Healthcare - China (H/A)

2026 ESMO Congress: key titles from China pharma and biotech companies

Industry Overview

Key titles at ESMO 2026

The 2026 ESMO Congress will be held in Madrid, Spain, on 23-27 Oct. We highlight titles from companies under our coverage, based on the agenda.

Lung cancer: major SCLC and NSCLC data

Kelun Bio has two phase III sac-TMT studies selected as LBAs for the metastatic NSCLC session. OptiTROP-Lung06 compares sac-TMT plus pembrolizumab with chemo plus pembrolizumab in 1L PD-L1-negative advanced nsqNSCLC. OptiTROP-Lung04 will report the final OS analysis of sac-TMT vs. platinum-based chemo in EGFRm NSCLC after progression on EGFR-TKI treatment. **Hengrui** will present an interim analysis of phase III HERON-Lung01, which evaluates SHR-A2009 (HER3 ADC) vs. platinum-based chemo in EGFRm NSCLC after progression on EGFR-TKI treatment. Among earlier-phase immunotherapy datasets, **Innovent** will provide an update on IBI363 (PD-1/IL-2) plus chemo in 1L advanced NSCLC. A separate randomized phase Ib rapid oral presentation will compare IBI363 plus bevacizumab with docetaxel in immunotherapy-resistant lung adenocarcinoma without actionable genomic alterations. For **3SBio**, updated phase II data on SSGJ-707 (PD-1/VEGF) plus chemo in NSCLC are scheduled for a poster presentation. In SCLC, **Zai Lab** will present the first global data from a phase Ib/Ic study of zoci (DLL3 ADC) plus atezolizumab, with/without carboplatin, in 1L ES-SCLC.

GI tumors: HARMONi-GI1 OS and HER2/CLDN18.2 updates

Akeso's Presidential Symposium LBA, HARMONi-GI1, evaluates ivonescimab plus chemo vs. durvalumab plus chemo in 1L BTC. Akeso has announced that the phase III study met its primary OS endpoint. **Innovent** will present, as an LBA, the first interim analysis of phase III G-HOPE-001, which compares IBI343 (CLDN18.2 ADC) with physician's-choice treatment in previously treated G/GEJ. **CSPC** will report updated OS from phase III KC-WISE for anbenitamab (HER2 BsAb) plus chemo in previously treated HER2-positive G/GEJ. **SBP** will present a rapid oral phase II study of its HER2 bispecific ADC, TQB2102, plus benmelstobart, with or without capecitabine, in 1L HER2-positive G/GEJ. **BeOne** will present the second interim analysis of phase III HERIZON-GEA-01 (LBA79), which evaluates zanidatamab plus chemo, with/without tislelizumab, in 1L HER2-positive GEA.

Breast and other cancers: multiple pivotal ADC readouts

In BC, **Hengrui** will present phase III data for SHR-A1811 (HER2 ADC) in HER2-low BC. **CSPC** will present phase III data for anbenitamab plus albumin-bound docetaxel in HER2-positive BC, and **SBP** will present phase III data for TQB2102 vs. chemo in HER2-low BC. **Kelun Bio** will present final OS from phase III OptiTROP-Breast01 in previously treated TNBC. In other cancers, Kelun Bio's phase III TroFuse-005 study of sac-TMT in previously treated advanced or recurrent EC has been selected for the Presidential Symposium. **Hansoh** will present primary phase III results for risvutatug rezetecan (B7-H3 ADC) vs. gemcitabine plus docetaxel in heavily pretreated R/R osteosarcoma as a Presidential Symposium LBA. Hansoh's B7-H4 ADC will also provide an updated analysis in platinum-resistant OC. We maintain Buy on 3SBio, Akeso, BeOne, Hansoh, Hengrui, Innovent, Kelun Bio, Sino Biopharm, Neutral on Zai Lab and Underperform on CSPC Pharma.

06 October 2026

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ESMO: European Society for Medical Oncology
1L: first-line
ADC: antibody-drug conjugate
BC: breast cancer
BsAb: bispecific antibody
BTC: biliary tract cancer
CLDN18.2: Claudin 18.2
DLL3: delta-like ligand 3
EC: endometrial cancer
EGFR: epidermal growth factor receptor
EGFRm: EGFR-mutated
EGFR-TKI: EGFR tyrosine kinase inhibitor
ES-SCLC: extensive-stage small-cell lung cancer
G/GEJ: gastric/gastroesophageal junction cancer
GEA: gastroesophageal adenocarcinoma
GI: gastrointestinal

More acronyms on page 2

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Refer to important disclosures on page 8 to 10. Analyst Certification on page 5. Price Objective Basis/Risk on page 3.
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Acronyms:

ESMO: European Society for Medical Oncology

1L: first-line

ADC: antibody-drug conjugate

BC: breast cancer

BsAb: bispecific antibody

BTC: biliary tract cancer

CLDN18.2: Claudin 18.2

DLL3: delta-like ligand 3

EC: endometrial cancer

EGFR: epidermal growth factor receptor

EGFRm: EGFR-mutated

EGFR-TKI: EGFR tyrosine kinase inhibitor

ES-SCLC: extensive-stage small-cell lung cancer

G/GEJ: gastric/gastroesophageal junction cancer

GEA: gastroesophageal adenocarcinoma

GI: gastrointestinal

HER2: human epidermal growth factor receptor 2

IL-2: interleukin-2

LBA: late-breaking abstract

NSCLC: non-small-cell lung cancer

nsqNSCLC: non-squamous non-small-cell lung cancer

OC: ovarian cancer

OS: overall survival

PD-1: programmed cell death protein 1

PD-L1: programmed death-ligand 1

R/R: relapsed or refractory

sac-TMT: sacituzumab tirumotecan

SCLC: small-cell lung cancer

TNBC: triple-negative breast cancer

VEGF: vascular endothelial growth factor



Exhibit 1: Stocks mentioned
Rating and price summary

BofA Ticker	Bloomberg ticker	Company name	Price	Rating
TRSBF	1530 HK	3SBio	HK$ 15.54	C-1-7
AKESF	9926 HK	Akeso	HK$ 106	C-1-9
BEIGF	6160 HK	BeOne	HK$ 218.6	C-1-9
ONC	ONC US	BeOne	US$ 361.65	C-1-9
CHJTF	1093 HK	CSPC Pharmaceutical	HK$ 9.855	C-3-7
HNSPF	3692 HK	Hansoh	HK$ 34.02	C-1-7
XMOKF	600276 CH	Hengrui Medicine	CNY 47.2	B-1-7
IVBXF	1801 HK	Innovent	HK$ 97.3	C-1-9
XSKBF	6990 HK	Kelun-Biotech	HK$ 469.8	C-1-9
SBMFF	1177 HK	Sino Biopharm	HK$ 5.55	B-1-7
XCDZF	9688 HK	Zai Lab	HK$ 19.07	C-2-9
ZLAB	ZLAB US	Zai Lab	US$ 25.62	C-2-9

Source: BofA Global Research

BofA GLOBAL RESEARCH

Price objective basis & risk

3SBio (TRSBF)

We use a DCF methodology to assess 3SBio's equity value. We assume a 5% debt-to asset ratio, given the company's current debt position. In addition, we assume a 4.0% risk-free rate, a 7.0% market premium, a 15.4% tax rate, and a 3.5% terminal growth rate in our DCF model. We use a beta of 1.0 from Bloomberg, resulting in 11.0% cost of equity and 10.7% WACC. Our DCF model for 3SBio derives a PO of HK$23.8.

Downside risks to our PO are, uncertainty on future clinical outcomes and regulatory timelines for SSGJ-707, intensifying global competition, potential domestic pricing pressure from NRDL and US price cut, greater-than-expected pressure on legacy product sales. Upside risks to our PO are, better-than-expected clinical results, new license-out deal, higher-than-expected product sales.

Akeso (AKESF)

We use DCF methodology to assess Akeso's equity value. We assume a 10% debt-to-asset ratio, given the company's current debt position. Besides, we adopt 4.0% risk-free rate, 7.0% market premium, 15% tax rate, and 3.5% terminal growth rate in our DCF model. Additionally, we use a beta of 1.15 from Bloomberg, resulting in 12.1% cost of equity and 11.3% WACC. Our DCF model for Akeso derives a PO of HK$136.0.

Downside risks to our PO are: uncertainty on future clinical outcomes and regulatory timelines for ivonescimab, intensifying global competition, potential domestic pricing pressure from NRDL and US price cut. Upside risks to our PO are: better-than-expected clinical results, new license-out deal, higher-than-expected product sales.

BeOne Medicines Ltd (ONC / BEIGF)

We derive our 12-month PO of USD423.0/HKD255.43 based on DCF valuation. We use a WACC of 9.4%, beta of 0.8 from Bloomberg and a terminal growth rate of 4.5%.

Downside risks to our PO are (1) NRDL negotiation pricing pressure on BeOne's upcoming market launch in large indications, (2) drug sales below our expectation, (3) setback in drug development and a delay in product approvals, (4) worse-than-expected geopolitical and tariff risks, (5) risk from potential Medicaid cuts.

CSPC Pharmaceutical (CHJTF)

Our DCF model for CSPC derived a PO of HK$8.6. Our assumption of the DCF model includes a 5% debt-to-asset ratio, a 4.0% risk free rate, 7.0% market premium, and 5.0% cost of debt. We apply beta of 0.8 and arrive at 9.6% cost of equity and 9.3% WACC. We

estimate a 1.5% terminal growth for the company.

Upside risks to our PO are: strong performance of newly launched products, lower-than-expected impact from VBP and NRDL price cut, better-than-expected clinical progress and results.

Downside risks to our PO are: price-cut pressure from VBP on new drugs, failure in clinical trials.

Hansoh (HNSPF)
Our DCF model for Hansoh derived a PO of HK$45.3. Our assumption of the DCF model includes a 10% debt-to-asset ratio, a 4.0% risk free rate, 7.0% market premium, and 4.0% cost of debt. We apply beta of 0.72 (in line with Bloomberg 1-year beta), and arrive at 9.0% cost of equity and 8.5% WACC. We estimate a 3.5% terminal growth for the company.

Downside risks to our PO are: (1) higher-than-expected generic/innovative drug pricing pressure, (2) heightened competition resulting in loss of market share, (3) setbacks in drug development, (4) healthcare policy risk.

Upside risks to our PO are: (1) Better-than-expected drug launch and sales, (2) faster-than expected progress on pipeline.

Hengrui Medicine (XMOKF)
Our PO of RMB67.0 is based on a DCF model. Our assumption of the DCF model includes a 0% debt-to-asset ratio, a 2.0% risk free rate, 7.0% market premium, and 5.1% cost of debt. We apply beta of 0.69 and arrive at 6.8% cost of equity. We estimate a 3.5% terminal growth for the company.

Downside risks to our PO are (1) setback in drug development and a delay in product approvals, (2) slow sales ramp-up of new products, (3) increasing pricing risk from VBP (4) stiffer competition for PD-1 and other drugs, and (5) slow overseas expansion.

Upside risks to our PO are: (1) higher-than-expected net profit margin and (2) faster-than-expected progress of pipeline candidates.

Innovent (IVBXF)
We derive our PO of HK$140.0 from a DCF model, assuming a WACC of 9.6% and a terminal growth rate of 4%. The DCF is based on PD-1, biosimilars, mazdutide and a few other drugs' commercial sales as well as revenue estimate of key pipeline assets including IBI363 and others.

Downside risks: commercialization for PD-1 and biosimilars below expectation, clinical development setback for late stage assets, and pricing pressure from NRDL's inclusion of competitors' products.

Upside risk: faster-than-expected sales growth of drugs included in NRDL.

Kelun-Biotech (XSKBF)
We derive our PO of HK$644.4 based on a 10-year DCF valuation, assuming a WACC of 9.3%, terminal growth rate of 4.0% and beta of 0.75.

Upside risks: 1) rapid sales ramp-up of newly launched products, 2) faster clinical and regulatory progress of pipeline candidates, 3) clinical trials delivering better-than-expected effectiveness.

Downside risks: 1) rising Sino-US geopolitical risk impacting license-out cooperation, 2)

failure of late-stage clinical trials, 3) competing products see significantly better clinical results than the company's products.

Sino Biopharm (SBMFF)
Our PO of HK$7.4 is based on a DCF model. Our DCF assumptions include an 18% debt-to-asset ratio, a 4.0% risk-free rate, a 7.0% market premium, and a 5.4% cost of debt. We apply beta of 0.9 (in line with Bloomberg 6-month beta) and arrive at 10.3% cost of equity and 9.4% WACC. We estimate a 3.5% terminal growth for the company.

Downside risks to our PO are (1) higher-than-expected generic/innovative drug pricing pressure, (2) heightened competition resulting in loss of market share, (3) setbacks in drug development, (4) healthcare policy risk, and (5) VBP on biosimilars with significant price cut. Upside risks: (1) Better-than-expected drug launch and sales (2) faster-than expected progress on pipeline.

Zai Lab (ZLAB / XCDZF)
Our price objective is US$26.9/HK$20.85 for ADR/H-share. We use discounted cash flow (DCF) methodology to assess the equity value given the company just started to generate sales and the majority of its value comes from future drug sales. We assume 12.6% WACC, a terminal growth rate of 3.5%, 5% debt and 95% equity financing (we assume equity issuance would be the major financing approach), 4% risk free rate, 7% equity risk premium, 3.4% cost of debt, 15% long-term effective tax rate, and a derived cost of equity 13.1%. We assume a beta of 1.3.

Downside risks are (1) Zejula, Optune, VYVGART sales below expectation, (2) late-stage pipeline product approval delay, (3) fail of pipeline products approval.

Upside risks are (1) significant robust growth of VYVGART and other new products, (2) much higher milestone payment received from license-out deals, (3) achieve profitability earlier than expected.

Analyst Certification

We, David Li and Ethan Cui, hereby certify that the views each of us has expressed in this research report accurately reflect each of our respective personal views about the subject securities and issuers. We also certify that no part of our respective compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.



APR - Healthcare Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	3SBio	TRSBF	1530 HK	David Li
	Adicon Holdings	ADCNF	9860 HK	David Li
	Aier Eye Hospital	XAEOF	300015 CH	David Li
	Akeso	AKESF	9926 HK	Ethan Cui
	Alebund Pharmaceuticals	XAPJF	9637 HK	David Li
	Angelalign Technology Inc	AGLFF	6699 HK	David Li
	Apollo Hospital	XWQAF	APHS IN	Neha Manpuria
	Astellas Pharma	ALPMF	4503 JP	Koichi Mamegano
	Astellas Pharma	ALPMY	ALPMY US	Koichi Mamegano
	Asymchem Laboratories	XALPF	002821 CH	David Li
	Aurobindo	XLZFF	ARBP IN	Neha Manpuria
	Australian Clinical Labs	XAUKF	ACL AU	Lyanne Harrison
	Baiyunshan	GZPHF	874 HK	Sandra Sun
	Bangkok Chain Hospital	BKKFF	BCH TB	Teerapol Udomvej, CFA
	Bangkok Dusit Medical Services	BDMSF	BDMS TB	Teerapol Udomvej, CFA
	Beijing Tongrentang Co., Limited	BJTGF	600085 CH	David Li
	BeOne Medicines Ltd	BEIGF	6160 HK	David Li
	BeOne Medicines Ltd	ONC	ONC US	David Li
	Bumrungrad Hospital	BUHHF	BH TB	Teerapol Udomvej, CFA
	Cansino Bio	CASBF	6185 HK	David Li
	Chularat Hospital Group	XOCOF	CHG TB	Teerapol Udomvej, CFA
	CR Pharmaceutical	CRPGF	3320 HK	David Li
	Daiichi Sankyo	DSKYF	4568 JP	Koichi Mamegano
	Daiichi Sankyo	DSNKY	DSNKY US	Koichi Mamegano
	Divis Laboratories	XXQPF	DIVI IN	Neha Manpuria
	Dr. Reddy's	XDLZF	DRRD IN	Neha Manpuria
	Dr. Reddy's	RDY	RDY US	Neha Manpuria
	Fisher & Paykel Healthcare	XPAXF	FPH AU	Lyanne Harrison
	Fisher & Paykel Healthcare	FSPKF	FPH NZ	Lyanne Harrison
	Fortis Health	XFFTF	FORH IN	Neha Manpuria
	Fujifilm Holdings	FUJIF	4901 JP	Kei Takeuchi
	FUJIFILM Holdings	FUJIY	FUJIY US	Kei Takeuchi
	Giant Biogene	GBHCF	2367 HK	Ethan Cui
	Gland Pharma	XGLPF	GLAND IN	Neha Manpuria
	Gushengtang	GSHTF	2273 HK	David Li
	Hansoh	HNSPF	3692 HK	David Li
	Hengrui Medicine	XMOKF	600276 CH	David Li
	Huadong Medicine	XCPDF	000963 CH	Ethan Cui
	Hualan Biological	XCBEF	002007 CH	Ethan Cui
	Hygeia Healthcare	HYHHF	6078 HK	Ethan Cui
	IHH Healthcare Berhad	IHHHF	IHH MK	Neha Manpuria
	IHH Healthcare Bhd	XFAHF	IHH SP	Neha Manpuria
	Innovent	IVBXF	1801 HK	David Li
	Integral Diagnostics	ITGDF	IDX AU	Lyanne Harrison
	Jinxin Fertility	JXFGF	1951 HK	Ethan Cui
	Jinyu Bio-Tech	XMTDF	600201 CH	David Li
	JMDC	JMDCF	4483 JP	Ritsuo Watanabe
	Kelun-Biotech	XSKBF	6990 HK	David Li
	Laekna	LAEKF	2105 HK	David Li
	M3	MTHRF	2413 JP	Ritsuo Watanabe
	Medipal Holdings	MEPDF	7459 JP	Ritsuo Watanabe
	Medley	XEQNF	4480 JP	Ritsuo Watanabe
	Menicon	MNNLF	7780 JP	Kei Takeuchi
	MicroPort	MCRPF	853 HK	Sandra Sun
	Mindray	XDVVF	300760 CH	Sandra Sun
	Nakanishi	NKNSF	7716 JP	Kei Takeuchi
	New Industries Biomedical Engineering	XSNQF	300832 CH	Sandra Sun
	Nxera Pharma	SOLTF	4565 JP	Koichi Mamegano
	Otsuka HD	OTSKF	4578 JP	Koichi Mamegano
	Otsuka HD	OTSKY	OTSKY US	Koichi Mamegano
	Pharmaron	PHBBF	3759 HK	David Li
	Polynovo	CALZF	PNV AU	Lyanne Harrison
	Praram 9 Hospital	XPNHF	PR9 TB	Teerapol Udomvej, CFA
	ResMed Inc	RSMDF	RMD AU	Lyanne Harrison

APR - Healthcare Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	ResMed Inc.	RMD	RMD US	Lyanne Harrison
	Samsung Biologics	XBIIF	207940 KS	Zoe (Jung-ae) Chun
	Santen Pharm.	SNPHF	4536 JP	Koichi Mamegano
	Sawai Group Holdings	SWGHF	4887 JP	Ritsuo Watanabe
	Shanghai Pharmaceuticals	SHPMF	2607 HK	David Li
	Shanghai United Imaging	XCAOF	688271 CH	Sandra Sun
	Shimadzu	SHMZF	7701 JP	Kei Takeuchi
	Shionogi	SGIOF	4507 JP	Koichi Mamegano
	Shionogi	SGIOY	SGIOY US	Koichi Mamegano
	Sigma Healthcare	SIGGF	SIG AU	Lyanne Harrison
	Sino Biopharm	SBMFF	1177 HK	David Li
	Sinopharm	SHTDF	1099 HK	David Li
	Sonic Healthcare Limited	SKHCF	SHL AU	Lyanne Harrison
	Sysmex	SSMXF	6869 JP	Kei Takeuchi
	Takeda Pharm.	TKPHF	4502 JP	Koichi Mamegano
	Takeda Pharm.	TAK	TAK US	Koichi Mamegano
	Terumo	TRUMF	4543 JP	Kei Takeuchi
	TigerMed	HTMDF	3347 HK	David Li
	Torrent Pharma	TOPHF	TRP IN	Neha Manpuria
	Towa Pharmaceutical	TWAPF	4553 JP	Ritsuo Watanabe
	Wuxi Apptec	WUXIF	2359 HK	David Li
	Wuxi Apptec	XLUHF	603259 CH	David Li
	Yunnan Baiyao	YBAIF	000538 CH	Sandra Sun
NEUTRAL				
	Ain Holdings	AINPF	9627 JP	Ritsuo Watanabe
	Alkem	XAMLF	ALKEM IN	Neha Manpuria
	Asahi Intecc	AHICF	7747 JP	Kei Takeuchi
	Chugai Pharm.	CHGCF	4519 JP	Koichi Mamegano
	Cipla	XCLAF	CIPLA IN	Neha Manpuria
	Cochlear Limited	CHEOF	COH AU	Lyanne Harrison
	CSL Limited	CMXHF	CSL AU	Lyanne Harrison
	CSL Limited	CSLLY	CSLLY US	Lyanne Harrison
	Everest Medicine	XMLKF	1952 HK	David Li
	Imeik	ZMITF	300896 CH	Ethan Cui
	Max Healthcare	XMHLF	MAXHEALT IN	Neha Manpuria
	Ono Pharm.	OPHLF	4528 JP	Koichi Mamegano
	Ramsay Health Care Limited	RMSYF	RHC AU	Lyanne Harrison
	Sumitomo Pharma	DNPUF	4506 JP	Koichi Mamegano
	Suzuken	SZUKF	9987 JP	Ritsuo Watanabe
	Topchoice Medical	XZDXF	600763 CH	Ethan Cui
	Tsumura	TSMRF	4540 JP	Takefumi Kobayashi
	WuXi Biologics	WXIBF	2269 HK	David Li
	Zai Lab	ZLAB	ZLAB US	David Li
	Zai Lab	XCDZF	9688 HK	David Li
	Zydus Lifesciences	XMQLF	ZYDUSLIF IN	Neha Manpuria
UNDERPERFORM				
	Alfresa	ARHCF	2784 JP	Ritsuo Watanabe
	Autobio Diagnostics Co Ltd	XQDXF	603658 CH	Sandra Sun
	Baiyunshan	XOUFF	600332 CH	Sandra Sun
	Beijing Wantai Biological Pharmacy	XBHIF	603392 CH	David Li
	Biocon	XLOFF	BIOS IN	Neha Manpuria
	CSPC Pharmaceutical	CHJTF	1093 HK	Ethan Cui
	EBOS Group Limited	EBOSF	EBO NZ	Lyanne Harrison
	EBOS Group Limited	XEBOF	EBO AU	Lyanne Harrison
	Eisai	ESALF	4523 JP	Koichi Mamegano
	Frontage	FGHQF	1521 HK	David Li
	Healius Limited	PHCRF	HLS AU	Lyanne Harrison
	Joinn Lab	XQTSF	6127 HK	David Li
	Joinn Lab	JOLCF	603127 CH	David Li
	Kyowa Kirin	KYKOF	4151 JP	Koichi Mamegano
	Lupin	XEFSF	LPC IN	Neha Manpuria
	Mankind Pharma	XDXZF	MANKIND IN	Neha Manpuria
	Nippon Shinyaku	NPNKF	4516 JP	Koichi Mamegano
	Olympus Corp.	OCPNF	7733 JP	Kei Takeuchi

APR - Healthcare Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Ovctek	XOCKF	300595 CH	David Li
	Pharmaron	XLYGF	300759 CH	David Li
	Pien Tze Huang	XUVHF	600436 CH	Sandra Sun
	Shanghai Pharmaceuticals	XKCRF	601607 CH	David Li
	SMS	SMSZF	2175 JP	Ritsuo Watanabe
	Sun Pharma	XPUCF	SUNP IN	Neha Manpuria
	TigerMed	XHTHF	300347 CH	David Li
	Yifeng Pharmacy	XYHCF	603939 CH	Ethan Cui
	Zhifei	XCHOF	300122 CH	David Li

Disclosures

Important Disclosures

Equity Investment Rating Distribution: Health Care Group (as of 30 Sep 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	243	62.15%	Buy	165	67.90%
Hold	77	19.69%	Hold	53	68.83%
Sell	71	18.16%	Sell	38	53.52%

Equity Investment Rating Distribution: Global Group (as of 30 Sep 2026)

Coverage Universe	Count	Percent	Inv. Banking Relationships [R1]	Count	Percent
Buy	2057	57.03%	Buy	1386	67.38%
Hold	806	22.35%	Hold	563	69.85%
Sell	744	20.63%	Sell	446	59.95%

[R1] Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster[R2]
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

[R2]Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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