



Kweichow Moutai Equity Research Report

CUIRS GET Team

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Kweichow Moutai | China

Top Chinese luxury liquor-maker Unique brand position drives long-term momentum

Stock rating | Target Price
Over-weight | ¥ 2195

| | |
|------------------------|-----------------------|
| Stock Rating | Over-weight |
| Target Price | CNY¥ 2195.00 |
| Share price (16/01/24) | ¥ 1639.43 |
| Up/downside (%) | 33.9% |
| 52-Week Range | ¥ 1,616.25 - 1,935.00 |
| Shares Out. (bn) | 1.26 |
| Mkt Cap | ¥ 2.1 tn |
| EV/EBITDA | 20.1x |
| Diluted EPS | 56.69 |
| P/LTM EPS | 28.99x |

Key Positive

Ex-factory price hike exhibiting improving profitability and ample growth potential

According to the firm, the price hikes mainly cover standard Moutai Feitian products, including Feitian Moutai (53%vol 500mL), Wuxing Moutai (53%vol 500mL) and other products of the Feitian series. The ex-factory price (including value-added tax) of the above products will be about RMB1,169/bottle, increased from RMB 969/bottle. Prices of products such as Feitian Moutai (53%vol 100mL) (i Moutai), Quality Moutai, Premium Moutai, and Super-premium Moutai will remain unchanged. We estimate that this price hike would affect about 19 thousand tons of baijiu products. Other things being equal, we expect the price hike to boost the firm's total revenue and attributable net profit by about RMB 8bn and RMB 4bn. Combined with the fact that the year-end is a peak season for liquor consumption due to increased demand for business banquets and gifting, we expect the price hikes of standard Moutai Feitian products to boost the firm's profitability, creating ample growth potential ahead. In the longer term, we also believe this will help mitigate growth pressure facing non-standard and series baijiu products, facilitating healthy development.

Direct sales surge unlocking profitability through strategic restructuring and digital innovation

The strategic restructuring of sales channels has proven to be a pivotal move, notably increasing the proportion of direct sales revenue and unveiling growth potential. From a modest 5.9% in 2018, the contribution of direct sales to total revenue skyrocketed to an impressive 44.9% in Q3 2023. Notably, in the third quarter of 2023, direct sales generated a staggering Rmb14.79 bn, marking a remarkable year-on-year growth of 35.3% and constituting 44.1% of overall revenue from alcoholic products.

This surge in direct sales revenue is primarily attributed to the expansion of offline self-operated stores and the rapid development of online platforms. With a current count of 42 self-operated stores as of March 2023, Moutai plans to further augment this number, allocating additional sales quotas to these outlets. The "i Moutai" platform, launched in early 2022, has experienced rapid growth, boasting 41.79 mn registered users as of June 12th, 2023, with a daily active user count exceeding 5 mn. The platform's strategic approach, coupled with the success of the Xunfeng Digital World, is anticipated to drive further growth in direct sales channels.

Exhibit 1: Direct selling channels accounted for an increasing proportion of the firm's revenue

(Source: Company Filings)

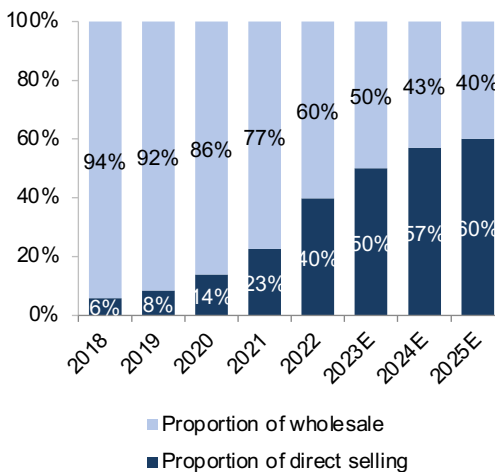
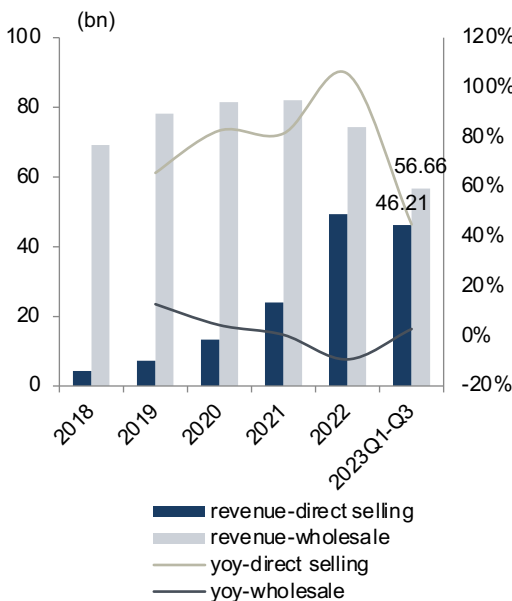


Exhibit 2: Kweichow Moutai's products and their price ranges

(Source: Company Filings)



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Fiscal year (12/31 End)

| (RMB mn) | 2021A | 2022A | 2023E |
|---------------------|----------------|----------------|----------------|
| Revenue | 109,464 | 127,554 | 147,762 |
| YoY (%) | 12% | 17% | 16% |
| Gross Profit | 100,307 | 117,355 | 135,674 |
| GPM | 92% | 92% | 92% |
| EBIT | 73,760 | 86,424 | 100,058 |
| OPM (%) | 67% | 68% | 68% |
| Net Income | 52,460 | 62,716 | 72,679 |
| NPM | 48% | 49% | 49% |
| Basic EPS | 41.8 | 49.9 | 57.9 |

(Source: Bloomberg, Morningstar, CUIRS estimate)

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Key Positive (cont.)

To further capitalize on this momentum, the expansion of liquor quotas and product series presents an opportunity to boost margins. By allocating incremental Moutai liquor quotas to direct sales channels and culturally-infused liquor innovations to the Xunfeng platform, Moutai anticipates a gradual uptrend in the proportion of direct selling channels.

This shift toward increased direct sales not only results in higher gross margins (96.20% for direct sales in 2022 compared to 89.22% for wholesale agencies) but also strategically reduces reliance on wholesale agencies. This allows Moutai to implement a strategic increase in ex-factory prices, maximizing profits from wholesale agency channels. The consequential expansion of direct sales channels not only enhances profitability but also positions Moutai for sustained and robust growth.









Strategic product diversification to support revenue growth

The continuous refinement of the product portfolio and completion of price ranges has ensured the purchasing impulse of target customers. Combined with the company's strategic pricing adjustments within a rational range, sustained revenue growth is guaranteed from the perspective of the product portfolio.

The company's premium liquor, represented by the high-end Moutai Flying Fairy brand, is driving stable sales growth. In terms of product development strategy, the company has shifted from a single flagship Moutai Flying Fairy product to a diversified product matrix with multiple price segments working together. While maintaining the pricing and profitability of Moutai Flying Fairy, the company has cultivated two new super flagship products, namely the Zodiac Moutai and the Boutique Moutai. Additionally, it has strategically positioned potential new products, namely the Treasure Collection and Moutai 1935. These strategies align with the demand for personalization and segmentation trends among Chinese liquor consumers in 2023.

The market is showing stronger payment willingness on non-standard Moutai products, including Zodiac Moutai and Boutique Moutai, and there is still significant volume potential and price increases room in the future. The collective Zodiac Moutai, leveraged by iMoutai with a tonnage price twice that of Moutai Flying Fairy, is driving a structural upgrade in revenue. As for Boutique Moutai, the wholesale price has risen by CNY 165 since the beginning of the year, contributing to stable channel profitability with a higher turnover rate. It is anticipated that Boutique Moutai will evolve into a significant flagship product alongside Moutai Flying Fairy and Zodiac Moutai, with the potential for further increases in revenue contribution. Moreover, since non-standard Moutai products have become substitutes for Moutai Flying Fairy under certain scenarios, the company can achieve a quasi-price increase by altering the volume of non-standard Moutai products without changing the factory price or releasing the volume of Moutai Flying Fairy. Consequently, the proportion of non-standard Moutai revenue has already increased from 23% in 2020 to 34% in 2022, and it is expected to surpass 43% by 2025.

Exhibit 3: Market Prices of Moutai Liquor's Main Products

| | | | | | |
|---|---|---|---|---|---|
|  | | | | | |
| 普茅飞天茅台 (经典) Moutai Flying Fairy | Non-standard Moutai | | | | |
|  | | | | | |
| 陈酿精品 Aged Premium | | | | | |
|  |  |  |  |  |  |
| 普茅贵州茅台酒 (生肖) Zodiac Moutai | 珍品系列 彩釉珍品 Color-glazed Premium | 十五年 年份酒 15-year Vintage | 三十年 年份酒 30-year Vintage | 五十年 年份酒 50-year Vintage | 八十年 年份酒 80-year Vintage |
| 3,000元 | 4,000元 | 5,000元 | 10,000元 | 30,000元 | 200,000元 |

(Source: Company report, CUIRS estimate)

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Key Positive (cont.)

Global expansion plans expected to fuel revenue growth with larger footprint and solid partnerships

Since March 2021, geographical indications of Chinese liquors, including Kweichow Moutai, have been incorporated into the protection scope of the European Union. In June 2021, the China Baijiu Joint UNESCO Heritage Application Preparation Meeting was held, resulting in a significant increase in the international renown and influence of Kweichow Moutai. In 2022, Kweichow Moutai's overseas sales reached CNY 4.2 bn, representing a year-on-year growth of +61.5%. In 2023, Kweichow Moutai is collaborating with the Paris Trade Company to establish the exclusive store in Europe, further expanding its presence in the international market and unlocking the revenue growth potential for Kweichow Moutai. Additionally, the company has invested approximately RMB 15.52 bn in a capacity expansion project. Once completed, the project will add a practical production capacity of about 19,800 tons per year for Moutai liquor, with a storage capacity of approximately 84,700 tons. This expansion will provide robust support for the company's unique internationalization path by 2025, facilitating opportunities for further advancement.

Exhibit 4: Kweichow Moutai overseas sales revenue (RMB bn)



Initiate OW, with 12-month TP at ¥ 2195.00 (33.9% upside)

We first adopted a DCF model at TP ¥ 2151.90 Per Share, and a P/E valuation at TP ¥ 2237.00 to capture its long-term growth potential.

We further determined our TP of ¥ 2195 (Implied 25E P/E of 29.3x) with a potential 33.9% upside as of closing price on 2024 January 16th. We justified this valuation is reasonable if we look at historical Kweichow Moutai's valuation level, in which implied 25E P/E of 29.3x lies in the historical implied ratio median plus 1 standard deviation.

Key Risk

Sales and revenue decline due to price hike

Regarding the consumption slowdown in current economic backdrop, ex-factory prices lifting may decrease distributors' willingness to pay. Moutai's primary customer shows a preference for purchasing through offline distributors since the customer mainly consists of middle-aged individuals. Concerning distributor sales accounted for 60% of Moutai's sales channels in 2022, remaining the primary avenue for the company's sales. The increase in product prices has squeezed the profits of Moutai's distributors, potentially resulting in insufficient sales motivation.

Slower Than Expected Recovery of Chinese Consumer Behavior

Against the backdrop of a challenging macroeconomic environment in China, where the overall economic performance has failed to significantly boost consumer confidence, the valuation of the Chinese Food and Beverage sector is anticipated to experience downward volatility in 2023. While a recovery in China's macroeconomic indicators is expected in 2024, there persists a risk of slower-than-anticipated rebound in consumer demand and the alleviation of supply-demand imbalances within the Baijiu industry.

(Source: Company report, 36K News, CUIRS estimate)

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Financials

Income Statement

We modeled Kweichow Moutai Co., Ltd.'s net income growth at a +9.3% CAGR in 2023E - 27E, reaching 27E CNY208.1bn revenue scale (Exhibit 5) and CNY103.6bn net income (Exhibit 5).

Revenue growth driven by Kweichow Moutai series products

The revenue generated by Moutai liquor products accounted for ~87% of the total revenue of Kweichow Moutai Co., Ltd in FY20 - FY22. At the 13th meeting of the third board of directors in FY22, the board reviewed and approved a proposal on increasing liquor production - "Investment and Construction of Moutai Liquor '14th Five-Year Plan' Technical Transformation Project Purpose Bill". The ratio of Moutai liquor product volume to Kweichow Moutai base liquor production is 84%. Through this ratio, we expect the output volume of Moutai liquor products in 2027E to increase by 13% compared with 2023E. Meanwhile, the recent price hike of Feitian Moutai by 20% also promoted the profit growth of Moutai liquor products.

Exhibit 5: Revenue growth fueled by Moutai liquor products

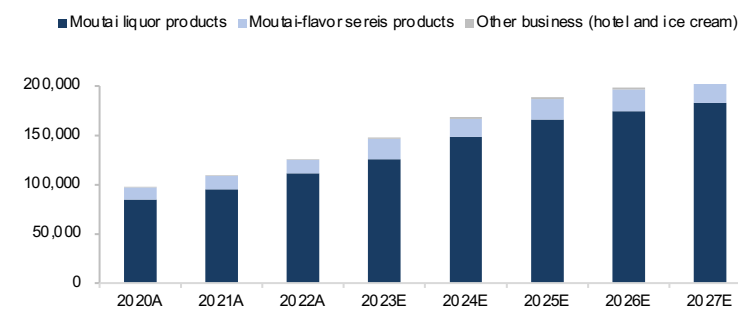
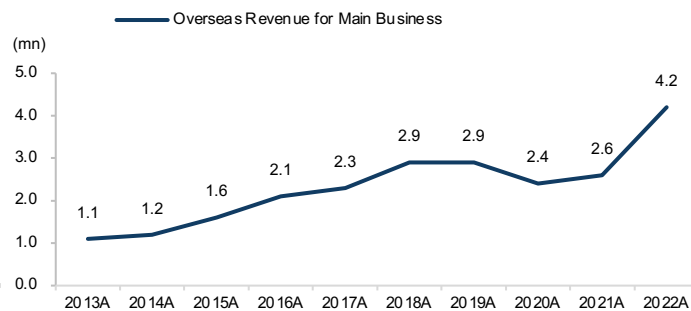


Exhibit 6: Global expansion to open room for growth



We expected Moutai liquor products will continue to be the main driver of revenue growth, taking +88% of the total revenue in 2023E - 27E. With the effect of the price hike of Feitian Moutai, we expect the Gross Margin to increase by 1% over its statistics over the past three years, from 92% to 93%. As for the EBIT margin and net income margin, they have stayed stable at 68% and 51% for the past three years. We expect them to keep in line with the historical trend.

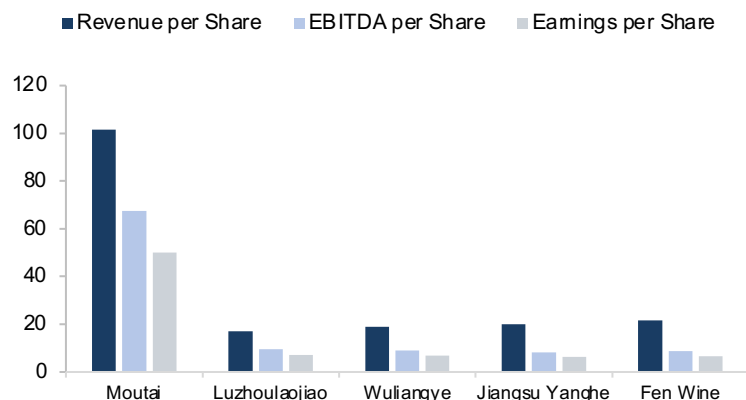
Global expansion to open up room for growth

Despite COVID-19's effects on export volumes, Moutai's overseas revenue has been growing steadily (Exhibit 6). Moutai has been focusing on top-level design for global expansion in FY23. Starting 2024E, Moutai will gradually increase the export volume of Moutai Spirit, Series Spirit, and the Group's family products and strive to achieve higher operating revenue from the overseas market by 2027.

Higher revenue / EBITDA / earnings per share compared with peers

As of the end of FY22, Moutai enjoyed much higher revenue / EBITDA / earnings per share compared with peers (Exhibit 7). With multiple growth tools and capital investment underway, we expect Moutai to sustain strong performance.

Exhibit 7: Moutai's revenue / EBITDA / earnings per share higher than peers, and expected to sustain



(Source: CUIRS Estimate, Company Reports, Bloomberg, Capital IQ)

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Valuation

#1 Relative Valuation — ¥2237 Per Share

To drive further scenario analysis under bull case/bear case, we think adopting current trending multiples is necessary to tie to the market dynamic and historical valuation movements.

Bull, Bear, Base scenarios under 25P/E Frameworks:

¥2972 Bull Case (+81.3% Upside):

Bull case in 2023 multiples is projected at ¥2972 with a 37.9x P/E: The Bull Case reflects optimistic multiples based on the mean values of the recent three years (2020 to 2022) capped at 37.9x, showcasing sustained growth in the Chinese Baijiu industry.

¥2237 Base Case (+36.4% Upside):

Estimated at ¥2237 with a 30.0x P/E: The rapid growth of consumption on baijiu in the post-pandemic era is expected to slow down in the fiscal year 2023. The Base Case considers a 30.0x P/E, slightly lower than than the 2022 implied P/E of 35.3x.

¥1562 Bear Case (-5% Downside):

Anticipated to be ¥1562 with a 22.0x P/E: The growth of the whole industry will decelerate in the fiscal year 2023, the Bear Case upholds a minimum P/E multiple of 22.0x, citing the year 2020 as a reference point. This reflects a prudent stance amid a slowdown in consumer growth, akin to the beginning of a deceleration in consumption expansion.

Exhibit 11: Relative Valuation Summary

| Company Info | | | | | |
|---|------------------|-----------|----------|---------|---------|
| Name | KWEICHOW MOUTA-A | | | | |
| Ticker | 600519 CH | | | | |
| Market Cap (CNY\$mn) | 309,602 | | | | |
| Share outs (mm) | 1,256 | | | | |
| Price (Trading Currency) | 1639.43 | CNY | | | |
| Fund to Price FX | 1.00 | | | | |
| Pricing Currency | CNY | | | | |
| Fund Currency | CNY | | | | |
| Net Debt | -64396 | | | | |
| Key Financial Metrics | | | | | |
| Consensus | 2021 | 2022 | 2023 | 2024 | 2025 |
| Sales | 109,464 | 127,554 | 148,973 | 174,496 | 200,380 |
| Net Income | 52,460 | 62,716 | 74,181 | 88,221 | 102,317 |
| EPS | 41.8 | 49.9 | 59.0 | 70.3 | 81.5 |
| CUIRS Estimate | 2021 | 2022 | 2023 | 2024 | 2025 |
| Sales | 109,464 | 127,554 | 147,385 | 168,019 | 188,182 |
| Net Income | 52,460 | 62,716 | 72,679 | 83,234 | 93,687 |
| EPS | 41.8 | 49.9 | 58 | 66 | 75 |
| Historical TTM Valuation Multiples | | | | | |
| 10y History | P/E | EV/EBITDA | EV/Sales | | |
| Median | 25.1x | 16.2x | 10.7x | | |
| SD | 10.0x | 7.3x | 5.1x | | |
| Max | 58.6x | 40.5x | 28.2x | | |
| Min | 7.5x | 4.3x | 3.2x | | |
| 23E P/E Framework - Implied Multiple Method | | | | | |
| | PE(x) | EPS | TP | Rtn (%) | |
| Upside | 37.9x | 78 | 2972 | 81.3% | |
| Base | 30.0x | 75 | 2237 | 36.4% | |
| Downside | 20.0x | 71 | 1634 | -7% | |
| Selected Comps Multiples | | | | | |
| Multiples | P/E | | | | |
| Years | 22A | 23E | 24E | 25E | |
| KWEICHOW MOUTA-A | 35.3x | 29.9x | 25.1x | 21.6x | |
| WULIANGYE YIBI-A | 21.7x | 19.1x | 16.8x | 14.8x | |
| LUZHOU LAOJIAO-A | 29.3x | 23.1x | 18.8x | 15.7x | |
| SHANXI XINGHUA-A | -NM- | -NM- | -NM- | -NM- | |
| JIANGSU YANGHE-A | 18.7x | 16.3x | 14.0x | 12.1x | |
| ANHUI GUJINGD-A | 37.5x | 26.6x | 20.8x | 16.8x | |
| SHEDE SPIRITS -A | 20.7x | 18.9x | 15.5x | 12.6x | |
| Simple AVG - Excluding Target | | | | | |
| | 22A | 23E | 24E | 25E | |
| Max | 37.5x | 26.6x | 20.8x | 16.8x | |
| Q3 | 33.4x | 24.9x | 19.8x | 16.3x | |
| Median | 21.7x | 19.1x | 16.8x | 14.8x | |
| Q1 | 19.7x | 17.6x | 14.7x | 12.4x | |
| Min | 18.7x | 16.3x | 14.0x | 12.1x | |
| Outputs | | | | | |
| Years | 22A | 23E | 24E | 25E | |
| KWEICHOW MOUTA-A | 17% | 17% | 17% | 15% | |
| WULIANGYE YIBI-A | 12% | 12% | 13% | 12% | |
| LUZHOU LAOJIAO-A | 22% | 23% | 20% | 19% | |
| SHANXI XINGHUA-A | 31% | 22% | 21% | 19% | |
| JIANGSU YANGHE-A | 19% | 15% | 14% | 14% | |
| ANHUI GUJINGD-A | 26% | 23% | 20% | 18% | |
| SHEDE SPIRITS -A | 22% | 17% | 21% | 20% | |
| Outputs | | | | | |
| Years | 22A | 23E | 24E | 25E | |
| KWEICHOW MOUTA-A | 49% | 50% | 51% | 51% | |
| WULIANGYE YIBI-A | 36% | 37% | 37% | 37% | |
| LUZHOU LAOJIAO-A | 41% | 42% | 43% | 44% | |
| SHANXI XINGHUA-A | 31% | 33% | 33% | 34% | |
| JIANGSU YANGHE-A | 31% | 31% | 32% | 32% | |
| ANHUI GUJINGD-A | 19% | 22% | 23% | 24% | |
| SHEDE SPIRITS -A | 28% | 26% | 26% | 27% | |

(Source: CUIRS Estimate, Company Reports, Bloomberg, Capital IQ)

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Industry Introduction

Chinese Baijiu Industry

Industry Description

Development Trend: high-end Baijiu shows a more favourable trend

The development of Chinese Baijiu is primarily influenced by consumer preferences and the macroeconomic environment. In 2023, the recovery of consumer market demand in China fell short of expectations, while the high-end liquor and certain real estate wines demonstrated resilient performance. Due to customer upgrading, high-end Baijiu has led structural growth in the industry since 2015, with high and mid-range price segments experiencing faster growth compared to the low-end segment. Product upgrading has been the primary driver of growth in the Baijiu industry since 2015. Consequently, focusing on product upgrades and channel management has become a key focus for Baijiu companies in recent years.

Industry Stage: Baijiu has entered a mature competition phase with increasing concentration. Due to the pandemic and subdued consumer demand, the Baijiu industry faces heightened saturation. Industry concentration is on the rise, and the pandemic's normalization has intensified brand differentiation. Companies that adapted their strategies have thrived, while those that missed the upgrading opportunity have encountered challenges. In the past two years, under normalized pandemic conditions, market competition has intensified, emphasizing company capabilities, including sales teams, market assessment, policy flexibility, execution, channels, and customer service. Brand differentiation is more evident.

Consumer Behaviour

The target customers for premium alcoholic beverages in China are mainly wealthy private businessmen and banquet organisers. They play a key role in both entertaining clients and forging business partnerships. For gift-giving and business dining, premium baijiu is highly favoured as it is perceived as the epitome of luxury and sophistication. These discerning consumers prioritise the exceptional quality and premium price associated with these beverages, and place great value on their opulent character. They also recognise the importance of giving these gifts to others with generosity and a sense of refined taste, as this reflects their commitment to maintaining business relationships and demonstrating their status.

Another target customer segment comprises young individuals with a sizable demographic presence but with limited financial affordability. These youthful consumers seek a blend of ceremonial significance and curiosity in their products. Their interest towards items that carry a sense of uniqueness or specialness, particularly those infused with Moutai, even if in modest amounts, such as coffee and chocolate. This consumer group places a high priority on pricing and affordability; they are generally unwilling to splurge on a RMB 3,000 bottle of Baijiu but readily option for reasonably priced collaborative products associated with Moutai, as evidenced by their enthusiastic adoption of offerings like the Moutai-flavored latte priced at RMB19.

Total Addressable Market

According to iFind, the mid-term Baijiu market shows steady growth, with high-end focusing on quality over quantity. In 2022, Chinese Baijiu industry sales revenue for large enterprises reached 671.2 bn yuan, with a five-year CAGR of 3.56%. Production dropped to 6.71 mn kiloliters in 2021, with a four-year CAGR of -6.31%. The market is relatively stable due to resilient demand supported by mass consumption. With supply-side reforms and destocking, low-end production has decreased significantly, while mid to high-end production remains steady with a slight decline. According to Chioce, Baijiu prices have steadily risen, reaching 122 on the price index in Sep 2023, compared to a base of 100 in Jan 2015.

Exhibit 13: 2012-2022 Baijiu production in China (kiloliters)

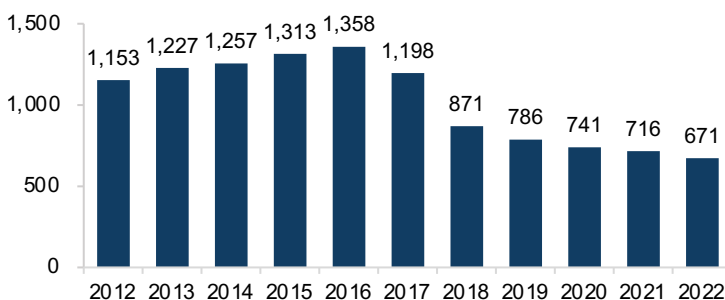
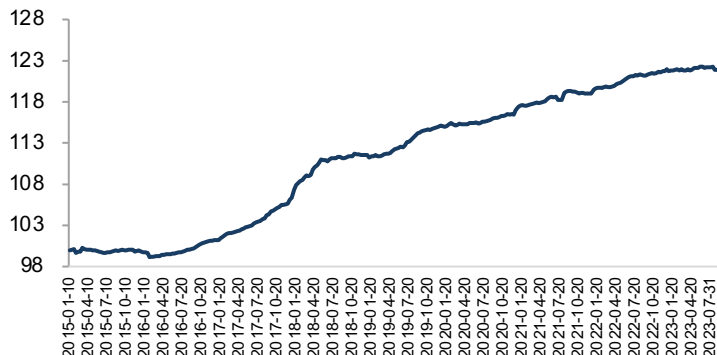


Exhibit 14: China Baijiu Price Composite Index with a Base of 1st, January 2015



(Source: CUIRS Estimate, Company Reports, Bloomberg, Capital IQ)

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Industry Introduction

Competition Landscape

According to iimedia, in the future, the high-end and mid-range Baijiu segments are expected to continue experiencing both quantity and price growth. It is projected that by 2027, the Baijiu market will reach 1,070 bn yuan, with a five-year CAGR of 8.18%.

Exhibit 16: Competitors Introduction

| Company | Kweichow Moutai Co. Ltd. | Wuliangye Yibin Co. Ltd. | Luzhou Laojiao Co. Ltd. | Shanxi Xinghuacun Fen Wine Factory Co | Jiangsu Yanghe Distillery Co. Ltd. | Anhui Gujing Distillery Co. Ltd. |
|---------------------------------|---|---|---|--|---|---|
| |  |  |  |  |  |  |
| Ticker | 600519.SS | 000858.SZ | 000568.SZ | 600809.SS | 002304.SZ | 000596.SZ |
| Founding Year | 1929 | 1952 | 1950 | 1904 | 1949 | 1959 |
| Main Products | 茅台酒及系列酒 | 五粮春，五粮醇、五粮特头曲，绵柔尖庄等。 | 國窖 1573·泸州老窖、特曲、窖龄酒、高光等 | 汾酒、竹叶青酒、汾清酒、杏花汾酒等。 | 梦之蓝、天之蓝、海之蓝、苏酒、珍宝坊、洋河大曲、双沟大曲等系列白酒 | 年份原裝、古井賈酒、古井酒。英鶴樓酒，明光酒 |
| Type of Baijiu | 酱香型白酒 | 浓香型白酒 (多粮酿造) | 浓香型白酒 (單粮酿造) | 清香型白酒 | 绵柔型白酒 | 浓香型白酒 (多粮酿造) |
| Production (ten thousand ton) | 9.19 | 12.93 | 8.79 | 17.61 | 19.76 | 13.34 |
| Sales Volume (ten thousand ton) | 6.82 | 12.72 | 8.62 | 17.69 | 19.53 | 11.47 |
| Revenue (100 mns) | 1275.5 | 739.7 | 251.2 | 262.1 | 301 | 167.1 |
| Net Profit Margin (100 mns) | 528.76 | 295.43 | 103.65 | 80.96 | 106 | 27.79 |
| Market Share(%) | 18.27 | 10.6 | 3.6 | 3.75 | 4.31 | 2.39 |
| Market Capitalization (100 mns) | 22593.35 | 6059.19 | 3189.06 | 2921.81 | 2187.40 | 1436.73 |

(Source: CUIRS Estimate, Company Reports, Bloomberg, Capital IQ)

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Company Profile

Products & Services Summary

The main business of Kweichow Moutai Co., Ltd. involves the production and sale of Moutai liquor and a series of other liquors. This segment constitutes approximately 99% of Kweichow Moutai Co., Ltd.'s total revenue in the first half of 2023. Specifically, sales of Kweichow Moutai series products account for 86% of the total sales, while Moutai-flavored series products constitute about 14%.

Exhibit 19: Revenue by Products

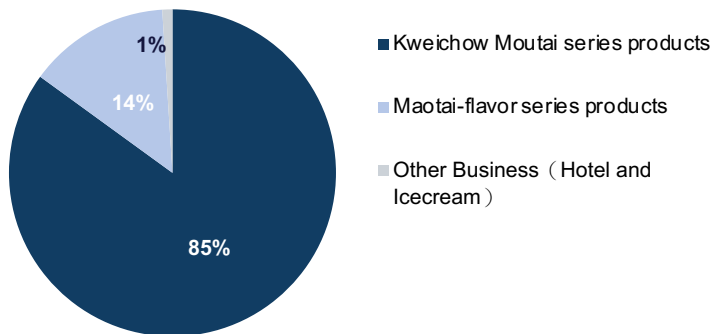
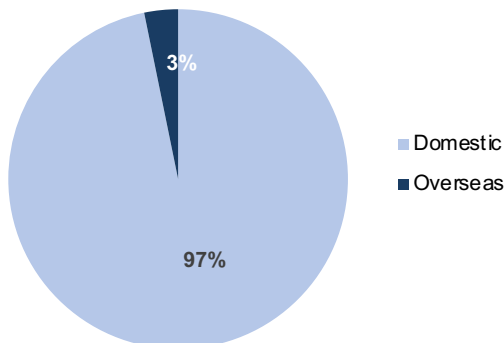


Exhibit 20: Revenue by Regions



Kweichow Moutai series products

Kweichow Moutai series products are a product series of Kweichow Moutai Co., Ltd., sometimes also referred to as Moutai. According to the official website of Kweichow Moutai Co., Ltd., there are currently 10 products in this series on sale. The series of products belong to Moutai-flavor liquor, and the alcohol content of most products is 53%. And the market price range of products in this series is RMB 3000 to RMB 23000 per bottle.

Exhibit 21: Representative Products of Kweichow Moutai Series Products



At the same time, due to the high added value and collection significance of the products, other liquors in the Kweichow Moutai series except Feitian Moutai are called "non-standard Moutai".

Exhibit 22: Kweichow Moutai Major Products Portfolio

| Feitian Moutai | | Non-standard Moutai | | | | | |
|----------------|---------------------|---------------------|--------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 普茅飞天茅台 (经典) Feitian | | | | | | |
| | | 陈酿精品 Aged Premium | 珍品系列 彩釉珍品 Color-glazed Premium | 十五年 年份酒 15-year Aged | 三十年 年份酒 30-year Aged | 五十年 年份酒 50-year Aged | 八十年 年份酒 80-year Aged |
| | | 普茅贵州茅台酒 (生肖) Zodiac | | | | | |
| | | 3,000 | 4,000 | 5,000 | 10,000 | 30,000 | 200,000 |

(Source: CUIRS Estimate, Company Reports, Bloomberg, Capital IQ)

For the full version of the report including financial forecast, valuation, company and industry summary, please comment on our LinkedIn post with your email address.

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