APAC CONVICTION LIST - DIRECTORS' CUT

# Sept update: Adding Kotak Mahindra Bank, NEC; removing Jardine Matheson, Haitian-H, Wuxi AppTec, Inovance




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We add **Kotak Mahindra Bank** and **NEC** to the APAC Conviction List, whilst removing **Jardine Matheson, Foshan Haitian Flavouring & Food (H), Wuxi AppTec,** and **Shenzhen Inovance**.

**Kotak Mahindra Bank:** Sumeet Kariwala expects Kotak Mahindra Bank to undergo a material re-rating, forecasting a 15% core PPoP CAGR and a 16% EPS CAGR over 2026E-29E. He expects the earnings acceleration to be driven by a recovery in unsecured lending, continued market share gains in focus segments, and a 205bps reduction in the core cost-to-income ratio over 2026E-29E. Kotak remains a unique play on India's financial services opportunity, being the only large Indian bank with 100% ownership of all major capital-markets and insurance subsidiaries. This diversified platform enables the bank to capture deeper customer wallet share and sustain industry-leading risk-adjusted NIMs of 4.5%.

**NEC:** Chikai Tanaka forecasts FY3/26-FY3/29E operating profit to compound at an 18% CAGR, substantially outpacing the sector average of approximately 8%. He forecasts FY3/27E operating profit of ¥452 billion (+26% yoy), representing a significant beat to the company's upwardly revised guidance of ¥430 billion. This growth is driven by sustained margin improvement in domestic IT services from exiting low-margin projects, alongside stronger-than-expected demand expansion in the aerospace and defense, and submarine cable systems segments. Chikai argues that current valuations do not reflect this growth outlook, particularly as GS is more positive than consensus on the earnings contribution from the recent consolidation of US-based CSG and the submarine cable systems turnaround.

In addition, we highlight the upcoming catalysts for all the stocks on our APAC Conviction List, as well as key strategy and sector reports across **Global Macro, Asia Strategy, China Semis, Korea Memory, Japan SPE, India Financials, and China Industrial Tech.**

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**Exhibit 1: APAC Conviction List – Directors' Cut**
September 2026: All price targets are for 12 months; prices are in LCY as of Sep 1, 2026; green shading indicates new additions

| Ticker | Company Name | Market Cap ($, mn) | Last Close | Target Price | Upside to 12m PT | 12m Fwd Div Yield | Total Return Potential (12m) | GS vs. Cons* | Analyst | Market / Exchange |
|---|---|---|---|---|---|---|---|---|---|---|
| **Consumer** | | | | | | | | | | |
| 1364.HK | Guming Holdings Ltd. | 7,827 | 25.80 | 33 | 28% | 3% | 31% | 3% | Michelle Cheng | China H |
| TACN.BO | Tata Consumer Products Ltd. | 9,943 | 1,027 | 1440 | 40% | 1% | 41% | 3% | Arnab Mitra | India |
| YUMC | Yum China Holdings | 15,485 | 44.88 | 59 | 31% | 3% | 34% | -1% | Michelle Cheng | China US |
| **Financials** | | | | | | | | | | |
| 0012.HK | Henderson Land | 16,255 | 26.32 | 41 | 56% | 5% | 61% | -2% | Simon Cheung, CFA | Hong Kong |
| 0388.HK | Hong Kong Exchanges | 65,412 | 405.60 | 540 | 33% | 4% | 37% | 1% | Thomas Wang | Hong Kong |
| 8411.T | Mizuho FG | 132,531 | 8,697 | 9300 | 7% | 2% | 9% | 1% | Makoto Kuroda | Japan |
| 105560.KS | KB Financial Group | 49,653 | 171,200 | 214000 | 25% | 3% | 28% | 4% | Sinyoung Park | South Korea |
| KTKM.BO | Kotak Mahindra Bank | 44,381 | 424.70 | 509 | 20% | 0% | 20% | -3% | Sumeet Kariwala | India |
| **Healthcare** | | | | | | | | | | |
| RMD.AX | ResMed Inc. | 34,970 | 33.19 | 45.3 | 36% | 1% | 38% | 5% | Davin Thillainathan, CFA | Australia |
| **Industrials** | | | | | | | | | | |
| ALQ.AX | ALS Ltd. | 8,011 | 22.07 | 28.3 | 28% | 2% | 31% | 3% | Niraj Shah | Australia |
| 6861.T | Keyence | 123,700 | 82,280 | 115000 | 40% | 1% | 41% | 3% | Yuichiro Isayama | Japan |
| **Internet & IT Services** | | | | | | | | | | |
| 6701.T | NEC | 41,569 | 5,005 | 6000 | 20% | 1% | 21% | 5% | Chikai Tanaka, CFA | Japan |
| NTES | NetEase Inc. | 76,223 | 120.07 | 168 | 40% | 3% | 43% | 2% | Lincoln Kong, CFA | China US |
| **Mobility** | | | | | | | | | | |
| 1211.HK | BYD Co. | 102,636 | 88.25 | 134 | 52% | 1% | 52% | -1% | Tina Hou | China H |
| MRTI.BO | Maruti Suzuki India | 42,675 | 12,919 | 17000 | 32% | 1% | 33% | 8% | Chandramouli Muthiah | India |
| 012330.KS | Hyundai Mobis | 29,404 | 443,500 | 710000 | 60% | 2% | 62% | 0% | Do Hyoung Kim | South Korea |
| **Natural Resources** | | | | | | | | | | |
| RMS.AX | Ramelius Resources | 5,280 | 3.90 | 4.85 | 24% | 1% | 25% | -43% | Hugo Nicolaci | Australia |
| 010950.KS | S-Oil Corp. | 12,904 | 151,700 | 163000 | 7% | 4% | 11% | 20% | Nikhil Bhandari | South Korea |
| **Technology** | | | | | | | | | | |
| 2317.TW | Hon Hai | 114,568 | 256 | 400 | 56% | 4% | 61% | 5% | Allen Chang | Taiwan |
| 6920.T | Lasertec | 18,682 | 33,080 | 70000 | 112% | 1% | 113% | 26% | Shuhei Nakamura | Japan |
| 6981.T | Murata Mfg. | 92,552 | 7,290 | 12900 | 77% | 1% | 78% | 17% | Daiki Takayama | Japan |
| 8046.TW | NYPCB | 24,953 | 1,225 | 2500 | 104% | 2% | 106% | 21% | Chao Wang | Taiwan |
| 005930.KS | Samsung Electronics | 1,280,002 | 261,000 | 490000 | 88% | 6% | 94% | -3% | Giuni Lee | South Korea |
| 600183.SS | Shengyi Tech | 52,206 | 144.42 | 249 | 72% | 3% | 75% | 10% | Allen Chang | China A |

*FY1 EPS: 1364.HK, TACN.BO, YUMC, 0012.HK, 0388.HK, 8411.T, 105560.KS, KTKM.BO, ALQ.AX, 6861.T, 1211.HK, RMS.AX, 010950.KS, 2317.TW, 6981.T, 8046.TW, 600183.SS ; FY1 EBITDA: ; FY1 Sales: MRTI.BO, 012330.KS ; FY2 EPS: RMD.AX, 6701.T, NTES ; FY2 OP: 6920.T, 005930.KS ; FY3 OP:

BYD-A price target is Rmb137 (Sep 1 close: Rmb88.71); NetEase-H price target is HK$263 (Sep 1 close: HK$188.8); Samsung Electronics Pref price target is W360000 (Sep 1 close: W190300); Yum China-H price target is HK$459 (Sep 1 close: HK$349.8)

Source: Goldman Sachs Global Investment Research, Bloomberg

## Our 24 Differentiated Buy Recommendations

The company-specific discussion in the sections below reflects the views of the covering analyst.

**Exhibit 2: Anatomy of the List**

## Exhibit 5: APAC Conviction List – Directors' Cut

| Ticker | Company Name | Summary |
|---|---|---|
| **Consumer** | | |
| 1364.HK | Guming Holdings Ltd. | High growth visibility amid consumption uncertainties |
| TACN.BO | Tata Consumer Products Ltd. | Industry leading mid-teens volume growth, margin recovery on track |
| YUMC | Yum China Holdings | Growth certainty with strong track record navigating market volatility |
| **Financials** | | |
| 0012.HK | Henderson Land | Recovery after prolonged downturn |
| 0388.HK | Hong Kong Exchanges | Attractive risk/reward as ADT primed for further growth |
| 8411.T | Mizuho FG | Entering new phase of growth investment & shareholder returns |
| 105560.KS | KB Financial Group | Operating & earnings momentum not reflected in consensus expectations |
| KTKM.BO | Kotak Mahindra Bank | Underappreciated franchise poised for earnings acceleration |
| **Healthcare** | | |
| RMD.AX | ResMed Inc. | Well-placed for a re-rate with levers in place |
| **Industrials** | | |
| ALQ.AX | ALS Ltd. | Improving commodities momentum continues to drive cyclical leverage |
| 6861.T | Keyence | Operating profit momentum and shareholder returns to unlock higher multiples |
| **Internet & IT Services** | | |
| 6701.T | NEC | High growth driven by domestic IT and defense |
| NTES | NetEase Inc. | A compelling "non-AI" compounder, well-placed into 2H26 with catalysts ahead |
| **Mobility** | | |
| 1211.HK | BYD Co. | Overseas acceleration with domestic recovery set in motion |
| MRTI.BO | Maruti Suzuki India | Small car elasticity + Product cycle inflection |
| 012330.KS | Hyundai Mobis | Higher multiple justified on robotics and autonomous driving strategy revamp |
| **Natural Resources** | | |
| RMS.AX | Ramelius Resources | An attractive mix of longer term value and output growth |
| 010950.KS | S-Oil Corp. | Refining supercycle underpinned by structural tightness |
| **Technology** | | |
| 2317.TW | Hon Hai | Growth acceleration from AI servers & smartphones |
| 6920.T | Lasertec | Earnings to accelerate, driven by game-changing new product |
| 6981.T | Murata Mfg. | Tightening MLCC demand/supply driving earnings momentum |
| 8046.TW | NYPCB | Elongated pricing upcycle to drive above consensus growth |
| 005930.KS | Samsung Electronics | Memory tightness and HBM leadership driving upside |
| 600183.SS | Shengyi Tech | AI CCL riding on growing AI infrastructure trend, spec upgrades, and price increases |

Source: Goldman Sachs Global Investment Research

## Upcoming Catalysts

We provide a rolling calendar of earnings and non-earnings events our analysts have identified as possible catalysts.

### Exhibit 6: Upcoming Non-Earnings Catalysts

| Ticker | Company Name | Date | Event |
|---|---|---|---|
| NTES | NetEase Inc. | Sep-2026 | Potential inclusion into Southbound Connect |
| 600183.SS | Shengyi Tech | 3Q 2026 | Next-generation rack-level AI server mass production driving AI CCL shipments growth |
| RMD.AX | ResMed Inc. | 4Q 2026 | The launch of RMD's new NIV devices (AirCurve 11 ST and AirCurve 11 ST-A) |
| 0388.HK | Hong Kong Exchanges | 2H 2026 | Further FIC business ecosystem development through the acceptance of CGBs as clearing collateral |
| 005930.KS | Samsung Electronics | Jan-2027 | Announcement of additional shareholder returns |
| 010950.KS | S-Oil Corp. | Early 2027 | US$7bn Shaheen project to commence commercial operations |

Source: Company data, Goldman Sachs Global Investment Research

### Exhibit 7: Upcoming Earnings Catalysts in the Next 3 Months

| Ticker | Company Name | Date | Event |
|---|---|---|---|
| 600183.SS | Shengyi Tech | 10/28/2026 | 2026 Third Quarter Earnings Release |
| 6861.T | Keyence | 10/29/2026 | 2027 First Half Earnings Release |
| 6701.T | NEC | 10/29/2026 | 2027 First Half Earnings Release |
| MRTI.BO | Maruti Suzuki India | 10/30/2026 | 2027 Second Quarter Earnings Release |
| 6981.T | Murata Mfg. | 10/30/2026 | 2027 First Half Earnings Release |
| 6920.T | Lasertec | 10/30/2026 | 2027 First Quarter Earnings Release |
| 105560.KS | KB Financial Group | 10/30/2026 | 2026 Third Quarter Earnings Release |
| RMD.AX | ResMed Inc. | 10/30/2026 | 2027 First Quarter Earnings Release |
| 1211.HK | BYD Co. | 10/30/2026 | 2026 Third Quarter Earnings Release |
| 005930.KS | Samsung Electronics | 10/30/2026 | 2026 Third Quarter Earnings Release |
| 012330.KS | Hyundai Mobis | 11/2/2026 | 2026 Third Quarter Earnings Release |
| TACN.BO | Tata Consumer Products Ltd. | 11/3/2026 | 2027 Second Quarter Earnings Release |
| YUMC | Yum China Holdings | 11/4/2026 | 2026 Third Quarter Earnings Release |
| 010950.KS | S-Oil Corp. | 11/4/2026 | 2026 Third Quarter Earnings Release |
| 8046.TW | NYPCB | 11/5/2026 | 2026 Third Quarter Earnings Release |
| 0388.HK | Hong Kong Exchanges | 11/5/2026 | 2026 Third Quarter Earnings Release |
| KTKM.BO | Kotak Mahindra Bank | 11/5/2026 | 2027 Second Quarter Earnings Release |
| 2317.TW | Hon Hai | 11/12/2026 | 2026 Third Quarter Earnings Release |
| 8411.T | Mizuho FG | 11/13/2026 | 2027 First Half Earnings Release |
| NTES | NetEase Inc. | 11/20/2026 | 2026 Third Quarter Earnings Release |
| ALQ.AX | ALS Ltd. | 11/23/2026 | 2027 First Half Earnings Release |

Source: Bloomberg, Goldman Sachs Global Investment Research

# Kotak Mahindra Bank – Underappreciated franchise poised for earnings acceleration

*Covered by **Sumeet Kariwala** (sumeet.kariwala@gs.com, +91 22 6616 9544)*

| KTKM.BO | 12m Price Target: Rs509 | Price: Rs424.7 | Upside: 19.8% |
|---|---|---|---|

Buy CL

Market cap: Rs4.2tr / $44.4bn
3m ADTV: NA
India
India Financials
M&A Rank: 3

GS Forecast

| | 3/26 | 3/27E | 3/28E | 3/29E |
|---|---|---|---|---|
| Net inc. (Rs mn) | 140,077 | 162,407 | 186,158 | 217,697 |
| EPS (Rs) | 14 | 16 | 19 | 22 |
| EPS growth (%) | (14.9) | 15.9 | 14.6 | 16.9 |
| P/E (X) | 29.7 | 26.0 | 22.7 | 19.4 |
| P/B (X) | 3.1 | 2.8 | 2.5 | 2.2 |
| ROA (%) | 1.9 | 1.9 | 1.9 | 2.0 |
| ROE (%) | 11.1 | 11.3 | 11.6 | 12.2 |
| Price/PPOP (X) | 19.1 | 17.2 | 14.6 | 12.4 |
| Dividend yield (%) | 0.2 | 0.2 | 0.2 | 0.2 |

| | 6/26 | 9/26E | 12/26E | 3/27E |
|---|---|---|---|---|
| EPS (Rs) | 4.15 | 3.84 | 4.12 | 4.22 |

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of 01 Sep 2026 close.

**Core Thesis:** Sumeet Kariwala expects Kotak Mahindra Bank to undergo a material re-rating, forecasting a 15% core PPoP CAGR and a 16% EPS CAGR over 2026E-29E. The stock has underperformed the Bankex by 32% over the past five years due to leadership transition uncertainties, an RBI embargo, and unsecured asset quality challenges. However, Sumeet argues that current valuations do not reflect its growth outlook, as these cyclical asset quality challenges are now largely behind the bank, presenting a solid entry opportunity given its resilient growth profile.

He expects the earnings acceleration to be driven by a recovery in unsecured lending, continued market share gains in focus segments, and a 205-bps reduction in the core cost-to-income ratio over 2026E-29E. Kotak remains a unique play on India's financial services opportunity, being the only large Indian bank with 100% ownership of all major capital-markets and insurance subsidiaries. This diversified platform enables the bank to capture deeper customer wallet-share and sustain industry-leading risk-adjusted NIMs of 4.5%. Sumeet is forecasting credit costs to surprise on the upside, which will have an increasingly positive impact on the bank's return profile.

**Key debates & GS views:**

- **Can the bank deliver on deposit growth?** Sumeet acknowledges investors' debates on Kotak's recent market share losses in savings deposits, which were driven by consistent savings rate cuts and a slower pace of branch additions. That said, data suggests positive offset potential from 1) an acceleration in the pace of branch additions; 2) targeted senior management hires in the mass retail segment; and 3) the likelihood that the savings rate cut cycle is now behind the bank.
- **Can the bank accelerate loan growth?** While system loan growth is expected to moderate, Sumeet expects Kotak's loan growth to accelerate into the high teens. He believes it has not yet reached its ceiling, given: 1) a recovery in unsecured lending, which already showed 2% QoQ growth in 1QFY27; 2) continued strength in secured

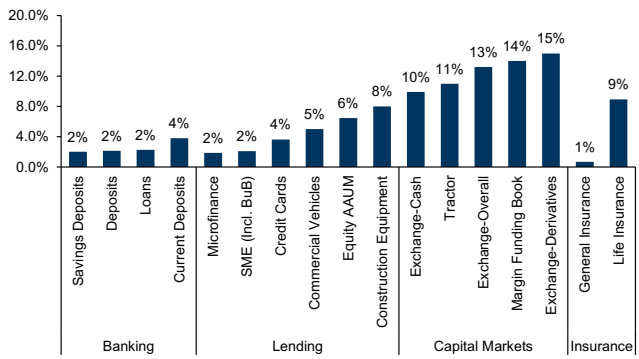
retail, SME, and commercial banking; and 3) improving disbursement spreads.

- **Can the bank leverage its excess capital to drive RoE acceleration?** Sumeet acknowledges that excess CET1 will likely continue to weigh on reported RoE. In his view, however, the underlying profitability remains strong. Assuming an optimal CET1 ratio of 15% and valuing excess capital at 1x, the RoE adjusted for free funds at normalized leverage is a healthy ~15% in FY27/FY28. He argues that the core franchise valuation of 1.7x P/BV and 11x P/E is highly attractive.

**Catalysts: 1) Leadership and strategic clarity:** Announcement of the new CEO to remove near-term stock overhang; execution of the accelerated branch rollout strategy in mass retail segments. **2) Growth checkpoints:** Re-acceleration of unsecured retail loan growth in upcoming quarterly results; sustained market share gains in commercial banking and vehicle financing. **3) Profitability drivers:** Moderation in credit costs as the unsecured asset quality cycle normalizes; realization of operating leverage driving a reduction in the core cost-to-income ratio over FY27.

**Valuation & TP:** 12m TP of Rs509 is based on a sum-of-the-parts (SOTP) methodology, applying a 2.2x 12m forward P/B multiple on a standalone basis using a three-stage Gordon Growth Model (GGM), and capturing the value of its diversified financial-services subsidiaries.

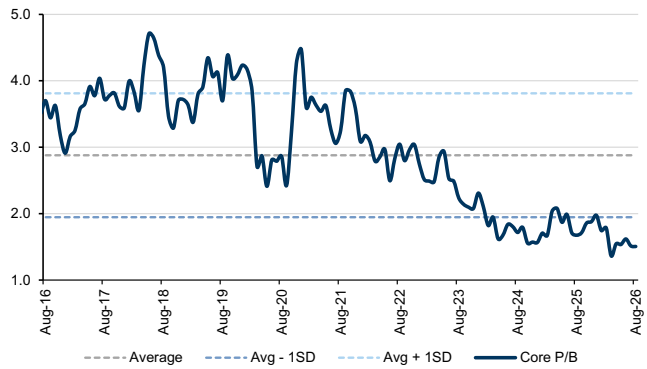
**Exhibit 8: Kotak remains a unique play on India's financial services opportunity with market share gains above its overall loan market share in key product segments**
Market share - FY26 (%)




Equity AUM above is excluding ETF and Arbitrage funds.

Source: Company data

**Exhibit 9: Meanwhile, valuations for the stock remain below 1 SD of long-term mean**
1 year forward price to core book (x)




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

**Relevant Research:**

India Financials: Core PPoP recovery to drive stock returns; initiating coverage of 14 stocks

India Financials: What Could Drive the Return of Private Banks?

Buy CL

# Kotak Mahindra Bank (KTKM.BO)

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Mumbai

Price: **Rs424.70**
12m Price Target: **Rs509.00**
Upside: **19.8%**
*Price as of Sep 1, 2026*

| Key Data | | |
|---|---|---|
| Market cap | Rs4.2tr | $44.4bn |
| 3m ADTV | N/A | N/A |
| India | | |
| India Financials | | |
| M&A Rank | 3 | |

| GS Forecast | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| Net inc. (Rs mn) | 137,815.8 | 164,500.8 | 140,077.0 | 162,407.1 | 186,158.3 | 217,696.8 |
| EPS (Rs) | 13.87 | 16.55 | 14.09 | 16.33 | 18.72 | 21.89 |
| EPS growth (%) | 25.9 | 19.3 | (14.9) | 15.9 | 14.6 | 16.9 |
| P/E (X) | 26.2 | 21.9 | 29.7 | 26.0 | 22.7 | 19.4 |
| P/B (X) | 3.7 | 3.1 | 3.1 | 2.8 | 2.5 | 2.2 |
| ROA (%) | 2.5 | 2.5 | 1.9 | 1.9 | 1.9 | 2.0 |
| ROE (%) | 15.3 | 15.4 | 11.1 | 11.3 | 11.6 | 12.2 |
| Price/PPOP (X) | 21.6 | 20.1 | 19.1 | 17.2 | 14.6 | 12.4 |
| Dividend yield (%) | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 |

| Ratios & Valuations | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| P/E (X) | 26.2 | 21.9 | 29.7 | 26.0 | 22.7 | 19.4 |
| Price/PPOP (X) | 21.6 | 20.1 | 19.1 | 17.2 | 14.6 | 12.4 |
| P/B (X) | 3.7 | 3.1 | 3.1 | 2.8 | 2.5 | 2.2 |
| P/NTA per share (X) | -- | -- | -- | -- | -- | -- |
| Dividend yield (%) | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 |
| Div. payout ratio (%) | 2.9 | 3.0 | 4.6 | 4.9 | 4.8 | 4.6 |

| Growth & Margins (%) | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| BVPS growth | 15.7 | 21.2 | 15.4 | 12.6 | 10.3 | 12.4 |
| Total revenue growth | 26.7 | 9.6 | 4.7 | 10.9 | 15.5 | 15.7 |
| Op. profit growth | 31.9 | 7.2 | 5.0 | 11.0 | 18.1 | 18.0 |
| Net inc growth | 26.0 | 19.4 | (14.8) | 15.9 | 14.6 | 16.9 |
| EPS growth | 25.9 | 19.3 | (14.9) | 15.9 | 14.6 | 16.9 |
| DPS growth | 33.3 | 25.0 | 30.0 | 23.1 | 12.5 | 11.1 |

| Asset Quality | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| Provision charge/total loans (%) | 0.4 | 0.7 | 0.7 | 0.5 | 0.6 | 0.6 |
| Gr impaired assets/total loans (%) | -- | -- | -- | -- | -- | -- |
| NPL ratio (%) | NM | NM | NM | NM | NM | NM |
| Total provisions/total loans (%) | -- | -- | -- | -- | -- | -- |
| Specific prov/gr impair assets (%) | 75.9 | 78.1 | 79.0 | 74.8 | 70.2 | 66.0 |
| Loan loss reserve/NPLs (%) | 75.9 | 78.1 | 79.0 | 74.8 | 70.2 | 66.0 |

| Capital Items | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| Basel 3 CET1 ratio (%) | 19.3 | 21.1 | 21.3 | 22.2 | 21.3 | 20.7 |
| Tier 1 capital ratio (%) | 19.3 | 21.1 | 21.3 | 22.2 | 21.3 | 20.7 |

Source: Company data, Goldman Sachs Global Investment Research

# NEC – High growth driven by domestic IT and defense

*Covered by **Chikai Tanaka** (chikai.tanaka@gs.com, +81 3 4587-9840)*

| 6701.T | 12m Price Target: ¥6000 | Price: ¥5011 | Upside: 19.7% |
|---|---|---|---|

Buy CL

Market cap: ¥6.6tr / $41.6bn
Enterprise value: ¥6.3tr / $39.6bn
3m ADTV :¥31.4bn/ $195.8mn
Japan
Japan IT Services & Telcos
M&A Rank: 3
Leases incl. in net debt & EV?: No

GS Forecast

| | 3/26 | 3/27E | 3/28E | 3/29E |
|---|---|---|---|---|
| Revenue (¥ bn) | 3,582.7 | 3,907.0 | 4,095.0 | 4,315.0 |
| Op. profit (¥ bn) | 359.9 | 452.0 | 523.0 | 590.0 |
| Op. profit CoE (¥ bn) | -- | 405.0 | -- | -- |
| EPS (¥) | 202.9 | 235.5 | 272.3 | 306.9 |
| P/E (X) | 22.3 | 21.3 | 18.4 | 16.3 |
| P/B (X) | 2.7 | 2.7 | 2.4 | 2.1 |
| Dividend yield (%) | 0.8 | 0.9 | 1.0 | 1.1 |
| N debt/EBITDA (ex lease,X) | (0.3) | (0.7) | (1.1) | (1.5) |
| CROCI (%) | -- | -- | -- | -- |

| | 6/26 | 9/26E | 12/26E | 3/27E |
|---|---|---|---|---|
| EPS (¥) | 37.5 | 52.5 | 51.0 | 94.6 |

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of 01 Sep 2026 close.

**Core Thesis:** Chikai Tanaka forecasts FY3/26-FY3/29E operating profit to compound at an 18% CAGR, substantially outpacing the sector average of approximately 8%. He expects FY3/27 operating profits of ¥452 billion (+26% yoy), representing a significant beat to the company's upwardly revised guidance of ¥430 billion. This growth is driven by sustained margin improvement in domestic IT services from exiting low-margin projects, alongside stronger-than-expected demand expansion in the aerospace and defense and submarine cable systems segments.

Domestic IT services remains the key growth driver, where Chikai forecasts FY3/27 non-GAAP operating profits of ¥353 billion (+11% yoy), beating company guidance by ¥24 billion. This is driven by strong modernization demand in the enterprise and financial sectors, alongside a 1.5 percentage point yoy margin expansion from exiting low-margin projects. Furthermore, the aerospace and defense segment provides structural upside, with forecasted non-GAAP operating profits of ¥90 billion (+20% yoy, ¥9 billion above guidance) supported by robust order momentum for defense IT systems and sensors.

Chikai argues that current valuations do not reflect this growth outlook, particularly as GS is more positive than consensus on the earnings contribution from the recent consolidation of US-based CSG (adding approximately ¥22 billion to overseas IT profits) and the submarine cable systems turnaround (improving by ¥26.5 billion yoy). Additionally, he expects the negative impact of higher memory prices to be minor — approximately ¥8 billion versus the company's ¥20 billion assumption. The stock has corrected recently, presenting a solid entry opportunity given its resilient double-digit growth profile.

**Key debates & GS views:**

- **What is the impact of the dropout of large public sector projects on domestic IT services?** Chikai acknowledges investors' concerns that the runoff of large public

sector projects (such as local government standardization and fire/disaster prevention wireless systems) could drag down profits by over ¥30 billion in FY3/27. That said, data suggests positive offset potential from 1) strong modernization demand centered on the enterprise and financial sectors; 2) ongoing margin improvement from exiting low-margin projects (non-GAAP OPM +1.5 pp yoy); and 3) expanding demand for consulting to support AI implementation. He forecasts FY3/27 operating profits of domestic IT services to beat guidance by ¥24 billion, remaining the primary growth engine.

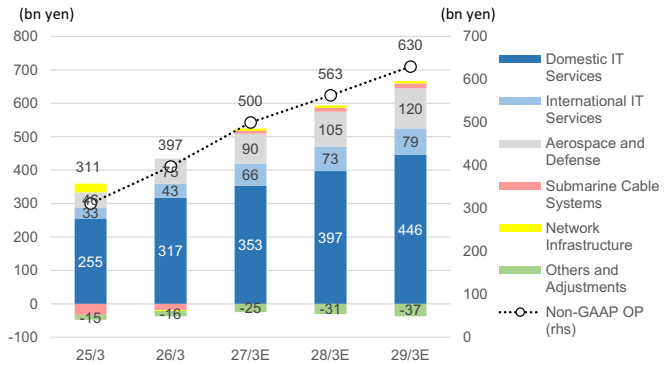
- **Will higher memory prices significantly pressure margins?** Investors are concerned about the negative impact of rising component costs. Chikai views the company's ¥20 billion profit drag assumption as overly conservative. In his view, the actual impact will be closer to ¥8 billion, mitigated by price pass-throughs, procurement lead times, and the company's low server sales ratio (approximately 5%).

- **Is the company vulnerable to AI disruption?** While global concerns about generative AI replacing software functions persist, Chikai believes major Japanese system integrators are less susceptible given low client in-house development rates. Instead, he argues that the proliferation of generative AI is a net positive, driving 1) price increases from incorporating AI functions into backbone systems; and 2) productivity improvements from AI-driven development.

**Catalysts: 1) Earnings visibility and guidance revisions:** 2Q (Jul-Sep) results; potential upward revisions to full-year guidance reflecting the CSG consolidation impact; progress on halving unprofitable projects in FY3/27. **2) Defense and public sector demand:** Initial budget requests for the first year of the next five-year defense budget plan; supplementary budget finalizations; order momentum for defense IT systems, networks, and sensors. **3) AI and modernization checkpoints:** Progress in offering services (BluStellar); deployment of AI-driven development; transition from quasi-delegation contracts to value-based pricing models. **4) Submarine cable systems:** Transition to new pricing structures passing quality countermeasure costs onto product prices; order flow for large-scale projects in Southeast Asia.

**Valuation & TP:** 12m TP of ¥6,000 is based on a weighted average target P/E of 22X applied to FY3/28E EPS of ¥272. This multiple is derived from a 21-22X P/E for the IT services business (a 20% premium to the sector average) and a 21X P/E for the hardware business, reflecting expectations for profit growth to outpace the sector.

**Exhibit 10: High profit growth likely to continue, driven mainly by domestic IT services/aerospace and defense (Non-GAAP OP: +17% CAGR)**
Non-GAAP operating profit/loss estimates by business




Non-GAAP operating profits = operating profits, plus amortization of intangible fixed assets of acquired companies, plus restructuring costs and gains/losses on business divestments

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 11: FY3/27 non-GAAP operating profits to substantially beat guidance (¥430 bn) at ¥500 bn; expect OP CAGR of +18% over the next 3 years**
P/L

| (in million yen) | | | GSE | GSE | GSE | CoE | 26/3 | | | | 27/3 | GSE |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6701 NEC | 25/3 | 26/3 | 27/3 | 28/3 | 29/3 | 27/3 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2E |
| <P/L> | | | | | | | | | | | | |
| **Sales** | **3,423,431** | **3,582,733** | **3,907,000** | **4,095,000** | **4,315,000** | **3,540,000** | **715,658** | **854,121** | **852,538** | **1,160,416** | **819,774** | **935,000** |
| y-y | -1.5% | 4.7% | 9.1% | 4.8% | 5.4% | -1.2% | 3.7% | 7.3% | 2.1% | 5.3% | 14.5% | 9.5% |
| **Gross Profit** | **1,060,556** | **1,181,296** | **1,349,000** | **1,453,000** | **1,557,000** | | **216,188** | **273,063** | **272,639** | **419,406** | **268,363** | **313,500** |
| yoy | 5.4% | 11.4% | 14.2% | 7.7% | 7.2% | | 13.7% | 17.1% | -2.1% | 16.9% | 24.1% | 14.8% |
| % of sales | 31.0% | 33.0% | 34.5% | 35.5% | 36.1% | | 30.2% | 32.0% | 32.0% | 36.1% | 32.7% | 33.5% |
| **Selling General and Administrative Expenses** | **777,424** | **805,555** | **895,000** | **930,000** | **967,000** | | **183,681** | **191,841** | **199,399** | **230,634** | **208,359** | **213,000** |
| yoy | -4.5% | 3.6% | 11.1% | 3.9% | 4.0% | | -0.2% | -0.8% | 5.4% | 9.4% | 13.4% | 11.0% |
| % of sales | 22.7% | 22.5% | 22.9% | 22.7% | 22.4% | | 25.7% | 22.5% | 23.4% | 19.9% | 25.4% | 22.8% |
| **Other Gains and Losses** | **-26,635** | **-15,828** | **-2,000** | **0** | **0** | | **2,882** | **1,959** | **-6,649** | **-14,020** | **-1,234** | **0** |
| **Operating profits** | **256,497** | **359,913** | **452,000** | **523,000** | **590,000** | | **35,389** | **83,181** | **66,591** | **174,752** | **58,770** | **100,500** |
| y-y | 36.4% | 40.3% | 25.6% | 15.7% | 12.8% | | 7.8x | 2.1x | -18.3% | 34.1% | 66.1% | 20.8% |
| % of sales | 7.5% | 10.0% | 11.6% | 12.8% | 13.7% | | 4.9% | 9.7% | 7.8% | 15.1% | 7.2% | 10.7% |
| **Adjustment cost** | **30,662** | **26,914** | **43,300** | **40,000** | **40,000** | | **6,326** | **6,697** | **7,833** | **6,058** | **13,222** | **10,000** |
| **Adjusted Operating Profit** | **287,159** | **386,827** | **495,300** | **563,000** | **630,000** | | **41,715** | **89,878** | **74,424** | **180,810** | **71,992** | **110,500** |
| y-y | 28.4% | 34.7% | 28.0% | 13.7% | 11.9% | | 3.3x | 85.9% | -16.6% | 32.1% | 72.6% | 22.9% |
| % of sales | 8.4% | 10.8% | 12.7% | 13.7% | 14.6% | | 5.8% | 10.5% | 8.7% | 15.6% | 8.8% | 11.8% |
| **Non-GAAP Adjustment** | **24,142** | **10,407** | **4,700** | **0** | **0** | | **-1,720** | **-2,384** | **7,958** | **6,553** | **2,746** | **1,000** |
| **Non-GAAP Operating Profit** | **311,301** | **397,234** | **500,000** | **563,000** | **630,000** | **430,000** | **39,995** | **87,494** | **82,382** | **187,363** | **74,738** | **111,500** |
| y-y | 36.8% | 27.6% | 25.9% | 12.6% | 11.9% | 8.2% | 2.5x | 80.2% | -15.5% | 25.8% | 86.9% | 27.4% |
| % of sales | 9.1% | 11.1% | 12.8% | 13.7% | 14.6% | 12.1% | 5.6% | 10.2% | 9.7% | 16.1% | 9.1% | 11.9% |

Source: Company data, Goldman Sachs Global Investment Research

## Relevant Research:

NEC (6701.T): Raising GSe/TP substantially; high growth to continue in domestic IT despite dropout of large projects; defense/submarine cable demand continues to grow; memory impact minor; Buy

NEC (6701.T): Large 1Q profit beat; domestic IT/defense/marine strong; still substantial upside scope versus revised guidance

Japan Technology: IT Services: Sector investment strategy/overseas earnings: Focus on 4 major system integrators' MTPs; earnings outlook solid even with AI disruption

Buy CL

# NEC (6701.T)

Chikai Tanaka, CFA
chikai.tanaka@gs.com
+81 3 4587-9840
Tokyo

Price: ¥5,011
12m Price Target: ¥6,000
Upside: 19.7%
*Price as of Sep 1, 2026*

| Key Data | | |
|---|---|---|
| Market cap | ¥6.6tr | $41.6bn |
| Enterprise value | ¥6.3tr | $39.6bn |
| 3m ADTV | ¥31.4bn | $195.8mn |
| Japan | | |
| Japan IT Services & Telcos | | |
| M&A Rank | 3 | |
| Leases incl. in net debt & EV? | No | |

| GS Forecast | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| Revenue (¥ bn) | 3,477.3 | 3,423.4 | 3,582.7 | 3,907.0 | 4,095.0 | 4,315.0 |
| Op. profit (¥ bn) | 188.0 | 256.5 | 359.9 | 452.0 | 523.0 | 590.0 |
| Op. profit CoE (¥ bn) | – | – | – | 405.0 | – | – |
| EPS (¥) | 112.3 | 131.5 | 202.9 | 235.5 | 272.3 | 306.9 |
| P/E (X) | 13.9 | 19.9 | 22.3 | 21.3 | 18.4 | 16.3 |
| P/B (X) | 1.1 | 1.8 | 2.7 | 2.7 | 2.4 | 2.1 |
| Dividend yield (%) | 1.5 | 1.1 | 0.8 | 0.9 | 1.0 | 1.1 |
| N debt/EBITDA (ex lease,X) | 0.3 | 0.3 | (0.3) | (0.7) | (1.1) | (1.5) |
| CROCI (%) | NM | NM | NM | NM | NM | NM |

| Ratios & Valuations | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| P/E (X) | 13.9 | 19.9 | 22.3 | 21.3 | 18.4 | 16.3 |
| P/B (X) | 1.1 | 1.8 | 2.7 | 2.7 | 2.4 | 2.1 |
| FCF yield (%) | 7.6 | 5.4 | 5.7 | 5.0 | 6.0 | 6.4 |
| EV/EBITDAR (X) | 6.3 | 9.0 | 11.6 | 10.4 | 8.7 | 7.5 |
| EV/EBITDA (excl. leases) (X) | 6.3 | 9.0 | 11.6 | 10.4 | 8.7 | 7.5 |
| CROCI (%) | NM | NM | NM | NM | NM | NM |
| ROE (%) | 8.4 | 9.1 | 13.0 | 13.4 | 13.8 | 13.9 |
| Net debt/equity (%) | 5.8 | 5.8 | (5.8) | (16.2) | (26.3) | (34.8) |
| Net debt/equity (excl. leases) (%) | 5.8 | 5.8 | (5.8) | (16.2) | (26.3) | (34.8) |
| Interest cover (X) | 15.5 | 27.1 | – | 22.6 | 26.2 | 29.5 |
| Days inventory outst, sales | 26.8 | 22.8 | 18.1 | 16.2 | 15.8 | 15.4 |
| Receivable days | 124.8 | 133.0 | 135.9 | 138.1 | 140.8 | 140.4 |
| Days payable outstanding | 125.2 | 139.7 | 139.7 | 140.2 | 145.0 | 146.0 |
| DuPont ROE (%) | 7.2 | 8.5 | 11.8 | 12.3 | 12.7 | 12.7 |
| Turnover (X) | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Leverage (X) | 2.0 | 2.1 | 2.0 | 1.9 | 1.8 | 1.8 |
| Gross cash invested (ex cash) (¥) | – | – | – | – | – | – |
| Average capital employed (¥) | 2,177.4 | 2,201.0 | 2,169.9 | 2,139.7 | 2,115.4 | 2,091.4 |
| BVPS (¥) | 1,437.9 | 1,464.7 | 1,656.1 | 1,854.2 | 2,084.0 | 2,343.4 |

| Growth & Margins (%) | 2024 | 2025 | 2026 | 2027E | 2028E | 2029E |
|---|---|---|---|---|---|---|
| Total revenue growth | 5.0 | (1.5) | 4.7 | 9.1 | 4.8 | 5.4 |
| EBITDA growth | 6.2 | 10.4 | 24.0 | 18.4 | 12.3 | 9.8 |
| EPS growth | 32.2 | 17.1 | 54.3 | 16.1 | 15.6 | 12.7 |
| DPS growth | 9.1 | 16.7 | 35.7 | 18.4 | 11.1 | 10.0 |
| EBIT margin | 5.4 | 7.5 | 10.0 | 11.6 | 12.8 | 13.7 |
| EBITDA margin | 10.8 | 12.1 | 14.4 | 15.6 | 16.7 | 17.4 |
| Net income margin | 4.3 | 5.1 | 7.5 | 8.0 | 8.8 | 9.4 |

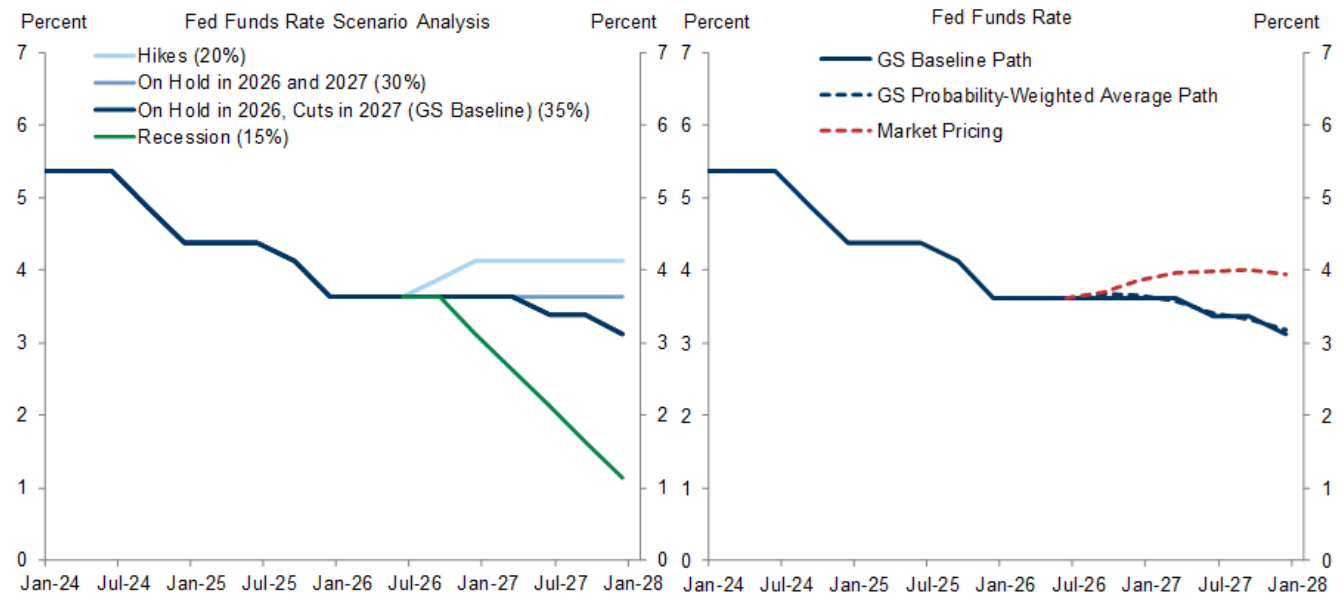
Source: Company data, Goldman Sachs Global Investment Research

# Spotlight - Global Views, Asia Strategy, China Semis, Korea Memory, Japan SPE, India Financials, China Industrial Tech

**Global Views – They're Not Hiking** (Link). *Jan Hatzius*

Our economists view a September FOMC rate hike as highly unlikely, reflecting softer US consumption and employment data alongside improved inflation developments. They note that Marine Le Pen is the leading candidate for France's 2027 presidential election, particularly in a potential second-round contest against Jean-Luc Melenchon. European equities have outperformed, supported by relatively reasonable valuations despite broader economic challenges. In China, they argue that both a stronger RMB and stronger domestic demand are necessary for economic rebalancing. Their baseline market outlook remains constructive, although they see a risk that oil inventories could reach historic lows if the Strait does not reopen promptly.

**Exhibit 12: Global Views – Fed pricing has turned Less Hawkish, but our economists expect there is further to go**




Source: Bloomberg, Goldman Sachs Global Investment Research

**Asia Strategy – Into the home stretch** (Link). *Timothy Moe*

Our strategists remain constructive on Asian equities and raise the 12-month MXAPJ Index target to 1,120 from 1,080, supported by exceptionally strong profit growth across technology hardware supply chains. They upgrade 2026 earnings growth forecasts to 350% for Korea, 60% for Taiwan, and 19% for Japan, reflecting a supportive macroeconomic backdrop and accelerating compute demand.

Following cleaner positioning after recent market corrections, our strategists maintain an overweight stance on North Asian markets, with a preference for technology hardware, capital goods, banks, and healthcare. However, they lower the three-month and six-month MXAPJ Index targets to 960 and 1,040, respectively, to reflect near-term event risks, including the U.S. midterm elections, higher U.S. and global bond yields, and continued Middle East tensions.

On China Equities, our strategists maintain an Overweight rating on China A shares and a structural preference for AI hard-tech companies. They believe recent 20% corrections have reduced speculative positioning and valuation excesses. Given elevated near-term volatility, they recommend diversification and rotation into less-correlated assets to enhance risk-adjusted returns. Preferred opportunities include selected H-share soft-tech names, policy beneficiaries associated with the 15th Five-Year Plan, and oversold non-technology stocks with improving earnings revisions.

**Exhibit 13: Asia Strategy – Our strategists favor North Asia and AI-related tech hardware exposure; key themes include HALO, energy security, defense, and shareholder returns**

GS Strategy APxJ Market Allocation

| | Market | Index | Index Level | GS 12m Target | Target fPE | z-score (10yr) | Chg to Target | USD Total Return |
|---|---|---|---|---|---|---|---|---|
| OW | Korea | KOSPI | 6,818 | 12,000 | 7.5x | -1.4 | 76% | 79% |
| | China A | CSI300 | 4,626 | 5,500 | 15.5x | +1.8 | 19% | 24% |
| | Taiwan | TWSE | 46,412 | 54,000 | 17.5x | +1.0 | 16% | 20% |
| | Japan | TPX | 4,156 | 4,600 | 17.6x | +2.5 | 11% | 16% |
| MW | China | MXCN | 76 | 85 | 12.2x | +0.2 | 11% | 14% |
| | Singapore | FSSTI | 5,699 | 6,100 | 17.2x | +2.2 | 7% | 13% |
| | Malaysia | FBMKLCI | 1,730 | 1,820 | 13.6x | -0.9 | 5% | 12% |
| | Hong Kong | MXHK | 16,086 | 17,200 | 14.8x | +0.2 | 7% | 11% |
| | India | NIFTY | 24,178 | 26,500 | 18.8x | -0.6 | 10% | 9% |
| UW | Philippines | PCOMP | 5,946 | 6,200 | 9.8x | -1.6 | 4% | 8% |
| | Thailand | SET | 1,591 | 1,650 | 16.8x | +0.3 | 4% | 8% |
| | Australia | AS51 | 9,080 | 9,200 | 18.5x | +1.2 | 1% | 6% |
| | Indonesia | JCI | 6,549 | 6,300 | 8.3x | -2.6 | (4%) | 1% |
| | MXAPJ (USD) | | 892 | 1,120 | 11.9x | -1.3 | 26% | 28% |

Note (1): 12m index targets are as of Jun-2027; Return for MXAPJ is in USD terms

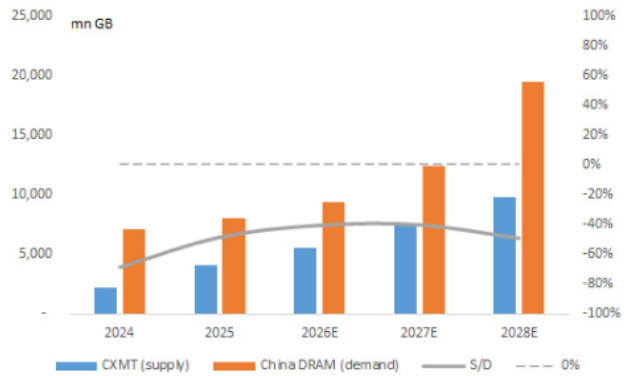
| Summary Views | | |
|---|---|---|
| Returns & Growth (MXAPJ) | | 12m index target: 1120, implying 26%/28% USD price/total return; GSe path (3/6/12m): 960/1040/1120; 72%/23% EPSg in 2026/27 |
| Markets | OW | Japan, Korea, China A, Taiwan |
| | MW | Singapore, Hong Kong, Malaysia, India, China Offshore |
| | UW | Australia, Thailand, Indonesia, Philippines |
| Sectors | OW | Tech H/W & Semis, Capital Goods, Health Care, Ex-AU/CN Banks |
| | MW | Internet/Media/Entertainment, Insurance & Other Fins, Property, Chemicals, Metals & Mining, Telecom Services, Consumer Retail & Durables, AU/CN Banks, Energy |
| | UW | Transportation, Software & Services, Utilities, Autos, Cons Staples |
| Themes & Implementation Ideas | | **AI Beneficiaries:** Infrastructure (Servers, Hardware, Semis) |
| | | **HALO (Heavy Assets, Low Obsolescence):** Capital Intensive vs. Light |
| | | **Power Demand:** Nuclear Power, Renewables, Power & Electricity |
| | | **Geopolitics:** U.S. Reindustrialization, Aerospace & Defense |
| | | **Space Economy:** Asia Space Opportunities |
| | | **Revision Momentum:** Consensus Revision Winners, Strong EPS Revisions |
| | | **China Opportunities:** 15th FYP Portfolio, Going Global, China AI/Growth |
| | | **Shareholder Yield:** Secure Dividend, Buyback |

Source: Goldman Sachs Global Investment Research

**Global Semis – CHIPS IV: China Semis Self-Sufficiency Builds** (Link). *Allen Chang*

Our analysts find that China continues to build out its domestic semiconductor supply chain across semiconductor production equipment, foundries, AI chips, memory, and electronic design automation. They estimate ambitious sector capital expenditure targets of US$82 billion by 2030E, representing a 79% increase. However, lithography remains a key challenge, while research and development and capital expenditure gaps versus global leaders remain significant. They introduce China GPU and DRAM total-addressable-market estimates and initiate coverage of CXMT, China's leading DRAM producer, at Buy. Their 12-m target price of Rmb129 implies 24x 2027E price-to-earnings, supported by projected 77% average EPS growth in 2027-28E, AI-related spending, and supply-chain diversification. They expect CXMT capacity to exceed 665,000 wafers per month by 2030E, more than doubling from 2026E levels.

**Exhibit 14: China Semis – CXMT (Buy) supply to cover 50% of China DRAM demand by 2028E**



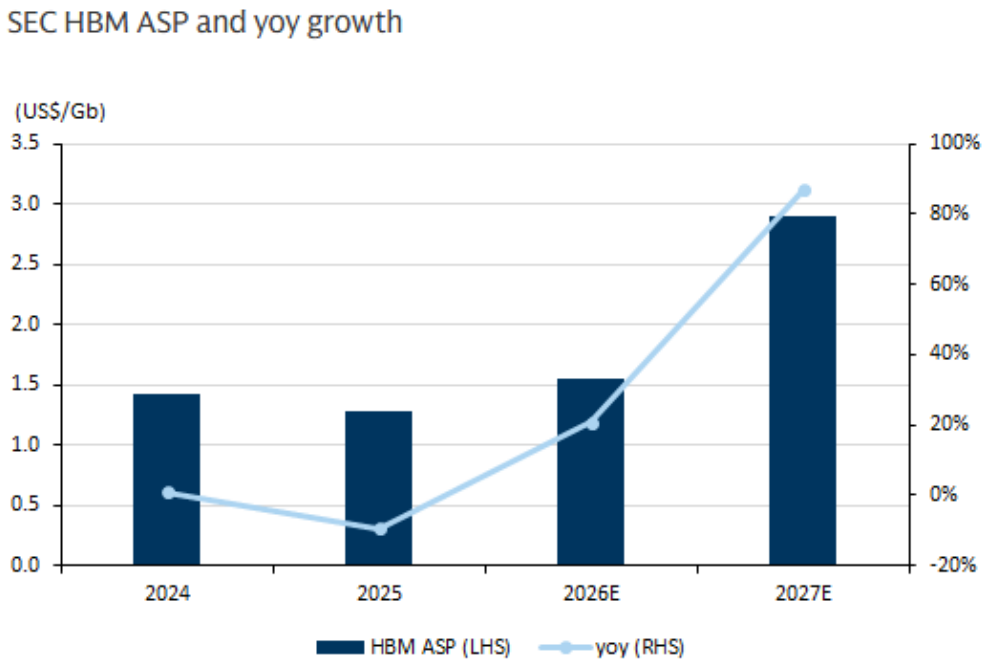

Source: Company data, Goldman Sachs Global Investment Research

**Impacted stocks on the APAC Conviction List:** Shengyi Tech

**Korea Memory Sector – Addressing 8 Key Questions** (Link). *Giuni Lee*

Our analysts reiterate Buy ratings on Samsung Electronics and SK Hynix following recent share-price corrections. They believe memory-industry fundamentals remain strong, supported by healthy inventories and no imminent NAND oversupply. They expect 2027 HBM pricing to rise by approximately 100% year over year as AI-server demand continues to exceed supply, while contract terms become more favorable for suppliers. Although SK Hynix missed second-quarter 2026 operating-profit expectations due to lower DRAM average selling prices, they expect volume and pricing growth in the third quarter as HBM4 production ramps. They view current valuations as discounting the sustainability of earnings and maintain Buy ratings on Samsung (on CL), and SK Hynix.

**Exhibit 15: Korea Memory – Our analysts expect HBM blended ASP for SEC to reach close to US$ 2.9/Gb in 2027E, implying an 87% yoy increase**




Source: Company data, Goldman Sachs Global Investment Research

**Impacted stocks on the APAC Conviction List:** Samsung Electronics

**Japan Technology – Raising WFE Outlook and Focus on Production Capacity** (Link).
*Shuhei Nakamura*

Our analysts materially raise global wafer-fab-equipment market forecasts to US$150.3 billion for calendar 2026 and US$217.5 billion for calendar 2027. The revision reflects a substantial expansion in order backlogs and increased capital-expenditure appetite, driven by AI-related demand for DRAM and logic/foundry capacity as well as strong capital-expenditure growth in China. They expect production capacity, lead times, and pricing power to become increasingly important earnings drivers. They reiterate Buy ratings on Lasertec, Disco, Tokyo Electron, and Ebara, citing technological advantages and potential margin expansion.

**Exhibit 16: Japan SPE – Raising forecasts especially for DRAM and logic/foundry**

WFE trends by application/region

| WFE ($bn) | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|---|---|
| DRAM | 17.1 | 18.5 | 26.5 | 31.8 | 47.7 | 71.6 | 96.6 |
| yoy | +5% | +8% | +43% | +20% | +50% | +50% | +35% |
| NAND | 16.8 | 5.2 | 6.5 | 8.1 | 11.0 | 14.8 | 22.2 |
| yoy | 0% | -69% | +25% | +25% | +35% | +35% | +50% |
| Foundry | 36.3 | 34.5 | 34.5 | 40.0 | 58.0 | 84.0 | 109.2 |
| yoy | +20% | -5% | 0% | +16% | +45% | +45% | +30% |
| Logic & Other | 23.9 | 37.5 | 33.7 | 30.3 | 33.7 | 47.1 | 52.8 |
| yoy | -1% | +57% | -10% | -10% | +11% | +40% | +12% |
| Total WFE | 94.1 | 95.6 | 101.2 | 110.2 | 150.3 | 217.5 | 280.9 |
| yoy | 8% | 2% | 6% | 9% | 36% | 45% | 29% |
| <Separate> | | | | | | | |
| China | 20.4 | 29.9 | 38.9 | 39.1 | 44.3 | 53.0 | 60.7 |
| (%WFE) | 22% | 31% | 38% | 35% | 29% | 24% | 22% |
| EX-China | 73.7 | 65.7 | 62.3 | 71.2 | 106.0 | 164.6 | 220.2 |
| (%WFE) | 78% | 69% | 62% | 65% | 71% | 76% | 78% |

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

**Impacted stocks on the APAC Conviction List:** Lasertec

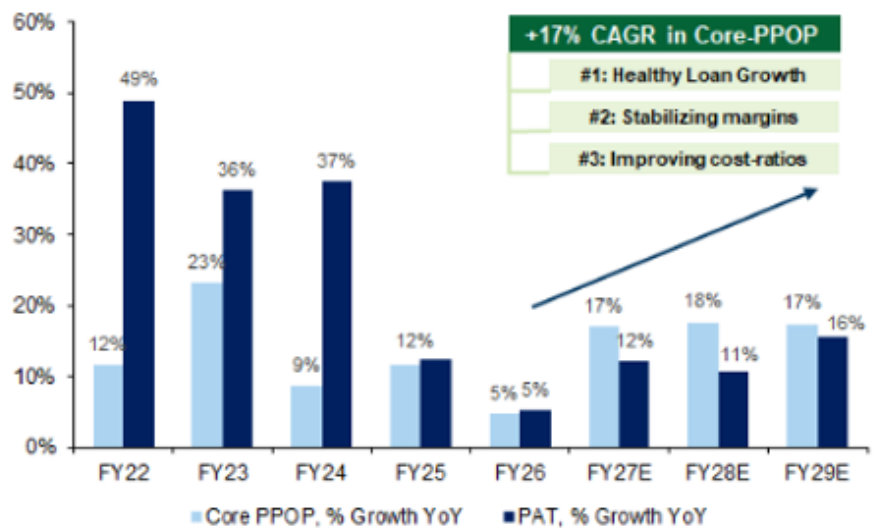
**India Financials – Sector Initiation: Core PPoP Recovery to Drive Stock Returns** (Link, Link). *Sumeet Kariwala*

Our analysts initiate coverage on 14 Indian banks, expecting the sector to approach a cyclical inflection point. They forecast core pre-provision operating-profit growth of approximately 17% yoy during FY26-FY29E, supported by roughly 14% loan growth, a 10bps NIM recovery from an FY27 trough, and benign asset quality. They expect profitability to drive share-price performance, particularly as private-bank valuations trade near 15-year lows.

Our analysts believe a sustained re-rating of Indian private banks requires loan growth to recover to 1.5-2.0x nominal GDP growth alongside improving profitability. They estimate a potential profitability uplift of approximately 45 basis points over the next five years for banks that successfully execute ecosystem-banking strategies, improve risk-adjusted spreads through higher-margin commercial-retail lending, and realize operating leverage. They believe large private banks are better positioned because of their scale and technology advantages.

They see the strongest upside in ICICI Bank, with a 12-month target price of Rs1,935, and Kotak Mahindra Bank, with a 12-month target price of Rs509. They initiate both at Buy, alongside HDFC Bank, Axis Bank, AU Small Finance Bank, and Federal Bank.

**Exhibit 17: India Banks - Core-PPOP for Indian banks to accelerate**




Source: Company data, Goldman Sachs Global Investment Research

**Impacted stocks on the APAC Conviction List:** Kotak Mahindra Bank

**China Industrial Tech – Go Global 3.0 and AI Industrialization** (Link). *Jacqueline Du*

Our analysts see China entering a new export phase driven by AI-enabled and technology-led industrial capabilities, spanning data-center power infrastructure and robotics. They assess 11 product-based export opportunities with global total addressable markets ranging from US$12 billion to US$212 billion by 2030E. They categorize these opportunities into four Go Global 3.0 archetypes: bottleneck solvers, technology upgraders, established global sectors, and idiosyncratic opportunities. They expect bottleneck solvers to deliver the strongest market-share gains and margin expansion over 2026-30, supported by favorable supply-demand dynamics, and highlight Buy-rated Sieyuan, Kstar, and Yingliu. They also see attractive medium-term share-gain potential for technology upgraders, including Buy-rated Envicool and Hongfa, driven by rapid engineering iteration. However, they note that long-term success will depend on meeting demanding global operational standards. In contrast, established global sectors such as energy storage and humanoid robots face near-term market-access barriers and complex international regulatory requirements.

**Exhibit 18: China Industrial Tech – No longer just about price—Chinese players increasingly compete on speed (attractive lead times) and quality (esp. transformers, relays); other categories still see a bigger price discount**




(1) Kstar ASP reflects ex-factory ASP under its ODM model supplying overseas customers, rather than end-market ASP. (2) All figures are GSe for covered companies. (3) Humanoid robots are excluded, as the relevant company (Unitree) is not yet publicly listed at the time of publication. Dongfang Electric (NC) is outside our coverage universe; estimates in the table are based on company commentary on 2026 orders.

Source: Company data, Goldman Sachs Global Investment Research

## Multimedia Highlight

India Financials: Sector Initiation – Accelerating Growth Ahead

SK Hynix: Buyback Plans & Sector Implications

China Industrial Tech: Go Global 3.0: The Age of China's AI Industrialization

China Macro to Micro: Implications of Offshore Insurance Tax

Japan Matters: FX, Earnings & Flows

Korea Strategy & Tech: Staying Constructive Despite Sharp Drawdown

**Exhibit 19: APAC Conviction List – Directors' Cut stock perormance**
August 2026, life-to-date total return (in local currency, only calculate period when stock is on the list)

We add **Kotak Mahindra Bank** and **NEC** to the APAC Conviction List whilst removing **Jardine Matheson, Foshan Haitian Flavouring & Food (H), Wuxi AppTec,** and **Shenzhen Inovance**.

As discussed in previous updates, there are many reasons a stock could be removed from the list. They can include (but are not limited to), analysts no longer having conviction in their idea (e.g. a downgrade), price realization, the passage of catalysts or the subcommittee believing there are better opportunities elsewhere. In short, names will be removed if the committee determines a name is no longer a top investment idea across the APAC coverage.

Importantly, inclusion on this list is not a stock rating and addition to or removal from this list does not necessarily represent a change in the analyst's investment ratingor such stock.

**Exhibit 20: APAC Conviction List changes since August 2, 2026**
Changes to FY1/FY2 EPS (>1.5%), target prices and to the List

| Ticker | Company Name | FY1 EPS % | FY2 EPS % | PT % |
|---|---|---|---|---|
| 010950.KS | S-Oil Corp. | 42.0% | 4.7% | 4.5% |
| RMS.AX | Ramelius Resources | 10.5% | -8.1% | 0.0% |
| 600183.SS | Shengyi Tech | 6.5% | 0.9% | 0.8% |
| 6920.T | Lasertec | 4.6% | 10.8% | 0.0% |
| 1364.HK | Guming Holdings Ltd. | 4.0% | 5.2% | 6.5% |
| 0012.HK | Henderson Land | 2.7% | 0.8% | 0.0% |
| 0388.HK | Hong Kong Exchanges | 2.1% | 0.5% | 0.0% |
| 005930.KS | Samsung Electronics | 1.0% | 6.7% | 0.0% |
| MRTI.BO | Maruti Suzuki India | 0.0% | 0.0% | 1.8% |
| 1211.HK | BYD Co. | -0.9% | -1.5% | 0.0% |
| RMD.AX | ResMed Inc. | -3.8% | -4.2% | -3.0% |
| NTES | NetEase Inc. | -5.9% | -3.7% | -0.6% |
| 8046.TW | NYPCB | -7.7% | 1.8% | 8.2% |

**CL Additions**

| Ticker | Company Name | Date Added |
|---|---|---|
| KTKM.BO | Kotak Mahindra Bank | 9/2/2026 |
| 6701.T | NEC | 9/2/2026 |

**CL Removal**

| Ticker | Company Name | Date Added | Date Removed |
|---|---|---|---|
| JARD.SI | Jardine Matheson | 8/3/2025 | 9/2/2026 |
| 3288.HK | Foshan Haitian Flavouring & Food | 4/1/2026 | 9/2/2026 |
| 2359.HK | WuXi AppTec Co. | 4/1/2026 | 9/2/2026 |
| 300124.SZ | Shenzhen Inovance Technology Co. | 5/3/2026 | 9/2/2026 |

Source: Goldman Sachs Global Investment Research, Bloomberg

# Appendix I – Valuation Table

## Exhibit 21: APAC Conviction List – Valuation Table

| | | GROWTH | | | | | VALUATION | | | | PROFITABILITY | | | REVISIONS (1M) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ticker | Company Name | FY1 Year | Sales Growth FY1 | EBITDA Growth FY1 | EPS Growth FY1 | FCF Growth FY1 | PE FY1 | P/B FY1 | EV/ EBITDA FY1 | FCF yield FY1 | EBITDA Margin FY1 | EBITDA Margin FY2 | ROE CY26 | GS TP | GS Sales FY1 | GS EPS FY1 | Cons EPS FY1 |
| **Consumer** | | | | | | | | | | | | | | | | | |
| 1364.HK | Guming Holdings Ltd. | 26 | 21% | 12% | 18% | 33% | 15.5x | 6.5x | 11.3x | 5% | 25.0% | 25.4% | 49% | 6.5% | 2.5% | 4.0% | - |
| TACN.BO | Tata Consumer Products Ltd. | 27 | 13% | 17% | 31% | -33% | 50.4x | 4.5x | 30.8x | 1% | 14.2% | 15.0% | 8% | - | - | - | -0.2% |
| YUMC | Yum China Holdings | 26 | 10% | 11% | 17% | 23% | 15.3x | 3.0x | 7.2x | 6% | 14.9% | 15.0% | 17% | - | - | - | - |
| **Financials** | | | | | | | | | | | | | | | | | |
| 0012.HK | Henderson Land | 26 | 32% | 60% | 44% | -10% | 15.6x | 0.4x | 20.6x | 7% | 23.8% | 29.7% | 2% | - | 0.8% | 2.7% | - |
| 0388.HK | Hong Kong Exchanges | 26 | 12% | 13% | 14% | | 25.4x | 8.4x | | | 79.0% | 78.1% | 34% | - | 2.1% | 2.1% | - |
| 8411.T | Mizuho FG | 27 | 17% | | 19% | | 14.6x | 1.8x | | | | | 12% | - | - | - | - |
| 105560.KS | KB Financial Group | 26 | 8% | | 26% | | 8.6x | 0.9x | | | | | 11% | - | - | - | - |
| KTKM.BO | Kotak Mahindra Bank | 27 | 11% | | 16% | | 26.0x | 2.8x | | | | | 11% | - | - | - | -3.6% |
| **Healthcare** | | | | | | | | | | | | | | | | | |
| RMD.AX | ResMed Inc. | 27 | 3% | 4% | 9% | -2% | 19.5x | 5.1x | 14.4x | 5% | 38.4% | 39.1% | 26% | -3.0% | -5.9% | -3.8% | - |
| **Industrials** | | | | | | | | | | | | | | | | | |
| ALQ.AX | ALS Ltd. | 27 | 12% | 18% | 18% | 99% | 23.8x | 5.8x | 12.5x | 2% | 26.3% | 26.5% | 25% | - | - | - | - |
| 6861.T | Keyence | 27 | 29% | 34% | 30% | 23% | 34.5x | 5.4x | 22.1x | 3% | 54.4% | 53.5% | 15% | - | - | - | - |
| **Internet & IT Services** | | | | | | | | | | | | | | | | | |
| 6701.T | NEC | 27 | 9% | 18% | 16% | -2% | 21.2x | 2.7x | 10.2x | 5% | 15.6% | 16.7% | 13% | 15.6% | 8.6% | 8.0% | 4.5% |
| NTES | NetEase Inc. | 26 | 8% | 22% | 6% | -13% | 13.6x | 2.9x | 6.8x | 8% | 41.7% | 41.8% | 22% | -0.6% | -1.2% | -5.9% | - |
| **Mobility** | | | | | | | | | | | | | | | | | |
| 1211.HK | BYD Co. | 26 | 13% | 21% | 21% | 132% | 17.5x | 2.4x | 5.2x | 5% | 13.7% | 13.6% | 14% | - | -0.9% | -0.9% | -0.1% |
| MRTI.BO | Maruti Suzuki India | 27 | 25% | 2% | 0% | 23% | 26.9x | 3.5x | 17.1x | 3% | 9.8% | 11.2% | 14% | 1.8% | - | - | - |
| 012330.KS | Hyundai Mobis | 26 | 6% | 7% | 6% | -7% | 10.2x | 0.8x | 7.6x | 7% | 7.4% | 7.7% | 8% | - | - | - | - |
| **Natural Resources** | | | | | | | | | | | | | | | | | |
| RMS.AX | Ramelius Resources | 27 | 20% | -6% | -27% | -156% | 31.1x | 1.9x | 9.3x | -2% | 58.1% | 51.4% | 8% | - | - | 10.5% | -0.9% |
| 010950.KS | S-Oil Corp. | 26 | 21% | 444% | 15589% | 1770% | 5.1x | 1.5x | 3.9x | 11% | 13.7% | 9.2% | 33% | 4.5% | -1.0% | 42.0% | - |
| **Technology** | | | | | | | | | | | | | | | | | |
| 2317.TW | Hon Hai | 26 | 37% | 39% | 44% | 819% | 13.3x | 1.9x | 5.7x | 13% | 4.4% | 3.8% | 13% | - | -0.3% | 0.9% | - |
| 6920.T | Lasertec | 27 | 34% | 35% | 35% | 46% | 28.3x | 9.4x | 19.1x | 2% | 48.0% | 50.5% | 36% | - | 7.5% | 4.6% | - |
| 6981.T | Murata Mfg. | 27 | 20% | 58% | 71% | 112% | 33.1x | 4.7x | 17.6x | 2% | 33.0% | 37.6% | 12% | - | - | - | - |
| 8046.TW | NYPCB | 26 | 58% | 167% | 586% | 1455% | 59.2x | 14.6x | 32.7x | 1% | 37.3% | 47.8% | 27% | 8.2% | -2.0% | -7.7% | 6.9% |
| 005930.KS | Samsung Electronics | 26 | 116% | 378% | 597% | 477% | 5.7x | 2.4x | 3.3x | 13% | 60.0% | 67.5% | 52% | - | -0.0% | 1.0% | - |
| 600183.SS | Shengyi Tech | 26 | 60% | 89% | 131% | 93% | 47.8x | 17.3x | 36.0x | 2% | 21.6% | 22.3% | 37% | 0.8% | 1.0% | 6.5% | 11.5% |

Source: Bloomberg, Goldman Sachs Global Investment Research

# Appendix II – Conviction List Explained

On December 4th 2023, we introduced a new investment list highlighting a selection of fundamental Buy-rated Asia-Pacific stocks across the Goldman Sachs Global Investment Research department. This new **"APAC Conviction List – Directors' Cut"** is designed to provide investors with a curated and active list of 20-30 stocks of what we believe to be differentiated fundamental Buy ideas across our Asia-Pacific stock coverage. We intend to refresh and publish this list monthly in an easily digestible format that focuses on 1) the analyst's core investment thesis, 2) key debates and where we are different, 3) upcoming catalysts, and 4) financials/valuation.

A subcommittee designated by the Asia-Pacific Investment Review Committee will select stocks for the "**APAC Conviction List – Directors' Cut"** from the Buy recommendations of Asia-Pacific stocks. The subcommittee will collaborate with each sector analyst to identify top ideas that offer a combination of conviction, a differentiated view and high risk-adjusted returns. The subcommittee will then choose what they view as the top 20-30 ideas across the department for the list.

**We intend to refresh and publish the list monthly.** Any new names added to the APAC Conviction List – Directors' Cut will include a concise description detailing the key drivers of the analyst's Buy thesis, with a focus on where these views are different and relevant market debates, as well as links to their recent reports. All additions to the list will be captured in this monthly note. Removals (discussed below) may occur intra-month should a material event occur that requires an adjustment to the list.

**Reasons for removal** can include (but are not limited to) analysts no longer having conviction in their idea (e.g. a downgrade), price realisation, the passage of catalysts or the subcommittee believing there are better opportunities elsewhere. In short, names will be removed if this committee determines a name is no longer a top investment idea across our coverage.

**Additional information.** This list should not be seen as a portfolio, as we will not attempt to weight the included stocks or ensure diversification across our stock coverage. Inclusion on this list is not a stock rating and addition to, or removal from, this list does not necessarily represent a change in the analyst's investment rating for such stock.

**Past Editions and Multimedia**

APAC Conviction List – Directors' Cut: August update: Adding Samsung Electronics, Keyence, Shengyi Tech, BYD, Hong Kong Exchanges; removing Victory Giant, Yaskawa Electric

APAC Conviction List – Directors' Cut: July update: Adding KB Financial, Hyundai Mobis, NetEase, ResMed; removing TSMC, Alibaba, Mao Geping, APR, Fisher & Paykel

APAC Conviction List – Directors' Cut: Key Theses in Charts (Videos)

APAC Conviction List – Directors' Cut Launch

Visit the APAC Conviction List – Directors' Cut portal page

## Exhibit 22: APAC Conviction List Removals' Stock Performance

LTD total return (in local ccy)

| Ticker | Company Name | Date Added | Date Removed | Days on the List | LTD Return | LTD vs. MXAPEW |
|---|---|---|---|---|---|---|
| CSL.AX | CSL Ltd. | 12/4/2023 | 1/30/2024 | 57 | 12.3% | 16.0% |
| 601138.SS | Foxconn Industrial Internet | 12/4/2023 | 2/1/2024 | 59 | -1.5% | 2.5% |
| 6758.T | Sony Group | 12/4/2023 | 3/3/2024 | 90 | 5.3% | 2.8% |
| OCBC.SI | Oversea-Chinese Banking Corp. | 12/4/2023 | 3/3/2024 | 90 | 2.9% | 0.4% |
| PDD | PDD Holdings | 12/4/2023 | 3/11/2024 | 98 | -21.7% | -25.6% |
| 0867.HK | China Medical System Holdings | 12/4/2023 | 4/7/2024 | 125 | -47.7% | -50.0% |
| 4507.T | Shionogi | 12/4/2023 | 4/7/2024 | 125 | 10.1% | 7.7% |
| 002050.SZ | Sanhua Intelligent Controls | 12/4/2023 | 5/2/2024 | 150 | -23.8% | -27.4% |
| 7269.T | Suzuki Motor | 12/4/2023 | 5/2/2024 | 150 | 24.4% | 20.8% |
| 352820.KS | HYBE Co. | 1/4/2024 | 6/2/2024 | 150 | -16.8% | -19.5% |
| 8306.T | MUFG | 12/4/2023 | 6/2/2024 | 181 | 35.1% | 31.6% |
| 2313.HK | Shenzhou International Group | 12/4/2023 | 6/2/2024 | 181 | -0.8% | -4.3% |
| 1024.HK | Kuaishou Technology | 12/4/2023 | 7/1/2024 | 210 | -16.0% | -18.5% |
| 6723.T | Renesas Electronics | 12/4/2023 | 8/4/2024 | 244 | -13.5% | -15.8% |
| 1299.HK | AIA Group | 12/4/2023 | 9/3/2024 | 274 | -15.7% | -19.9% |
| WOW.AX | Woolworths Group | 12/4/2023 | 9/3/2024 | 274 | 6.1% | 1.8% |
| HTHT | H World Group | 12/4/2023 | 9/3/2024 | 274 | -14.1% | -18.3% |
| 600019.SS | Baoshan Iron & Steel | 12/4/2023 | 9/3/2024 | 274 | -2.9% | -7.2% |
| 6273.T | SMC | 12/4/2023 | 9/3/2024 | 274 | -10.2% | -14.5% |
| 105560.KS | KB Financial Group | 2/1/2024 | 9/3/2024 | 215 | 48.5% | 39.9% |
| 002371.SZ | NAURA | 2/1/2024 | 9/3/2024 | 215 | 32.5% | 24.0% |
| 005380.KS | Hyundai Motor | 3/3/2024 | 9/3/2024 | 184 | -5.6% | -7.2% |
| 688169.SS | Beijing Roborock Technology | 3/3/2024 | 9/3/2024 | 184 | -1.4% | -3.0% |
| 0291.HK | China Resources Beer | 4/7/2024 | 9/3/2024 | 149 | -26.9% | -28.8% |
| LYC.AX | Lynas Rare Earths Ltd. | 12/4/2023 | 10/2/2024 | 303 | 21.1% | 2.6% |
| QAN.AX | Qantas Airways | 6/2/2024 | 10/2/2024 | 122 | 14.4% | 1.1% |
| 207940.KS | Samsung Biologics Co. | 5/2/2024 | 10/2/2024 | 153 | 26.1% | 11.7% |
| NTPC.BO | NTPC Ltd. | 4/7/2024 | 10/2/2024 | 178 | 22.0% | 6.1% |
| 603986.SS | Gigadevice | 8/4/2024 | 10/2/2024 | 59 | 13.8% | -6.6% |
| GOCP.BO | Godrej Consumer Products Ltd. | 12/4/2023 | 10/2/2024 | 303 | 34.8% | 16.2% |
| 0388.HK | Hong Kong Exchanges | 6/2/2024 | 10/2/2024 | 122 | 41.9% | 28.6% |
| 360.AX | Life360 Inc. | 10/2/2024 | 12/2/2024 | 61 | 32.0% | 38.4% |
| XRO.AX | Xero Ltd. | 3/3/2024 | 12/2/2024 | 274 | 28.8% | 20.8% |
| TOP.BK | Thai Oil | 6/2/2024 | 12/2/2024 | 183 | -24.8% | -30.8% |
| 0992.HK | Lenovo | 6/2/2024 | 12/2/2024 | 183 | -16.5% | -22.6% |
| 2383.TW | Elite Material | 8/4/2024 | 12/2/2024 | 120 | 32.8% | 20.2% |
| 2587.T | Suntory Beverage & Food Ltd. | 2/1/2024 | 1/7/2025 | 341 | 2.1% | -9.4% |
| 0700.HK | Tencent Holdings | 7/1/2024 | 1/7/2025 | 190 | 2.8% | -1.5% |
| 8316.T | SMFG | 9/3/2024 | 1/7/2025 | 126 | 19.4% | 16.8% |
| 300274.SZ | Sungrow Power Supply Co. | 9/3/2024 | 1/7/2025 | 126 | -5.7% | -8.4% |
| 000660.KS | SK Hynix Inc. | 12/4/2023 | 2/2/2025 | 426 | 53.0% | 45.2% |
| 2330.TW | TSMC | 12/4/2023 | 2/2/2025 | 426 | 102.0% | 94.3% |
| 6501.T | Hitachi | 12/4/2023 | 3/2/2025 | 454 | 82.6% | 74.9% |
| 600309.SS | Wanhua Chemical Group | 3/3/2024 | 3/2/2025 | 364 | -7.2% | -12.2% |
| 7267.T | Honda Motor | 11/3/2024 | 3/2/2025 | 119 | -8.1% | -3.4% |
| 0857.HK | PetroChina | 12/2/2024 | 3/2/2025 | 90 | 5.9% | 8.7% |
| 6857.T | Advantest | 9/3/2024 | 4/1/2025 | 210 | -4.9% | -9.5% |
| 2308.TW | Delta Electronics | 12/2/2024 | 4/1/2025 | 120 | -4.5% | -2.8% |
| KPLM.SI | Keppel Ltd. | 10/2/2024 | 4/1/2025 | 181 | 3.6% | 11.7% |
| 2899.HK | Zijin Mining | 9/3/2024 | 4/1/2025 | 210 | 15.7% | 11.1% |
| HDBK.BO | HDFC Bank | 12/4/2023 | 5/1/2025 | 514 | 21.2% | 11.4% |
| 2018.HK | AAC | 12/2/2024 | 5/1/2025 | 150 | 1.8% | 2.8% |
| JD | JD.com Inc. | 1/7/2025 | 5/1/2025 | 114 | -3.2% | -5.9% |
| 6981.T | Murata Mfg. | 3/2/2025 | 5/1/2025 | 60 | -23.9% | -25.4% |
| 300750.SZ | CATL | 9/3/2024 | 5/28/2025 | 267 | 40.0% | 30.6% |
| 8801.T | Mitsui Fudosan | 1/7/2025 | 6/2/2025 | 146 | 10.5% | 3.9% |
| ILU.AX | Iluka Resources | 1/7/2025 | 7/2/2025 | 176 | -26.6% | -38.6% |
| 0914.HK | Anhui Conch Cement | 2/2/2025 | 7/2/2025 | 150 | 5.9% | -7.1% |
| 6752.T | Panasonic HD | 3/2/2025 | 7/2/2025 | 122 | -18.3% | -29.1% |
| NXT.AX | NEXTDC Ltd | 5/1/2025 | 7/2/2025 | 62 | 14.7% | 5.5% |
| MAHM.BO | Mahindra & Mahindra | 11/3/2024 | 8/3/2025 | 273 | 10.4% | 3.0% |
| 2222.T | Kotobuki Spirits Co. | 1/7/2025 | 8/3/2025 | 208 | 2.5% | -11.1% |
| WOR.AX | Worley Ltd. | 1/7/2025 | 8/3/2025 | 208 | -1.6% | -15.2% |
| AXBK.BO | Axis Bank | 5/1/2025 | 8/21/2025 | 112 | -8.7% | -24.4% |
| 2454.TW | MediaTek | 4/1/2025 | 9/1/2025 | 153 | -5.0% | -23.6% |
| 600406.SS | NARI Technology | 2/2/2025 | 9/1/2025 | 211 | -3.8% | -25.7% |
| 2338.HK | Weichai Power | 4/1/2025 | 10/2/2025 | 184 | -6.6% | -28.5% |
| 7936.T | Asics Corp. | 12/4/2023 | 11/3/2025 | 700 | 219.6% | 185.1% |
| 2020.HK | Anta Sports Products | 6/2/2024 | 11/3/2025 | 519 | -0.4% | -29.0% |
| 6702.T | Fujitsu | 9/3/2024 | 11/3/2025 | 426 | 43.5% | 14.5% |
| 7453.T | Ryohin Keikaku | 1/7/2025 | 11/3/2025 | 300 | 79.0% | 53.4% |
| ZLAB | Zai Lab | 3/2/2025 | 11/3/2025 | 246 | -15.7% | -40.0% |
| RMD.AX | ResMed Inc. | 3/2/2025 | 12/1/2025 | 274 | 0.9% | -21.3% |
| 259960.KS | Krafton | 4/1/2025 | 12/1/2025 | 244 | -26.0% | -47.3% |
| GMG.AX | Goodman Group | 7/2/2025 | 12/1/2025 | 152 | -14.6% | -25.0% |
| 8697.T | Japan Exchange Group | 9/1/2025 | 12/1/2025 | 91 | 13.8% | 11.5% |
| 005380.KS | Hyundai Motor | 10/2/2025 | 12/9/2025 | 68 | 40.9% | 41.7% |
| 6762.T | TDK | 9/3/2024 | 1/6/2026 | 490 | 16.5% | -15.6% |
| 7012.T | Kawasaki Heavy Industries | 12/2/2024 | 1/6/2026 | 400 | 115.9% | 91.7% |
| 603296.SS | Huaqin Co. | 6/2/2025 | 1/6/2026 | 218 | 44.0% | 23.3% |
| 7014.T | Namura Shipbuilding Co. | 8/3/2025 | 1/6/2026 | 156 | 23.6% | 11.0% |
| XRO.AX | Xero Ltd. | 12/1/2025 | 12/30/2025 | 29 | -7.3% | -8.6% |
| RELI.BO | Reliance Industries | 6/2/2025 | 2/4/2026 | 247 | 3.5% | -21.1% |
| 6146.T | DISCO | 9/1/2025 | 2/4/2026 | 156 | 79.1% | 69.2% |
| 1109.HK | China Resources Land | 4/1/2025 | 2/4/2026 | 309 | 29.9% | -0.5% |
| TITN.BO | Titan Co. | 3/2/2025 | 3/2/2026 | 365 | 39.0% | 3.3% |
| 9660.HK | Horizon Robotics | 5/1/2025 | 3/2/2026 | 305 | 3.7% | -30.0% |
| 000810.KS | Samsung F&M | 11/3/2025 | 3/2/2026 | 119 | 19.9% | 10.7% |
| 8802.T | Mitsubishi Estate | 1/6/2026 | 3/2/2026 | 55 | 32.0% | 25.4% |
| 5105.T | TOYO TIRE | 10/2/2025 | 4/1/2026 | 181 | -4.0% | -6.5% |
| MMYT | MakeMyTrip Ltd. | 10/2/2025 | 4/1/2026 | 181 | -59.8% | -62.3% |
| FUTU | Futu Holdings | 5/3/2026 | 5/25/2026 | 22 | -42.5% | -44.2% |
| 2330.TW | TSMC | 6/2/2025 | 7/2/2026 | 395 | 165.2% | 137.7% |
| FPH.AX | Fisher & Paykel Healthcare Corp. | 12/1/2025 | 7/2/2026 | 213 | -0.8% | -10.7% |
| 1318.HK | Mao Geping Cosmetics Co. | 2/4/2026 | 7/2/2026 | 148 | -34.8% | -37.1% |
| BABA | Alibaba Group | 3/2/2026 | 7/2/2026 | 122 | -31.9% | -30.9% |
| 278470.KS | APR Corp. | 3/2/2026 | 7/2/2026 | 122 | 50.9% | 51.9% |
| 300476.SZ | Victory Giant | 3/2/2026 | 8/2/2026 | 153 | -36.8% | -35.5% |
| 6506.T | Yaskawa Electric | 5/3/2026 | 8/2/2026 | 91 | -18.5% | -17.8% |

Source: Goldman Sachs Global Investment Research, Bloomberg



# Appendix III – Price Target, Risks and Methodologies

| Ticker | Company Name | PTMR |
|---|---|---|
| Alq.AX | ALS Ltd. | Our 12-month target price of A$28.30 is based on an equally-weighted blend of: (1) DCF valuation, which values ALQ at ~A$28.80/share; and (2) NTM EV/EBIT which values ALQ at ~A$27.8/share. We assume a WACC of 7.9% and a terminal growth rate of 2.5%. Key risks include the timing, pace, and duration of the commodities upcycle, commodities volume and pricing, and worse-than-expected demand dynamics in the Life Sciences. |
| 1211.HK | BYD Co. | We are Buy rated with 12m DCF-based (WACC 10.8%, TGR 2.0%) TPs of Rmb137/HK$134 on the A/H shares (applying a 10% discount to the H-share). Downside risks: (1) Intensifying electric vehicle competition; (2) Slower-than-expected overseas expansion progress; (3) Lower-than-expected external battery sales. |
| 1364.HK | Guming Holdings Ltd. | We are Buy rated on Guming (on CL) with a 12-m TP of HK$33.0, based on 20X 2026E P/E. Key risks include: 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. |
| 0012.HK | Henderson Land | We are Buy rated on Henderson Land. Our 12m target price of HK$41.0 is FY26E NAV-based (target NAV discount of ~40%). Key downside risks include: 1) Less active policy support than we expect, which could significantly erode property buyer confidence and lead to lower-than-expected market recovery. 2) Federal Reserve rate cuts falling short of expectations, meaning the Fed maintains a tighter monetary policy for longer than anticipated, could directly impact buyer affordability by increasing borrowing costs and reducing the purchasing power of prospective homeowners. 3) Slower-than-expected farmland resumptions, which are often crucial for urban expansion and new development projects, could delay the supply of new land and infrastructure. Concurrently, insufficient Northern Metropolis policy support (e.g., for specific regional development initiatives) could hinder investment in those areas, leading to weaker demand for property and slower project execution. 4) Worse-than-expected Hong Kong IP portfolio performance driven by factors such as a worse-than-expected retail recovery and office oversupply, reduced business activity, or shifts in investor sentiment towards the region. |
| 0388.HK | Hong Kong Exchanges | Our 12-m target price of HK$540 is based on a 3-stage DDM method, implying 34X 2027E P/E. Downside risks include: 1) Higher competition with onshore capital markets for business; 2) Lower velocity in the cash market; 3) Fee pressure from reduced fees onshore in China; and 4) a sustained deflationary environment in China. |
| 2317.TW | Hon Hai | We are Buy rated on Hon Hai. Our 12-month target price of NT$400 is based on a 21.0x 2026E P/E multiple, which is set in line with the regression of peers' P/E vs. forward year earnings growth and OPM. Key risks: (1) Slower-than-expected ramp-up of AI servers business; (2) weaker-than-expected EV total solution performance across EV assembly, design, software and semis; (3) slower-than-expected ramp-up of capacity globally; and (4) fiercer-than-expected competition in consumer electronics EMS business. |
| 012330.KS | Hyundai Mobis | Our 12-month target price of W710,000 is based on a target P/E multiple of 15.0x applied to 2035E EPS discounted back to June 2027. Downside risks: 1) Cost inflation-related margin pressure along with production disruption from the fire in the India plant 2) Slower-than-expected execution in terms of Boston Dynamics or HMG autonomous driving push. |
| KTKM.BO | Kotak Mahindra Bank | We are Buy rated with a 12m Target Price of Rs 509 based on 2.2x 12m fwd P/B on a standalone basis using the 3 Stage Gordon Growth Model and Sum-of-the-Parts (SOTP) methodology for valuing the bank's subsidiaries like life insurance, asset management businesses, stockbroking company, etc. Downside risks: Slower-than-expected loan growth progression, weaker-than-expected margin progression, low-cost deposit growth remaining muted, execution delays during the ongoing executive leadership transition. |
| 6861.T | Keyence | Our 12-month target price of ¥115,000 is based on FY3/28E EV/EBITDA, applying the sector-average multiple of 10X and a 170% sector-relative premium. Key downside risks include (1) disappointment in the company's enhancement towards shareholder returns, (2) a slowdown in capex in tech-related industries, its major client industries, and (3) OPM dropping below 50%, the symbolic standard margin for the company. |
| 105560.KS | KB Financial Group | Our 12m TP of W214,000 is based on a target P/B multiple of 1.22X, derived using the GGM formula [(ROE-g)/(COE-g)]. Downside risks: 1) additional provisioning or capital injection towards its overseas entities undergoing the multi-year clean-up process, 2) change in political landscape leading to meaningfully higher risk of national service or/and government intervention. |
| 6920.T | Lasertec | Our 12-month target price of 70,000 is based on the global SPE sector average EV/EBITDA of 18X and our FY6/28 estimates. We then apply a sector-relative premium of 50%. Key risks: Decline in market share due to new entrants, lack of progress in ACTIS adoption by wafer fabs, weaker customer investment appetite for leading-edge process nodes, rapid appreciation of the yen against the US dollar. |
| 6701.T | NEC | Our 12-month target price of ¥6,000 is based on our FY3/28E EPS of ¥272 and a target P/E of 22X. Our target P/E is derived from (1) a P/E of 21-22X for the IT services business, which is a 20% premium to the average of 18.0X for the IT services sector, and (2) a P/E of c.21X for the hardware business, which is the sector average for major electronics companies. We then take a weighted average of these two multiples, based on the company's sales weightings, with a 90% weighting for IT services and a 10% weighting for hardware. We apply a premium to the average for the IT services sector because we look for profit growth above the sector average over the medium term, driven by growing demand for backbone systems and margin improvement from tackling low-margin projects, as well as structural expansion in defense business. Key risks include lower corporate IT investment appetite, higher-than-expected increases in component costs, delays in price pass-through, and opportunity losses due to procurement delays, and the emergence of unprofitable projects. |

Source: Goldman Sachs Global Investment Research

| Ticker | Company Name | PTMR |
|---|---|---|
| NTES | NetEase Inc. | We are Buy rated on NetEase (NTES/9999.HK), with 12-month SOTP-based target prices of US$168/HK$263. Key downside risks: 1) Weaker performance of legacy games; 2) slower-than-expected monetization ramp-up of new games; 3) more intensive competition in games, e-commerce, education and other business areas; 4) rising content costs associated with music and advertising expenses related to the online education business. |
| 8046.TW | NYPCB | Our 12-month target price of NT$2,500 for NYPCB is based on 21x 2028E P/E, which is +1.5x STDV higher than the past upcycle average P/E (13.3x). Key downside risks: (1) Slower-than-expected PC demand recovery, (2) Slower-than-expected ABF substrates pricing upgrading outlook, and (3) Slower-than-expected NYPCB new high-end capacity qualification progress. |
| MRTI.BO | Maruti Suzuki India | We are Buy rated on Maruti Suzuki with a 12-m TP of Rs17,000 based on a P/E based valuation methodology (25x P/E to Q5 to Q8 EPS estimates). Downside risks: Inability to reverse recent market share moderation, raw material inflation, margin impact from recent price adjustments. |
| 8411.T | Mizuho FG | Our 12-month target price of ¥9,300 is based on a target P/B of 1.72x and our end-FY3/28E BPS estimate of ¥5,398. We derive our target P/B multiple from our normalized FY3/29E ROE estimate of 13.76% and a cost of equity of 8.0%. We use a risk-free rate of 0.0%, an equity risk premium of 10.0%, and a long-term growth rate of 0.0% to calculate our cost of equity. Key downside risks: (1) Long-term interest rates declining amid global economic slowdown outlook; (2) credit cycle worsening due to prolonged geopolitical risk; and (3) larger-than-expected cost increases under the stable system and business management, etc. |
| 6981.T | Murata Mfg. | We are Buy-rated on Murata Mfg. with a 12-month price target of ¥12,900. Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying an 80% premium to our sector multiple of 10X (implies FY3/29E P/E of 30X). Key risks: Decline in smartphone production volume, deterioration in MLCC supply/demand, and yen appreciation. |
| RMS.AX | Ramelius Resources | Our 12m PT of A$4.85 is derived on a blend of fundamental value (85% weighting) comprising 75:25 NAV:NTM EBITDA (with a target multiple of 10.0x) and an M&A value (15% weighting, based on 1.3x NAV). Risks: Construction and commissioning risk; operating risk; cost inflation, commodity prices; macro risks; growth, returns and M&A. |
| RMD.AX | ResMed Inc. | Our 12-month price target of A$45.3 is based on a 50%/50% blended DCF (8.1% WACC/3.0% TGR) and NTM EV/EBIT valuation methodology. Our DCF valuation is based on a 10-year forecast of RMD's current business and new opportunities which include High Flow Oxygen Therapy (HFOT). Our EV/EBIT multiple of 21x for RMD is based on the stock's history relative to the index (ASX200) and relative to its peers, normalising for differences in growth. Key risks include: (1) US tariffs implementation, (2) US reimbursement pressures, (3) Reduction in therapy compliance. |
| 005930.KS | Samsung Electronics | Our 12m 2026-2027E EV/EBITDA-based SOTP target price for the common share is W490,000. Our 12-month target price for the preference share is W360,000, which is based on our target preferred-to-common shares discount of 27%, derived from averaging: 1) the preferred discount of the 2-factor model and 2) the average preference share discount to common shares during the past 1 month. We are Buy rated on both the common and preference shares. Key downside risks: 1) major deterioration in memory supply/demand, 2) sharp contraction in smartphone margins, and 3) mobile OLED market share loss. |
| 600183.SS | Shengyi Tech | We derive our 12M TP of Rmb249 on a target P/E multiple of 50.4x 2027E EPS. Our target P/E of 50.4x is derived from the correlation between P/E and EPS growth of Shengyi Tech's peers, based on the company's 2027-28E EPS YoY growth. Key risks: Lower-than-expected AI infrastructure investment, Lower-than-expected allocation, Change in the direction of technology. |
| 010950.KS | S-Oil Corp. | We are Buy-rated on S-Oil with a 6.5x 2028E EV/EBITDA-based 12-month target price of W163,000 (2028E implied value discounted back to 2027E based on 10% cost of equity). Key risks to our investment thesis and target price include weaker-than-expected refining margins, delays in construction and ramp-up of Shaheen project, lower for longer chemical margins, stronger than expected Korean Won against USD. |
| TACN.BO | Tata Consumer Products Ltd. | We are Buy rated on Tata Consumer with a 12-month target price of Rs 1,440, based on a SOTP. We value the FMCG business at a 50x target P/E for Q5 to Q8 EPS and 7x target P/S for the 50% stake in the Starbucks India JV. Our target multiple for TCPL's FMCG business of 50x P/E is in line with average 1-year forward trading P/E multiple of our Consumer Staples coverage, and 7x P/S at a premium to the average 1-year forward trading P/S multiple of restaurant companies in India, to reflect the higher potential growth rate in the out of home beverages market. Key risks include 1) inability to scale up innovations in the growth businesses, 2) sharp input cost pressures for tea and salt business, 3) further increase in competitive intensity in RTD beverages, and 4) non-branded business profits could decline if there is a correction in coffee prices. |
| YUMC | Yum China Holdings | We are Buy rated on YUMC with 12-m SOTP-based target prices of US$59/HK$459 for the ADR/H-share. Our target multiples are 11x 2026E EV/EBITDA for KFC China and 7x for Pizza Hut China. Key downside risks: 1) weaker-than-expected SSSG; 2) higher-than-expected commodity costs; 3) stronger-than-expected competition; and 4) lower-than-expected execution efficiency. |

Source: Goldman Sachs Global Investment Research

# Disclosure Appendix

## Reg AC

We, Michael Snaith, Joy Nguyen, Matthew Ross, Daiki Takayama, Sho Kawano and Caleb Chan, 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.

## 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 disclosures

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.

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: MIZUHO FINANCIAL GROUP, INC.

## Rating and pricing information

AU Small Finance Bank Ltd. (Buy, Rs1,076.60), Axis Bank (Buy, Rs1,259.95), CXMT (Buy, Rmb56.50), DISCO (Buy, ¥56,590), Ebara (Buy, ¥4,570), Federal Bank (Buy, Rs349.60), HDFC Bank (Buy, Rs712.05), Hongfa Technology (Buy, Rmb34.37), ICICI Bank (Buy, Rs1,436.80), SK Hynix Inc. (Buy, W1,693,000), Shenzhen Envicool Technology (Buy, Rmb65.90), Shenzhen Kstar Science & Tech (Buy, Rmb34.98), Sieyuan Electric (Buy, Rmb140.30), Tokyo Electron (Buy, ¥54,980) and Yingliu (Buy, Rmb45.20)

**The rating(s) for Jardine Matheson is/are relative to the other companies in its/their coverage universe:** CK Asset Holdings Ltd, CK Infrastructure, Fosun International, Hang Lung Properties, Henderson Land, Hongkong Land, Hysan Development, Jardine Matheson, Kerry Properties, Link REIT, MTR Corp., New World Development, Sino Land, Sun Hung Kai Properties, Swire Pacific, Swire Properties, Wharf Holdings, Wharf REIC

**The rating(s) for Kotak Mahindra Bank is/are relative to the other companies in its/their coverage universe:** AU Small Finance Bank Ltd., Axis Bank, Bandhan Bank Ltd., Bank of Baroda, Federal Bank, HDFC Bank, ICICI Bank, IDFC First Bank Ltd., IndusInd Bank, Kotak Mahindra Bank, Punjab National Bank, RBL Bank Ltd., State Bank of India, Yes Bank

**The rating(s) for Foshan Haitian Flavouring & Food (H) is/are relative to the other companies in its/their coverage universe:** Anhui Gujing Distillery Co., Budweiser APAC, Busy Ming Group, China Feihe Ltd., China Resources Beer, China Resources Beverage, Chongqing Brewery, Eastroc Beverage (A), Foshan Haitian Flavouring & Food (A), Foshan Haitian Flavouring & Food (H), Fujian Wanchen Food, Jiangsu King's Luck Brewery, Jiangsu Yanghe, Jiugui Liquor, Jonjee Hi-Tech, Kweichow Moutai, Luzhou Laojiao, Mengniu Dairy, Nongfu Spring, Qianhe Condiment and Food, Shanghai Bairun, Shanxi Xinghuacun Fen Wine, Sichuan Swellfun Co., Sichuan Teway Food Group, Tingyi, Tsingtao Brewery (A), Tsingtao Brewery (H), Uni-President China, Wuliangye Yibin, Yihai International Holding, Yili Industrial, ZJLD

**The rating(s) for WuXi AppTec Co. (A) and WuXi AppTec Co. (H) is/are relative to the other companies in its/their coverage universe:** AK Medical, Angelalign Technology, Asymchem (A), Asymchem (H), China Resources Pharmaceuticals, Edge Medical, Frontage Holdings, Genscript Biotech Corp., Gushengtang Holdings, Hygeia Healthcare, Jinxin Fertility, MicroPort MedBot, MicroTech Medical, Pharmaron (A), Pharmaron (H), Samsung Biologics

Co., Shandong Weigao Group, Shanghai Pharma, Sinopharm Group, Tigermed (A), Tigermed (H), Tinavi Medical, Topchoice Medical, Venus Medtech Inc., WuXi AppTec Co. (A), WuXi AppTec Co. (H), WuXi Biologics, WuXi XDC

**The rating(s) for NEC is/are relative to the other companies in its/their coverage universe:** BIPROGY, Baycurrent, Fujitsu, Internet Initiative Japan, KDDI, Money Forward, NEC, NS Solutions, NTT, Nomura Research Institute, OBIC, OBIC Business Consultants, Otsuka, SHIFT, Softbank Corp., TISI, Trend Micro Inc., freee K.K.

**The rating(s) for Shenzhen Inovance Technology Co. is/are relative to the other companies in its/their coverage universe:** Best, Bochu, CRRC Corp. (A), CRRC Corp. (H), Centre Testing Intl Group, Estun Automation Co.(A), Estun Automation Co.(H), Faratronic, Haitian International Holdings, Han's Laser Technology, Hongfa Technology, Huaming, Kehua Data Co., Lead Intelligent (A), Lead Intelligent (H), Leader Harmonious Drive Systems Co., Luster LightTech Co., Megmeet, Moons' Electric, NARI Technology, Nantong Jianghai Capacitor Co., OPT Machine Vision Tech Co., Sanhua Intelligent Controls (A), Sanhua Intelligent Controls (H), Shanghai Baosight Software, Shenzhen Envicool Technology, Shenzhen Inovance Technology Co., Shenzhen Kstar Science & Tech, Shuanghuan Driveline, Sieyuan Electric, Techtronic Industries, Wuhan Raycus Fiber Laser Tech, Yiheda Automation, Yingliu, Zhejiang Supcon Technology Co., Zhuzhou CRRC Times Electric Co. (A), Zhuzhou CRRC Times Electric Co. (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)

### WuXi AppTec Co. (A) (603259.SS)

| Date of report | Target price (Rmb) | Closing price (Rmb) |
|---|---|---|
| 03-Aug-26 | 172.40 | 128.50 |
| 28-May-26 | 151.90 | 100.80 |
| 28-Apr-26 | 151.50 | 110.57 |
| 24-Mar-26 | 137.30 | 93.68 |
| 05-Feb-26 | 132.70 | 97.11 |
| 27-Oct-25 | 118.00 | 106.64 |
| 16-Oct-25 | 105.60 | 101.06 |
| 29-Jul-25 | 93.30 | 98.69 |
| 10-Jul-25 | 82.40 | 70.14 |
| 29-Apr-25 | 77.30 | 60.45 |
| 19-Mar-25 | 73.20 | 70.00 |
| 21-Jan-25 | 64.40 | 55.49 |
| 12-Dec-24 | 62.50 | 57.09 |
| 29-Oct-24 | 56.10 | 53.49 |
| 27-May-24 | 51.10 | 42.42 |
| 30-Apr-24 | 59.90 | 43.67 |
| 20-Mar-24 | 59.88 | 50.33 |
| 18-Mar-24 | 59.01 | 53.41 |
| 10-Mar-24 | 60.19 | 51.84 |
| 09-Jan-24 | 100.60 | 67.40 |

### Jardine Matheson (JARD.SI)

| Date of report | Target price ($) | Closing price ($) |
|---|---|---|
| 01-Aug-26 | 90.00 | 66.41 |
| 11-Mar-26 | 95.50 | 74.66 |
| 18-Feb-26 | 94.20 | 78.14 |
| 24-Nov-25 | 76.70 | 67.56 |
| 03-Aug-25 | 68.10 | 55.98 |
| 28-Jul-25 | 66.30 | 55.32 |
| 11-Mar-25 | 47.80 | 41.05 |
| 24-Feb-25 | 47.70 | 41.00 |
| 04-Aug-24 | 43.80 | 34.45 |
| 21-Jul-24 | 44.70 | 35.90 |
| 11-Mar-24 | 44.80 | 39.08 |
| 29-Feb-24 | 43.30 | 41.91 |

### Foshan Haitian Flavouring & Food (H) (3288.HK)

| Date of report | Target price (HK$) | Closing price (HK$) |
|---|---|---|
| 31-Aug-26 | 39.80 | 28.14 |
| 10-Jul-26 | 45.60 | 30.16 |
| 27-Apr-26 | 47.30 | 36.56 |
| 29-Mar-26 | 46.80 | 36.30 |
| 09-Nov-25 | 44.10 | 32.64 |

### WuXi AppTec Co. (H) (2359.HK)

| Date of report | Target price (HK$) | Closing price (HK$) |
|---|---|---|
| 03-Aug-26 | 192.70 | 162.90 |
| 28-May-26 | 169.80 | 125.50 |
| 28-Apr-26 | 169.40 | 143.10 |
| 24-Mar-26 | 149.70 | 113.60 |
| 05-Feb-26 | 144.60 | 113.30 |

### Foshan Haitian Flavouring & Food (H) (3288.HK)

| Date of report | Target price (HK$) | Closing price (HK$) |
|---|---|---|
| 09-Sep-25 | 46.10 | 34.90 |
| 27-Jul-25 | 43.00 | 35.85 |

### WuXi AppTec Co. (H) (2359.HK)

| Date of report | Target price (HK$) | Closing price (HK$) |
|---|---|---|
| 27-Oct-25 | 122.50 | 115.00 |
| 16-Oct-25 | 109.60 | 106.00 |
| 29-Jul-25 | 96.90 | 111.70 |
| 10-Jul-25 | 85.50 | 79.80 |
| 29-Apr-25 | 74.90 | 60.65 |
| 19-Mar-25 | 70.90 | 71.75 |
| 21-Jan-25 | 62.40 | 55.75 |
| 12-Dec-24 | 58.00 | 57.10 |
| 29-Oct-24 | 51.00 | 53.25 |
| 30-Jul-24 | 45.30 | 29.85 |
| 27-May-24 | 46.90 | 36.35 |
| 20-Mar-24 | 55.00 | 39.45 |
| 18-Mar-24 | 54.20 | 42.75 |
| 10-Mar-24 | 57.50 | 46.80 |
| 09-Jan-24 | 100.60 | 72.40 |

### NEC (6701.T)

| Date of report | Target price (¥) | Closing price (¥) |
|---|---|---|
| 21-Aug-26 | 6,000 | 4,656 |
| 22-May-26 | 5,190 | 4,105 |
| 25-Feb-26 | 5,200 | 3,760 |
| 21-Nov-25 | 6,500 | 6,074 |
| 25-Aug-25 | 5,250 | 4,582 |
| 02-Jun-25 | 4,160 | 3,809 |
| 28-Feb-25 | 17,300 | 2,893 |
| 22-Nov-24 | 15,300 | 2,453 |
| 28-Aug-24 | 14,600 | 2,444 |
| 22-May-24 | 12,300 | 2,240 |
| 22-Feb-24 | 11,500 | 1,976 |
| 22-Nov-23 | 8,900 | 1,617 |

### Shenzhen Inovance Technology Co. (300124.SZ)

| Date of report | Target price (Rmb) | Closing price (Rmb) |
|---|---|---|
| 31-Aug-26 | 89.20 | 61.87 |
| 01-Jun-26 | 92.90 | 74.50 |
| 28-Apr-26 | 86.00 | 61.36 |
| 24-Feb-26 | 75.40 | 74.35 |
| 26-Oct-25 | 82.10 | 78.38 |
| 02-Oct-25 | 82.50 | 83.82 |
| 06-Aug-25 | 75.50 | 65.86 |
| 13-May-25 | 80.50 | 69.28 |
| 30-Apr-25 | 74.80 | 71.59 |
| 11-Mar-25 | 87.10 | 78.05 |
| 26-Dec-24 | 61.20 | 60.08 |
| 18-Oct-24 | 61.10 | 58.50 |
| 05-Sep-24 | 54.20 | 42.58 |
| 27-Aug-24 | 65.00 | 41.70 |
| 01-Jul-24 | 70.60 | 49.90 |
| 09-May-24 | 74.30 | 63.68 |
| 23-Apr-24 | 67.90 | 59.95 |
| 08-Jan-24 | 69.00 | 58.80 |
| 30-Oct-23 | 88.80 | 61.08 |
| 06-Sep-23 | 97.10 | 70.03 |

### Kotak Mahindra Bank (KTKM.BO)

| Date of report | Target price (Rs) | Closing price (Rs) |
|---|---|---|
| 20-Aug-26 | 509.00 | 398.50 |
| 27-Jul-25 | 2,575.00 | 424.99 |
| 04-Jul-25 | 2,603.00 | 425.68 |
| 05-May-25 | 2,478.00 | 417.01 |
| 07-Apr-25 | 2,357.00 | 407.84 |
| 20-Jan-25 | 2,141.00 | 383.92 |
| 09-Jan-25 | 2,163.00 | 357.96 |
| 20-Oct-24 | 2,286.00 | 373.96 |
| 09-Oct-24 | 2,252.00 | 360.14 |
| 21-Jul-24 | 2,148.00 | 364.35 |
| 12-Jul-24 | 2,142.00 | 366.65 |
| 06-May-24 | 2,170.00 | 324.95 |
| 22-Feb-24 | 2,116.00 | 345.30 |
| 21-Jan-24 | 2,280.00 | 353.15 |
| 11-Jan-24 | 2,231.00 | 364.36 |
| 29-Nov-23 | 2,245.00 | 350.54 |
| 07-Nov-23 | 2,305.00 | 350.29 |

| Date of report | Target price (Rs) | Closing price (Rs) |
|---|---|---|
| 22-Oct-23 | 2,622.00 | 353.91 |
| 09-Oct-23 | 2,631.00 | 343.87 |

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

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