China Restaurants: Monthly Tracker: Jul update: Demand weakness remained, FMD faced tough base, but select players remained resilient

Michelle Cheng
+852-2978-6631 |
michelle.cheng@gs.com
Goldman Sachs (Asia) L.L.C.

Xinyu Ruan
+852-2978-7347 | xinyu.ruan@gs.com
Goldman Sachs (Asia) L.L.C.

Molly Dai
+852-3966-4000 | molly.dai@gs.com
Goldman Sachs (Asia) L.L.C.

Keira Liu
+852-2978-0473 | keira.liu@gs.com
Goldman Sachs (Asia) L.L.C.

Jul SSSG performance remained weak and weather remained a headwind (especially in South China); this is also in line with the soft performance in other sectors such as beer. By brand, Haidilao saw yoy stable SSSG in Jul, implying vs. 2019 recovery level remained unexciting at ~80%; Jiumaojiu's Tai Er brand SSSG was at MSD%-HSD%, slightly better than Jun when weather also negatively impacted sales, but remained lower than DD% in prior months. YUMC, however, maintained resilient performance with Jul SSSG on track and management targets for positive SSSG in 3Q, supported by TAM expansion from the new modules and affordable price in our view. **For freshly made drinks (FMD), due to the tough base when last year's delivery subsidy was at peak level, brands generally saw sequentially larger SSSG decline, but the magnitude remained manageable** and we note some brands such as Guming delivered resilient performance with successful category expansion/new products.

On competition, **major players remained disciplined, while we note the competition merge in freshly made drinks continued with favorable pricing offered to customers into peak season (but not at large scale with limit in time/SKU)**. In addition to freshly made tea/coffee leaders that keep expanding offerings with affordable price (e.g. Guming launched a time/SKU-limit Rmb0.01 coffee campaign, Luckin launched multiple iced milk tea products at a price of Rmb9.9), we also note QSR leaders offering promotions in the freshly made drink space, e.g. KFC launched Cool Friday with special prices offered for selective beverage/ice cream SKUs.

In this note, we provide updates on a variety of high-frequency indicators, including air traffic run rate, and commodity inflation. We also include competition environment updates, key company news and key reports published over the past month for covered China Restaurants names and peers.

We would like to thank Mattie He for her contribution to the report.

Brand performance

1. Haidilao (6862.HK; Neutral): Haidilao's average table turn was stable yoy, or sequentially increased with summer holiday peak season. This translates to ~4.0x table turn, implying 80% recovery level compared to 2019, sequentially stable vs. Jun's recovery level yet remained below May's level of low-mid 80%. Haidilao opened 4 company stores and 4 franchise stores, and closed 6 company stores in Jul.

GS read: *Table turn performance remained unexciting, echoing our view that Haidilao's core business still takes time to recover and is on track with our lowered expectation (-1% sales per store yoy in 2H), while the company store opening pace is still tracking behind GSe.*

2. Guming (1364.HK; Buy on CL): SSSG was steady and manageable in Jul.

GS read: *We view Jul performance as resilient considering the high base last year and notable weather headwind (Guangxi/Guangdong are among Guming's critical mass provinces, with 5%/14% store count mix per Zhaimen). While store opening was lowered for 2026, SSSG should see some support along with store network quality improvement.*

3. Chagee (CHA; Neutral): Jul monthly average GMV saw sequential improvement and SSSG decline is expected to further narrow to SD%.

GS read: *we expect to see a narrower SSSG decline in 3Q26 with an easier base and active new product launch (we look for 7% SSSG decline in 3Q26); faster Geelato roll out in Jul-Aug could also bring LSD% boost to company level per store GMV (see our scenario analysis here).*

4. Gourmet Master (2723.TW; Neutral): ML China sales decline remained significant at -45% yoy, a similar magnitude to the prior month, with store count sequentially stable at 290-300 which implies a ~30% yoy decline and transition to franchised stores. In the US, sales growth accelerated to 9.7% (vs. 6% in 2Q), supported by sequential SSSG acceleration.

GS read: *The sales decline in China continued being weaker than GS expectation which looks for a narrowing decline sequentially. In the US, while we do expect to see sales acceleration in 3Q from a base perspective, the Jul performance is slightly tracking ahead of our expectation.*

Exhibit 1: Haidilao SSSG was stable yoy and implied recovery level was sequentially stable; freshly made drink names generally had sequentially lower SSSG due to tough base

	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	25-Oct	25-Nov	25-Dec	26-Jan	26-Feb	26-Mar	26-Apr	26-May	26-Jun	26-Jul
SSSG																			
Haidilao (avg. tableturn)	0%	-8%	-9%	-13%	-6%	-7%	0%	1%	-2%	2%	-1%	-1%	-5%	13%	1%	5%	-1%	-2%	0%
Tai Er											LSD% decl	HSD%	MSD%	DD%	LDD%	DD%	LDD%	MSD%	MSD-HSD%
Xiaocaiyuan (YTD SSSG)													- mid-teens%		-LDD%	-LDD%	-LDD%	-LDD%	
Nayuki	-8%	-13%	-7%	3%	14%	13%	22%	8%	0%	-1%	10%	0%			-3%	-11%			
Nayuki (average sales per store)					20%	20%	29%	15%	5%	3%	13%	3%			-1%	-11%	-24%	-22%	
Guming	+LSD%			Acceleration	DD	DD	>20% (GMV)		~20% (GMV)	No slower vs. Sep	Slightly slower vs. Oct	DD%	SD%	>20%	HSD%	-LSD%	-HSD%	-slight LSD%	Steady and manageable
Chagee																-mid teens %	-mid teens%	-low teens%	-SD%
ChaPanda										SD%	DD%	~25%	SD%	DD%	SD%	SD%	Decline	-slight LSD%	Slower than Jun
Auntea Jenny													close to 20%			Slower than 1Q26	Decline	Decline	Decline
SSS vs. 2021																			
Haidilao (avg. tableturn)	27%	18%	23%	17%	27%	52%	34%	52%	17%	15%	32%	26%	21%	33%	24%	23%	26%	49%	34%
Nayuki	-50%	-54%	-48%	-47%	-41%	-40%	-41%	-28%	-43%	-47%	-38%	-52%			-49%	-53%	-55%	-53%	
Gourmet Master	-33%	-27%	-22%	-23%	-28%	-31%	-35%	-34%	-32%	-33%									
average	**-18%**	**-21%**	**-15%**	**-18%**	**-14%**	**-6%**	**-14%**	**-4%**	**-19%**	**-22%**	**-3%**	**-13%**			**-12%**	**-15%**	**-15%**	**-2%**	
SSS as % of 2021	**82%**	**79%**	**85%**	**82%**	**86%**	**94%**	**86%**	**96%**	**81%**	**78%**	**97%**	**87%**			**88%**	**85%**	**85%**	**98%**	
SSS vs. 2019																			
Haidilao (avg. tableturn)	-12%	-12%	-14%	-24%	-15%	-19%	-20%	-19%	-29%	-15%	-17%	-17%	-16%	0%	-13%	-20%	-16%	-21%	-20%
Gourmet Master	-34%	-29%	-26%	-29%	-35%	-38%	-42%	-39%	-39%	-39%									
average	**-23%**	**-20%**	**-20%**	**-26%**	**-25%**	**-29%**	**-31%**	**-29%**	**-34%**	**-27%**	**-17%**	**-17%**	**-16%**	**0%**	**-13%**	**-20%**	**-16%**	**-21%**	**-20%**
SSS as % of pre-COVID	**77%**	**80%**	**80%**	**74%**	**75%**	**71%**	**69%**	**71%**	**66%**	**73%**	**83%**	**83%**	**84%**	**100%**	**87%**	**80%**	**84%**	**79%**	**80%**

	CNY 2023	Labor Day 2023	National Day 2023	CNY 2024	Labor Day 2024	National Day 2024	CNY 2025	Labor Day 2025	National Day 2025	CNY 2026	Labor Day 2026
SSSG											
Haidilao (avg. tableturn)	-10%	40%	25%	40%	20%	0%	-5%	-10%	0%	5%	0%
Tai Er									low teens decline	HSD%	M-HSD%
Xiaocaiyuan (YTD SSSG)											
Nayuki	-10%	30%	-14%	-20%	-20%	-23%		20%			-30%
Nayuki (average sales per store)											
Guming										DD%	
Chagee											
ChaPanda										DD%	decline
Auntea Jenny											Slower than Apr-26
SSS vs. 2021											
Haidilao (avg. tableturn)	-16%	5%	5%	18%	26%	5%	12%	14%	5%	17%	14%
Nayuki	-30%	-20%	-31%	-44%	-36%	-47%		-23%			-46%
SSS vs. 2019											
Haidilao (avg. tableturn)	-37%	-24%	-10%	-12%	-8%	-10%	-16%	-18%	-10%	-12%	-18%

Source: Company data

Exhibit 2: Quarterly SSSG tracker

SSSG yoy trend

SSSG yoy	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
KFC China	-2.0%	-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%	1.0%	1.0%
Pizza Hut China	-5.0%	-8.0%	-6.0%	-2.0%	0.0%	2.0%	1.0%	1.0%	-1.0%	1.0%
YUM China	-3.0%	-4.0%	-3.0%	-1.0%	0.0%	1.0%	1.0%	3.0%	0.0%	1.0%
Starbucks China	-11.0%	-14.0%	-14.0%	-6.0%	0.0%	2.0%	2.0%	7.0%	0.5%	
Gourmet Master China	-15.7%	-16.7%	-15.2%	-9.7%	-9.7%	-4.0%	-7.7%	-10.0%		
Xiabuxiabu	-19.0%		-27.6%		-15.6%		-3.6%			
Coucou	-43.0%		-21.0%		-14.0%		-14.4%			
Haidilao	14.5%		-4.6%		14.5%		-3.0%		3.0%	0.7%
Jiu Mao Jiu	-4.1%	-12.6%	-10.3%	-18.5%	-18.6%	-18.5%	-14.8%	-16.4%	-11.3%	-13.5%
Tai Er	-13.9%	-18.1%	-18.3%	-24.6%	-21.2%	-13.7%	-9.3%	-3.0%	6.9%	6.1%
Tai Er - China									10.9%	12.0%
Song	-34.8%	-36.6%	-32.5%	-26.9%	-24.2%	-14.3%	-19.1%	-19.0%	-19.9%	-26.1%
Helens	-29.7%		-12.9%		-17.9%		-18.9%			
Nayuki	-28.5%		-21.3%		-9.3%	10.0%	10.0%	3.0%	LSD%	-19.0%
Juewei	-13.7%	-11.0%	-5.5%	-21.5%	1.7%	-10.1%	0.3%	18.4%	-1.2%	
Guming	-1.2%				HSD	DD	>20% (GMV)	DD	DD	within -5%
Luckin	-20.3%	-20.9%	-13.1%	-3.4%	8.1%	13.4%	14.4%	1.2%	0.1%	-5.3%
Chagee - China	46.0%	38.0%	0.4%	-19.3%	-19.1%	-23.1%	-27.9%	-25.5%	-16.1%	-low to mid teens%
Tims China - self-operated store	-11.7%	-13.8%	-20.7%	-12.3%	-6.5%	-3.6%	3.3%	-1.4%	-12.4%	
Tims China - system-wide store	-13.6%	-14.6%	-21.7%	-13.3%	-7.8%	-4.8%	1.3%	-2.4%	-13.2%	
Domino's Pizza China	3.6%		1.6%		-1.0%		-1.9%			
Saizeriya Shanghai (existing store sales)	-1.8%	-6.6%	-10.5%	-6.3%	-14.8%	-19.7%	-16.2%	-11.0%	-9.1%	-0.6%
Saizeriya Guangzhou (existing store sales)	-0.9%	-7.1%	-12.1%	-9.6%	-15.9%	-18.2%	-11.2%	4.0%	-1.8%	4.5%
Saizeriya Beijing (existing store sales)	8.2%	-2.9%	-7.2%	0.4%	-11.5%	-18.7%	-15.4%	-11.3%	-14.5%	-6.5%
Saizeriya China average (existing store sales)	1.8%	-5.5%	-9.9%	-5.2%	-14.1%	-18.9%	-14.3%	-6.1%	-8.5%	0.7%

vs. 2019

SSSG yoy	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
KFC China	-10%	-12%	-12%	-16%	-10%	-11%	-10%	-14%	-9%	-11%
Pizza Hut China	-8%	-14%	-14%	-16%	-8%	-12%	-13%	-16%	-9%	-11%
YUM China	-10%	-13%	-12%	-16%	-10%	-12%	-11%	-13%	-10%	-12%
Starbucks China	-33%	-32%	-32%	-34%	-33%	-31%	-30%	-29%	-32%	
Gourmet Master China	-26%	-31%	-35%	-28%	-33%	-34%	-40%	-36%	-33%	-34%
Xiabuxiabu	-55%		-54%		-62%					
Coucou	-57%		-61%		-63%					
Haidilao	-16%		-22%		-4%		-24%			
Jiu Mao Jiu	-26%	-29%	-26%	-38%	-40%	-43%	-37%	-48%	-47%	-50%
Tai Er	-24%	-33%	-32%	-41%	-40%	-42%	-38%	-43%	-36%	-39%
Tai Er - China										
Song										
Helens	-48%		-43%		-58%		-54%			
Nayuki	-47%		-44%							
Juewei	-22%	-29%	-27%	-41%	-21%	-36%	-27%	-30%	-22%	
Guming										
Luckin	127%	116%	119%	88%	145%	145%	151%	90%	145%	132%
Chagee - China										
Tims China - self-operated store										
Tims China - system-wide store										
Domino's Pizza China										
Saizeriya Shanghai (existing store sales)	14%	20%	11%	5%	-3%	-3%	-7%	-6%	-12%	-4%
Saizeriya Guangzhou (existing store sales)	38%	28%	18%	7%	16%	5%	5%	12%	14%	10%
Saizeriya Beijing (existing store sales)	29%	36%	25%	25%	14%	11%	6%	11%	-3%	4%
Saizeriya China average (existing store sales)	29%	61%	19%	16%	11%	31%	2%	9%	1%	32%

Chagee SSSG before 2025 is based on China and overseas combined.

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

Exhibit 3: Store opening monthly tracker

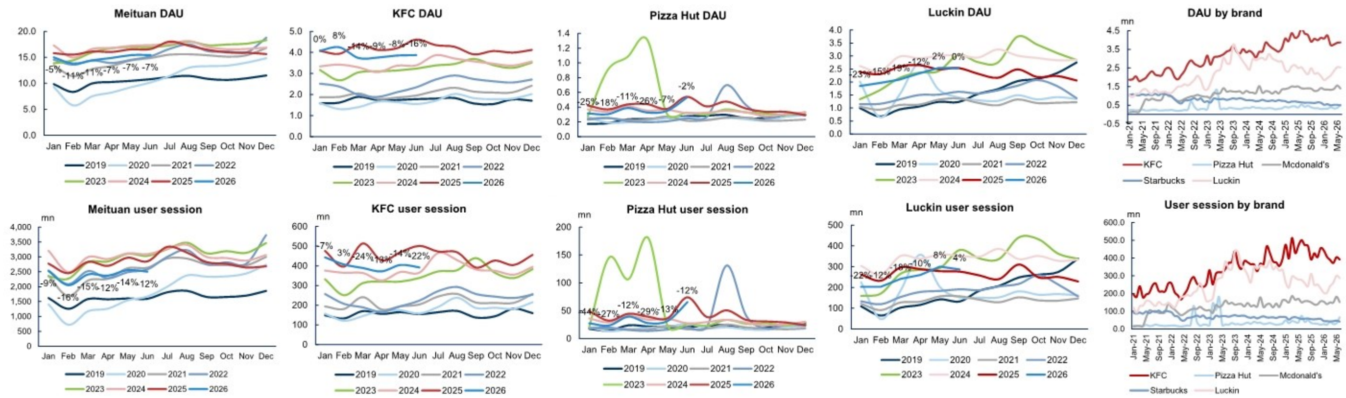
Gross opening	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	6M/7M26	Company guidance (2026)	6M/7M26 avg unit yoy
KFC	733	150	143	156	167	171	151	1671	>1,900 net store addition with store count	13%
KCOFFEE	263	103	111	179	208	121		985	reaching 20k and 40%-50% franchise mix of	149%
PH	99	96	36	84	69	113	99	596	new stores for both KFC and PH	19%
Haidilao	2	2	-4	4	1	1	2	8	+MSD% gross store opening	1%
Self-operated	4	3	4	4	4	5	4	28		
Closure	-2	-7	-10	-3	-4	-6	-6	-38		
Franchise (newly opened)		6	2	3	1	2	4	18		
Yanqing BBQ	0	0	0	0	0	0	0	0		6%
Guming	225	195	105	254	235	283	179	1476	2,000 net openings at mid point	25%
Mixue China	696	618	1995	776	419	213	182	4899		11%
Lucky Cup	164	85	86	81	22	24		462		96%
Luckin	1078	552	730	1834	963	972	682	6811		37%
Chagee	59	49	28	18	56	40		250	~300 net opening/~200 closure in China	6%

Haidilao brands store opening based on company data; Jiumaojiu store opening based on brand official account; KCOFFEE/Chagee store opening (gross opening) based on Zhaimen; KFC/PH/Guming/Mixue/Lucky Cup/Luckin store opening (gross opening) based on Hongcan.

Source: Zhaimen, Company data

High frequency indicators

Exhibit 4: DAU/user session of major delivery/food service brand APP



As of Jun 2026.

Source: QuestMobile

Exhibit 5: Jul weather shows divergence and South China was cooler than usual with rainy weather

China weather weekly tracker: Difference between weekly average temperature and 10-yr historical average (°C)

City	Tier	Location	Jan W1	Jan W2	Jan W3	Jan W4	Feb W5	Feb W6	Feb W7	Feb W8	Feb W9	Mar W10	Mar W11	Mar W12	Mar W13	Mar W14	Apr W15	Apr W16
National			-2.3	-0.2	2.8	-3.2	0.7	2.7	0.6	2.7	2.0	-1.3	-0.9	-1.6	1.4	1.1	1.0	-0.1
Beijing	Tier 1	North China	-2.1	2.0	0.5	-4.9	0.0	1.7	1.2	3.1	-0.5	-3.5	-3.0	-1.3	2.8	0.4	-2.2	-1.7
Tianjin	Tier 1	North China	-1.5	2.6	1.0	-3.6	-0.1	2.4	2.3	4.5	0.0	-4.4	-5.5	-3.5	2.6	0.1	-1.6	-1.1
Changchun	New Tier 1	Northeast China	-5.6	1.8	-3.0	-5.3	-4.3	3.2	2.5	6.0	-0.4	-3.2	-5.2	-5.8	2.4	-1.8	-1.5	0.0
Dalian	New Tier 1	Northeast China	-4.1	3.5	2.0	-3.9	-2.5	1.8	2.2	4.3	1.1	-1.6	-4.7	-2.7	1.0	1.0	-2.8	0.9
Harbin	New Tier 1	Northeast China	-2.3	2.2	-2.6	-2.9	-1.9	3.6	1.6	4.4	-0.2	-4.0	-5.1	-6.0	3.2	-1.4	-0.9	-0.6
Shenyang	New Tier 1	Northeast China	-7.8	2.3	-0.5	-7.9	-5.8	2.2	2.5	6.3	0.5	-2.5	-4.8	-4.6	2.2	-0.8	-2.2	1.4
Xi'An	New Tier 1	Northwest China	-3.0	1.1	4.4	-2.5	1.0	2.9	2.5	2.6	-0.8	-0.1	-3.4	-5.5	-0.5	2.0	0.0	0.0
Shanghai	Tier 1	East China	-2.9	-1.7	3.8	-2.6	1.1	2.3	-0.4	1.4	1.7	-0.7	-4.7	-3.1	-0.5	1.5	2.4	-0.8
Fuzhou	New Tier 1	East China	-1.1	-2.3	2.8	-1.0	1.6	2.4	0.1	0.7	2.4	0.7	-3.7	-0.2	-0.7	0.7	2.2	0.3
Hangzhou	New Tier 1	East China	-2.6	-1.8	4.1	-2.5	1.4	2.5	-0.5	1.5	1.7	-0.6	-4.6	-2.6	-0.7	1.1	3.2	-1.3
Hefei	New Tier 1	East China	-2.6	0.3	6.8	-4.9	1.0	3.8	-0.9	1.4	1.0	-1.7	-3.6	-4.7	0.6	1.0	1.3	-1.9
Jinan	New Tier 1	East China	-2.3	3.0	4.2	-3.7	0.9	2.0	1.2	4.3	0.8	-3.9	-4.1	-4.6	3.5	1.4	-1.2	1.1
Nanjing	New Tier 1	East China	-2.7	-1.4	5.0	-4.1	1.0	3.6	-1.0	1.5	1.0	-1.7	-4.7	-4.5	-0.1	0.8	1.5	-1.7
Qingdao	New Tier 1	East China	-4.1	1.8	4.3	-3.4	0.2	1.5	0.3	2.9	0.3	-1.5	-4.4	-4.1	-0.1	0.1	-0.9	-0.1
Xiamen	New Tier 1	East China	-0.8	-3.1	1.6	-0.9	2.1	2.4	-0.1	0.4	3.0	1.2	-3.3	0.1	1.5	1.5	1.6	2.4
Changsha	New Tier 1	Central China	-3.2	-0.6	6.1	-6.4	0.0	3.9	-3.0	-1.2	1.1	-1.7	-2.6	-5.3	-1.4	-0.4	3.5	-2.3
Wuhan	New Tier 1	Central China	-4.1	0.3	7.0	-6.1	-0.8	2.5	-2.2	0.0	0.2	-2.0	-1.6	-5.1	0.7	1.3	1.7	-2.5
Zhengzhou	New Tier 1	Central China	-4.1	3.5	5.5	-5.9	-0.9	2.8	1.5	3.4	-0.4	-4.5	-4.0	-5.5	2.2	2.9	-0.1	-0.8
Guangzhou	Tier 1	South China	-1.8	-4.1	2.7	-2.8	3.8	4.4	1.0	1.9	6.9	-0.6	-1.9	2.5	4.6	1.6	3.4	2.3
Hong Kong	Tier 1	South China	-0.9	-3.7	1.8	-1.0	3.0	2.7	0.4	2.3	4.3	-0.1	-2.7	0.7	2.8	2.5	2.7	2.2
Shenzhen	Tier 1	South China	-0.9	-3.8	1.9	-1.7	3.0	2.7	1.0	2.6	5.1	0.1	-2.0	0.8	2.8	2.6	2.9	2.2
Chengdu	New Tier 1	Southwest China	-0.5	-0.3	2.5	-1.5	1.4	2.1	0.0	3.5	6.0	2.4	-0.6	-4.1	0.8	0.4	0.6	-0.9
Chongqing	New Tier 1	Southwest China	-1.4	-0.9	1.7	-1.5	0.6	2.2	-0.3	3.0	5.3	2.9	0.5	-4.8	-0.8	0.3	1.5	-1.2
Kunming	New Tier 1	Southwest China	0.5	-2.7	1.1	2.6	3.9	4.5	2.0	3.2	3.4	1.3	-2.6	-0.2	1.8	1.8	2.3	1.3

City	Apr W17	Apr W18	May W19	May W20	May W21	May W22	Jun W23	Jun W24	Jun W25	Jun W26	Jun W27	Jul W28	Jul W29	Jul W30	Jul W31	Aug W32
National	-0.8	-1.7	-0.1	1.3	0.4	1.5	1.4	-1.7	-0.5	-1.6	-0.6	0.7	0.8	-0.1	0.2	0.5
Beijing	0.6	-1.0	-0.4	3.1	-1.5	-0.9	-0.5	-3.9	-1.7	-3.3	-0.2	-0.8	1.2	-1.9	2.3	1.6
Tianjin	0.5	-1.4	0.6	3.6	-3.0	-1.3	0.1	-2.3	-0.1	-2.4	0.6	0.3	0.9	-1.9	1.3	3.6
Changchun	-0.4	0.4	-1.2	5.2	1.7	1.7	-1.2	-3.2	-0.4	-1.0	0.1	-0.1	-0.6	0.7	2.7	2.8
Dalian	1.2	-0.1	-0.1	-2.1	-2.2	-0.5	-0.4	-0.1	-0.1	-1.0	-0.9	0.1	-0.2	-0.4	2.0	3.5
Harbin	-2.6	0.8	-0.4	5.1	2.3	1.5	-1.2	-2.3	0.3	-0.1	0.0	-0.4	-0.2	1.3	2.8	1.4
Shenyang	0.9	-0.3	-1.4	2.9	0.8	2.3	-0.1	-1.9	-0.4	-1.9	0.0	-0.8	-1.2	0.4	2.6	4.0
Xi'An	-3.1	-0.7	-0.7	-0.7	-1.0	-0.4	2.1	-1.8	0.2	-2.0	0.6	3.4	1.4	1.9	-0.3	-4.7
Shanghai	-1.9	-2.6	0.1	0.8	1.9	2.9	2.3	0.2	-0.2	-2.9	-2.1	1.0	3.5	0.6	1.3	0.8
Fuzhou	0.9	-2.2	-2.1	-1.6	2.2	3.5	1.9	-2.4	-1.0	-0.3	0.2	0.4	0.3	0.1	-0.3	0.9
Hangzhou	-2.4	-3.3	0.2	2.1	2.9	3.2	2.2	-1.4	-0.5	-2.4	-2.0	1.2	2.3	0.5	1.1	0.2
Hefei	-4.1	-2.7	0.7	2.4	1.4	1.6	2.8	-0.9	0.1	-3.2	-1.2	0.9	1.3	-2.4	0.4	0.6
Jinan	-0.7	-1.4	1.2	4.3	-2.8	-1.9	0.4	-2.6	0.3	-1.8	-0.3	1.1	-1.1	0.3	0.4	2.9
Nanjing	-4.1	-3.6	0.5	2.4	1.9	1.9	2.9	-1.2	-0.1	-3.4	-2.1	1.4	0.8	-2.2	1.3	0.7
Qingdao	-0.8	-0.5	-0.6	-1.6	-1.5	-0.5	-1.0	-0.5	-0.9	-0.8	-1.1	-0.8	-1.3	-1.9	0.4	1.0
Xiamen	1.4	-2.0	-1.6	-2.0	1.7	4.3	1.5	-1.7	-1.7	-0.1	-0.5	0.6	-1.3	-0.4	-2.2	-0.1
Changsha	-3.1	-2.9	0.7	0.5	1.5	3.2	3.1	-2.4	1.0	-2.1	-1.7	0.3	1.7	-2.0	-1.6	-1.6
Wuhan	-3.8	-2.7	0.9	1.3	0.6	1.0	2.4	-3.3	0.1	-3.4	-2.0	1.0	2.5	-1.4	-0.3	0.7
Zhengzhou	-3.3	-0.4	0.3	2.6	-2.1	-1.0	2.6	-1.5	-0.5	-3.6	1.3	3.0	1.1	0.0	-1.6	0.8
Guangzhou	0.4	-1.9	-1.5	0.4	-0.2	3.6	3.3	-1.3	-1.6	0.9	-0.5	-2.1	-1.1	-0.9	-3.1	-0.5
Hong Kong	0.6	-1.3	-1.3	-0.3	-0.1	2.3	1.5	-1.5	-2.1	0.4	-0.3	-1.5	-1.8	-0.5	-3.1	-0.9
Shenzhen	0.5	-1.1	-1.2	0.0	-0.4	1.7	1.5	-1.1	-1.8	0.3	0.4	-1.5	-1.6	-0.4	-2.4	-0.6
Chengdu	0.1	-2.9	1.3	-0.7	2.8	3.4	2.4	-1.6	-1.1	-1.1	0.0	5.4	3.0	4.8	-1.9	-0.8
Chongqing	-0.2	-2.8	0.0	-0.3	2.4	2.1	-0.1	-3.8	-1.9	-3.5	-2.7	3.8	3.5	3.9	2.4	-3.9
Kunming	1.9	-2.7	-3.3	-1.3	2.4	3.3	0.9	-2.2	0.6	0.6	-0.7	1.2	0.8	0.9	-0.3	-0.7

Source: Bloomberg

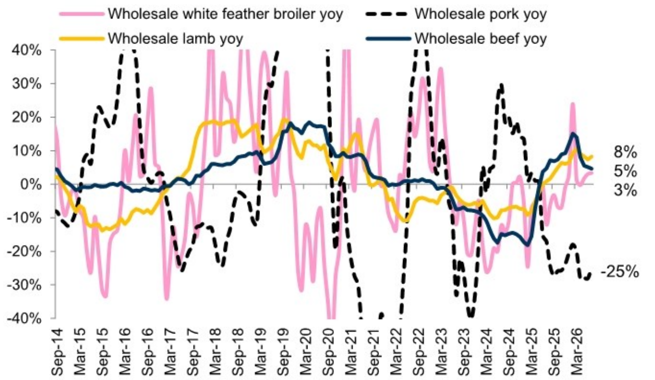
Exhibit 6: Jun catering sales growth slightly improved sequentially, while above sized restaurant sales growth continued being slower vs. total

Source: NBS

Exhibit 7: Latest domestic flight capacity exceeded the FY19 level by +3%, sequentially declined

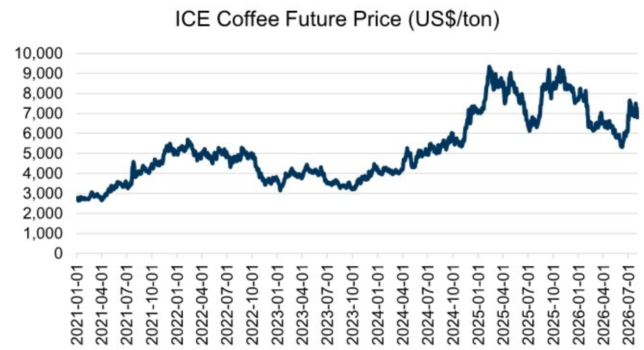
Source: Flight Master

Exhibit 8: Commodity price trends were largely stable in July
Wholesale price yoy growth on chicken, pork, lamb and beef



Source: Wind, CEIC

Exhibit 9: Coffee future price picked up in Jul



Source: Wind

Competitive environment

Promotion trend
In freshly made drinks, the promotion in Jul remains rational for the brands we track; into Aug, brands conducted marketing for "the first cup of milk tea in Autumn" campaign — for example, Guming's time-limit package was well received by consumers, Luckin also announced it reached 25mn sales volume on Aug 7 (the Start of Autumn) compared to >20mn last year — but the pricing activity from brands remains disciplined.

The competition between freshly made tea and coffee continues to merge. For example, Luckin launched an iced milk tea series with Rmb9.9 priced drinks offered, Cotti also launched a Rmb8.9 offer for select large cup fruit tea SKUs; Guming also launched a campaign to offer Rmb0.01 coffee (last for 10mins, 1 SKU available each day) from Aug 10. In addition, we note more offerings from QSR leaders — KFC launched "Cool Friday" where it offers special price for select beverage/ice cream SKUs; McDonald's launched 1.5mn free lemonade coupons in early Aug.

KFC offered sequentially more promotions which we view was also impacted by the promotion calendar, but remains disciplined; PH didn't offer meaningful promotions in the past month.

Exhibit 10: FMD and QSR promotion tracker

Coffee

	Luckin	Cotti	KCOFFEE	Mc Café	Lucky Cup
Major pricing activities	- Price hike from Jan 2025 in some cities	- No longer offer Rmb9.9 for all products since Feb 2026	- Lowest price with membership card increased to Rmb6 from Rmb5; membership card monthly fee from Rmb8.8 to Rmb9.9 from Mar 2025		- Increased delivery channel price by Rmb3 on Feb 28, 2026
7/6/2026	-One 9.9 coffee coupon each week, 8 SKUs available including 1 milk tea and 2 fruit tea SKUs	-9.9 for selective SKUs - Offer Rmb4.9 coupon for select SKUs in private domain -Cotti Monday, offering Rmb7.9, free coffee coupon etc.	Coffee from Rmb9.9, with membership card from Rmb6.9	No meaningful change (Rmb9.9 for selective Americano/Latte SKUs with membership card)	Total of 500k Rmb5 coupon offered for large cup series (大圣桶) during Jul 8-Aug 5
7/13/2026	-One 9.9 coffee coupon each week, 8 SKUs available including 1 milk tea and 2 fruit tea SKUs	-9.9 for selective SKUs - Offer Rmb4.9 coupon for select SKUs in private domain -Cotti Monday, offering Rmb7.9, free coffee coupon etc.	Coffee from Rmb9.9, with membership card from Rmb6.9	No meaningful change (Rmb9.9 for selective Americano/Latte SKUs with membership card)	- Large cup series (大圣桶) offers Rmb10 off 2 cups during Jul 15-Aug 7 - Total of 500k Rmb5 coupon offered for large cup series (大圣桶) during Jul 8-Aug 5
7/20/2026	-One 9.9 coffee coupon each week, 8 SKUs available including 1 milk tea and 2 fruit tea SKUs	-9.9 for selective SKUs - Offer Rmb4.9 coupon for select SKUs in private domain -Cotti Monday, offering Rmb7.9, free coffee coupon etc.	Offer Rmb6.9 and Rmb12.9/2 cups for select SKUs during Jul 20-26	No meaningful change (Rmb9.9 for selective Americano/Latte SKUs with membership card)	- Large cup series (大圣桶) offers Rmb10 off 2 cups during Jul 15-Aug 7 - Total of 500k Rmb5 coupon offered for large cup series (大圣桶) during Jul 8-Aug 5
7/27/2026	-One 9.9 coffee coupon each week, 8 SKUs available including 1 milk tea and 2 fruit tea SKUs	-9.9 for selective SKUs; offer Rmb8.9 for selective SKUs on Meituan during Jul 27-29 - Offer Rmb4.9 coupon for select SKUs in private domain -Cotti Monday, offering Rmb7.9, free coffee coupon etc.	Offer Rmb6.9 for select SKUs during Jul 27-Aug 2	No meaningful change (Rmb9.9 for selective Americano/Latte SKUs with membership card)	- Large cup series (大圣桶) offers Rmb10 off 2 cups during Jul 15-Aug 7 - Total of 500k Rmb5 coupon offered for large cup series (大圣桶) during Jul 8-Aug 5
8/3/2026	-One 9.9 coffee coupon each week, 8 SKUs available including 1 milk tea and 2 fruit tea SKUs - Product from Rmb8.8 offered for select SKUs and slots; Rmb9.9 offered for iced milk SKUs	- Rmb8.9 offered for select large cup fruit tea products during Aug -9.9 for selective SKUs - Offer Rmb4.9 coupon for select SKUs in private domain -Cotti Monday, offering Rmb7.9, free coffee coupon etc.	Offer Rmb6.9 for newly launched butter basque coffee	No meaningful change (Rmb9.9 for selective Americano/Latte SKUs with membership card)	- Large cup series (大圣桶) offers Rmb10 off 2 cups during Jul 15-Aug 7 - Total of 500k Rmb5 coupon offered for large cup series (大圣桶) during Jul 8-Aug 5
Sequential pricing trend (monthly)	↑	↓	↓	→	↓

Tea

	Mixue	Good me	Hey Tea
Major pricing activities			
7/6/2026	1mn free coupon offered for World Cup during Jun 29-Jul 18	One Rmb9.9 coffee each week, all coffee SKUs available	No meaningful change
7/13/2026	1mn free coupon offered for World Cup during Jun 29-Jul 18	One Rmb9.9 coffee each week, all coffee SKUs available; new product rice latte offers Rmb9.9 for the first cup ordered	No meaningful change
7/20/2026	No meaningful change	One Rmb9.9 coffee each week, all coffee SKUs available	No meaningful change
7/27/2026	No meaningful change	One Rmb9.9 coffee each week, all coffee SKUs available	No meaningful change
8/3/2026	No meaningful change	One Rmb9.9 coffee each week, all coffee SKUs available	No meaningful change
Sequential pricing trend (monthly)	↓	↑	→

QSR

	KFC	Pizza Hut	Mcdonald's	Tastien	DPC
Major pricing activities	- Announced price hike by ~2% on average on Dec 2024 - Increased delivery price by avg Rmb0.8 in Jan 2026	- Launched 2025 new menu with more value-for-money price points - In 2026, launched Rmb1 product coupon on APP for every Tuesday	- Price hike by Rmb0.5-1 for select SKUs on Dec 2025		
7/6/2026	"Calm Friday" with special price (Rmb6.5 for 1, Rmb9.9 for 1) offered for 11 ice cream/beverage SKUs	Rmb99/6 SKU (durian pizza) and Rmb49.9/8 SKU offered	No meaningful change	No meaningful change	No meaningful change
7/13/2026	"Calm Friday" with special price (Rmb6.5 for 1, Rmb9.9 for 1) offered for 11 ice cream/beverage SKUs	Rmb79/6 SKU offered for delivery channel	One classic main dish+one beverage set offered from Rmb13.9 on weekdays, during Jul 13-24	No meaningful change	Launched Rmb79/6 SKU (for 2-3 persons) and Rmb35/3 SKU (for 1 person) set
7/20/2026	- Burger festival during Jul 20-Aug 2, Rmb14.9/2 SKU set; potato festival during Jul 20-26, buy one get one free offered for select potato-based SKUs - "Crazy Thursday" offers will cover Thursday and Friday during the week; "Calm Friday" continued	Offering for durian pizza sets during Jul 20-Aug 9	- One classic main dish+one beverage set offered from Rmb13.9 on weekdays, during Jul 13-24 - 1mn free fries offered	No meaningful change	30% off offered for pizza on Tuesday, Wednesday, Thursday
7/27/2026	- Burger festival during Jul 20-Aug 2, Rmb14.9/2 SKU set - "Calm Friday" with special price (Rmb6.5 for 1, Rmb9.9 for 2) offered for 11 ice cream/beverage SKUs	No meaningful change	No meaningful change	No meaningful change	30% off offered for pizza on Tuesday, Wednesday, Thursday
8/3/2026	- Buy one get one free offered for shrimp burger - "Calm Friday" with special price (Rmb6.5 for 1, Rmb9.9 for 2) offered for 11 ice cream/beverage SKUs	No meaningful change	1.5mn free lemonade coupon offered during Aug 5-7	No meaningful change	No meaningful change
Sequential pricing trend (monthly)	↓	↑	→	→	↑

Red/green highlights sequentially larger/smaller discount. Based on the promotion change from brands.

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

Store opening trend

In freshly made drink, Luckin maintained a fast store opening pace according to Hongcan, though the pace in Jul was slightly slower sequentially (on track with GSe which looks for 1,500 net additions in 3Q26 compared to ~2,700 in 2Q26); while Cotti continued seeing deceleration in store opening. Guming saw a steady pace of store opening in the past few months, while Mixue/Lucky Cup saw sequential deceleration. In QSR, KFC/PH saw a steady pace of store openings.

Exhibit 11: Store opening and closure by brand

Store gross openings

Brands	ASP	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
KFC	30	199	118	41	20	477	10	733	150	143	156	167	171	151
McDonald's	27	70	106	115	79	82	135	167	29	38	58	69	48	42
Tasiting	18	273	293	424	335	314	295	286	197	166	249	179	245	
Pizza Hut	51	38	35	94	65	32	121	99	96	36	84	69	113	99
Mixue China	7	1430	382	330	234	213	262	696	618	1995	776	419	213	182
Guming	14	535	519	607	487	280	305	225	195	105	254	235	283	179
Auntea Jenny	13	293	362	552	460	404	363	308	182	266	NA	612	416	301
ChaPanda	14	140	147	209	173	172	138	128	78	92	145	214	283	
Shuyi	12	93	84	104	83	64	76	69	32	44	65	96	75	79
Yidiandian	15	122	122	211	149	146	162	96	336	107	305	285	382	297
Luckin	14	833	999	1,154	880	742	768	1078	552	730	1834	963	972	682
Cotti	10	1,363	1,044	864	970	567	473	405	221	301	267	194	147	30
Nowwa	17	1,376	1,184	940	630	1,690	611	542	265	992	264	286	263	443
Starbucks	36	28	51	160	15	18	52	30	18	11	48	46	69	
Lucky Cup	8	355	522	850	934	1,094	486	164	85	86	81	22	24	
Manner	21	63	58	88	70	62	63	51	47	19	58	44	56	53
Tims	25	17	13	20	15	10	15	23	12	10	5	7	9	5

Store net openings

Brands	ASP	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
KFC	30	123	69	-15	5	441	-32	662	127	89	86	79	89	
McDonald's	27	61	101	103	76	67	119	146	25	31	46	51	32	
Tasiting	18	248	264	359	280	298	274	270	192	151	218	151	222	
Pizza Hut	51	11	24	83	41	17	109	66	82	17	57	49	92	
Mixue China	7	1,129	-94	-249	42	75	117	525	503	1,856	642	-199	7	
Guming	14	468	447	534	382	177	232	164	139	-28	140	154	117	
Auntea Jenny	13	143	204	415	321	289	226	145	72	50	NA	382	123	
ChaPanda	14	-133	-19	51	52	70	45	56	54	3	35	137	179	
Shuyi	12	31	19	16	-6	-2	7	-8	1	-54	-38	43	4	
Yidiandian	15	106	108	201	142	137	146	87	326	96	293	271	370	
Luckin	14	663	876	1,041	773	622	594	930	481	315	1,715	830	783	
Cotti	10	1,239	911	711	523	20	-97	320	-104	214	140	-633	15	
Nowwa	17	1,313	888	891	561	1,624	376	286	170	463	-143	137	55	
Starbucks	36	7	29	130	-7	-12	9	-6	3	-30	-23	36	47	
Lucky Cup	8	311	473	806	895	1,017	428	104	49	-97	-67	-44	-101	
Manner	21	60	54	83	64	55	55	38	46	5	45	36	48	
Tims	25	-5	-6	12	6	-2	9	2	6	-28	-14			

Store closures

Brands	ASP	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26
KFC	30	-76	-49	-56	-15	-36	-42	-71	-23	-54	-70	-88	-82	
McDonald's	27	-9	-5	-12	-3	-15	-16	-21	-4	-7	-12	-18	-16	
Tasiting	18	-25	-29	-65	-55	-16	-21	-16	-5	-15	-31	-28	-23	
Pizza Hut	51	-27	-11	-11	-24	-15	-12	-33	-14	-19	-27	-20	-21	
Mixue China	7	-301	-476	-579	-192	-138	-145	-171	-115	-139	-134	-618	-206	
Guming	14	-67	-72	-73	-105	-103	-73	-61	-56	-133	-114	-81	-166	
Auntea Jenny	13	-150	-158	-137	-139	-115	-137	-163	-110	-216	-15	-230	-293	
ChaPanda	14	-273	-166	-158	-121	-102	-93	-72	-24	-89	-110	-77	-104	
Shuyi	12	-62	-65	-88	-89	-66	-69	-77	-31	-98	-103	-53	-71	
Yidiandian	15	-16	-14	-10	-7	-9	-16	-9	-10	-11	-12	-14	-12	
Luckin	14	-170	-123	-113	-107	-120	-174	-148	-71	-415	-119	-133	-189	
Cotti	10	-124	-133	-153	-447	-547	-570	-85	-325	-87	-127	-827	-132	
Nowwa	17	-63	-296	-49	-69	-66	-235	-256	-95	-529	-407	-149	-208	
Starbucks	36	-21	-22	-30	-22	-30	-43	-36	-15	-30	-27	-10	-22	
Lucky Cup	8	-44	-49	-44	-39	-77	-58	-60	-36	-97	-148	-66	-125	
Manner	21	-3	-4	-5	-6	-7	-8	-13	-1	-14	-13	-8	-8	
Tims	25	-22	-19	-8	-9	-12	-6	-21	-6	-28	-16	-20	-7	

Source: Hongcan

New product

Brands we cover generally had relatively fast new product launch pace in the peak season; differentiated products (e.g. sparkling tea) and category expansion (e.g. yogurt products, iced milk tea for Luckin, coffee for Guming/Mixue) were among the focus of product launches. Pricing wise, Lucky Cup launched more large cup SKUs which should be positive to ASP.

Exhibit 12: New product tracker

	Guming		Luckin		Chagee		Mixue		Lucky Cup	
	Product name	Price	Product name	Price	Product name	Price	Product name	Price	Product name	Price
Jun-26	特调泰奶*2 Thai style milk tea	15	海盐焦糖拿铁 Sea Salt Caramel Latte	13	摇摇沙系列*2 Shake series	18	柚子香柠茶 Grapefruit lemon tea	7	小杏运*3（美式，果茶，冰淇淋） Apricots series	8-13
	李子冰茶 Plum ice tea	13	橙C美式升级 Upgraded orange americano	12	柠檬奶系列*2 Lemon milk tea series	18	爆汁柠柚咖 Grapefruit lemon coffee	8	大圣桶*3 Large cup series	10
	桃桃冰冰李 Peach&plum ice tea	13	柠C气泡美式 Lemon sparkling americano	14	粉芭乐 Pink guava	20				
Jul-26	白糯米酸奶*2 Sticky rice yogurt	15	大西瓜生椰冷萃 Watermelon coconut cold brew	13	汽泡茶系列*3 Sparkling tea series	18	荔枝啵啵 Litchi bubble tea	7	瓜甜茉莉 Watermelon jasmine tea	7
	芭乐系列*2 Guava series	13-16	瑰夏冷萃系列*2 Geisha cold brew	15	轻因 伯牙柠檬奶 Lemon flavor jasmine green milk tea	19	荔枝椰椰 Litchi coconut	8	瓜甜椰梦 Watermelon coconut coffee	11
	有米系列*3（拿铁，美式，咸乳酪泰有米） Rice series	14-17	绿沙沙拿铁 Sweet mung bean latte	12						
	泰橘系列*3（美式，酸奶，冰茶） Thai Tangerine series	11-15	乳酸菌美式 Yogurt americano	12						
			百香果美式 Passion fruit americano	11						
			全冰去水系列*4 "full ice no water" series	20						
			大菠萝生椰冷萃 Pineapple coconut cold brew	12						
Aug-26	苹果大红袍 Apple Dahongpao	13	冰奶*5 Iced milk tea	10			黄桃果霸 Yellow peach tea	8	苹果系列*3（美式，果茶，冰淇淋） Apple series	7-12
			苹果系列*3 Apple series	10-12			黄桃燕麦酸奶 Yellow peach yogurt	10		

Price is based on self pickup price shown on each brand's mini program

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

Key announcements and reports

Company news

Guming: Guming reportedly expanded into packaged retail beverages, distributing HPP juice products through supermarkets, convenience stores and snack retailers in multiple cities.

Lucky Cup: According to news report, Lucky Cup plans to cap new store openings at <2,000 in 2026 and <1,000 in 2H26 shifting its focus from network expansion to store quality and core locations in higher-tier cities. The brand also plans to invest c.Rmb300mn to upgrade eligible stores with professional coffee machines.

Luckin: Luckin opened its 120th store in Malaysia in Johor Bahru, marking its entry into southern Malaysia.

Haidilao: Haidilao's barbecue sub-brand Yanqing reportedly closed >20 stores, reducing its operating store count to c.61. Haidilao also launched a new burger brand, Huanxianbao, with its first store opened in Wuhan, offering freshly made Angus beef burgers starting at c.Rmb19.9.

Juewei: Juewei plans to dispose of its 24.2% stake in Inner Mongolia Saifeiya for Rmb84.6mn and will cease to hold any stake in the company upon completion.

GS reports:

Luckin Coffee Inc. (LKNCY): Earnings review: 2Q strong beat with resilient SSSG/margin despite fast store expansion; delivery cost decline ahead of expectation; Buy

Yum China Holdings (YUMC): Earnings Review: Resilience amid tough macro; New initiatives progress encouraging; Buy (on CL)

Yum China Holdings (YUMC): First Take: 2Q26 sales and margin slightly above GSe despite demand/delivery mix headwind; Buy (on CL)

Guming Holdings Ltd. (1364.HK): 1H26 preview: factoring in slower store additions, yet resilient margins; Buy (on CL)

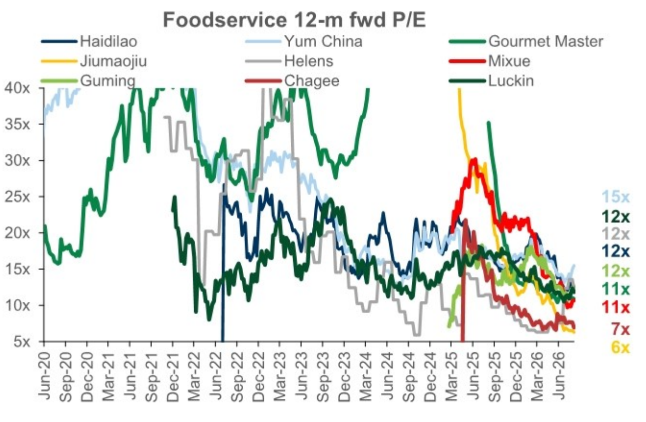
Haidilao International Holding (6862.HK): 1H26 preview: Expect slower core business recovery while fast growing new business to dilute margins; Neutral

Guming Holdings Ltd. (1364.HK): NDR takeaways: Store quality a priority; store network upgrade/category expansion/marketing to support SSSG; Buy (on CL)

China Restaurants: Luckin/Chagee initiation feedback; addressing key investor questions

Sector valuations

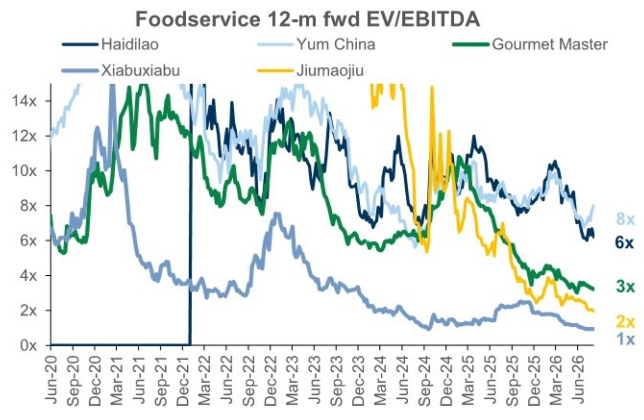
Exhibit 13: 12-m P/Es of key restaurant players



Data as of Aug 7, 2026. Jiumaojiu, Helens data based on Datastream.

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

Exhibit 14: 12-m EV/EBITDA of key restaurant players



Data as of Aug 7, 2026. Jiumaojiu, Xiabuxiabu data based on Datastream.

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

Exhibit 15: TP methodology and risks

Company	Ticker	Rating	Pricing currency	Closing Price 8/7/2026	Target Price	TP methodology	Key risks
Yum China	**YUMC**	**Buy***	USD	47.72	59.00	SOTP: 11x 2026E EV/EBITDA for KFC China and 7x for Pizza Hut China	1) weaker-than-expected SSSG; 2) higher-than-expected commodity costs; 3) stronger-than-expected competition; and 4) lower-than-expected execution efficiency.
Guming	**1364.HK**	**Buy***	HKD	22.96	31.00	20X 2026E P/E	1) Unable to manage the large store network; 2) Lower-than-expected store expansion; 3) Underperformed store productivity; 4) Intensified competition, fashion risk and price war; 5) Increase in store level cost; 6) Larger-than-expected subsidies to franchisees; 7) Lower scale economy with geographical expansion; and 8) Food safety issues.
Mixue group	**2097.HK**	**Buy**	HKD	229.40	450.00	24X 2026E P/E	1) store network management; 2) competition, 3) food cost inflation/operating costs, 4) food safety, 5) overseas expansion.
Luckin	**LKNCY**	**Buy**	HKD	33.63	51.00	21x 2026E P/E	1) Data privacy risks, 2) Market competition, 3) Weaker-than-expected pricing, 4) Raw material cost inflation, 5) Delivery mix impact on margin, 6) SSSG dilution with store network expansion, 7) Food safety.
Haidilao	**6862.HK**	**Neutral**	HKD	11.32	12.20	9x 2026E EV/EBITDA	1) better-/weaker-than-expected table turn recovery; 2) faster-/slower-than-expected expansion; 3) faster/slower new businesses of other restaurant brands/FC model; 4) stronger-than-expected cost saving/unfavorable cost inflation; 5) food safety issues.
Gourmet Master	**2723.TW**	**Neutral**	TWD	62.10	77.00	5x 2026E EV/EBITDA	1) more-/Less-intensive competition in Mainland China and Taiwan; 2) faster-/Slower-than-expected store expansion; 3) food safety issue;4) FX volatility.
Chagee	**CHA**	**Neutral**	HKD	10.18	13.60	10x 2026E P/E	1) stronger- or weaker-than-expected product cycle and innovation; 2) faster- or slower-than-expected store network expansion in China and overseas; 3) delivery subsidies; 4) margin and profitability; and 5) brand reputation and food safety risks.

TPs are on a 12-month basis. * = on Asia-Pacific Conviction List.

Source: Goldman Sachs Global Investment Research, Datastream

Exhibit 16: China foodservice industry comp table

Ticker	Company	Mkt cap	3m Avg daily turnover	Price_ Ccy	Rating	12m TP	Price	Implied upside	TP implied PE			PE			EV/EBITDA			EPS growth			Revenue growth			ROE	FCF yield	NPM	Net gearing
		US$mn	(US$mn)				8/7/2026		2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2026E	2026E	2026E
Restaurant/ Food retailer																											
9987.HK	Yum China	16,677	42	HKD	Buy*	459.00	379.20	21%	20x	17x	16x	16.5x	14.4x	12.8x	8.3x	7.6x	7.0x	17%	14%	12%	10%	7%	7%	19%	6%	8%	-28%
1216.TW	Uni-President	13,399	45	TWD	Neutral	69.00	75.70	-9%	18x	17x	16x	19.9x	19.1x	18.1x	8.1x	7.8x	7.4x	10%	4%	6%	4%	4%	4%	16%	8%	3%	14%
6862.HK	Haidilao International	8,043	25	HKD	Neutral	12.20	11.32	8%	15x	14x	14x	13.5x	13.2x	12.8x	6.9x	7.0x	6.6x	-4%	2%	3%	6%	5%	5%	39%	6%	9%	-78%
2912.TW	President Chain Store	7,128	36	TWD	Sell	200.00	221.00	-10%	18x	17x	16x	20.0x	18.7x	17.4x	6.7x	6.3x	5.8x	3%	7%	7%	6%	6%	5%	26%	7%	3%	-49%
603517.SS	Juewei	1,014	15	CNY	Sell	7.00	11.04	-37%	15x	12x	10x	23.8x	18.5x	16.0x	7.9x	6.1x	5.0x	n.a.	29%	16%	-7%	8%	6%	5%	6%	6%	-15%
2723.TW	Gourmet Master	347	1	TWD	Neutral	77.00	62.10	24%	14x	13x	12x	11.5x	10.6x	9.3x	3.3x	2.9x	2.5x	n.a.	8%	14%	-6%	2%	8%	9%	1%	6%	-30%
Average								**0%**	**17x**	**15x**	**14x**	**17.5x**	**15.8x**	**14.4x**	**6.9x**	**6.3x**	**5.7x**	**7%**	**11%**	**10%**	**2%**	**5%**	**6%**	**19%**	**6%**	**6%**	**-31%**
Median									**17x**	**16x**	**15x**	**18.2x**	**16.4x**	**14.4x**	**7.4x**	**6.6x**	**6.2x**	**7%**	**8%**	**10%**	**5%**	**5%**	**6%**	**18%**	**6%**	**6%**	**-29%**
Freshly-Made Drinks																											
2097.HK	Mixue Group	10,997	16	HKD	Buy	450.00	229.40	96%	23x	20x	17x	11.6x	10.0x	8.7x	6.0x	4.5x	3.1x	7%	16%	15%	12%	14%	14%	23%	8%	17%	-82%
LKNCY	Luckin coffee	10,783	43	USD	Buy	51.00	33.63	52%	20x	15x	12x	13.0x	10.2x	8.1x	7.5x	5.3x	3.9x	34%	27%	26%	24%	21%	15%	25%	6%	9%	-98%
1364.HK	Guming	6,960	15	HKD	Buy*	31.00	22.96	35%	19x	17x	15x	14.4x	12.5x	10.9x	10.4x	8.2x	6.7x	14%	15%	15%	18%	18%	16%	46%	6%	21%	-98%
CHA	Chagee holdings	1,937	8	USD	Neutral	13.60	10.18	34%	10x	9x	9x	7.1x	6.7x	6.4x	2.4x	1.8x	1.2x	-16%	6%	5%	12%	9%	6%	21%	14%	13%	-138%
2555.HK	ChaPanda	902	1	HKD	NC	n.a.	4.77	n.a	n.a.	n.a.	n.a.	6.9x	6.1x	5.1x	2.3x	1.7x	n.a.	7%	13%	19%	10%	10%	16%	21%	n.a.	15%	n.a.
Average								**54%**	**18x**	**15x**	**13x**	**10.6x**	**9.1x**	**7.8x**	**5.7x**	**4.3x**	**3.7x**	**9%**	**16%**	**16%**	**15%**	**14%**	**13%**	**27%**	**8%**	**15%**	**-104%**
Median									**20x**	**16x**	**14x**	**11.6x**	**10.0x**	**8.1x**	**6.0x**	**4.5x**	**3.5x**	**7%**	**15%**	**15%**	**12%**	**14%**	**15%**	**23%**	**7%**	**15%**	**-98%**
Comp for valuation																											
SBUX	Starbucks Corp.	119,882	805	USD	NC	n.a.	105.58	n.a	n.a.	n.a.	n.a.	38.6x	32.2x	27.3x	20.8x	18.4x	n.a.	20%	20%	18%	2%	3%	5%	-43%	3%	8%	-177%
CMG	Chipotle Mexican Grill Inc.	42,657	653	USD	NC	n.a.	32.79	n.a	n.a.	n.a.	n.a.	28.6x	23.9x	21.1x	20.0x	20.1x	14.8x	-1%	19%	14%	9%	11%	9%	59%	3%	11%	-13%
DRI	Darden Restaurants Inc.	24,064	271	USD	NC	n.a.	213.76	n.a	n.a.	n.a.	n.a.	19.4x	17.9x	16.4x	11.2x	10.7x	10.0x	8%	8%	9%	6%	5%	6%	55%	5%	9%	90%
TXRH	Texas Roadhouse Inc.	13,683	203	USD	NC	n.a.	208.00	n.a	n.a.	n.a.	n.a.	31.8x	26.8x	22.5x	16.8x	14.9x	14.4x	4%	19%	19%	11%	9%	8%	27%	2%	7%	-12%
CAKE	Cheesecake Factory Inc.	5,340	116	USD	NC	n.a.	107.05	n.a	n.a.	n.a.	n.a.	24.3x	21.7x	19.2x	13.1x	11.6x	9.9x	17%	12%	13%	7%	7%	9%	35%	3%	5%	46%
JUBI.BO	Jubilant Foodworks	3,361	n.a.	INR	Neutral	460.00	485.00	-5%	67x	56x	n.a.	70.4x	58.9x	n.a.	17.0x	14.7x	n.a.	30%	20%	n.a.	13%	12%	n.a.	19%	1%	4%	-8%
ALSEA.MX	Alsea	1,947	3	MXN	Sell	53.90	41.89	29%	15x	12x	10x	11.9x	9.0x	7.4x	4.0x	3.6x	3.2x	34%	32%	22%	1%	5%	7%	29%	38%	3%	210%
JFC.PS	Jollibee Foods Corp.	2,798	6	USD	NC	n.a.	2.48	n.a	n.a.	n.a.	n.a.	17.9x	13.8x	11.0x	6.6x	5.7x	4.8x	-18%	30%	25%	5%	10%	8%	12%	9%	3%	78%
SHAK	Shake Shack Inc.	3,006	143	USD	NC	n.a.	71.13	n.a	n.a.	n.a.	n.a.	63.4x	50.4x	40.0x	15.0x	12.9x	11.0x	-13%	26%	26%	14%	15%	14%	8%	1%	3%	-20%
ARCO	Arcos Dorados Holdings Inc.	1,736	11	USD	Buy	9.15	8.24	11%	13x	11x	9x	11.6x	10.3x	8.5x	6.6x	6.1x	5.2x	-29%	12%	22%	15%	10%	12%	19%	2%	3%	91%
DMP.AX	Domino's Pizza Enterprises	1,304	5	AUD	Sell	19.00	19.57	-3%	15x	14x	14x	15.3x	14.9x	14.5x	8.5x	8.0x	7.5x	2%	2%	3%	-3%	2%	4%	17%	8%	6%	63%
9658.HK	Super Hi	868	1	HKD	NC	n.a.	10.48	n.a	n.a.	n.a.	n.a.	19.1x	14.5x	12.5x	6.5x	n.a.	n.a.	1%	32%	15%	11%	11%	9%	10%	n.a.	5%	n.a.
1405.HK	DPC Dash	627	3	HKD	NC	n.a.	37.28	n.a	n.a.	n.a.	n.a.	n.a.	14.5x	11.2x	5.3x	4.2x	3.7x	30%	48%	30%	26%	20%	18%	7%	n.a.	3%	n.a.
BLMN	Bloomin' Brands Inc.	931	20	USD	NC	n.a.	10.95	n.a	n.a.	n.a.	n.a.	12.1x	11.0x	9.2x	4.1x	3.5x	3.1x	-19%	10%	19%	0%	2%	3%	16%	5%	2%	132%
0341.HK	Cafe de Coral	413	1	HKD	NC	n.a.	5.51	n.a	n.a.	n.a.	n.a.	15.3x	12.5x	11.8x	n.a.	n.a.	n.a.	45%	23%	5%	-2%	1%	1%	n.a.	n.a.	3%	-36%
9869.HK	Helens	285	0	HKD	NC	n.a.	1.72	n.a	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	7.3x	n.a.	n.a.	n.a.	n.a.	n.a.	16%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Average								**8%**	**27x**	**23x**	**11x**	**27.1x**	**22.2x**	**16.6x**	**10.8x**	**10.3x**	**8.0x**	**7%**	**21%**	**17%**	**8%**	**8%**	**8%**	**19%**	**7%**	**5%**	**34%**
Median									**15x**	**13x**	**10x**	**19.3x**	**14.9x**	**13.5x**	**8.5x**	**10.7x**	**7.5x**	**4%**	**20%**	**19%**	**8%**	**9%**	**8%**	**18%**	**3%**	**4%**	**46%**
Global QSR brand owners																											
MCD	McDonald's Corp.	196,284	1,268	USD	NC	n.a.	274.48	n.a	n.a.	n.a.	n.a.	21.3x	19.6x	18.3x	15.0x	14.2x	13.7x	6%	8%	7%	6%	5%	5%	1497%	4%	32%	2012%
YUM	Yum! Brands Inc.	41,557	375	USD	NC	n.a.	150.76	n.a	n.a.	n.a.	n.a.	22.6x	20.1x	18.0x	17.2x	16.1x	15.1x	9%	12%	12%	12%	6%	6%	-27%	3%	20%	-161%
QSR	Restaurant Brands Intl Inc.	25,431	231	USD	NC	n.a.	73.89	n.a	n.a.	n.a.	n.a.	18.3x	16.7x	15.3x	45.4x	43.1x	14.0x	10%	9%	9%	5%	1%	1%	35%	5%	19%	314%
DPZ	Domino's Pizza Inc.	11,857	293	USD	NC	n.a.	350.95	n.a	n.a.	n.a.	n.a.	18.4x	16.8x	15.5x	15.7x	15.1x	14.7x	8%	10%	8%	5%	2%	4%	-16%	42%	12%	-120%
WEN	The Wendy's Co.	1,408	136	USD	NC	n.a.	7.69	n.a	n.a.	n.a.	n.a.	13.7x	12.5x	11.1x	8.6x	8.3x	8.2x	-35%	10%	12%	2%	0%	2%	64%	12%	5%	1406%
JACK	Jack in the Box Inc.	331	14	USD	NC	n.a.	17.58	n.a	n.a.	n.a.	n.a.	5.2x	5.0x	n.a.	7.9x	7.5x	n.a.	-21%	4%	n.a.	-18%	1%	n.a.	-8%	21%	6%	-180%
Average									**n.a.**	**n.a.**	**n.a.**	**16.6x**	**15.1x**	**15.7x**	**18.3x**	**17.4x**	**13.1x**	**-4%**	**9%**	**10%**	**2%**	**3%**	**3%**	**258%**	**14%**	**16%**	**545%**
Median									**n.a.**	**n.a.**	**n.a.**	**18.4x**	**16.8x**	**15.5x**	**15.4x**	**14.6x**	**14.0x**	**7%**	**9%**	**9%**	**5%**	**2%**	**4%**	**14%**	**8%**	**16%**	**97%**

Note Green highlighted cells: China consumer team coverage & refer to Fiscal Year
Non highlighted cells: non China consumer team coverage & refer to Calendar Year
I/B/E/S estimates for Not Covered (NC) companies; all others are GSe

TPs are based on a 12-month period. * denotes membership on the APAC Conviction List.

Source: Bloomberg, Goldman Sachs Global Investment Research

Disclosure Appendix

Reg AC

We, Michelle Cheng and Xinyu Ruan, 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.

Contributing Authors: Michelle Cheng Goldman Sachs (Asia) L.L.C., Xinyu Ruan Goldman Sachs (Asia) L.L.C., Molly Dai Goldman Sachs (Asia) L.L.C., Keira Liu Goldman Sachs (Asia) L.L.C..

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

GS Factor Profile

The Goldman Sachs Factor Profile provides investment context for a stock by comparing key attributes to the market (i.e. our universe of rated stocks) and its sector peers. The four key attributes depicted are: Growth, Financial Returns, Multiple (e.g. valuation) and Integrated (a composite of Growth, Financial Returns and Multiple). Growth, Financial Returns and Multiple are calculated by using normalized ranks for specific metrics for each stock. The normalized ranks for the metrics are then averaged and converted into percentiles for the relevant attribute. The precise calculation of each metric may vary depending on the fiscal year, industry and region, but the standard approach is as follows:

Growth is based on a stock's forward-looking sales growth, EBITDA growth and EPS growth (for financial stocks, only EPS and sales growth), with a higher percentile indicating a higher growth company. **Financial Returns** is based on a stock's forward-looking ROE, ROCE and CROCI (for financial stocks, only ROE), with a higher percentile indicating a company with higher financial returns. **Multiple** is based on a stock's forward-looking P/E, P/B, price/dividend (P/D), EV/EBITDA, EV/FCF and EV/Debt Adjusted Cash Flow (DACF) (for financial stocks, only P/E, P/B and P/D), with a higher percentile indicating a stock trading at a higher multiple. The **Integrated** percentile is calculated as the average of the Growth percentile, Financial Returns percentile and (100% - Multiple percentile).

Financial Returns and Multiple use the Goldman Sachs analyst forecasts at the fiscal year-end at least three quarters in the future. Growth uses inputs for the fiscal year at least seven quarters in the future compared with the year at least three quarters in the future (on a per-share basis for all metrics).

For a more detailed description of how we calculate the GS Factor Profile, please contact your GS representative.

M&A Rank

Across our global coverage, we examine stocks using an M&A framework, considering both qualitative factors and quantitative factors (which may vary across sectors and regions) to incorporate the potential that certain companies could be acquired. We then assign a M&A rank as a means of scoring companies under our rated coverage from 1 to 3, with 1 representing high (30%-50%) probability of the company becoming an acquisition target, 2 representing medium (15%-30%) probability and 3 representing low (0%-15%) probability. For companies ranked 1 or 2, in line with our standard departmental guidelines we incorporate an M&A component into our target price. M&A rank of 3 is considered immaterial and therefore does not factor into our price target, and may or may not be discussed in research.

Quantum

Quantum is Goldman Sachs' proprietary database providing access to detailed financial statement histories, forecasts and ratios. It can be used for in-depth analysis of a single company, or to make comparisons between companies in different sectors and markets.

Disclosures

Financial advisory disclosure

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: YUM CHINA HOLDINGS, INC.

The rating(s) for Chagee Holdings, Gourmet Master Co., Guming Holdings Ltd., Haidilao International Holding, Luckin Coffee Inc., Mixue Group, Yum China Holdings (ADR) and Yum China Holdings (H) is/are relative to the other companies in its/their coverage universe: Anta Sports Products, Bloks Group Ltd., Bosideng International Holdings, Chagee Holdings, Chow Tai Fook Jewellery Group, Chow Tai Seng Jewellery, Eclat Textile Co., Feng Tay Enterprises, Gourmet Master Co., Guming Holdings Ltd., Haidilao International Holding, Huali Industrial Group, Juewei Food, Laopu Gold, Li Ning Co., Luckin Coffee Inc., Luk Fook Holdings, Makalot Industrial Co, Miniso (ADR), Miniso (H), Mixue Group, Pop Mart, Pou Sheng International Holdings, President Chain Store, Shanghai M&G, Shenzhou International Group, Stella International Holdings, Topsports Intl Holdings, Uni-President Enterprises, Xtep International Holdings, Yue Yuen Industrial, Yum China Holdings (ADR), Yum China Holdings (H)

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%	59%	43%

As of July 1, 2026, Goldman Sachs Global Investment Research had investment ratings on 3,104 equity securities. Goldman Sachs assigns stocks as Buys and Sells on various regional Investment Lists; stocks not so assigned are deemed Neutral. Such assignments equate to Buy, Hold and Sell for the purposes of the above disclosure required by the FINRA Rules. See 'Ratings, Coverage universe and related definitions' below. The Investment Banking Relationships chart reflects the percentage of subject companies within each rating category for whom Goldman Sachs has provided investment banking services within the previous twelve months.

Price target and rating history chart(s)

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)

Chagee Holdings (CHA)

Date of report	Target price ($)	Closing price ($)
21-Jun-26	13.60	11.65

Haidilao International Holding (6862.HK)

Date of report	Target price (HK$)	Closing price (HK$)
29-Jul-26	12.20	11.96
25-Mar-26	14.30	14.22
26-Aug-25	14.70	14.47
14-Jul-25	15.30	14.12
26-Mar-25	17.90	17.62
25-Oct-24	15.60	15.50
28-Aug-24	13.70	12.34
29-Jul-24	15.00	12.62
27-Jun-24	15.70	14.10
27-Mar-24	15.80	16.86
14-Nov-23	16.00	16.74
30-Aug-23	18.50	21.55

Luckin Coffee Inc. (LKNCY)

Date of report	Target price ($)	Closing price ($)
03-Aug-26	51.00	37.09
21-Jun-26	49.00	30.51

Yum China Holdings (H) (9987.HK)

Date of report	Target price (HK$)	Closing price (HK$)
30-Jul-26	459.00	365.80
29-Apr-26	452.00	379.20
31-Mar-26	450.00	385.40
04-Feb-26	456.00	392.40
21-Jan-26	448.00	375.80
04-Nov-25	436.00	352.00
14-Oct-25	413.00	331.80
30-Apr-25	447.00	362.60
03-Jan-25	452.00	354.00
04-Nov-24	460.00	360.60
02-Oct-24	437.00	393.20
06-Aug-24	383.00	252.80
27-Jun-24	406.00	241.80
15-Apr-24	445.00	295.00
01-Nov-23	476.00	356.20
03-Oct-23	555.00	430.60

Yum China Holdings (ADR) (YUMC)

Date of report	Target price ($)	Closing price ($)
30-Jul-26	59.00	46.47
29-Apr-26	58.00	48.69
31-Mar-26	57.70	48.78
04-Feb-26	58.50	53.14
21-Jan-26	57.50	48.75
04-Nov-25	56.00	44.82
14-Oct-25	53.00	43.07
30-Apr-25	57.00	43.31
03-Jan-25	58.00	44.61
04-Nov-24	59.00	48.30
02-Oct-24	56.00	51.01
06-Aug-24	49.00	33.37
27-Jun-24	52.00	31.32
15-Apr-24	57.00	37.73
01-Nov-23	61.00	44.56
03-Oct-23	71.00	54.30

Gourmet Master Co. (2723.TW)

Date of report	Target price (NT$)	Closing price (NT$)
15-May-26	77.00	64.20
12-Nov-25	80.00	67.30
21-Aug-25	90.00	80.20
13-May-25	104.00	91.50
14-Mar-25	105.00	95.70
12-Nov-24	102.00	89.50
01-Sep-24	92.00	82.70
23-May-24	102.00	90.00
10-Apr-24	107.00	90.20
10-Nov-23	115.00	101.00

Mixue Group (2097.HK)

Date of report	Target price (HK$)	Closing price (HK$)
24-Mar-26	450.00	341.80
24-Feb-26	493.00	372.60
28-Aug-25	579.00	435.00
27-Aug-25	570.00	460.40
05-Aug-25	599.00	472.40
01-Jun-25	597.00	543.50
07-Apr-25	484.00	351.40

Guming Holdings Ltd. (1364.HK)

Date of report	Target price (HK$)	Closing price (HK$)
29-Jul-26	31.00	22.86
26-Mar-26	36.00	25.42
24-Feb-26	34.00	29.80
27-Aug-25	32.00	22.60
05-Aug-25	30.00	24.18
01-Jun-25	29.20	26.35
31-Mar-25	21.00	16.58
23-Mar-25	20.90	16.00

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

Regulatory disclosures

Disclosures required by United States laws and regulations

See company-specific regulatory disclosures above for any of the following disclosures required as to companies referred to in this report: manager or co-manager in a pending transaction; 1% or other ownership; compensation for certain services; types of client relationships; managed/co-managed public offerings in prior periods; directorships; for equity securities, market making and/or specialist role. Goldman Sachs trades or may trade as a principal in debt securities (or in related derivatives) of issuers discussed in this report.

The following are additional required disclosures: **Ownership and material conflicts of interest:** Goldman Sachs policy prohibits its analysts, professionals reporting to analysts and members of their households from owning securities of any company in the analyst's area of coverage. **Analyst compensation:** Analysts are paid in part based on the profitability of Goldman Sachs, which includes investment banking revenues. **Analyst as officer or director:** Goldman Sachs policy generally prohibits its analysts, persons reporting to analysts or members of their households from serving as an officer, director or advisor of any company in the analyst's area of coverage. **Non-U.S. Analysts:** Non-U.S. analysts may not be associated persons of Goldman Sachs & Co. LLC and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading in securities covered by the analysts.

Additional disclosures required under the laws and regulations of jurisdictions other than the United States

The following disclosures are those required by the jurisdiction indicated, except to the extent already made above pursuant to United States laws and regulations. **Australia:** Goldman Sachs Australia Pty Ltd and its affiliates are not authorised deposit-taking institutions (as that term is defined in the Banking Act 1959 (Cth)) in Australia and do not provide banking services, nor carry on a banking business, in Australia. This research, and any access to it, is intended only for "wholesale clients" within the meaning of the Australian Corporations Act, unless otherwise agreed by Goldman Sachs. In producing research reports, members of Global Investment Research of Goldman Sachs Australia may attend site visits and other meetings hosted by the companies and other entities which are the subject of its research reports. In some instances the costs of such site visits or meetings may be met in part or in whole by the issuers concerned if Goldman Sachs Australia considers it is appropriate and reasonable in the specific circumstances relating to the site visit or meeting. To the extent that the contents of this document contains any financial product advice, it is general advice only and has been prepared by Goldman Sachs without taking into account a client's objectives, financial situation or needs. A client should, before acting on any such advice, consider the appropriateness of the advice having regard to the client's own objectives, financial situation and needs. A copy of certain Goldman Sachs Australia and New Zealand disclosure of interests and a copy of Goldman Sachs' Australian Sell-Side Research Independence Policy Statement are available at: https://www.goldmansachs.com/disclosures/australia-new-zealand/index.html. **Brazil:** Disclosure information in relation to CVM Resolution n. 20 is available at https://www.gs.com/worldwide/brazil/area/gir/index.html. Where applicable, the Brazil-registered analyst primarily responsible for the content of this research report, as defined in Article 20 of CVM Resolution n. 20, is the first author named at the beginning of this report, unless indicated otherwise at the end of the text. **Canada:** This information is being provided to you for information purposes only and is not, and under no circumstances should be construed as, an advertisement, offering or solicitation by Goldman Sachs & Co. LLC for purchasers of securities in Canada to trade in any Canadian security. Goldman Sachs & Co. LLC is not registered as a dealer in any jurisdiction in Canada under applicable Canadian securities laws and generally is not permitted to trade in Canadian securities and may be prohibited from selling certain securities and products in certain jurisdictions in Canada. If you wish to trade in any Canadian securities or other products in Canada please contact Goldman Sachs Canada Inc., an affiliate of The Goldman Sachs Group Inc., or another registered Canadian dealer. **Hong Kong:** Further information on the securities of covered companies referred to in this research may be obtained on request from Goldman Sachs (Asia) L.L.C. **India:** Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (India) Securities Private Limited, Research Analyst - SEBI Registration Number INH000001493, 10th Floor, Ascent-Worli, Sudam Kalu Ahire Marg, Worli, Mumbai-400 025, India, Corporate Identity Number U74140MH2006FTC160634, Phone +91 22 6616 9000, Fax +91 22 6616 9001. Goldman Sachs may beneficially own 1% or more of the securities (as such term is defined in clause 2 (h) the Indian Securities Contracts (Regulation) Act, 1956) of the subject company or companies referred to in this research report. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Goldman Sachs (India) Securities Private Limited compliance officer and investor grievance contact details, a copy of the annual compliance audit report and other relevant information and disclosures can be found at this link: https://www.goldmansachs.com/worldwide/india/research-analyst. **Japan:** See below. **Korea:** This research, and any access to it, is intended only for "professional investors" within the meaning of the Financial Services and Capital Markets Act, unless otherwise agreed by Goldman Sachs. Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (Asia) L.L.C., Seoul Branch. **New Zealand:** Goldman Sachs New Zealand Limited and its affiliates are neither "registered banks" nor "deposit takers" (as defined in the Reserve Bank of New Zealand Act 1989) in New Zealand. This research, and any access to it, is intended for "wholesale clients" (as defined in the Financial Advisers Act 2008) unless otherwise agreed by Goldman Sachs. A copy of certain Goldman Sachs Australia and New Zealand disclosure of interests is available at: https://www.goldmansachs.com/disclosures/australia-new-zealand/index.html. **Russia:** Research reports distributed in the Russian Federation are not advertising as defined in the Russian legislation, but are information and analysis not having product promotion as their main purpose and do not provide appraisal within the meaning of the Russian legislation on appraisal activity. Research reports do not constitute a personalized investment recommendation as defined in Russian laws and regulations, are not addressed to a specific client, and are prepared without analyzing the financial circumstances, investment profiles or risk profiles of clients. Goldman Sachs assumes no responsibility for any investment decisions that may be taken by a client or any other person based on this research report. **Singapore:** Goldman Sachs (Singapore) Pte. (Company Number: 198602165W), which is regulated by the Monetary Authority of Singapore, accepts legal responsibility for this research, and should be contacted with respect to any matters arising from, or in connection with, this research. **Taiwan:** This material is for reference only and must not be reprinted without permission. Investors should carefully consider their own investment risk. Investment results are the responsibility of the individual investor. **United Kingdom:** Persons who would be categorized as retail clients in the United Kingdom, as such term is defined in the rules of the Financial Conduct Authority, should read this research in conjunction with prior Goldman Sachs research on the covered companies referred to herein and should refer to the risk warnings that have been sent to them by Goldman Sachs International. A copy of these risks warnings, and a glossary of certain financial terms used in this report, are available from Goldman Sachs International on request.

European Union and United Kingdom: Disclosure information in relation to Article 6 (2) of the European Commission Delegated Regulation (EU) (2016/958) supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council (including as that Delegated Regulation is implemented into United Kingdom domestic law and regulation following the United Kingdom's departure from the European Union and the European Economic Area) with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest is available at https://www.gs.com/disclosures/europeanpolicy.html which states the European Policy for Managing Conflicts of Interest in Connection with Investment Research.

Japan: Goldman Sachs Japan Co., Ltd. is a Financial Instrument Dealer registered with the Kanto Financial Bureau under registration number Kinsho 69, and a member of Japan Securities Dealers Association, Financial Futures Association of Japan Type II Financial Instruments Firms Association, and Investment Management Association of Japan. Sales and purchase of equities are subject to commission pre-determined with clients plus consumption tax. See company-specific disclosures as to any applicable disclosures required by Japanese stock exchanges, the Japanese Securities Dealers Association or the Japanese Securities Finance Company.

Ratings, coverage universe and related definitions

Buy (B), Neutral (N), Sell (S) Analysts recommend stocks as Buys or Sells for inclusion on various regional Investment Lists. Being assigned a Buy or Sell on an Investment List is determined by a stock's total return potential relative to its coverage universe. Any stock not assigned as a Buy or a Sell on an Investment List with an active rating (i.e., a stock that is not Rating Suspended, Not Rated, Early-Stage Biotech, Coverage Suspended or Not Covered), is deemed Neutral. Each region manages Regional Conviction Lists, which are selected from Buy rated stocks on the respective region's Investment Lists and represent investment recommendations focused on the size of the total return potential and/or the likelihood of the realization of the return across their respective areas of coverage. The addition or removal of stocks from such Conviction Lists are managed by the Investment Review Committee or other designated committee in each respective region and do not represent a change in the analysts' investment rating for such stocks.

Total return potential represents the upside or downside differential between the current share price and the price target, including all paid or anticipated dividends, expected during the time horizon associated with the price target. Price targets are required for all covered stocks. The total return potential, price target and associated time horizon are stated in each report adding or reiterating an Investment List membership.

Coverage Universe: A list of all stocks in each coverage universe is available by primary analyst, stock and coverage universe at https://www.gs.com/research/hedge.html.

Not Rated (NR). The investment rating, target price and earnings estimates (where relevant) are removed pursuant to Goldman Sachs policy when Goldman Sachs is acting in an advisory capacity in a merger or in a strategic transaction involving this company, when there are legal, regulatory or policy constraints due to Goldman Sachs' involvement in a transaction, and in certain other circumstances. **Early-Stage Biotech (ES).** An investment rating and a target price are not assigned pursuant to Goldman Sachs policy when this company has neither a drug, treatment or medical device that has passed a Phase II clinical trial nor a license to distribute a post-Phase II drug, treatment or medical device. **Rating Suspended (RS).** Goldman Sachs Research has suspended the investment rating and price target for this stock, because there is not a sufficient fundamental basis for determining an investment rating or target price. The previous investment rating and target price, if any, are no longer in effect for this stock and should not be relied upon. **Coverage Suspended (CS).** Goldman Sachs has suspended coverage of this company. **Not Covered (NC).** Goldman Sachs does not cover this company.

Global product; distributing entities

Goldman Sachs Global Investment Research produces and distributes research products for clients of Goldman Sachs on a global basis. Analysts based in Goldman Sachs offices around the world produce research on industries and companies, and research on macroeconomics, currencies, commodities and portfolio strategy. This research is disseminated in Australia by Goldman Sachs Australia Pty Ltd (ABN 21 006 797 897); in Brazil by Goldman Sachs do Brasil Corretora de Títulos e Valores Mobiliários S.A.; Public Communication Channel Goldman Sachs Brazil: 0800 727 5764 and / or contatogoldmanbrasil@gs.com. Available Weekdays (except holidays), from 9am to 6pm. Canal de Comunicação com o Público Goldman Sachs Brasil: 0800 727 5764 e/ou contatogoldmanbrasil@gs.com. Horário de funcionamento: segunda-feira à sexta-feira (exceto feriados), das 9h às 18h; in Canada by Goldman Sachs & Co. LLC; in Hong Kong by Goldman Sachs (Asia) L.L.C.; in India by Goldman Sachs (India) Securities Private Ltd.; in Japan by Goldman Sachs Japan Co., Ltd.; in the Republic of Korea by Goldman Sachs (Asia) L.L.C., Seoul Branch; in New Zealand by Goldman Sachs New Zealand Limited; in Russia by OOO Goldman Sachs; in Singapore by Goldman Sachs (Singapore) Pte. (Company Number: 198602165W); and in the United States of America by Goldman Sachs & Co. LLC. Goldman Sachs International has approved this research in connection with its distribution in the United Kingdom.

Goldman Sachs International ("GSI"), authorised by the Prudential Regulation Authority ("PRA") and regulated by the Financial Conduct Authority ("FCA") and the PRA, has approved this research in connection with its distribution in the United Kingdom.

European Economic Area: Goldman Sachs Bank Europe SE ("GSBE") is a credit institution incorporated in Germany and, within the Single Supervisory Mechanism, subject to direct prudential supervision by the European Central Bank and in other respects supervised by German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and Deutsche Bundesbank and disseminates research within the European Economic Area.

General disclosures

This research is for our clients only. Other than disclosures relating to Goldman Sachs, this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. The information, opinions, estimates and forecasts contained herein are as of the date hereof and are subject to change without prior notification. We seek to update our research as appropriate, but various regulations may prevent us from doing so. Other than certain industry reports published on a periodic basis, the large majority of reports are published at irregular intervals as appropriate in the analyst's judgment.

Goldman Sachs conducts a global full-service, integrated investment banking, investment management, and brokerage business. We have investment banking and other business relationships with a substantial percentage of the companies covered by Global Investment Research. Goldman Sachs & Co. LLC, the United States broker dealer, is a member of SIPC (https://www.sipc.org).

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and principal trading desks that reflect opinions that are contrary to the opinions expressed in this research. Our asset management area, principal trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

The analysts named in this report may have from time to time discussed with our clients, including Goldman Sachs salespersons and traders, or may discuss in this report, trading strategies that reference catalysts or events that may have a near-term impact on the market price of the equity securities discussed in this report, which impact may be directionally counter to the analyst's published price target expectations for such stocks. Any such trading strategies are distinct from and do not affect the analyst's fundamental equity rating for such stocks, which rating reflects a stock's return