China Spirits Tracker: Golden Week Feedback: Sell-through remained muted and down DD% in some regions while East China stayed under

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Despite resilient holiday travel and retail activity, our latest channel checks suggest **National Day holiday (Oct 1-6) spirits sell-through was weaker than expected and softer than CNY.** Ministry of Transport data showed cross-regional passenger mobility exceeded 300mn trips/day for five consecutive days, reaching 1.55bn trips during Oct 1-5 (slightly positive YoY), while MOFCOM-monitored commercial districts saw footfall/sales +3.4%/+5.3% yoy during Oct 1-3. That said, **spirits consumption remains challenged despite a low base last year** mainly due to a still-severe anti-graft atmosphere (more pronounced in Zhejiang/East China; see our proxy index here). We estimate **national spirits sell-through declined c.10-15% yoy vs. 2025 and down c.30%+ vs. 2024 during the Mid-Autumn Festival/National Day Holiday combined**, below prior expectations. Compared with the Mid-Autumn Festival, expected post-holiday replenishment between the two holidays proved less meaningful than anticipated, with commercial consumption, gifting demand, and the East China region remaining soft. **Despite weak retail demand, disciplined channel strategies facilitated de-stocking**, leaving inventory burdens below previous post-festival levels.

Channel feedback for Mid-Autumn Festival/Golden Week (first 6 days) combined:

- **By brand: Feitian Moutai remained the clear outperformer, while divergence across brands widened further.** Feitian Moutai maintained **DD% yoy growth across most regions**, with Moutai 1935 also recording positive growth. However, non-standard Moutai saw yoy sell-out pressure (down DD% in some regions) due to unfavorable affordability vs. Feitian Moutai (non-standard wholesale prices also mostly pulled back over the past week). In Henan/Jiangsu/Hunan/Shandong, **Feitian Moutai** generally delivered MSD-to-DD% growth; **Wuliangye** showed pockets of resilience with positive growth in Hunan/Shandong and remained stable in Henan, while distributors remained disciplined on shipments and inventory management. **In contrast, feedback for most other brands weakened vs. the CNY period: Guojiao 1573** continued to face pressure in major banquet and commercial consumption markets, while **Fen Wine** generally recorded LSD-to-teens% declines and **Yanghe** remained under pressure in Jiangsu.
- **By region: Anhui and Henan remained relatively resilient, while Jiangsu/Zhejiang continued to lag, reflecting more visible policy headwinds.**

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- In **Anhui**, overall sell-through declined c.10% yoy but residential banquet-oriented products remained resilient, with Gujing/Yingjia both delivering slight growth in the mass-market segment as de-stocking continued. In **Henan**, market sell-through declined c.5-10%; Feitian grew c.10%, Wuliangye remained flattish and Moutai overall likely posted slight growth despite a c.DD% decline in non-standard SKUs, while Guojiao continued to weaken. In **Hunan**, overall market demand declined c.10-15%; Feitian and Wuliangye remained positive while Guojiao and Fen Wine saw notable pressure.
- **Yangtze River Delta saw broad-based weakness** amid the recent enhanced enforcement of anti-extravagance policies in 3Q. This was dragged by more cautious commercial demand across banquet and gifting scenarios, which particularly pressured group-buy channels and the upper-mid-to-high-end segment (the regionally most popular pricing band), leading to a 20-30% sell-through decline in select regions. **Pressure was most pronounced in Zhejiang's Rmb20bn+ spirits market by ex-factory value (per Jiuyejia) under policy headwinds,** reflecting its premium-heavy mix, with c.25%/15% shares held by Moutai/Wuliangye and SD% shares for Yanghe/Laojiao/Fen Wine. The **Zhejiang** region likely saw overall sell-through fall more than 20%. In **Jiangsu**, overall sell-through fell c.15-20%, broadly in line with our Mid-Autumn observations of softer commercial demand: Feitian maintained positive growth while Wuliangye saw slight declines, King's Luck was broadly stable, and Yanghe continued to underperform.
- **Channel inventory turned healthier vs. last year:** As during the Mid-Autumn Festival, our channel checks show that brands largely refrained from aggressive shipment targets, shifting KPIs toward retail sell-through and bottle-opening rates. Holiday shipments also became increasingly order-driven, with distributors adopting small-batch, "sell first, replenish later" restocking. Feitian inventory remained lean at around one week across channels, and Wuliangye/Fen Wine remained manageable at c.1 month/c.1~2 months in some regions, while regional brands Gujing/King's Luck stood at c.3 months or above.

Feitian Moutai original case/Common Wuliangye/Guojiao 1573 wholesale prices slightly pulled back over the holiday. In the past week, original case Feitian Moutai's wholesale price/bottle **decreased by Rmb5 to Rmb1,725,** and unpacked Feitian Moutai's wholesale price **increased by Rmb5 to Rmb1,715.** For non-standard Moutai SKUs, the wholesale price of Zodiac/Jingpin/1-litre Feitian Moutai decreased by Rmb5/10/20 per bottle while that of Moutai 15 years remained stable. Common Wuliangye's wholesale price/bottle **stayed flattish at Rmb830/decreased by Rmb3 to Rmb770** per "Daily Spirits Prices"/Bairong Wholesale Market, respectively. Guojiao 1573's wholesale price/bottle **decreased by Rmb5 to Rmb820.**

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

Exhibit 1: 2026 Pre Mid-Autumn Festival & National Holiday channel checks

Company	Post-Festival Prepayment pace	Pre-Festival Prepayment pace	Festival retail sell-through YoY	vs. Pre-Festival Expectation	Distributor Channel Inventory	Post-Festival Prepayment pace 2025
Moutai	Prepayment c.85%; Sep quota fully delivered; slightly slower YoY	Prepayment 75% ~88% (Shandong/Jiangsu > Henan/Sichuan); ahead of last year	Feitian up 0.0% yoy; ~9.3% positive growth	Broadly in line	Feitian Moutai at c.1 week	Prepayment at 90%+
Wuliangye	Prepayment c.85%; largely flat or slightly slower YoY	Prepayment 70% in Henan vs 80% last year; met full-year targets; 100% prepayment in Shandong/Sichuan	Flat to SD% growth in most regions	Below the pre-festival flat-to-DD% expectation overall; despite resilience in Hunan/Shandong	c.1 month	Prepayment at 85-90% on reduced quota for 2025e
Luzhou Laojiao		Prepayment 52%; 65%/85% in Henan/Shandong/Sichuan	Broad decline	Broadly in line		Prepayment at c.55%
Gujing	Prepayment 80%+; largely flat YoY		Aptus market sell-through c.-10% yoy; Gujing mass-market price tiers achieved slight growth		3 months+	Prepayment at c.80%+; 100% by large distributors in Hefei
Yanghe	Prepayment c.55% in Jiangsu; slower YoY		Remained under pressure in Jiangsu where spirits sell-through declined 15-20% yoy	Broadly in line	Slightly below King's Luck in Jiangsu	Prepayment at c.60%+
King's Luck	Prepayment c.70-75% in Jiangsu; slower YoY	Prepayment 70-75% in Jiangsu	Roughly flattish yoy in Jiangsu; outperforming the provincial market decline of 15-20%	Better than the pre-festival downside expected for V series/2K-4K; though inventory remained elevated	3 months+	Prepayment expected to reach 90%+ post holiday
Fen Wine	Prepayment 80-85%; largely flat YoY		Declined SD-to-teens% across most regions; generally weaker than LNY	Below expectation	c.1.5-2 months	Prepayment at 80-85%

Source: Channel checks

Weekly Momentum of China Spirits Sector



Weekly wholesale price indicator

Channel policy indicator

Methodology: Red/Yellow/Green represents negative/neutral/positive for each indicator.

- Wholesale price of Moutai Original Case and Package Opened: both up/1 up & 1 down/both down represent positive/neutral/negative, respectively
- Channel policies that benefits spirits manufacturers are considered positive (e.g. price hikes, sales targets) and vice versa

Source: Goldman Sachs Global Investment Research

Wholesale price summary of high-end liquors

From Sep 27 to Oct 7, 2026:

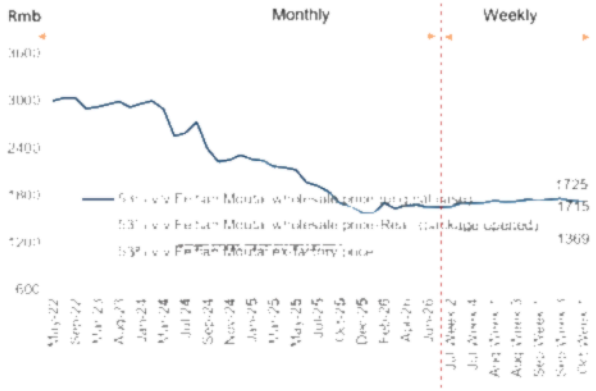
- Original case Feitian Moutai's wholesale price/bottle **decreased by Rmb5 to Rmb1,725,** and unpacked Feitian Moutai's wholesale price **increased by Rmb5 to Rmb1,715.**
- Common Wuliangye's wholesale price/bottle **stayed flattish at Rmb830/decreased by Rmb3 to Rmb770** per "Daily Spirits Prices"/Bairong Wholesale Market, respectively.
- Guojiao 1573's wholesale price/bottle **decreased by Rmb5 to Rmb820.**

From Jan 1 to Oct 7, 2026:

- Original case Feitian Moutai's wholesale price/bottle **increased by Rmb220 from Rmb1,505 to Rmb1,725.** Unpacked Feitian Moutai's wholesale price/bottle **increased by Rmb225 from Rmb1,490 to Rmb1,715.**
- Common Wuliangye's wholesale price/bottle **decreased by Rmb20 to Rmb830** per "Daily Spirits Prices," and **decreased by Rmb40 to Rmb770** per Bairong Wholesale Market.

- Guojiao 1573's wholesale price/bottle **decreased by Rmb20** to **Rmb820.**

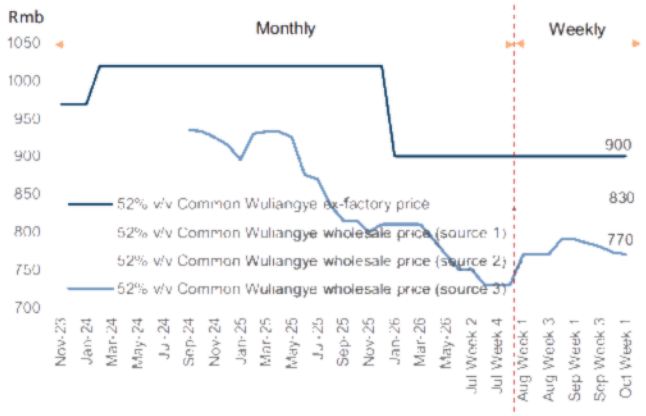
Exhibit 2: 53% Feitian Moutai product prices



Most recent data points as of Oct 7, 2026.

Source: Daily Spirits Prices, Data compiled by Goldman Sachs Global Investment Research

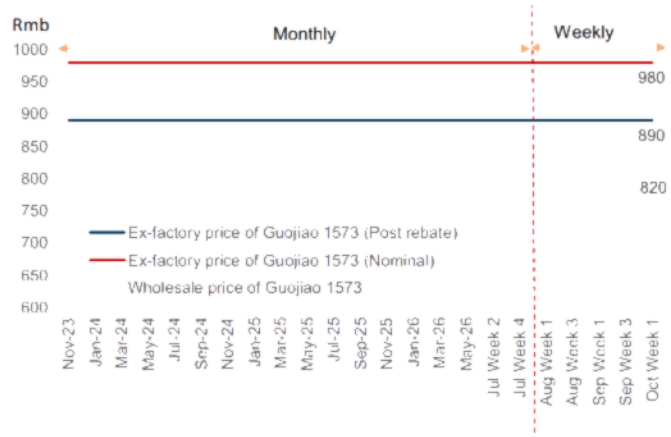
Exhibit 3: 52% Common Wuliangye product prices



Most recent data points as of Oct 7, 2026. Source 1 = Spirits Price References; Source 2 = Daily Spirits Prices; Source 3 = Bairong Wholesale Market

Source: Spirits Price References, Daily Spirits Prices, Bairong Wholesale Market, Data compiled by Goldman Sachs Global Investment Research

Exhibit 4: Guojiao 1573 product prices

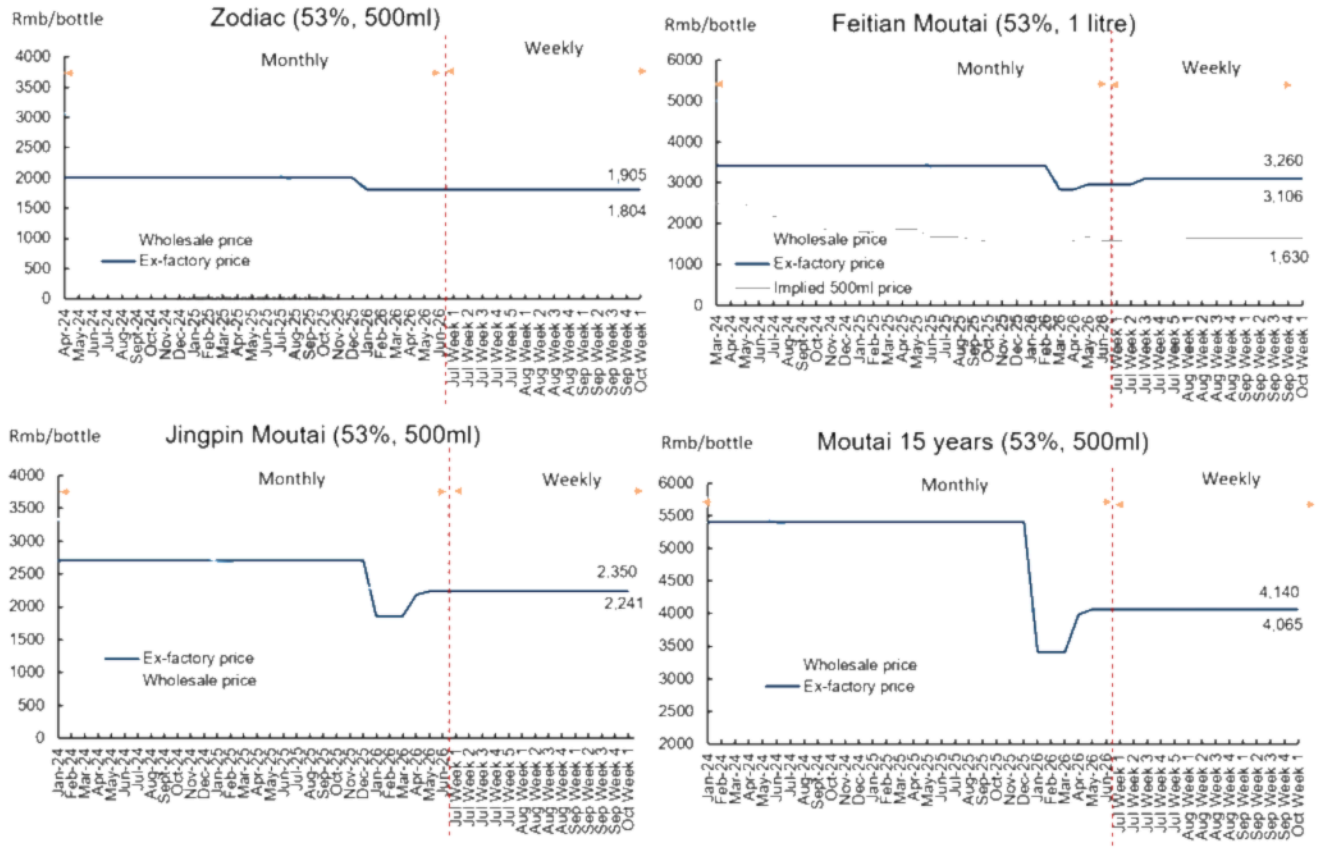


Most recent data points as of Oct 7, 2026.

Source: Daily Spirits Prices, Data compiled by Goldman Sachs Global Investment Research

Moutai non-standard SKUs: Over the past week, the wholesale price of Zodiac/Jingpin/1-litre Feitian Moutai decreased by Rmb5/10/20 per bottle while that of Moutai 15 years remained stable.

Exhibit 5: Wholesale prices of Moutai's 4 non-standard SKUs



Latest data as of Oct 7, 2026.

Source: Daily Spirits Prices, Data compiled by Goldman Sachs Global Investment Research

Exhibit 6: 2025-2026 channel policy and product launch summary of key spirits companies - Part I

Year	Month	Kweichow Moutai (600519.SS)	Wuliangye Yibin (000858.SZ)	Luzhou Laojiao (000568.SZ)	Jiangsu Yanghe (002304.SZ)	Shanxi Fen Wine (600809.SS)	Jian Nan Chun (Private, Not Covered)
2026	Sep	Week 2: Raised prices for 5 products & adjusted prices for 2 products across its 43 self-operating stores on Sep 8					
2026	Aug	Week 1: Moutai raised prices for four products across its 42 self-operating stores across regions on Aug 8. Feitian/Five-star Feitian/Zodiac/Jingpin Moutai are now priced at Rmb1,753/1,743/1,951/2,410 per bottle, up 2-3%					
2026	Jul	Week3: Moutai raised the ex-factory price of Feitian Moutai (53% vol, 500ml, 2026 edition) from Rmb1,269/bottle to Rmb1,369/bottle (mainly covering wholesale channels), and RSP of Feitian Moutai on i-Moutai platform from Rmb1,539/bottle to Rmb1,639/bottle (mainly covering direct sales channels)					
2026	May	Week3: Moutai raised the RSP of select non-standard SKUs on i-Moutai APP effective May 16. The scope of price hikes include 53% vol 500ml Moutai 15 years (Rmb4,199/bottle to Rmb4,279/bottle), Jingpin Moutai (Rmb2,299/bottle to Rmb2,359/bottle), Zodiac Moutai (Horse precious) (Rmb2,499/bottle to Rmb2,699/bottle) and 1L Moutai (Rmb2,989/bottle to Rmb3,119/bottle).					
2026	Mar	Week 4: raised the ex-factory price of Feitian Moutai (53% vol. 500ml, 2026 edition) from Rmb1,169/bottle to c.Rmb1,269 per bottle (mainly cover wholesale channels), and the RSP of Feitian Moutai from Rmb1,499 to Rmb1,539 (mainly cover direct sales channels, esp. i-Moutai platform), effective immediately from Mar 31, 2026.					
2026	Mar	Week3: introduced a consignment sales policy for non-standard Moutai products: participating distributors must apply and pay a deposit and will receive a c.5% rebate on these products sales					
2026	Jan	Week 3: plans to employ a more market-driven pricing framework to optimize channel investments and safeguard channel profitability, presented new RSP for Feitian Moutai vintage and other non-standard SKUs and lowered ex-factory price for some non-standard/series prfoducts					
2025	Dec	Week 5: officially announced the launch of Feitian Moutai across 53% vol 500ml (years 2019-2026), 100ml/1,000ml Feitian, and multiple series on i-Moutai, including Jingpin, Zodiac, Vintage, Cultural, and lower-alcohol variants (Dec 30)	Week 2: nominal prepayment price for Common Wuliangye lowered to Rmb900 from Rmb1,019 for 2026 and distributor cost below c.Rmb850 (more rebate will be announced on 18 Dec)				
2025	Nov	Week 4: New series of Moutai Prince (Black Gold) new version released					
2025	Aug	W4: New version of Moutai 1935 was launhed with suggested retail price set at Rmb998					
2025	Jun	W3: Suspended the shipment of 53% 500ml Feitian Moutai for all channels. Implemented disciplinary measures to distributors including punishments against selling below RMB2,000/bottle and restrictions from shipping to certain retailers					
2025	Apr	W4: Updated bundled sales policy in self-operated specialty stores for registered enterprise and individual customers		W4: Suspended order taking and shipment until pre-Dragon Boat Festival for all SKUs			
2025	Feb			W3: Suspended order taking and shipment of Tequ 60 and Old Touqu	W2: Suspended order taking for 6th Ocean Blue in Jiangsu. Suspended order taking for Guiju - Gold/Red in Henan since Feb 14	W2: Suspended shipment of Qinghua 20; Laobaiteri 10	
2025	Jan		W2: Suspended shipment of 8th Common Wuliangye since Jan 9		W3: Online Shipment suspension for Sky and Ocean Blue since Jan 17 2025		

Source: Yunjiu Toutiao, Jiuyejia, Company reports, Data compiled by Goldman Sachs Global Investment Research

Exhibit 7: 2024-2025 channel policy and product launch summary of key spirits companies - Part II

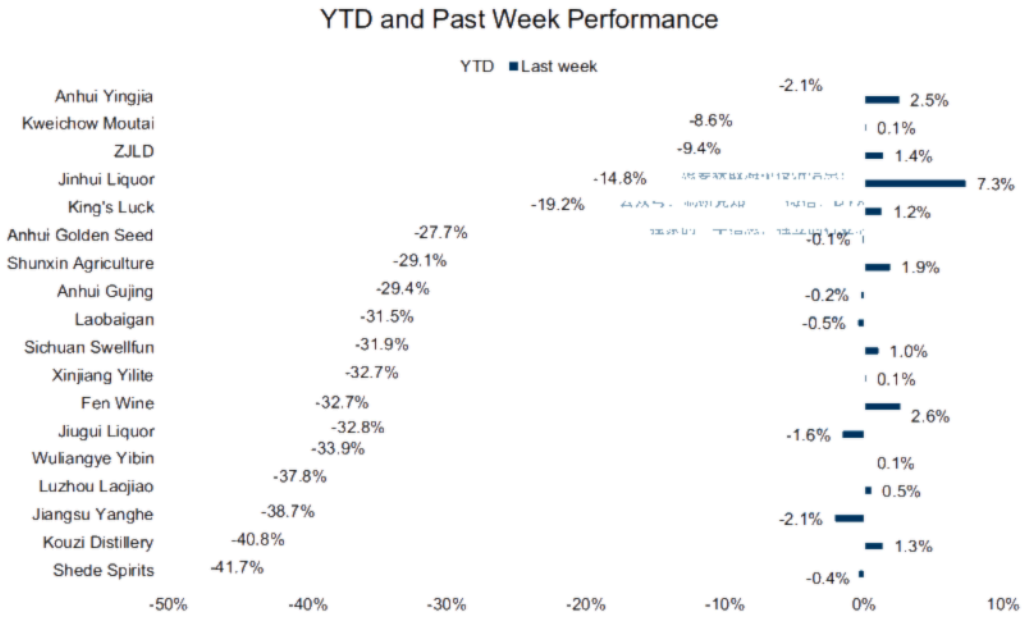
Year	Month	Anhui Gujing (000596.SZ)	Sichuan Swellfun (600779.SS)	Jiugui Liquor (000799.SZ)	King's Luck (603369.SS)	ZJLD (6979.HK)	Shede Spirits (600702.SS) Not Covered
2025	Feb			W3: Jiugui suspended order taking for 52°/ 42° 500ml Jiugui Spirits (transparent packaging)	W1: King's Luck has ceased accepting orders for Guoyuan 4K/2K		
2025	Jan						
2024	Dec					W2: ZJLD launched fourth-gen Zhen 15	
2024	Nov				W3: King's Luck launched 3 new SKUs for Planet□Large-bottle series named "Grand moon"/"Grand Earth"/"Grand Sun" (42%, 700ml) at□RSP of Rmb168/388/268 per bottle.		
2024	Oct		W1: Raised price of Zhenniang series 52° 500ml by Rmb10 per bottle, effective since Oct 1. W3: suspended order taking of Zhenniang No.8 38c/42c/52c				
2024	Aug-Sep					W1: Lidu hiked the ex-factory price of the Lidu Sorghum 1308 by Rmb100 per bottle and group-purchase price by Rmb200; hiked the Lidu King ex-factory by Rmb20/bottle and group puchase price by 30	
2024	July		W2: Adjusted suggested retail prices for Zhenniang No.8: price of 52-degree SKU up by Rmb20 per bottle, and that of 42/38-degree up by Rmb10 per bottle to□Rmb578/ 538/ 528 respectively, effective since Jun 20				
2024	Apr-Jun						W2: Hiked the ex-factory price of 64.5C Tianzhu 500ml (Chen Flavor and Strong flavor) by 500Rmb/bottle, effective from Apr 15; halved the planned production volume of Tianzhu to 5,000 bottles effective from 2024
2024	Apr					W1:Hiked retail price of Yingshanhong products (online exclusive) by 13% W3: suspended supply of 2nd gen Li Du 1955/ 1975 until further notice	
2024	Mar					W1. Lidu launched the 2nd Lidu Sorghum and hiked the price to Rmb1,230 per bottle	W1. Hiked ex-factory price of Tequ Jiaoling 20/30 by Rmb10/15 per bottle
2024	Feb				W4: King's Luck ceased accepting orders for 4th-gen Guoyuan 4K, and offers 5th-gen Guoyuan 4K/2K/1K with Rmb20/10/8 per bottle higher vs. 4th-gen since March 1, 2024, and suggests to hike wholesale/ retail/ group buy price accordingly; Outside quota price to hike Rmb10/bottle		
2024	Jan						

Source: Yunjiu Toutiao, Jiuyejia, Data compiled by Goldman Sachs Global Investment Research

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Performance & Valuation

Exhibit 8: Select Spirits names - 2026 YTD and bi-weekly (Sep 21 ~ Oct 6) stock performance
Jiugui (+7%) and Fen Wine (+3%) were relatively better price performers among China Spirits over the past two weeks



Priced as of Oct 6, 2026.

Source: LSEG Data & Analytics, Data compiled by Goldman Sachs Global Investment Research

Valuation table

Exhibit 9: China Spirits Comps

	Company	Rating	Ccy	Price	12-m TP	+/-	PE			TP implied PE			26-28E	26-28E	EV/EBITDA			ROE	Div yield	YTD perf
				10/6/2026			2026E	2027E	2028E	2026E	2027E	2028E	Rev CAGR	NP CAGR	2026E	2027E	2028E	2026E	2026E	%
Spirits																				
600519.SS	Kweichow Moutai	Buy	CNY	1258.62	1626.00	29%	19X	17X	16X	25X	22X	21X	7%	8%	12X	11X	10X	31%	4.1%	-9%
000858.SZ	Wuliangye Yibin	Sell	CNY	70.06	67.00	-4%	19X	16X	14X	18X	15X	13X	11%	15%	9X	8X	7X	12%	7.4%	-34%
0379.HK	ZJLD	Neutral	HKD	8.26	7.70	-7%	26X	20X	16X	24X	18X	15X	15%	27%	12X	9X	7X	7%	1.9%	-15%
600809.SS	Shanxi Xinghuacun Fen Wine	Neutral	CNY	115.60	129.00	12%	13X	13X	12X	15X	14X	13X	6%	7%	10X	9X	8X	25%	5.1%	-33%
000568.SZ	Luzhou Laojiao	Neutral	CNY	72.28	84.00	16%	13X	12X	11X	16X	14X	13X	8%	9%	8X	7X	6X	16%	5.9%	-38%
002304.SZ	Jiangsu Yanghe	Sell	CNY	37.25	30.00	-19%	30X	23X	18X	24X	19X	15X	8%	27%	15X	11X	9X	4%	3.3%	-39%
000596.SZ	Anhui Gujing Distillery Co	Buy	CNY	93.55	96.00	3%	16X	14X	12X	16X	14X	13X	7%	12%	8X	7X	6X	12%	4.7%	-29%
000799.SZ	Jiugui Liquor	Sell	CNY	36.67	26.00	-29%	n.a.	47X	37X	n.a	33X	26X	24%	76%	n.a	32X	26X	3%	0.6%	-33%
600779.SS	Sichuan Swellfun Co	Sell	CNY	26.18	24.80	-5%	24X	19X	17X	23X	18X	16X	7%	17%	13X	11X	10X	10%	1.4%	-32%
603369.SS	Jiangsu King's Luck Brewery	Buy	CNY	28.09	34.00	21%	13X	12X	11X	16X	14X	13X	7%	12%	9X	8X	7X	15%	4.4%	-19%
	Avg.						19X	19X	17X	20X	18X	16X	10%	13%	11X	11X	10X	13%	3.9%	-27%

Priced as of Oct 6, 2026.

Source: Goldman Sachs Global Investment Research

Valuation methodology and key risks

Exhibit 10: China Spirits coverage: Valuation methodology and key risks

China spirits

Ticker	Company	Valuation Methodology	Key Risks
600519 SS	Kweichow Moutai	Our 12-m TP is based on 23.4x 2027E P/E discounted back to mid-2027 using a 8.5% COE	Downside 1) Potential regulation changes such as a consumption tax rate hike; 2) Environmental pollution. 3) A slower-than-expected macroeconomic recovery. 4) Capacity constraints. 5) More volatility in US rate hikes given the negative correlation between Moutai's P/E and the US 10-yr bond yield.
000858 SZ	Wuliangye Yibin	Our 12m TP is based on a 16x 2027E P/E discounted back to mid-2027 at a 7.8% COE	Upside 1) Successful new product roll out, esp. in mid-end price range. 2) Reduced competition in super-premium segment from Moutai/Laojiao. 3) Policy stimulus that will meaningfully drive demand recovery for high-end spirits. 4) More shareholder's return enhancements
6979 HK	ZJLD	Our 12-m TP is based on 19.3x 2027E P/E discounted back to mid-2027 using an 8.2% COE. The PE multiple is benchmark to Jiugui liquor 2027E P/E.	Downside/Upside: 1) More/less intensified competition in upper mid end. 2) Shorter/prolonged policy impact on banquet consumption; 3) Better-than-expected product launch/cultivation
600809 SS	Shanxi Xinghuacun Fen Wine	Our 12-m TP is based on 15x 2027E P/E discounted back to mid-2027 using an 10.6% COE	Upside/Downside. 1) Shorter/prolonged policy impact on banquet consumption. 2) Better/worse-than-expected macro recovery. 3) Strong/weaker than expected performance of Qinghua 26/30
000568 SZ	Luzhou Laojiao	Our 12-m TP is based on 15x 2027E P/E discounted back to mid-2027 using an 8.3% COE	Upside: 1) Shorter policy impact on banquet consumption; 2) Better-than-expected product launch/cultivation Downside 1) Prolonged policy impact on banquet consumption; 2) Higher impact of wholesale price evolution to average selling price
603369.SS	Jiangsu King's Luck Brewery	Our 12-m TP is based on 15x 2027E P/E discounted back to mid-2027 using an 10.1% COE	Downside 1) More intensified competition/ worsened demand in Jiangsu; 2) Weaker distributors' confidence and channel inventory situation
000596.SZ	Anhui Gujing Distillery Co.	Our 12-m TP is based on 15x 2027E P/E discounted back to mid-2027 using an 8.2% COE	Downside 1) More/Longer policy impact on banquet consumption in Anhui; 2) Less resilient execution for nationwide expansion; 3) More fierce competition in Anhui than expected
002304 SZ	Jiangsu Yanghe	Our 12-m TP is based on 19.3x 2027E P/E discounted back to mid-2027 using a 8.3% COE	Upside 1) Stronger-than-expected policy stimulus execution. 2) Better-than expected competitive landscape in Jiangsu province. 3) Stronger-than-expected performance outside Jiangsu province
000799 SZ	Jiugui Liquor Co	Our 12-m TP is based on 35x 2027E P/E discounted back to mid-2027 using a 9.7% COE	Upside 1) Significant improvement on channel inventory level. 2)Stabilization of wholesale prices, especially Neican. 3) Better-than-expected commercial banquet demand recovery
600779.SS	Sichuan Swellfun Co.	Our 12-m TP is based on 19.3x 2027E P/E discounted back to mid-2027 using an 10.9% COE	Upside: 1) Expansion of Diancang series. 2) Faster than expected penetration of Tianhaochen in the mass market, 3) Better than expected inventory digestion

Source: Goldman Sachs Global Investment Research