3Q26 (ideally ahead of school holidays in July). **Key stock ideas: Tencent, NetEase.**

- **Entertainment.** We see a diverging trend among our entertainment coverage: **1)** Bili is positioned as a unique platform focusing on high-quality and lengthy content with healthy user engagement and traffic growth, and is benefiting from AI-related vertical ad spending as well as AI-powered algorithms (eg. recommendations, matching, etc.). We expect still **strong advertising momentum for Bili** in 2026E, at +30% yoy/+28% yoy (GSe) for 1Q26/2Q26E. **2)** Kuaishou advertising and E-commerce business face headwinds in 2026 given a combination of decreasing overseas ads and impact from tax-related issues on domestic e-Commerce/ads. We expect a **significant slowdown in Kuaishou ads** revenue in 2026E, at +9% yoy/+6% yoy (GSe) for 1Q26/2026E. That said, **Kling AI** has been a bright spot for Kuaishou, with strong grossing momentum YTD with c. **US$500mn ARR** by end-Mar 2026, and we estimate its revenue to reach **US$576mn** in 2026E. **3) Online music** has seen intensified ByteDance competition and AI disruption (i.e. proliferation of AI covers) in the past several months, which pose challenges in TME's subscription growth, with **TME subscription revenue to moderate** to +7% yoy/+3% yoy (GSe) in 1Q26/2026E. Nevertheless, other non-subs online music services still maintain solid momentum with +28% yoy/+20% yoy (GSe) in 1Q26/2026E.

- **eCommerce:** For **BABA**, CMR grew by +8% yoy in 4QFY26 on a like-for-like basis (+1% yoy under new merchant rebate terms), and we expect CMR growth of -2% in

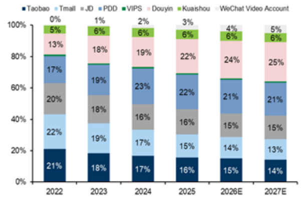
1QFY27E on the back of a higher base from the trade-in program and soft online retail trends in 2Q thus far. For **JD**, 1Q electronics & appliances revenue declined by 8% due to the high base of the trade-in program, where management expects such headwinds (alongside higher ASPs on memory costs) to persist into 2Q26 due to an even tougher base where recent price hikes have suppressed short-term demand. However, the company expects JD Retail growth to accelerate into 2H26 as the electronics & appliance base normalizes, supported by sustained double-digit growth in general merchandise. We forecast JD Retail revenue growth of -8% in 2Q, and 2Q26E JD Retail EBIT of Rmb13bn with JD Retail margin at 4.6% (vs. 4.5% in 2Q25). For **PDD**, PDD online marketing revenue growth further moderated to +2%, which we believe was partly impacted by eCommerce taxes to SME merchants and merchant rebate policies (we estimate Pinduoduo GMV growth of 6% in 1Q26). We estimate domestic GMV growth of 3% yoy for 2Q26E (from 8% yoy), on the back of sector-wide GMV moderation in 2Q, intense competitive landscape and an increase in express ASPs/more compliance in merchant VATs. We estimate online marketing services revenue growth of -3% yoy for 2Q26E (from 7% yoy). **Key stock idea: JD.**

- **Mobility:** For **Full Truck Alliance**, we continue to see Full Truck Alliance as a key shareholder return story in China Internet, with room for multiple repair + profit recovery from 2H26E driven by its industry-leading full truckload (FTL) position with an extensive network scale and expansion into adjacent LTL/intra-city markets, monetization upside from further penetration of transaction service in total fulfilled orders and lifting of take rate. For DiDi, despite near-term weaker group profits, we continue to believe DiDi's strong visibility in domestic profitability improvement (with large room for further GTV margin uplift) and eventual larger international mobility+food delivery footprint will drive room for valuation upside. We also remain confident in DiDi's leading technology stack that could position the company amongst the top tier robotaxi fleet developments (with its new batch deployment of L4 robotaxi in collaboration with GAC Motor to gradually come online, with total fleet size to reach c.1,000 by end-2026).
- **AI models:** For **MiniMax**, we believe MiniMax's M3 model launch on June 1st represents a key juncture in the Chinese AI model competition, with investor focus gravitating towards whether new frontier models can establish pricing premiums in an increasingly two-tiered market (e.g., Qwen3.7 Max/GLM-5.1 at blended US$1.4/0.9 per 1M tokens) vs. the backdrop of wide price cuts seen from other players like DeepSeek/MiMo (at blended US$0.2 per 1M tokens). We note M3 has set new frontiers for coding and agentic task execution vs. global SOTA models, alongside a new architecture framework in optimizing long-context efficiency and native multi-modality that underpins its M3 pricing strategy at 2X (for 1M context) of its predecessor M2.7 model (which was at a blended US$0.22 per 1M tokens). With its larger and frontier M3 model (and we estimate more versions to come), coupled with the upcoming Hailuo 3 launch later this month, we continue to believe MiniMax's unique full-modal capabilities among independent AI players could drive differentiation (and room for further valuation re-rating vs. peers), through its focus on organizational efficiency, computing capacity innovation with higher pricing power as showcased in its above-peer API revenue gross margins.

Exhibit 38: Summary of key competitive landscapes across sub-sectors/verticals

Vertical	ByteDance vs. others	Related companies

eCommerce



GMV growth %	2023	2024	2025	2026E	2027E
Alibaba	1%	6%	3%	2%	2%
JD	5%	8%	9%	3%	5%
Pinduoduo	30%	39%	11%	5%	5%
Douyin	55%	28%	30%	19%	11%
Kuaishou	31%	17%	15%	7%	8%
WeChat Video Account	290%	192%	83%	50%	30%
Vipshop	19%	1%	2%	4%	3%
NBS online goods GMV	**8%**	**6%**	**5%**	**5%**	**4%**
Parcel volume yoy	**19%**	**21%**	**14%**	**5%**	**4%**

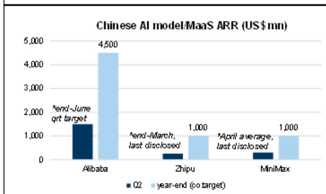
Local service (IHT)

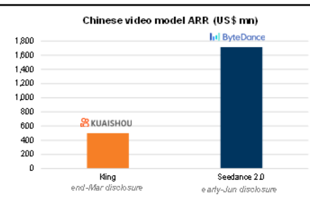
	2023	2024	2025	2026E	2027E
IHT GTV (Rmb bn)					
Meituan	704	939	1,145	1,236	1,339
yoy %	104%	33%	22%	8%	8%
Douyin	302	553	852	1,193	1,491
yoy %	257%	83%	54%	40%	25%
Food delivery avg daily order volume (mn)					
Meituan	53	60	66	70	75
yoy %	22%	13%	11%	6%	6%
Alibaba	30	32	52	68	75
yoy %	13%	5%	66%	30%	10%
IHT market share					
Meituan	70%	62%	55%	49%	45%
Douyin	30%	36%	41%	47%	50%
Food delivery market share					
Meituan	64%	65%	51%	46%	44%
Alibaba	36%	34%	40%	44%	44%

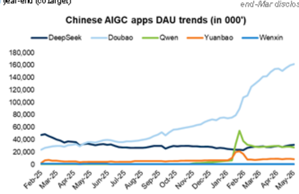
Cloud

Cloud revenue (Rmb bn)	2023	2024	2025	2026E	2027E
Alibaba Cloud (external)	78	84	107	154	217
Tencent Cloud	35	38	41	49	58
Baidu Cloud	19	22	27	42	56
ByteDance Cloud	5	12	25	45	72
Kingsoft Cloud	7	8	10	13	16
YoY (%)					
Alibaba Cloud	1%	8%	29%	41%	37%
Tencent Cloud	6%	7%	8%	20%	18%
Baidu Cloud	6%	18%	22%	56%	32%
ByteDance Cloud	127%	140%	108%	80%	60%
Kingsoft Cloud	-14%	10%	23%	31%	26%

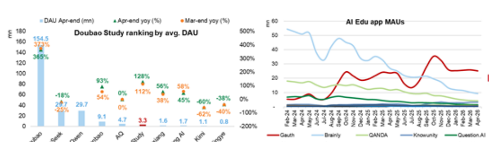
AI

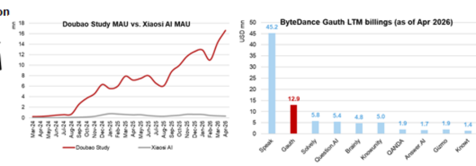






Education





Douyin/Bytedance's (Not Covered) relevant operating metrics (GMV/GTV) are calculated by analyzing the industry and companies that we cover, and then extrapolating them to Douyin/Bytedance.

Source: Company data, 36kr, Data compiled by Goldman Sachs Global Investment Research

A recap of our views on the mega-caps & other key ideas

A recap of our views on the mega-/large-caps (by market cap as of Jun 3rd):

- **Tencent (Buy, US$577bn market cap, review):** Despite Tencent's near-term profit growth pressure from AI investment ramp-up, we note early signs of progress in Tencent's AI strategy, including substantial yoy increase in AI capex (underpinning our lifted FY26-27E capex forecasts of Rmb151bn/165bn capex vs. Rmb100bn/110bn prior), Hy3 preview's leading rankings in third-party API channels (e.g. OpenRouter) by token usage and early agent retention metrics. We believe its valuation multiple re-rating path from here (having de-rated from 18X in the beginning of year to 12X) will hinge on the progression of Tencent's AI narrative (from a late-comer in foundation model, to recent new Hy model launches, capex uplift to lift cloud growth, recent healthy traction of enterprise AI intiatives including Workbuddy and potential launch of Weixin AI agent, GSe in 2H26E), with renewed commitment to Tencent Cloud as China's Top 3 hyperscaler (and how Tencent secures sufficient domestic AI equipment supply over the coming years). Meanwhile, we remain watchful of the evolving landscape vis-a-vis potential OS-level AI agents in the consumer agentic era (and how Weixin could differentiate via the mini-program ecosystem) as key focuses over the next 3-6 months.
- **Alibaba (Buy; US$305bn market cap, review):** We expect Alibaba to deliver a solid EPS recovery of +32%/+54% yoy for FY27E/FY28E, to be driven by continued leadership in its AI + Cloud business in China with further acceleration in cloud growth and a recovery in China eCommerce profits with narrowing quick commerce loss over the next few quarters. We believe current valuations neither fully reflect Alibaba's full-stack AI positioning nor its international cloud potential. We see Alibaba as a key mega-cap capable of increasing investments in AI To-B and To-C initiatives over the next 12-24 months while delivering double-digit group profit growth.
- **PDD (Buy, US$127bn market cap, review):** We view commencement of its first-party brand ("Xin Pin Mu") investment cycle for the next three years (targeting to rebuild Pinduoduo) as a multi-year growth driver for Temu + Pinduoduo, by bringing the company a step closer to its 'COSTCO+Disney' vision laid out at the time of listing in 2018. At US$120bn market cap, implying an 8X 2026E P/E (or 4X ex. cash P/E), we believe risk-reward for the stock is highly favorable vs. our China Internet coverage median at 13X. While its supply chain investments could lead to fluctuation/volatility in quarterly profits, we believe the company's investment plans will further strengthen Temu's supply chains, and the company's overall differentiation/moats should outgrow its peers in the long-term.
- **Xiaomi (Buy, US$94bn market cap, review)**: We now estimate Rmb32.8bn "backbone profit" combined in 2026E (-12% yoy), which is equivalent to 120% of Rmb27.0bn group adj. net profit in 2026E due to Rmb4bn+ loss from smartphones and Rmb1bn+ loss from EV, AI and other new initiatives. Looking ahead, a relatively soft set of 2Q26 results may weigh on the share price in our view (GSe revenue +1% yoy or -9% excluding EV, AI and other new initiatives, adj. net profit -50% yoy/-11%

qoq to Rmb5.4bn, likely the bottom level in 2026E). That said, we see the launch of Xiaomi's EREV SUV models in ~3 months, coupled with a more normalized revenue base for AIoT and a potential AIOS release in 3Q26E, to be one of the most important catalytic events to potentially re-spark ecosystem momentum.

- **Meituan (Buy, US$64bn market cap, review):** We see a clearer visible path to Meituan's food delivery profit recovery (on the back of the 1Q beat with widened UE advantage vs. the #2 player) and lift our long-term food delivery profit to Rmb1.0 per order (from Rmb0.7) in our SOTP valuation. We now estimate a faster-than-expected 2Q profit breakeven and lift our 2027E/2028E profit per order to Rmb0.6/Rmb1.0 from Rmb0.5/Rmb0.5 helped by its high-quality user base and on Alibaba's clear target of achieving profitability in three years' time. Following Meituan's 1Q26 beat, we lifted our 12-m TP to HK$116 (from HK$112) on our higher food delivery valuation, partly offset by our lower in-store, hotel and travel valuation on slower growth/competition. We forecast 2Q core local commerce revenue growth at +5% yoy/absolute CLC EBIT of Rmb3.1bn (vs. prior: +1%/-Rmb1.0bn) and revise our FY26E-FY27E adj. net profit to -Rmb0.1bn/Rmb24bn (from -Rmb6bn/Rmb25bn) as we factor in the latest competitive dynamics of food delivery, competition for the in-store segment and potential step-up in Keeta investments in LatAm from 2027E amid intensified competition.
- **NetEase (Buy, US$76bn market cap, review):** With strong margin up-lift and multiple catalysts ahead, NetEase is one of our key ideas in China internet post-1Q results given undemanding 12X 2026E PE with high teen yoy operating profit growth and steady buyback/dividends payout. We view the record high margins as structural as the company benefits from the continued payment channel shift, a lower iOS/Android channel fee and higher PC contribution. While still in early stages, AI has continued to integrate into NTES's game development workflow and cost benefits have started to kick in. Looking forward, we believe 2H26 will be a catalyst rich period, with new game launches where NTES aims to launch its Sea of Remnants in 3Q26 (ideally ahead of school holidays in July). We estimate a RMB5.8bn+ first 12m grossing for the new title, driving double digit game grossing/revenue growth for 2H.
- **JD (Buy, US$47bn market cap, review):** JD is one of our key ideas in China internet as we see JD as a multiple repair/re-rating story, especially into the second half of 2026 given an accelerating top-line and profit recovery yoy. Despite a well-anticipated slow 2Q on electronics/appliance high bases (results in mid-to-high single digit JD Retail revenue declines for 2QE, but still healthy 2-year CAGR), we believe JD's business set-up/narrative will continue to improve (already a relative outperformer year-to-date within China Internet) over the remainder of 2026, driven by attractive valuations/consistent shareholder return policies, recovery of growth of its unique 1P-driven JD Retail business in China, and new growth drivers from its supply-chain driven food delivery/instant delivery business and an expanding global retailer footprint with Joybuy.

Our views on cloud/data centers/AI models by company:

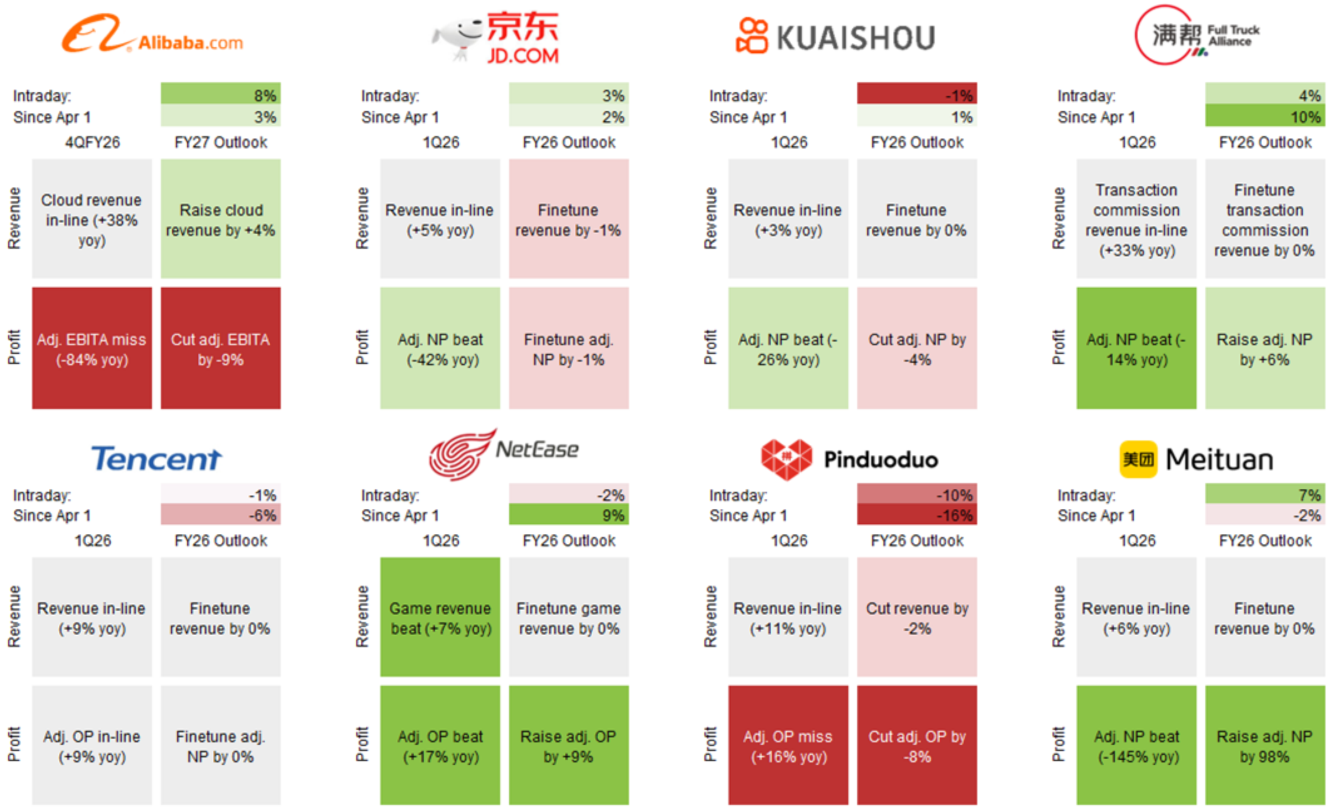
- **GDS (Buy, US$6.8bn market cap, review):** GDS China won 346MW IT power commitments YTD. GDS is targeting 500-800MW of new bookings every year in the next 3 years, which implies Rmb30-50bn of new investment over the next 3 years. The company continued to expand capacity +240MW qoq to 5.7GW, including 1.5GW in service. That said, we foresee slower customer move-in and pricing to drag on near-term revenue/EBITDA. We expect move-in to only accelerate meaningfully in 2H27E, thanks to higher level of new bookings this year. In terms of pricing trend, we model GDS's MSR to decline 4% yoy on average in 2Q26E-4Q27E on a per sqm basis (vs. -4% yoy in 1Q26), which implies -9% decline on average on a per KW basis due to contract renewal despite stable market prices, as well as lower prices in western regions. We model GDS's EBITDA per MW to narrow the gap with VNET and decline to Rmb3.5mn per MW in 2028E (vs. Rmb5.1mn per MW in 2025). We maintain Buy on GDS but lowered our target prices to US$49/HK$47 for ADR/H-share, due to a slower move-in pace and lower MSR for GDS China, despite higher valuation for DayOne in our SOTP valuation (US$16.4/HK$16.0 implied value per GDS ADR/H-share on US$18bn equity value) driven by robust order commitment.

- **VNET (Buy, US$2.8bn market cap, review):** As a fast-growing wholesale IDC operator, we believe VNET is entering a faster revenue/EBITDA growth phase over the next few years from intensifying AI demand, with wholesale IDC revenue/EBITDA growing at 37%-38% CAGRs in 2025-28E. VNET won 519MW of orders YTD all in the Greater Beijing area, which will be delivered in batches within 2-3 years. In terms of move-in pace, VNET showed a faster move-in with 64MW of new adds in capacity utilized to 687MW (+57% yoy) in 1Q26. In terms of pricing, we model wholesale MSR to decline -3% yoy in 1Q26-4Q26E and 2027E on average on a per KW basis. We reiterate Buy on VNET with a 12m target price of US$16 on 1Q26 results beat with strong execution of capacity move-in, and the removal of overhang regarding shareholder changes following the announcement of its new strategic investor CATL.
- **Kingsoft Cloud (Buy, US$3.5bn market cap, review):** We see the company as a key beneficiary of Xiaomi's continued stepped-up AI investments (Rmb60bn over next 3 years) supporting its internal LLM development and application-layer AI for its Human x Car x Home ecosystem. We expect Xiaomi's demand for AI training clusters will further increase following its MiMo-V2.5-Pro series release and permanent price cut. Additionally, we also see robust third-party revenue growth and potentially stronger inference demand from its StarFlow MaaS platform. We believe KC should be better funded for capex vs. 2025, thanks to 1) favorable working capital support as Xiaomi and certain major third-party customers provide prepayments for chip procurement, 2) computing power accessibility via leases.
- **MiniMax (Buy, US$22bn market cap, M3 launch):** We believe M3 strengthens MiniMax's positioning in the Chinese AI model landscape (vs. its previous M2.5/M2.7 offerings), with its next Hailuo 3 video model nother catalyst and driver to ARR ramp up. In the context of recent accelerated model launches from both internet mega-caps and independent players, M3 demonstrates that Chinese AI models are narrowing the gap with global peers through optimized architectures and training efficiencies. We continue to see MiniMax as well positioned amongst Chinese AI model companies to capture the significant global TAM growth potential across text/coding, multi-modal and agentic/co-worker (digital labor) on the back of its

comprehensive multi-modal offerings, strong commercialization capability, AI model per token cost advantages and high organizational efficiency.

1Q results recap; key numbers & outlook by sub-sectors

Exhibit 39: Earnings summary and market reactions
Pricing as of Jun 3rd, 2026



1Q26 earnings result is compared with Visible Alpha Consensus Data, and FY26 outlook is based on changes in GSe; Intraday refers to the trading on the day of earnings release.

Source: Datastream, Visible Alpha Consensus Data, Goldman Sachs Global Investment Research

Exhibit 40: China Internet 1Q26 snapshot: Price action post results, Fundamentals, Valuation, 1Q beat & miss, FY26 GSe revisions

Pricing as of 3 Jun, FY26 revisions based on GSe (time horizon: post 1Q26 earnings vs. pre 1Q26 earnings); Adj. EBIT vary for the below names: BABA (Adj. EBITA), KC (Adj. EBITDA), GDS (Adj. EBITDA), VNET (Adj. EBITDA)

Name	Sub-sector	Valuation	Price performance		Beat/Miss		1Q26				2026			
					1Q26	2026	Revenue		Adj. EBIT		Revenue		Adj. EBIT	
		26-27 avg. P/E	T+1	Post-print	Beat/Miss	Raise/Cut	yoy (PostQ)	Act vs. Est	yoy (PostQ)	Act vs. Est	yoy (PostQ)	Chg	yoy (PostQ)	Chg
ATHM	Advertising	13X	6%	11%	miss	cut	-28%	-19ppt	-99%	-48ppt	-19%	-11ppt	-56%	-38ppt
VNET	Cloud/data center	NM	4%	8%	beat	raise	20%	1ppt	31%	6ppt	17%	1ppt	24%	2ppt
YMM	Local service/mobility	12X	4%	7%	beat	in-line	5%	4ppt	-7%	25ppt	-7%	0ppt	17%	9ppt
NTES	Game	12X	-2%	5%	beat	in-line	6%	5ppt	17%	23ppt	7%	0ppt	17%	9ppt
Kuaishou	eCommerce	10X	-1%	3%	in-line	cut	3%	1ppt	-15%	13ppt	3%	-1ppt	-15%	-3ppt
Meituan	Local service/mobility	18X	9%	3%	in-line	in-line	5%	-1ppt	-137%	25ppt	8%	0ppt	112%	30ppt
Tencent	Game	13X	-1%	1%	in-line	in-line	9%	-2ppt	9%	-1ppt	10%	0ppt	8%	0ppt
DIDI	Local service/mobility	13X	6%	1%	in-line	cut	10%	0ppt	-93%	7ppt	11%	1ppt	-111%	-4ppt
VIPS	eCommerce	5X	2%	0%	in-line	cut	1%	0ppt	3%	0ppt	0%	-1ppt	2%	-3ppt
BZ	Vertical	10X	0%	0%	in-line	in-line	8%	-1ppt	18%	3ppt	12%	0ppt	16%	1ppt
TME	Vertical	9X	-1%	-1%	in-line	cut	7%	0ppt	15%	4ppt	7%	-2ppt	9%	-1ppt
BIDU	Advertising	16X	2%	-2%	beat	in-line	-1%	2ppt	-29%	14ppt	2%	1ppt	1%	2ppt
WB	Advertising	5X	-3%	-2%	mixed	cut	6%	1ppt	-7%	16ppt	4%	-3ppt	-7%	0ppt
KC	Cloud/data center	NM	1%	-2%	beat	raise	37%	6ppt	135%	3ppt	31%	1ppt	75%	0ppt
JD	eCommerce	9X	3%	-4%	beat	in-line	5%	2ppt	-52%	29ppt	5%	-1ppt	106%	11ppt
ZTO	Logistics	11X	0%	-4%	in-line	raise	22%	6ppt	6%	-6ppt	19%	4ppt	18%	4ppt
Xiaomi	Vertical	21X	-5%	-4%	beat	cut	-11%	1ppt	-48%	7ppt	5%	-1ppt	-30%	-8ppt
BEKE	Vertical	16X	5%	-5%	beat	raise	-19%	-1ppt	45%	48ppt	-5%	-1ppt	93%	13ppt
BABA	eCommerce	22X	8%	-6%	in-line	cut	3%	-1ppt	-84%	0ppt	10%	0ppt	21%	-11ppt
IQ	Entertainment	9X	-3%	-7%	miss	in-line	-13%	-1ppt	-132%	-22ppt	2%	0ppt	56%	0ppt
BILI	Game	16X	2%	-9%	in-line	cut	7%	0ppt	53%	1ppt	8%	-2ppt	25%	-5ppt
Tongcheng E-long	Vertical	7X	-5%	-10%	in-line	cut	14%	2ppt	21%	-1ppt	9%	-5ppt	17%	-3ppt
GDS	Cloud/data center	NM	-13%	-11%	miss	cut	8%	-1ppt	8%	0ppt	8%	-2ppt	1%	-8ppt
PDD	eCommerce	8X	-10%	-12%	miss	cut	11%	-2ppt	16%	-21ppt	11%	-3ppt	3%	-9ppt
JD Logistics	Logistics	7X	7%	-12%	beat	raise	29%	5ppt	317%	267ppt	23%	3ppt	48%	25ppt

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 41: Sub-sector (game) snap-shot: Price action post results, Fundamentals, Valuation, 1Q beat & miss vs GSe, 2026 GSe revisions

Price as of 4 Jun, 2026 revisions based on GSe

Name	Sub-sector	Valuation	Price performance		Beat/Miss		1Q26				2026			
					1Q26	2026	Revenue		Adj. EBIT		Revenue		Adj. EBIT	
		26-27 avg. P/E	T+1	Post-print	Beat/Miss	Raise/Cut	yoy	Act vs. Est	yoy	Act vs. Est	yoy (PostQ)	Chg	yoy (PostQ)	Chg
NTES	Game	12X	-2%	5%	beat	in-line	6%	5ppt	17%	23ppt	7%	0ppt	17%	9ppt
BILI	Game	16X	2%	-9%	in-line	cut	7%	0ppt	53%	1ppt	8%	-2ppt	25%	-5ppt
Tencent	Game	13X	-1%	1%	in-line	in-line	9%	-2ppt	9%	-1ppt	10%	0ppt	8%	0ppt

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

Exhibit 42: Sub-sector (eCommerce) snap-shot: Price action post results, Fundamental, Valuation, 1Q beat & miss vs GSe, 2026 GSe revision

Price as of 4 Jun, 2026 revision based on GSe

Name	Sub-sector	Valuation	Price performance		Beat/Miss		1Q26				2026			
					1Q26	2026	Revenue		Adj. EBIT		Revenue		Adj. EBIT	
		26-27 avg. P/E	T+1	Post-print	Beat/Miss	Raise/Cut	yoy	Act vs. Est	yoy	Act vs. Est	yoy (PostQ)	Chg	yoy (PostQ)	Chg
Kuaishou	eCommerce	10X	-1%	3%	in-line	cut	3%	1ppt	-15%	13ppt	3%	-1ppt	-15%	-3ppt
VIPS	eCommerce	5X	2%	0%	in-line	cut	1%	0ppt	3%	0ppt	0%	-1ppt	2%	-3ppt
BABA	eCommerce	22X	8%	-6%	in-line	cut	3%	-1ppt	-84%	0ppt	10%	0ppt	21%	-11ppt
JD	eCommerce	9X	3%	-4%	beat	in-line	5%	2ppt	-52%	29ppt	5%	-1ppt	106%	11ppt
PDD	eCommerce	8X	-10%	-12%	miss	cut	11%	-2ppt	16%	-21ppt	11%	-3ppt	3%	-9ppt

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

Exhibit 43: Sub-sector (mobility, logistics) snap-shot: Price action post results, Fundamental, Valuation, 1Q beat & miss vs GSe, 2026 GSe revision

Price as of 4 Jun, 2026 revision based on GSe

Name	Sub-sector	Valuation	Price performance		Beat/Miss		1Q26				2026			
					1Q26	2026	Revenue		Adj. EBIT		Revenue		Adj. EBIT	
		26-27 avg. P/E	T+1	Post-print	Beat/Miss	Raise/Cut	yoy	Act vs. Est	yoy	Act vs. Est	yoy (PostQ)	Chg	yoy (PostQ)	Chg
ZTO	Logistics	11X	0%	-4%	in-line	raise	22%	6ppt	6%	-6ppt	19%	4ppt	18%	4ppt
DIDI	Mobility	13X	6%	1%	in-line	cut	10%	0ppt	-93%	7ppt	11%	1ppt	-111%	-4ppt
JD Logistics	Logistics	7X	7%	12%	beat	raise	29%	5ppt	317%	267ppt	23%	3ppt	48%	25ppt
YMM	Mobility	12X	4%	7%	beat	in-line	5%	4ppt	-7%	25ppt	-7%	0ppt	17%	9ppt

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 44: Sub-sector (advertising) snap-shot: Price action post results, Fundamental, Valuation, 1Q beat & miss vs GSe, 2026 GSe revision

Price as of 4 Jun, 2026 revision based on GSe

Name	Sub-sector	Valuation	Price performance		Beat/Miss		1Q26				2026			
					1Q26	2026	Revenue		Adj. EBIT		Revenue		Adj. EBIT	
		26-27 avg. P/E	T+1	Post-print	Beat/Miss	Raise/Cut	yoy	Act vs. Est	yoy	Act vs. Est	yoy (PostQ)	Chg	yoy (PostQ)	Chg
Kuaishou	eCommerce	10X	-1%	3%	in-line	cut	3%	1ppt	-15%	13ppt	3%	-1ppt	-15%	-3ppt
WB	Advertising	5X	-3%	-2%	mixed	cut	6%	1ppt	-7%	16ppt	4%	-3ppt	-7%	0ppt
BIDU	Advertising	16X	2%	-2%	beat	in-line	-1%	2ppt	-29%	14ppt	2%	1ppt	1%	2ppt
JD	eCommerce	9X	3%	-4%	beat	in-line	5%	2ppt	-52%	29ppt	5%	-1ppt	106%	11ppt
BILI	Game	16X	2%	-9%	in-line	cut	7%	0ppt	53%	1ppt	8%	-2ppt	25%	-5ppt
ATHM	Advertising	13X	6%	11%	miss	cut	-28%	-19ppt	-99%	-43ppt	-19%	-11ppt	-56%	-38ppt
Meituan	Local service	18X	9%	3%	in-line	in-line	5%	-1ppt	-137%	25ppt	8%	0ppt	112%	30ppt
Tencent	Game	13X	-1%	1%	in-line	in-line	9%	-2ppt	9%	-1ppt	10%	0ppt	8%	0ppt
PDD	eCommerce	8X	-10%	-12%	miss	cut	11%	-2ppt	16%	-21ppt	11%	-3ppt	3%	-9ppt

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

Exhibit 45: China online advertising industry overview

Rmb mn		2022	2023	2024	2025	2026E	2027E	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
CHINA ONLINE ADVERTISING REVENUE															
SOCIAL/ MEDIA	Tencent	82,729	101,482	121,374	144,973	170,409	190,354	31,853	35,762	36,242	41,116	38,171	42,042	42,424	47,771
	Xiaomi China	11,670	12,055	13,785	15,812	17,328	18,368	3,904	3,815	3,912	4,182	4,176	4,177	4,348	4,627
	Weibo	10,732	10,896	10,738	10,763	10,805	10,958	2,469	2,773	2,687	2,835	2,551	2,622	2,668	2,963
	iQIYI	5,332	6,224	5,714	5,193	5,059	5,223	1,328	1,272	1,241	1,353	1,241	1,254	1,231	1,334
	Bilibili	5,066	6,412	8,189	10,058	12,580	14,795	1,998	2,449	2,570	3,042	2,589	3,127	3,151	3,713
	Bytedance	177,546	206,202	241,429	271,305	305,026	330,053	68,388	65,341	64,541	73,037	77,778	72,985	72,092	82,171
	Kuaishou	28,031	29,574	36,915	41,816	44,527	46,724	9,071	10,229	10,707	11,809	10,035	10,808	11,463	12,221
	Total	**333,055**	**384,310**	**449,065**	**510,419**	**576,337**	**627,623**	**121,302**	**124,237**	**124,300**	**140,579**	**138,768**	**139,865**	**139,925**	**157,779**
% yoy		*-2%*	*15%*	*17%*	*14%*	*13%*	*9%*	*13%*	*12%*	*13%*	*16%*	*14%*	*13%*	*13%*	*12%*
E-commerce and O2O	Alibaba (CMR: ads)	218,383	227,211	240,422	256,150	263,387	267,138	50,584	69,667	58,899	79,366	52,206	67,685	59,466	82,185
	JD (JD Mall ads)	50,118	50,132	54,227	72,534	86,183	96,690	15,669	18,011	17,522	21,333	18,521	22,063	20,495	25,103
	PDD	102,722	153,540	197,934	217,783	219,792	226,459	48,722	55,703	53,348	60,010	49,936	54,182	54,312	61,362
	Meituan	31,098	39,319	50,912	59,816	63,509	71,601	12,945	14,820	15,562	16,488	14,782	16,350	17,111	15,265
	VIPS	1,662	1,971	2,187	2,249	2,317	2,317	516	614	462	657	471	645	494	707
	Short Form Video (e-com ads)	117,011	141,720	162,069	182,005	194,701	207,000	44,790	43,821	43,261	50,133	48,615	46,732	45,830	53,524
	Bytedance	96,000	110,989	126,565	142,359	152,975	162,713	35,884	34,285	33,866	38,324	39,007	36,603	36,155	41,210
	Kuaishou	21,011	30,730	35,504	39,646	41,726	44,287	8,906	9,536	9,395	11,809	9,608	10,129	9,675	12,314
	Total	**520,993**	**613,894**	**707,752**	**790,537**	**829,889**	**871,205**	**173,226**	**202,637**	**189,052**	**227,987**	**184,531**	**207,658**	**197,707**	**238,146**
% yoy		*16%*	*18%*	*15%*	*12%*	*5%*	*5%*	*14%*	*14%*	*13%*	*8%*	*7%*	*2%*	*5%*	*4%*
SEARCH	Baidu core (excl. iQIYI)	69,379	74,979	72,849	62,546	50,725	44,843	15,978	16,213	15,325	15,030	12,500	12,845	12,671	12,709
	Total	**71,882**	**82,486**	**81,107**	**71,630**	**60,718**	**55,835**	**18,249**	**18,484**	**17,596**	**17,301**	**14,998**	**15,343**	**15,169**	**15,207**
% yoy		*-7%*	*15%*	*-2%*	*-12%*	*-15%*	*-8%*	*-4%*	*-13%*	*-16%*	*-13%*	*-18%*	*-17%*	*-14%*	*-12%*
TOTAL		**935,354**	**1,092,594**	**1,250,186**	**1,385,458**	**1,480,684**	**1,554,662**	**315,635**	**348,642**	**334,455**	**389,092**	**338,297**	**362,866**	**352,802**	**411,132**
% yoy		*6%*	*17%*	*14%*	*11%*	*7%*	*5%*	*13%*	*11%*	*11%*	*10%*	*7%*	*4%*	*5%*	*6%*
Rev yoy %		2022	2023	2024	2025	2026E	2027E	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
SOCIAL/ MEDIA	*Tencent*	*-7%*	*23%*	*20%*	*19%*	*18%*	*12%*	*20%*	*20%*	*21%*	*17%*	*20%*	*18%*	*17%*	*16%*
	Xiaomi	*-11%*	*3%*	*14%*	*15%*	*10%*	*6%*	*31%*	*15%*	*16%*	*4%*	*7%*	*9%*	*11%*	*11%*
	Weibo	*-16%*	*2%*	*-1%*	*0%*	*0%*	*1%*	*1%*	*3%*	*-5%*	*2%*	*3%*	*-5%*	*-1%*	*5%*
	iQIYI	*-25%*	*17%*	*-8%*	*-9%*	*-3%*	*3%*	*-10%*	*-13%*	*-7%*	*-6%*	*-7%*	*-1%*	*-1%*	*-1%*
	Bilibili	*12%*	*27%*	*28%*	*23%*	*25%*	*18%*	*20%*	*20%*	*23%*	*27%*	*30%*	*28%*	*23%*	*22%*
	Bytedance	***3%***	***16%***	***17%***	***12%***	***12%***	***8%***	***12%***	***10%***	***10%***	***17%***	***14%***	***12%***	***12%***	***13%***
	Kuaishou	*-3%*	*6%*	*25%*	*13%*	*6%*	*5%*	*9%*	*13%*	*13%*	*17%*	*11%*	*6%*	*7%*	*3%*
	Total	***-2%***	***15%***	***17%***	***14%***	***13%***	***9%***	***13%***	***12%***	***13%***	***16%***	***14%***	***13%***	***13%***	***12%***
ECOMM. /O2O	*Alibaba (CMR: ads)*	*-6%*	*4%*	*6%*	*7%*	*3%*	*1%*	*10%*	*12%*	*12%*	*1%*	*3%*	*-3%*	*1%*	*4%*
	PDD	*42%*	*49%*	*29%*	*10%*	*1%*	*3%*	*15%*	*13%*	*8%*	*5%*	*2%*	*-3%*	*2%*	*2%*
	Meituan	*7%*	*26%*	*29%*	*17%*	*6%*	*13%*	*25%*	*21%*	*12%*	*15%*	*14%*	*10%*	*10%*	*-7%*
	Bytedance	*55%*	*16%*	*14%*	*12%*	*7%*	*6%*	*12%*	*10%*	*10%*	*17%*	*9%*	*7%*	*7%*	*8%*
	Kuaishou	*52%*	*46%*	*16%*	*12%*	*5%*	*6%*	*7%*	*13%*	*15%*	*12%*	*8%*	*6%*	*3%*	*4%*
	Total	***16%***	***18%***	***15%***	***12%***	***5%***	***5%***	***14%***	***14%***	***13%***	***8%***	***7%***	***2%***	***5%***	***4%***
SEARCH	*Baidu core (excl. iQIYI)*	*-6%*	*8%*	*-3%*	*-14%*	*-19%*	*-12%*	*-6%*	*-15%*	*-18%*	*-16%*	*-22%*	*-21%*	*-17%*	*-15%*
	Total	***-7%***	***15%***	***-2%***	***-12%***	***-15%***	***-8%***	***-4%***	***-13%***	***-16%***	***-13%***	***-18%***	***-17%***	***-14%***	***-12%***
TOTAL		***6%***	***17%***	***14%***	***11%***	***7%***	***5%***	***13%***	***11%***	***11%***	***10%***	***7%***	***4%***	***5%***	***6%***

We calculate Bytedance's (Not Covered) relevant operating metrics by analyzing the industry and companies that we cover, and then extrapolating them to Bytedance.

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 46: Sub-sector (vertical) snap-shot: Price action post results, Fundamentals, Valuation, 1Q beat & miss vs GSe, 2026 GSe revisions

Price as of 4 Jun, 2026 revisions based on GSe

Name	Sub-sector	Valuation	Price performance		Beat/Miss		1Q26				2026			
					1Q26	2026	Revenue		Adj. EBIT		Revenue		Adj. EBIT	
		26-27 avg. P/E	T+1	Post-print	Beat/Miss	Raise/Cut	yoy	Act vs. Est	yoy	Act vs. Est	yoy (PostQ)	Chg	yoy (PostQ)	Chg
BZ	Vertical	10X	0%	0%	in-line	in-line	8%	-1ppt	18%	3ppt	12%	0ppt	16%	1ppt
BEKE	Vertical	16X	5%	-5%	beat	raise	-19%	-1ppt	45%	48ppt	-5%	-1ppt	93%	13ppt
DIDI	Mobility	13X	6%	1%	in-line	cut	10%	0ppt	-93%	7ppt	11%	1ppt	-111%	-4ppt
Tongcheng E-long	Vertical	7X	-5%	-10%	in-line	cut	14%	2ppt	21%	-1ppt	9%	-5ppt	17%	-3ppt
Xiaomi	Vertical	21X	-5%	-4%	beat	cut	-11%	1ppt	-48%	7ppt	5%	-1ppt	-30%	-8ppt
YMM	Mobility	12X	4%	7%	beat	in-line	5%	4ppt	-7%	25ppt	-7%	0ppt	17%	9ppt
TME	Vertical	9X	-1%	-1%	in-line	cut	7%	0ppt	15%	4ppt	7%	-2ppt	9%	-1ppt

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

Our latest forecasts on eCommerce & quick commerce competitive landscape

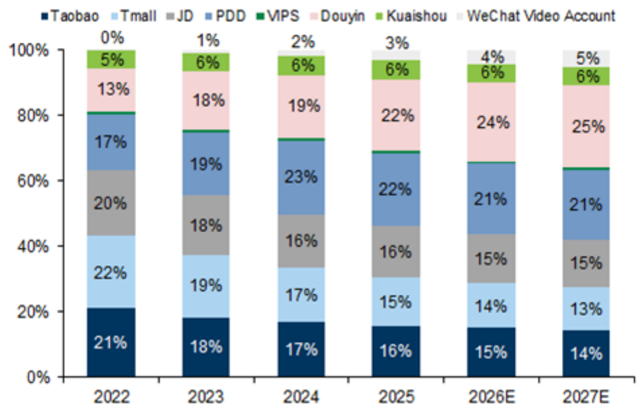
Exhibit 47: GMV growth comparison across players

GMV growth %	2021	2022	2023	2024	2025	2026E	2027E	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E
Alibaba	8%	-4%	1%	6%	3%	2%	2%	5%	5%	6%	-2%	5%	1%	0%	0%
Gap vs. industry (ppts)	-4%	-11%	-8%	-1%	-2%	-3%	-2%	-1%	-1%	-2%	-4%	-3%	0%	-5%	-5%
JD	26%	6%	5%	8%	9%	3%	5%	13%	20%	10%	-2%	2%	-3%	1%	12%
Gap vs. industry (ppts)	14%	-1%	-4%	1%	4%	-2%	1%	8%	13%	2%	-5%	-6%	-4%	-5%	7%
-Amongst which JD direct sales (1P)	25%	6%	1%	7%	10%	1%	5%	16%	21%	10%	-3%	1%	-10%	6%	10%
Gap vs. industry (ppts)	13%	0%	-8%	0%	5%	-3%	1%	11%	14%	3%	-5%	-6%	-12%	1%	5%
Pinduoduo	46%	22%	30%	20%	11%	5%	5%	13%	15%	11%	7%	6%	3%	5%	5%
Gap vs. industry (ppts)	34%	16%	21%	33%	6%	0%	1%	7%	9%	3%	5%	-1%	2%	0%	0%
Douyin	73%	92%	55%	28%	30%	19%	11%	28%	38%	30%	26%	21%	19%	19%	18%
Gap vs. industry (ppts)	61%	85%	47%	21%	25%	14%	7%	22%	32%	22%	23%	14%	18%	13%	13%
Kuaishou	78%	33%	31%	17%	15%	7%	8%	15%	18%	15%	13%	9%	6%	5%	7%
Gap vs. industry (ppts)	66%	26%	23%	11%	10%	2%	4%	10%	11%	8%	11%	2%	5%	-1%	2%
WeChat Video Account			290%	192%	83%	50%	30%	88%	70%	75%	96%	47%	41%	52%	56%
Gap vs. industry (ppts)				186%	77%	45%	26%	82%	64%	67%	93%	39%	40%	47%	51%
Vipshop	16%	-8%	19%	1%	2%	4%	3%	0%	2%	7%	1%	9%	1%	3%	4%
Gap vs. industry (ppts)	4%	-15%	10%	-6%	-3%	-1%	-1%	-6%	-5%	0%	-2%	1%	0%	-3%	-1%
NBS Industry online goods GMV	12%	6%	8%	6%	5%	5%	4%	6%	6%	8%	2%	8%	1%	5%	5%
Parcel volume yoy	30%	2%	19%	21%	14%	5%	4%	22%	17%	13%	5%	6%	3%	5%	5%

Note: We calculate Douyin's (Private) relevant operating metrics by analyzing the industry and companies that we cover, and then extrapolating them to Douyin.

Source: Company data, Goldman Sachs Global Investment Research

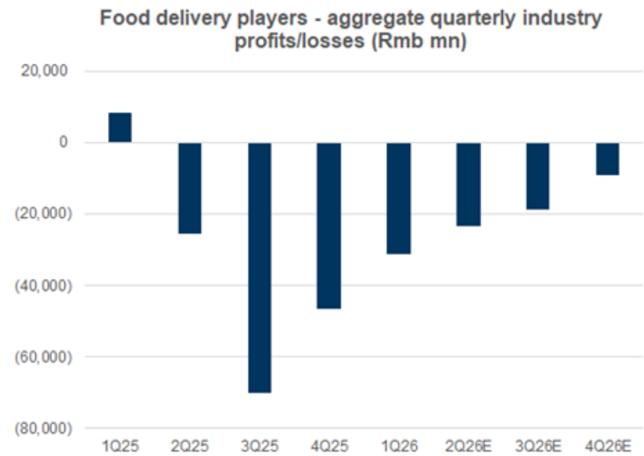
Exhibit 48: Annual market share by player



Note: We calculate Douyin's (Private) relevant metrics by analyzing the industry and companies that we cover, and then extrapolating them to Douyin.

Source: Company data, Goldman Sachs Global Investment Research

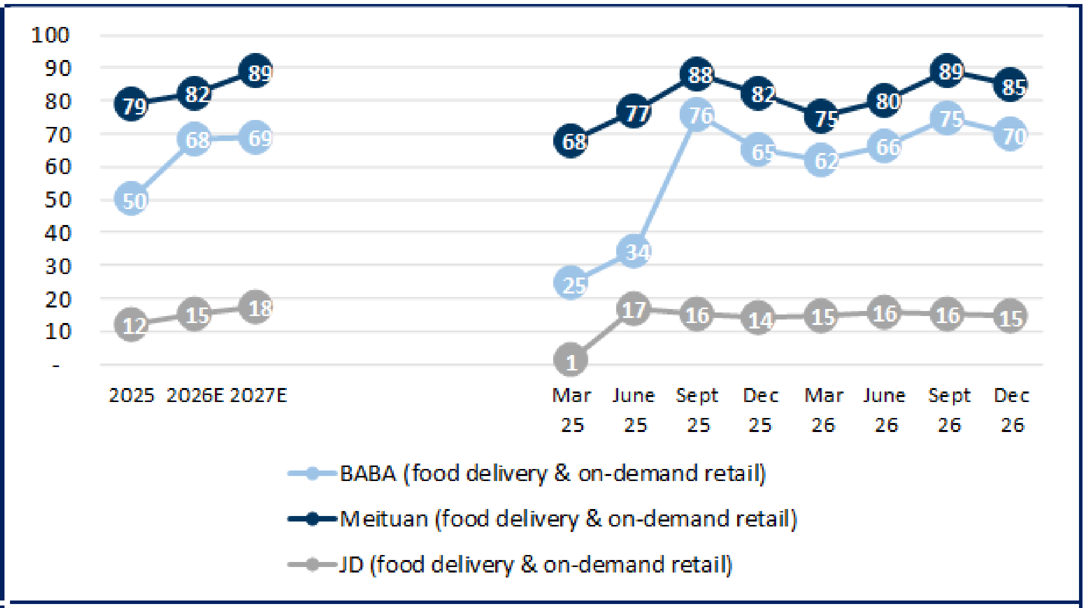
Exhibit 49: We expect food delivery subsidy level to normalize given the irrational level of losses (-Rmb70bn/-Rmb46bn industry losses for 3Q25/4Q25), vs. industry annual profit pool of Rmb30bn a year before pricing competition began



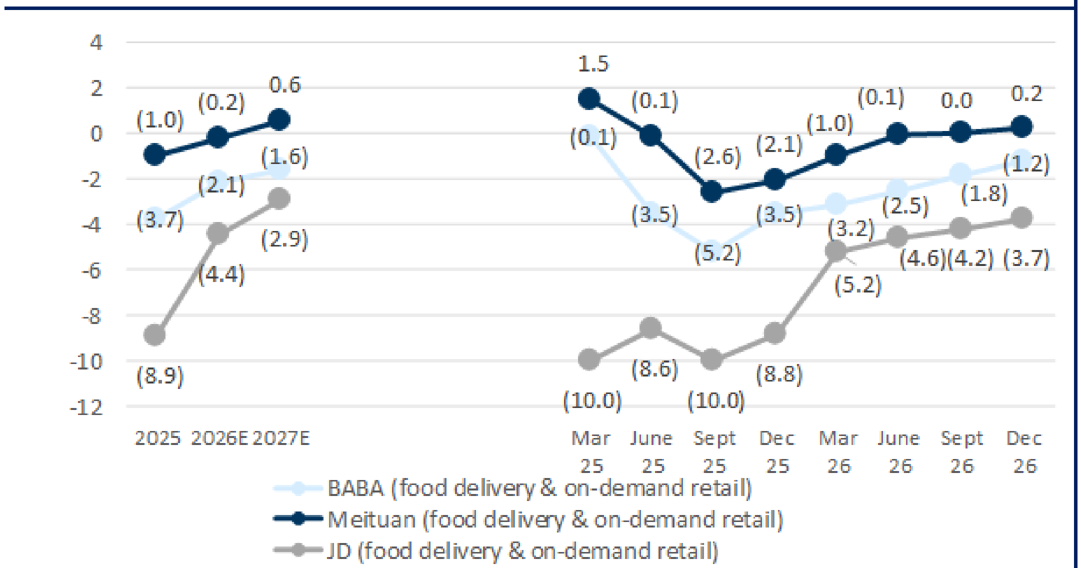
Source: Company data, Goldman Sachs Global Investment Research

Exhibit 50: Food delivery + instant shopping comparisons between Meituan, Alibaba and JD (GS estimates)

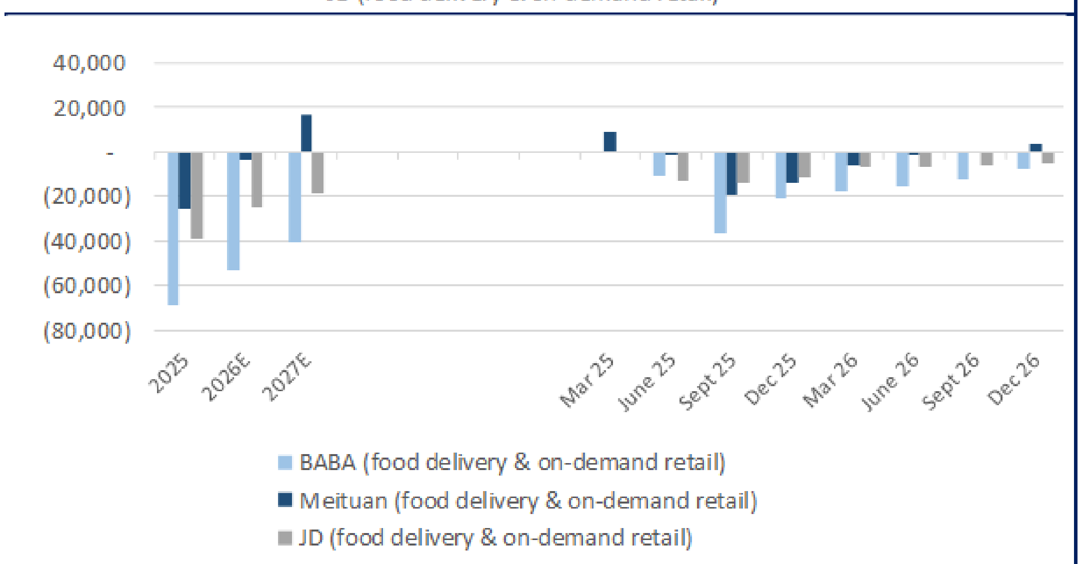
Average daily order volume by platform (on-demand retail + food delivery, mn)



UE by platform (on-demand retail + food delivery, Rmb)



Adj. operating profit/loss of on-demand retail + food delivery by platform (Rmb mn)



Source: Goldman Sachs Global Investment Research

Top apps tracker: Latest time-spent trends at a glance

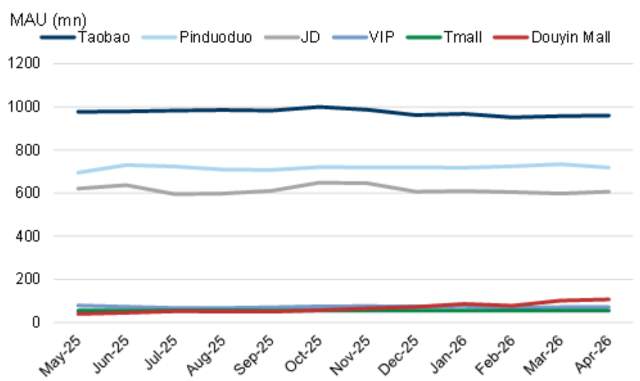
China online transaction platforms and entertainment

Exhibit 51: China Internet: time-spent share % of top apps by vertical (E-commerce, local service, social and video)

E-commerce	Timespent % yoy	2025-04	2025-05	2025-06	2025-07	2025-08	2025-09	2025-10	2025-11	2025-12	2026-01	2026-02	2026-03	2026-04	Apr vs. Mar-%yoy chg
Taobao	淘宝	-16%	-5%	3%	11%	17%	14%	11%	12%	9%	22%	-3%	8%	11%	3%
Pinduoduo	拼多多	11%	8%	9%	5%	2%	4%	6%	6%	5%	20%	2%	11%	13%	2%
JD	京东	56%	87%	63%	76%	61%	46%	38%	39%	38%	36%	33%	27%	8%	-19%
VIP	唯品会	0%	0%	2%	0%	1%	2%	-2%	-3%	-13%	5%	5%	-10%	-12%	-2%
Tmall	天猫	15%	10%	7%	14%	9%	2%	-3%	-7%	-6%	0%	-24%	-21%	-21%	0%
Douyin Mall	抖音商城	N.M.	2800%	846%	401%	256%	190%	156%	149%	147%	180%	99%	121%	122%	1%
Local Service	**Timespent % yoy**	**2025-04**	**2025-05**	**2025-06**	**2025-07**	**2025-08**	**2025-09**	**2025-10**	**2025-11**	**2025-12**	**2026-01**	**2026-02**	**2026-03**	**2026-04**	**Apr vs. Mar-%yoy chg**
Amap	高德地图	25%	32%	26%	31%	32%	27%	32%	30%	19%	-4%	30%	9%	4%	-5%
Meituan	美团	13%	16%	15%	21%	10%	7%	9%	7%	-1%	2%	-4%	-4%	-3%	1%
DiDi Chuxing	滴滴出行	31%	44%	36%	35%	36%	29%	42%	41%	39%	29%	36%	30%	29%	0%
Dianping	大众点评	17%	22%	14%	17%	19%	9%	11%	8%	5%	-4%	14%	-8%	-1%	7%
Social	**Timespent % yoy**	**2025-04**	**2025-05**	**2025-06**	**2025-07**	**2025-08**	**2025-09**	**2025-10**	**2025-11**	**2025-12**	**2026-01**	**2026-02**	**2026-03**	**2026-04**	**Apr vs. Mar-%yoy chg**
WeChat	微信	6%	6%	7%	6%	5%	4%	4%	4%	5%	7%	0%	4%	2%	-1%
Xiaohongshu	小红书	43%	44%	35%	32%	24%	19%	18%	17%	16%	10%	9%	4%	0%	-3%
Weibo	微博	-5%	-3%	-6%	-3%	-7%	3%	0%	4%	5%	-1%	5%	12%	0%	-12%
Video	**Timespent % yoy**	**2025-04**	**2025-05**	**2025-06**	**2025-07**	**2025-08**	**2025-09**	**2025-10**	**2025-11**	**2025-12**	**2026-01**	**2026-02**	**2026-03**	**2026-04**	**Apr vs. Mar-%yoy chg**
Douyin	抖音	23%	23%	22%	19%	19%	24%	21%	19%	19%	21%	19%	24%	25%	1%
Kuaishou	快手	-2%	-1%	-1%	-4%	-6%	-7%	-7%	-8%	-7%	-7%	-11%	-11%	-12%	-1%
Kuaishou Expres	快手极速版	4%	2%	-1%	-7%	-10%	-7%	-7%	-8%	-7%	-11%	-14%	-10%	-8%	2%
Douyin Lite	抖音极速版	19%	19%	22%	22%	21%	23%	25%	28%	36%	42%	32%	37%	36%	-1%
iQIYI	爱奇艺	-18%	-20%	-8%	-6%	-15%	-18%	-15%	7%	-15%	-10%	-27%	-3%	-12%	-9%
Bilibili	哔哩哔哩	4%	5%	6%	4%	5%	11%	12%	11%	10%	8%	15%	11%	10%	-1%

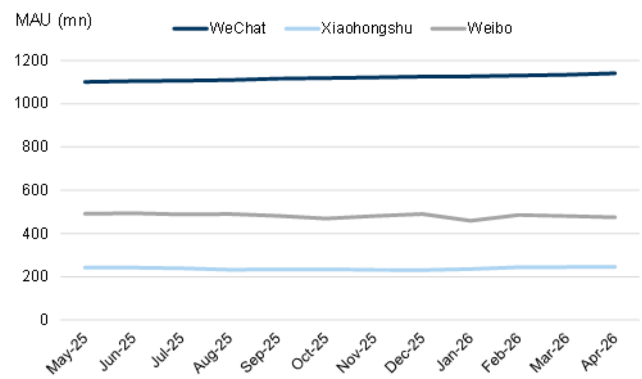
Source: QuestMobile

Exhibit 52: China e-commerce: major app MAU trend (mn)



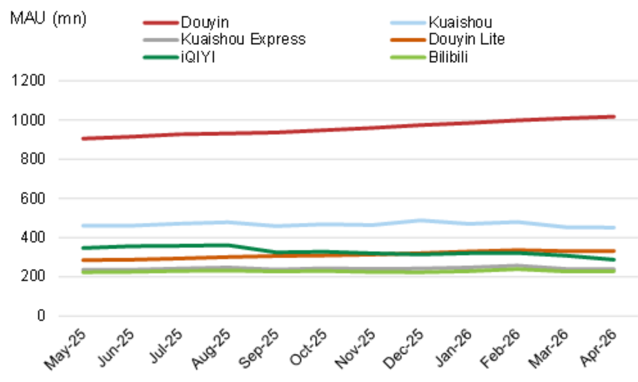
Source: QuestMobile

Exhibit 53: China online social: major app MAU trend (mn)



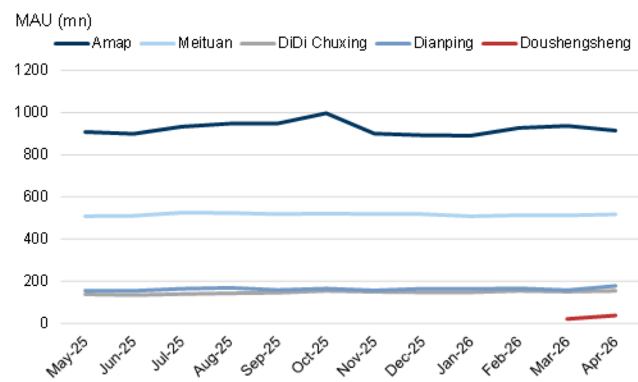
Source: QuestMobile

Exhibit 54: China online video: major app MAU trend (mn), where Douyin + Douyin Lite sustain strong growth momentum



Source: QuestMobile

Exhibit 55: China online local services: major app MAU trend (mn) with Doushengsheng entering in March



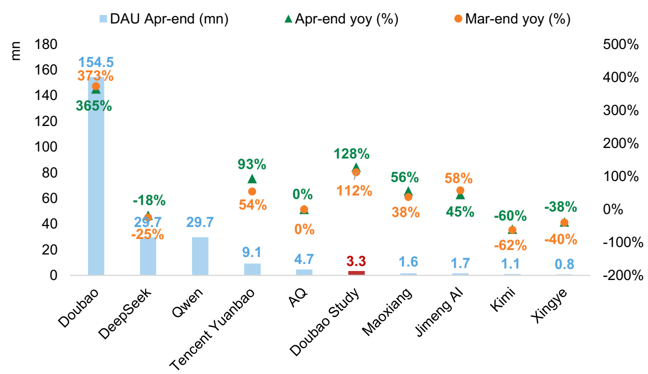
Source: QuestMobile

Other internet verticals: education, recruitment, real estate, auto

Education

Exhibit 56: Doubao Study DAU growth accelerated to +128% yoy as of Apr-end and sustained the position of the 6th largest AI native app in China in terms of DAUs

DAUs of major AI apps as of Apr-end

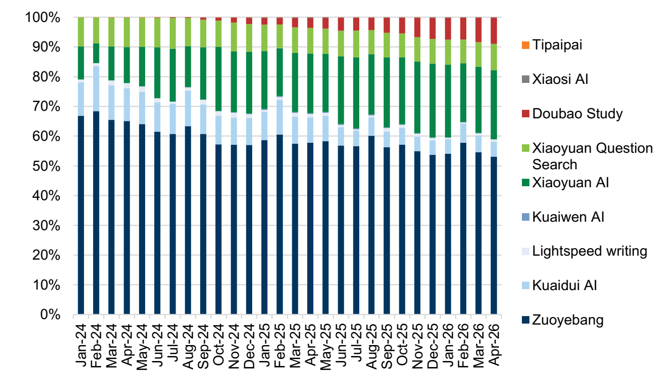


Qwen: 64x/75x for Mar-end/Apr-end yoy growth

Source: Questmobile, Data compiled by Goldman Sachs Global Investment Research

Exhibit 57: Doubao Study continued to expand time spent market share among major K-12 learning tool/study companion apps in Apr

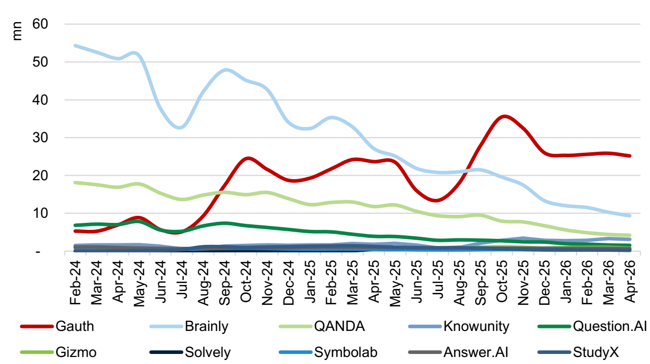
Time spent share among major K-12 learning tool/study companion apps



Source: Questmobile, Data compiled by Goldman Sachs Global Investment Research

Exhibit 58: Gauth has outperformed global AI-native education peers in terms of MAUs

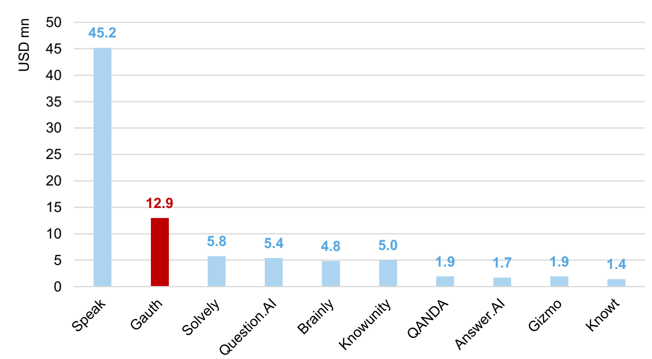
MAUs by AI education apps (mn)



Source: Sensor Tower, Data compiled by Goldman Sachs Global Investment Research

Exhibit 59: Gauth achieved US$1.0mn billings with +35% yoy growth in Apr (vs. +21% yoy in Mar), bringing LTM billings to US$12.9mn

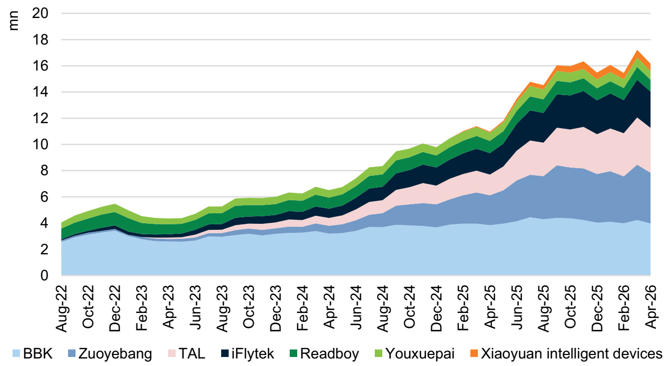
LTM billings by app (US$ mn)



Source: Sensor Tower, Data compiled by Goldman Sachs Global Investment Research

Exhibit 60: Active users of TAL and Zuoyebang learning tablets grew +117% yoy/+70% yoy in Apr (vs. +116% yoy/+78% yoy in Mar)

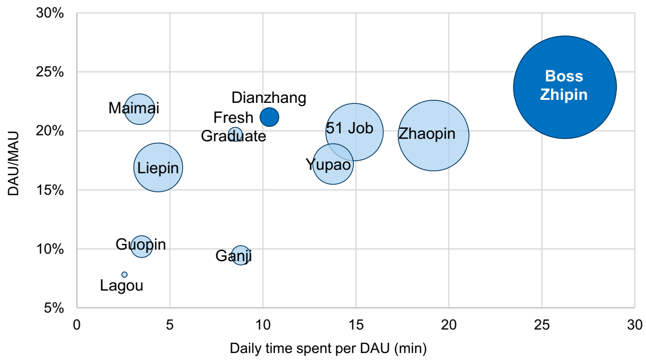
MAUs of smart education device apps (mn)



Source: Questmobile, Data compiled by Goldman Sachs Global Investment Research

Online recruitment

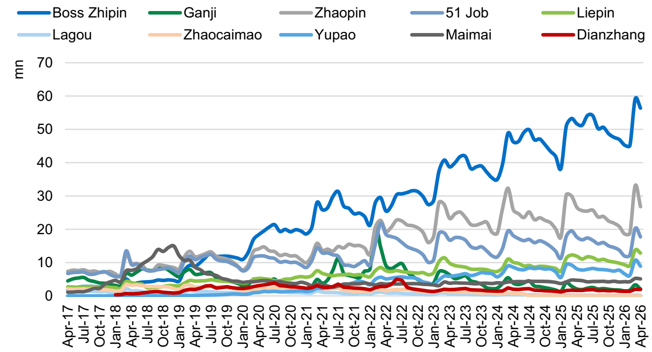
Exhibit 61: As the largest online recruitment platform in China, Boss Zhipin continues to lead the industry in user engagement, including DAU/MAU and time spent per DAU (Apr 2026)



Source: QuestMobile, Data compiled by Goldman Sachs Global Investment Research

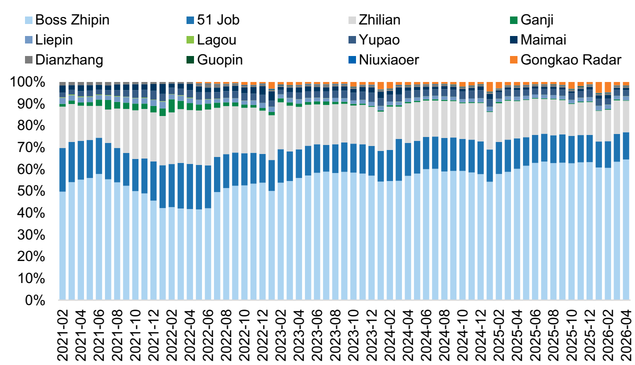
Exhibit 62: Boss Zhipin remains one of the largest online recruitment platforms in China by MAU, registering c.56.4mn MAUs with +9% yoy growth in Apr (vs. +11% yoy in Mar)

MAUs of major recruitment platforms (mn)



Source: QuestMobile, Data compiled by Goldman Sachs Global Investment Research

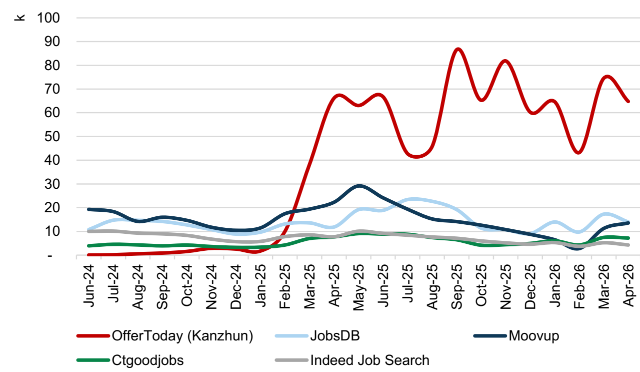
Exhibit 63: ...and claimed 65% time spent share amongst major recruitment platforms in China for Apr



Source: QuestMobile, Data compiled by Goldman Sachs Global Investment Research

Exhibit 64: OfferToday, as the HK platform of Boss Zhipin, significantly outperformed its peers in HK for app downloads (4.6x vs. No.2 player JobsDB in Apr)

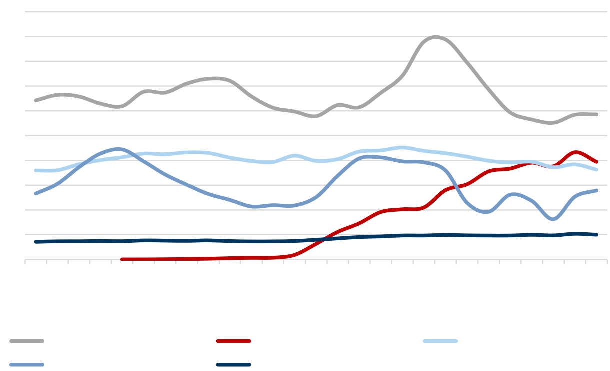
App downloads of major HK recruitment platforms (k)



Source: Sensor Tower

Exhibit 65: OfferToday saw a mom declineor MAUs in Apr, while still ranking No.2 in MAUs across HK major recruitment platforms

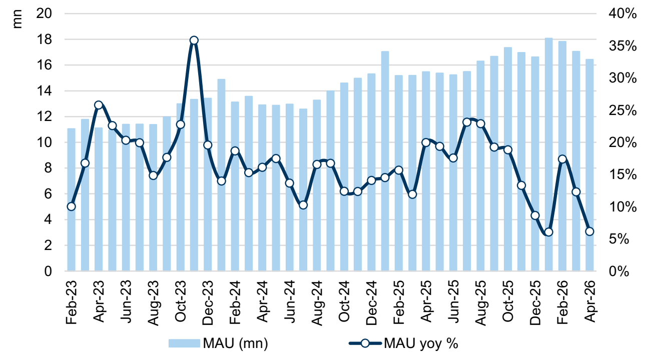
MAUs of major HK recruitment platforms



Real estate brokerage/software

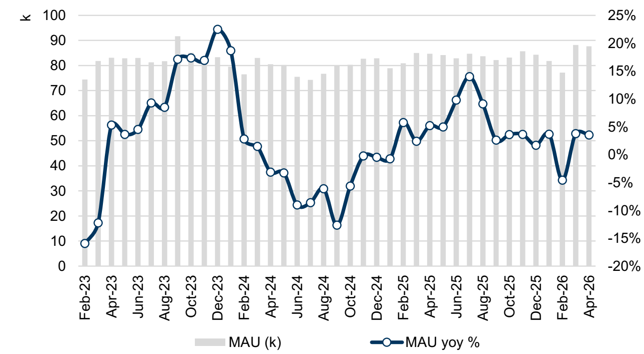
Auto aftermarket service

Exhibit 68: Tuhu app's MAU increased +6% yoy or dropped -4% mom to 16.4mn in Apr (vs. +12% yoy/-4% mom in Mar)



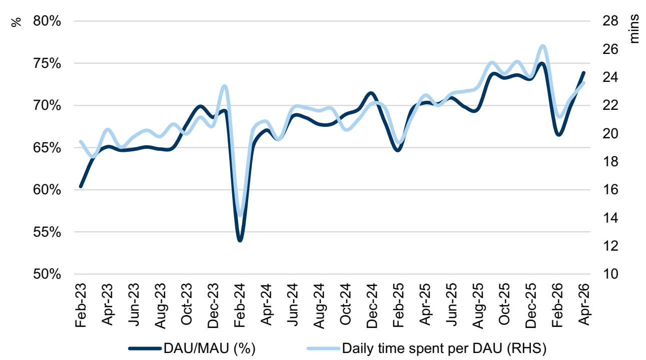
Source: Questmobile

Exhibit 69: Tuhu merchant app MAUs increased +4% yoy or dropped -1% mom to 87.7k in Apr (vs. +4% yoy/+14% mom in Mar)



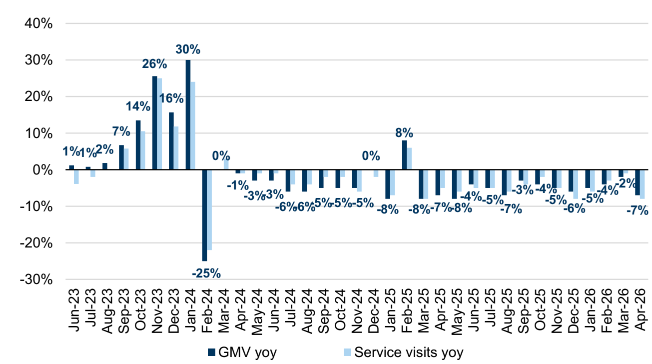
Source: Questmobile

Exhibit 70: Tuhu merchant DAU/MAU ratio increased +4pp yoy to 74% in Apr, while daily time spent per DAU also saw +4% yoy growth to 23.6 mins in Apr



Source: Questmobile

Exhibit 71: For auto aftermarket stores served by F6, GMV saw -7% yoy/-8% mom decline in Apr, while service visitations saw -8% yoy/-8% mom decline in Apr



Source: F6 data

Appendix: Links to Asia Communacopia/post-results NDR takeaway notes

Meituan (3690.HK): NDR highlights: Food delivery profit recovery; stable in-store margins; Buy, Jun 3, 2026

Kanzhun Ltd. (BZ): NDR takeaways: Blue-collar to lead revenue growth; AI-enabled closed-loop services to drive up platform monetization, May 26, 2026

Asia Communacopia + Technology — Key Takeaways: HUYA (NC): Eyes on Goose Goose Duck mobile monetization ramp-up in 2H26, May 21, 2026

BAIDU (BIDU/9888.HK) & IQIYI (IQ): 1Q26 Review and NDR takeaways - AI cloud to sustain strength, May 20, 2026

J&T Global Express Ltd. (1519.HK): Asia Communacopia + Technology — Key Takeaways: Healthy parcel volume trend in ASEAN, May 20, 2026

JD.com Inc. (JD): Asia Communacopia + Technology — Key Takeaways: Resilient retail margins with incremental investments into Joybuy, May 20, 2026

Alibaba Group (BABA): Asia Communacopia + Technology — Key Takeaways: AI driving accelerating cloud growth as MaaS scales, May 19, 2026

China Technology: Internet: Asia Communacopia + Technology — Key Takeaways: Xunce Technology (NC): Strategic pivot towards by-token usage model, May 19, 2026

China Technology: Internet: Asia Communacopia + Technology — Key Takeaways: Knowledge Atlas (NC): Competitive edge in coding/agent capabilities, May 19, 2026

Data Centers: Asia Communacopia + Technology — Key Takeaways: AI Infrastructure: Powering the Next Intelligence Cycle, May 19, 2026

MiniMax Group (0100.HK): Asia Communacopia + Technology — Key Takeaways: ARR ramp up; eyes on upcoming M3 & Hailuo 3 models, May 19, 2026

Jingdong Industrials Inc. (7618.HK): Asia Communacopia + Technology — Key Takeaways: Accelerating GMV growth on expanding margins, May 19, 2026

JD Logistics (2618.HK): Asia Communacopia + Technology — Key Takeaways: deepening integrated supply chain; AI capabilities in logistics, May 18, 2026

Tuya (TUYA): Asia Communacopia + Technology — Key Takeaways: Scaling IoT ecosystem with accelerating AI applications, May 18, 2026

Tencent Holdings (0700.HK): Asia Communacopia + Technology — Key Takeaways: Pivoting for long-term success, May 18, 2026

Range Intelligent (300442.SZ): Asia Communacopia + Technology — Key Takeaways: Strategic pivot towards AIDC; Buy, May 18, 2026

Price Target Methodology & Risks

Price Target Risks and Methodology – Xiaomi Corp.

We are Buy rated on Xiaomi with a 12-month target price of HK$40, based on a SOTP valuation methodology: 1) 16x target 12m-fwd EV/NOPAT on Xiaomi core; 2) DCF-based valuation for Xiaomi EV of US$42bn (12% WACC and 3% TGR); 3) a 10% holdco discount. Key downside risks: 1) More intense competition and weaker market share gains within the global smartphone industry. 2) Higher GPM pressure on the smartphone/EV business. 3) Below-expected execution on Xiaomi brand premiumization and the EV business. 4) Intensifying geopolitical risks and regulatory uncertainties. 5) Softer macro environment and weaker smartphone/IoT demand. 6) FX fluctuation.

Price Target Risks and Methodology – Meituan
We are Buy rated on Meituan with a 12-month 2026E SOTP-based TP of **HK$116.**

Key downside risks: Worse-than-expected competition that may impact growth or pace of profit turnaround; labor cost inflation/efficiencies; food safety concerns/stricter regulations; larger-than-expected investment in Keeta.

Price Target Risks and Methodology - Bilibili, Inc.
Valuation methodology: We are **Buy** rated on Bilibili (BILI/9626.HK) with 12-month DCF-based target prices of **US$28.9/HK$226** (WACC at 12.5%, terminal growth rate at 3%).

Key downside risks: 1) Ads slowdown on macro and/or slower-than-expected monetization execution; 2) Weaker-than-expected game grossing and sustainability; 3) Losses if content costs/revenue sharing do not fall as a percentage of revenue.

Price Target Risks and Methodology - PDD Holdings
Valuation methodology: Our 12-m SOTP-based TP is US$145, based on a 10X 2026E P/E for the domestic main platform and 25X P/E on Temu (ex. US full-entrusted), respectively less a 15% holdco discount.

Downside risk: 1) lower-than-expected online marketing revenues on increased eCommerce ROI/sales-based ad inventory and narrower GMV growth gap at Alibaba vs. industry, **2)** wider-than-expected geopolitical headwinds into Europe and other developed markets with high spending power, **3)** higher-than-expected competition if Alibaba's new low-price adtech initiatives gain traction/faster-than-expected Douyin shelf-based expansion in low ticket size items at lower take rates (Douyin has been offering commission free initiatives) vs. eCommerce platforms, **4)** reinvestments to sustain growth that may pose downside risks to core profit margins, and **5)** lack of segmental disclosures of business performance, which could lead to difficulty in analyzing/estimating domestic and int'l (Temu) performance and profitability.

Price Target Risks and Methodology - Kingsoft Cloud
We are Buy rated on Kingsoft Cloud. We have a 12-month target price of US$19.5, based on a DCF (WACC 10.3%, TGR 3%). Downside risks: 1) Supply chain disruptions and inability to secure high-end chips; 2) Heightened competitive pressure from peers; 3) Below-expected AI investments of key customers including Xiaomi; 4) Inability to secure funding to support capex investments; 5) Dilutive financing activities.

Price Target Risks and Methodology - VNET Group
We have a 12m target price of US$16, based on a target 12m-fwd EV/EBITDA multiple of 12x applied to 2027E adj. EBITDA. Key risks: 1) inability to finance the growth objectives; 2) softer-than-expected execution on order wins; 3) geopolitical risks regarding AI; 4) further downturn of traditional businesses; 5) faster than or unexpected change in AI model training demand brought by the latest development in technology.

Price Target Risks and Methodology - GDS Holdings
Our 12m target prices of **US$49/HK$47** for GDS/9698.HK are based on a SOTP valuation for GDS China and DayOne, with a 10% holdco discount. Key downside risks: Below-expected move-in demand and utilization improvement, slower overseas revenue/profitability ramp-up, lower-than-expected pricing trend in China and overseas markets, customer churn, slower deleveraging process.

Price Target Risks and Methodology – Tencent Holdings
Valuation methodology: We are Buy rated on Tencent (0700.HK), with a 12-m SOTP-based TP of **HK$700**.

Key risks: More intense industry competition in performance-based advertising, unexpected delays in game launches/Banhao approvals, moderated growth in FinTech and Cloud businesses, slower-than-expected AI development progress, reinvestment risk.

Price Target Risks and Methodology – Full Truck Alliance Co.
Our 12-month TP of US$12.50 is based on SOTP. **Key risks**: Regulatory risks; potential anti-trust scrutiny; increased competition; technology/autonomous driving affecting take rates.

Price Target Risks and Methodology – JD.com Inc.
Valuation: We are Buy-rated on JD.com with 12-m SOTP-based target prices of US$43/HK$169.

Key risks: Tougher than expected competition in China's eCommerce/food delivery markets; Online GMV slowdown and electronics & appliance facing tougher comps starting Sept-2025, general merchandise/JD supermarket execution: there would be downside risks to our forecasts if JD cannot deliver the expected growth; Fluctuations in JD Retail margin, as JD continues to invest into price competitiveness/user experience/3P ecosystem.

Price Target Risks and Methodology – Alibaba Group
Valuation methodology: We are Buy rated on BABA/9988.HK, with SOTP-based 12-month target prices of US$186/HK$180 per ADS/share (FY27E-based).

Key risks: (1) Lower-than-expected GMV growth due to macro/competition; (2) Slower-than-expected monetization in China retail; (3) Weaker-than-expected execution in key strategic investments; and (4) Cloud revenue growth deceleration.

Disclosure Appendix

Reg AC

We, Ronald Keung, CFA, Lincoln Kong, CFA, Timothy Zhao, Steve Qiu, Eunice Liu, Luqing Zhou, Damian Xie and Jason Sun, 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.

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Unless otherwise stated, the individuals listed in the Contributing Authors disclosure of this report are analysts in Goldman Sachs' Global Investment Research division.

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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.

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Goldman Sachs and/or one of its affiliates is acting as a financial advisor in connection with an announced strategic matter involving the following company or one of its affiliates: JD.com, Inc. and Baidu, Inc.

The rating(s) for Alibaba Group (ADR), Alibaba Group (H), Full Truck Alliance Co., JD.com Inc. (ADR), JD.com Inc. (H), Meituan, MiniMax Group, PDD Holdings and Tencent Holdings is/are relative to the other companies in its/their coverage universe: Alibaba Group (ADR), Alibaba Group (H), DiDi Global Inc., Full Truck Alliance Co., J&T Global Express Ltd., JD Logistics, JD.com Inc. (ADR), JD.com Inc. (H), Jingdong Industrials Inc., Kerry Logistics Network Ltd., Meituan, MiniMax Group, PDD Holdings, S.F. Holding (A), S.F. Holding (H), STO Express, Sinotrans Ltd. (A), Sinotrans Ltd. (H), Tencent Holdings, Vipshop Holdings, YTO Express Group, Yunda Holding, ZTO Express (Cayman) Inc. (ADR), ZTO Express (Cayman) Inc. (H)

The rating(s) for Bilibili Inc. (ADR) and Bilibili Inc. (H) is/are relative to the other companies in its/their coverage universe: 37 Interactive Entertainment, Alibaba Health, Bilibili Inc. (ADR), Bilibili Inc. (H), Damai Entertainment Holdings, Focus Media Information Tech, G-Bits, JD Health International, Kuaishou Technology, Mango Excellent Media, NetEase Inc. (ADR), NetEase Inc. (H), Perfect World, Tencent Music Entertainment Group (ADR), Tencent Music Entertainment Group (H), XD Inc., Zhihu Inc. (ADR), Zhihu Inc. (H), iQIYI Inc.

The rating(s) for GDS Holdings (ADR), GDS Holdings (H), Kingsoft Cloud, VNET Group and Xiaomi Corp. is/are relative to the other companies in its/their coverage universe: Autohome Inc. (ADR), Autohome Inc. (H), Beijing Sinnet Technology Co Ltd., East Buy, GDS Holdings (ADR), GDS Holdings (H), Gaotu Techedu, KE Holdings (ADR), KE Holdings (H), Kanzhun Ltd. (ADR), Kanzhun Ltd. (H), Kingsoft Cloud, Ming Yuan Cloud, New Oriental Education & Technology (ADR), New Oriental Education & Technology (H), Offcn Education Technology, Range Intelligent, SUNeVision Holdings, Shanghai Athub, TAL Education Group, Tuhu Car Inc., Tuya, VNET Group, Weibo Corp. (ADR), Weibo Corp. (H), Weimob, Xiaomi Corp.

Company-specific regulatory disclosures

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

Distribution of ratings/investment banking relationships

Goldman Sachs Investment Research global Equity coverage universe

	Rating Distribution			Investment Banking Relationships		
	Buy	Hold	Sell	Buy	Hold	Sell
Global	50%	34%	16%	65%	60%	45%

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Price target and rating history chart(s)

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

Target price history table(s)

Full Truck Alliance Co. (YMM)

Date of report	Target price ($)	Closing price ($)
12-Mar-26	12.50	8.98
18-Jan-26	13.50	9.86
18-Nov-25	13.90	10.95
21-May-25	14.60	11.91
05-Mar-25	14.80	13.26
20-Jan-25	13.00	11.26
21-Nov-24	12.00	9.70
22-Aug-24	10.50	7.60
21-May-24	11.10	9.24
07-Mar-24	9.90	6.08
15-Jan-24	10.50	6.94
20-Nov-23	10.80	8.09

VNET Group (VNET)

Date of report	Target price ($)	Closing price ($)
30-May-26	16.00	10.08
16-Mar-26	15.50	9.53
18-Jan-26	15.20	10.56
11-Nov-25	14.00	9.79
29-Aug-25	13.00	8.66
04-Jul-25	12.00	7.75
12-May-25	13.00	7.23
12-Mar-25	13.40	11.00
11-Feb-25	12.10	9.97
27-Nov-24	5.00	3.86
03-Sep-24	3.10	2.71
25-Jun-24	2.05	2.24
15-Apr-24	1.80	1.58
14-Dec-23	3.10	2.94
19-Jul-23	3.30	2.66

Bilibili Inc. (H) (9626.HK)

Date of report	Target price (HK$)	Closing price (HK$)
19-May-26	226.00	156.10
09-Mar-26	252.00	197.60
18-Jan-26	266.00	260.00
16-Nov-25	240.00	209.00
29-Sep-25	234.00	210.60
25-Aug-25	205.00	186.70
25-May-25	183.00	146.40
20-Feb-25	185.00	154.80
19-Jan-25	172.00	134.60
17-Nov-24	180.00	146.10
25-Sep-24	176.00	136.50
10-Jul-24	129.00	130.50
23-May-24	115.00	119.80
21-Apr-24	107.00	85.25
07-Mar-24	105.00	85.65
29-Nov-23	121.00	101.00
11-Oct-23	136.00	111.80
17-Aug-23	153.00	124.00

Meituan (3690.HK)

Date of report	Target price (HK$)	Closing price (HK$)
01-Jun-26	116.00	78.25
12-Mar-26	112.00	76.70
30-Nov-25	120.00	102.50
09-Nov-25	139.00	102.00
27-Aug-25	144.00	116.30
02-Jul-25	159.00	126.00
26-May-25	172.00	129.40
01-Dec-24	200.00	168.70
07-Nov-24	212.00	199.90
29-Sep-24	194.00	164.60
28-Aug-24	157.00	102.80
06-Jun-24	148.00	112.70
24-Mar-24	139.00	88.25
11-Jan-24	151.00	75.60
28-Nov-23	176.00	103.00
16-Aug-23	205.00	132.40

Tencent Holdings (0700.HK)

Date of report	Target price (HK$)	Closing price (HK$)
18-Mar-26	700.00	550.50
18-Jan-26	752.00	617.50
12-Oct-25	770.00	651.50
13-Aug-25	701.00	586.00
05-Aug-25	658.00	559.00
14-May-25	595.00	521.00
19-Mar-25	590.00	540.00
20-Jan-25	534.00	389.80
13-Nov-24	542.00	403.80
29-Sep-24	521.00	437.80
14-Aug-24	464.00	373.80
12-Jun-24	477.00	370.80
15-May-24	466.00	381.80
11-Apr-24	408.00	315.00
20-Mar-24	413.00	288.80
15-Jan-24	426.00	289.40
15-Nov-23	435.00	322.60
11-Oct-23	423.00	311.00
16-Aug-23	431.00	328.80
07-Aug-23	428.00	341.20

Xiaomi Corp. (1810.HK)

Date of report	Target price (HK$)	Closing price (HK$)
26-May-26	40.00	29.76
09-Mar-26	41.00	33.68
23-Jan-26	47.50	36.24
18-Nov-25	53.50	40.78
01-Nov-25	56.50	43.20
25-Sep-25	66.00	59.45
19-Aug-25	65.00	52.40
26-Jun-25	69.00	56.90
27-May-25	65.00	51.55
18-May-25	62.00	51.00
16-Apr-25	59.00	41.25
18-Mar-25	63.00	57.65
20-Feb-25	58.00	49.15
14-Jan-25	38.00	33.75
18-Nov-24	33.30	28.80
29-Oct-24	30.70	25.85
15-Oct-24	27.80	23.00
03-Oct-24	27.50	24.05
21-Aug-24	24.70	17.52
21-Jul-24	23.20	16.52
24-May-24	23.00	18.30
12-May-24	22.60	19.40
01-Apr-24	20.00	14.94
19-Mar-24	18.90	14.86
06-Feb-24	18.10	12.90
20-Nov-23	18.70	16.18
18-Oct-23	16.30	13.18
31-Aug-23	14.90	12.36
09-Aug-23	14.70	12.14

GDS Holdings (ADR) (GDS)

Date of report	Target price ($)	Closing price ($)
30-May-26	49.00	35.45
18-Mar-26	55.00	44.49
18-Jan-26	49.00	40.66
03-Dec-25	43.00	33.74
11-Nov-25	44.00	33.33
29-Aug-25	42.00	34.56
15-Jul-25	40.00	37.72
04-Jul-25	37.00	33.98
12-May-25	42.00	29.13
11-Feb-25	39.20	34.29
27-Nov-24	24.20	19.54
03-Sep-24	24.00	16.98
15-Apr-24	12.70	6.12
14-Dec-23	14.50	8.78
11-Sep-23	16.10	11.37
19-Jul-23	15.80	12.04

JD.com Inc. (ADR) (JD)

Date of report	Target price ($)	Closing price ($)
16-Nov-25	43.00	29.31
14-Aug-25	45.00	31.58
29-May-25	48.00	32.94
29-Apr-25	50.00	32.88
06-Mar-25	52.00	43.92
20-Jan-25	50.00	39.00
14-Nov-24	46.00	33.35
29-Sep-24	45.00	39.90
18-Aug-24	40.00	29.29
16-Jul-24	38.00	27.20
19-May-24	41.00	35.27
25-Apr-24	37.00	28.59
15-Jan-24	49.00	24.70
24-Oct-23	53.00	25.25
16-Aug-23	61.00	34.88
20-Jun-23	63.00	37.17

Kingsoft Cloud (KC)

Date of report	Target price ($)	Closing price ($)
27-May-26	19.50	13.12
29-Apr-26	19.40	14.89
26-Mar-26	17.70	14.40
10-Feb-26	15.60	13.12
18-Jan-26	14.20	11.90
19-Nov-25	13.80	12.38
21-Aug-25	13.50	13.57

PDD Holdings (PDD)

Date of report	Target price ($)	Closing price ($)
27-May-26	145.00	86.61
18-Jan-26	158.00	106.76
18-Nov-25	147.00	119.58
09-Nov-25	157.00	135.78
25-Aug-25	148.00	128.21
27-May-25	131.00	102.98
06-Apr-25	152.00	104.21

Kingsoft Cloud (KC)

Date of report	Target price ($)	Closing price ($)
29-May-25	12.70	11.81
30-Apr-25	14.80	13.59
20-Mar-25	15.60	16.48
11-Feb-25	13.70	17.04
19-Nov-24	3.90	4.59
20-Aug-24	3.40	2.37
23-May-24	3.90	2.91
22-Mar-24	4.40	3.28
21-Nov-23	4.30	4.83
05-Nov-23	4.70	5.29
22-Aug-23	5.00	5.09

PDD Holdings (PDD)

Date of report	Target price ($)	Closing price ($)
20-Jan-25	157.00	105.57
21-Nov-24	166.00	104.09
07-Nov-24	172.00	125.87
29-Sep-24	169.00	135.38
26-Aug-24	165.00	100.00
24-May-24	184.00	157.57
16-May-24	145.00	143.38
20-Mar-24	143.00	132.17
11-Mar-24	136.00	111.89
18-Feb-24	196.00	135.26
15-Jan-24	195.00	148.63
28-Nov-23	176.00	139.00
06-Nov-23	155.00	107.13
18-Oct-23	137.00	105.33
30-Aug-23	129.00	98.14
08-Aug-23	99.00	83.72
17-Jul-23	98.00	79.10

Alibaba Group (H) (9988.HK)

Date of report	Target price (HK$)	Closing price (HK$)
27-Feb-26	180.00	142.90
25-Nov-25	192.00	157.80
12-Oct-25	199.00	165.40
16-Sep-25	174.00	153.50
31-Aug-25	158.00	115.70
15-Jul-25	142.00	113.50
02-Jul-25	146.00	109.40
21-Apr-25	154.00	108.70
20-Feb-25	156.00	120.90
20-Jan-25	114.00	84.55
29-Sep-24	131.00	102.50
15-Aug-24	105.00	76.40
16-Jul-24	104.00	75.50
15-May-24	103.00	82.65
11-Apr-24	99.00	74.20
07-Feb-24	102.00	74.90
15-Jan-24	118.00	70.00
09-Oct-23	131.00	82.10
10-Aug-23	134.00	94.30
16-Jul-23	130.00	92.95
20-Jun-23	128.00	88.35

Alibaba Group (ADR) (BABA)

Date of report	Target price ($)	Closing price ($)
27-Feb-26	186.00	144.11
25-Nov-25	197.00	157.01
12-Oct-25	205.00	159.01
16-Sep-25	179.00	162.21
31-Aug-25	163.00	135.00
15-Jul-25	147.00	116.97
02-Jul-25	150.00	110.71
21-Apr-25	159.00	110.15
20-Feb-25	160.00	135.97
20-Jan-25	117.00	85.12
29-Sep-24	134.00	107.33
15-Aug-24	108.00	79.54
16-Jul-24	107.00	78.38
15-May-24	106.00	80.99
11-Apr-24	102.00	74.85
07-Feb-24	105.00	73.64
15-Jan-24	121.00	71.84
09-Oct-23	134.00	84.85
10-Aug-23	138.00	99.21
16-Jul-23	133.00	94.56
20-Jun-23	132.00	87.93

GDS Holdings (H) (9698.HK)

Date of report	Target price (HK$)	Closing price (HK$)
30-May-26	47.00	33.28
18-Mar-26	54.00	45.98
18-Jan-26	48.00	41.86
03-Dec-25	42.00	32.50
11-Nov-25	43.00	32.60
29-Aug-25	41.00	33.76
15-Jul-25	39.00	38.65
04-Jul-25	36.00	32.25
12-May-25	41.00	27.20
11-Feb-25	38.30	30.00
27-Nov-24	23.60	18.28
03-Sep-24	23.40	16.70
15-Apr-24	12.40	6.17
14-Dec-23	14.10	8.34

Bilibili Inc. (ADR) (BILI)

Date of report	Target price ($)	Closing price ($)
19-May-26	28.90	20.00
09-Mar-26	32.30	26.16
18-Jan-26	34.20	32.48
16-Nov-25	30.80	26.18
29-Sep-25	30.00	27.33
25-Aug-25	26.30	23.25
25-May-25	23.60	18.94
20-Feb-25	23.70	22.11
19-Jan-25	22.00	17.47
17-Nov-24	23.00	18.30
25-Sep-24	22.60	18.27
10-Jul-24	16.50	16.96
23-May-24	14.80	13.74
21-Apr-24	13.80	10.91

GDS Holdings (H) (9698.HK)

Date of report	Target price (HK$)	Closing price (HK$)
11-Sep-23	15.80	11.24
19-Jul-23	15.30	11.38

Bilibili Inc. (ADR) (BILI)

Date of report	Target price ($)	Closing price ($)
07-Mar-24	13.50	10.60
29-Nov-23	15.60	11.86
11-Oct-23	17.40	14.65
17-Aug-23	19.60	15.35

JD.com Inc. (H) (9618.HK)

Date of report	Target price (HK$)	Closing price (HK$)
16-Nov-25	169.00	116.90
14-Aug-25	174.00	125.10
29-May-25	187.00	131.80
29-Apr-25	194.00	128.90
06-Mar-25	204.00	179.00
20-Jan-25	196.00	157.40
14-Nov-24	181.00	135.10
29-Sep-24	178.00	152.00
18-Aug-24	157.00	108.20
16-Jul-24	149.00	104.50
19-May-24	161.00	134.10
25-Apr-24	145.00	111.30
15-Jan-24	193.00	96.65
24-Oct-23	205.00	93.90
16-Aug-23	239.00	140.60
20-Jun-23	247.00	149.70

MiniMax Group (0100.HK)

Date of report	Target price (HK$)	Closing price (HK$)
03-Mar-26	1,000.00	821.00
22-Feb-26	1,018.00	970.00

Price targets shown in table(s) are unadjusted for corporate actions.

Regulatory disclosures

Disclosures required by United States laws and regulations

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