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Meituan | Asia Pacific

Losses narrowing faster than expected

We see incremental positives in the narrowing of on-demand losses; we expect food delivery UE to break even in 2Q. Though in-store is stable so far, we still see downside risk to margins from increasing competition from Douyin.

Key Takeaways

- We estimate that 2Q26 CLC revenue rose 6% yoy, with OP at Rmb3bn (including membership investments) and operating loss in new initiatives at Rmb2.4bn.
- Food delivery 2Q26 UE should break even (vs. 1Q's estimated loss of Rmb1/order).
- IHT 2Q26 OPM should be stable QoQ at 25%.

CLC: We estimate that CLC 2Q OP will turn profitable (Rmb3bn), with progress in narrowing of on-demand losses better than expected. We expect on-demand to be close to break-even in 2Q at Rmb437mn loss (food delivery profit Rmb313mn, Instashopping loss Rmb750mn). We believe food delivery UE already became profitable in April and May; June will depend on 618 promotions. So far, competition has largely stabilized, with Meituan's market share for food orders with AOV Rmb30+ maintained at 70% and blended GTV share at an estimated 60%. We estimate that the food delivery UE gap vs. Alibaba has widened further to Rmb3/order in 1Q26 (from Rmb2 in 4Q25). Though Meituan hasn't committed to a UE breakeven timeline of 2H for food delivery, we expect it to be largely on track.

In-store hotel, travel (IHT): We expect both GTV and revenue growth in 2Q to be similar to 1Q at 11% and 9%, respectively; we expect OP of Rmb4.3bn, with stable OPM QoQ at 25%. With better regulatory support, we expect Meituan can further ramp up market share in high-star hotels, but in-store dining could face ongoing competition from Douyin. We expect margins to be largely stable in 2H26, but will further monitor the competitive landscape.

New initiatives: We expect losses to expand slightly QoQ in 2Q, to Rmb2.4bn (vs. Rmb 2.1bn in 1Q), mainly from Xiaoxiang expansion (now in 55 cities) and Keeta investments. HK has sustained profitability, while Saudi UE improvement has picked up significantly – we expect it to reach break-even some time in 2026 and fully break even into F27. Meituan will continue to focus on profitability improvement over market expansion for Keeta International.

Keep price target at HK\$120, OW: We raised our CLC OP estimate 12% for 2026 to reflect faster-than-expected narrowing of food delivery UE losses. Our target implies 18x 2027e P/E (16x for Tencent).

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Meituan (3690.HK, 3690 HK)

China Internet and Other Services | China

Stock Rating	Overweight
Industry View	Attractive
Price target	HK\$120.00
Up/downside to price target (%)	53
Shr price, close (Jun 1, 2026)	HK\$78.25
52-Week Range	HK\$149.80-72.25
Sh out, dil, curr (mn)	6,077
Mkt cap, curr (mn)	US\$60,684
EV, curr (mn)	US\$36,217
Avg daily trading value (mn)	US\$703

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS (Rmb)**	(3.15)	(0.31)	5.35	7.11
Prior EPS (Rmb)**	-	(0.44)	5.97	8.31
EPS (Rmb)§	(2.71)	(0.57)	4.39	7.03
Revenue, net (Rmb bn)	364.9	412.2	478.7	537.8
ModelWare net inc (Rmb bn)	(23.4)	(9.2)	24.7	34.0
P/E	NM	NM	16.6	12.1
EV/revenue*	1.3	0.7	0.6	0.4
EV/EBITDA	NM	44.1	4.1	2.3
P/BV	3.7	2.6	2.1	1.7
ROE (%)	(13.5)	(6.1)	15.6	17.8

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework

** = Based on consensus methodology

§ = Consensus data is provided by Refinitiv Estimates

* = GAAP or approximated based on GAAP

e = Morgan Stanley Research estimates

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1Q26 Profit Beat

- Total revenue was +6% YoY, in line; adjusted EBITDA loss was Rmb3bn, beating our estimate at -Rmb5.8bn.
- CLC revenue was flat YoY, in line; CLC operating loss was Rmb2bn (-115%), beating our estimate/consensus at -Rmb4bn, driven by meaningful loss reduction from on-demand.
- OPM was -3.2% (narrowed 24ppt).
- New initiatives revenue was +21%, in line. OP loss was Rmb2.1bn, in line with our estimate, mainly reflecting Xiaoxiang Supermarket and Keeta overseas.

Published in: [Meituan: 1Q26 Profit Beat \(1 Jun 2026\)](#)

Exhibit 1: Meituan: 1Q26 results summary

Financials (Rmb mn)	1Q25	4Q25	1Q26	YoY (%)	QoQ (%)	Mse	Diff (%)	Consensus	Diff (%)
Total revenues	86,206	92,096	91,039	6%	-1%	91,054	0.0%	90,409	0.7%
Cost of Revenue	54,143	67,969	65,069	20%	-4%	67,150	-3.1%	63,623	2.3%
Gross Profit	32,063	24,127	25,970	-19%	8%	23,904	8.6%	26,786	-3.0%
Operating profit/(loss)	10,566	(16,074)	(6,470)	-161%	NA	(9,696)	-33.3%	(7,821)	-17.3%
Net profit/(loss)	10,057	(15,144)	(6,827)	-168%	NA	(9,272)	-26.4%	(7,349)	-7.1%
Non-IFRS measures:									
Adjusted EBITDA	12,302	(14,025)	(3,049)	-125%	NA	(5,723)	NA	(5,916)	NA
Adjusted EBITDA margin	14.3%	-15.2%	-3.3%	(17.6%pt)	11.9%pt	-6.3%	2.9%pt	-9.3%	5.9%pt
Adjusted net profit/(loss)	10,949	(15,080)	(4,968)	-145%	NA	(7,576)	-34.4%	(6,719)	-17.7%
Adjusted net margin	12.7%	-16.4%	-5.5%	(18.2%pt)	10.9%pt	-8.3%	2.9%pt	-10.6%	5.1%pt
Core local commerce:									
Revenues	63,974	64,835	64,063	0%	-1%	64,375	-0.5%	63,784	0.4%
Operating profit	13,491	(10,046)	(2,030)	-115%	NA	(4,268)	NA	(4,376)	NA
OP margin	21.1%	-15.5%	-3.2%	(24.3%pt)	12.3%pt	-6.6%	3.5%pt	-6.9%	3.7%pt
New initiatives:									
Revenues	22,232	27,262	26,976	21%	-1%	26,679	1.1%	26,625	1.3%
Operating profit/(loss)	(2,273)	(4,650)	(2,116)	-7%	NA	(2,650)	NA	(2,622)	NA
OP margin	-10.2%	-17.1%	-7.8%	2.4%pt	9.2%pt	-9.9%	2.1%pt	-9.8%	2.0%pt

Source: Company data, Visible Alpha consensus, Morgan Stanley Research (MSe) estimates

Estimate Changes

Exhibit 2: Meituan: What's Changed

Financials (Rmb mn)	New			Previous			Change (%)		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Total revenues	412,203	478,742	537,788	417,644	490,717	554,014	(1.3%)	(2.4%)	(2.9%)
Gross profit	124,934	171,903	196,217	125,713	180,002	209,684	(0.6%)	(4.5%)	(6.4%)
Operating profit/(loss)	(8,732)	30,852	42,228	(9,072)	35,313	50,916	N.M.	(12.6%)	(17.1%)
Net profit/(loss)	(9,207)	24,748	33,962	(8,982)	28,532	41,254	N.M.	(13.3%)	(17.7%)
Non-IFRS measures:									
Adjusted EBITDA	9,810	53,562	68,861	8,639	58,372	77,962	13.5%	(8.2%)	(11.7%)
Adjusted EBITDA margin	2.4%	11.2%	12.8%	2.1%	11.9%	14.1%	0.3%pt	(0.7%pt)	(1.3%pt)
Adjusted net profit/(loss)	(1,410)	32,970	43,703	(2,199)	36,950	51,278	N.M.	(10.8%)	(14.8%)
Adjusted net margin	(0.3%)	6.9%	8.1%	(0.5%)	7.5%	9.3%	0.2%pt	(0.6%pt)	(1.1%pt)
Core local commerce:									
Revenues	287,369	331,438	368,388	294,890	345,867	387,437	(2.6%)	(4.2%)	(4.9%)
Operating profit	13,923	52,296	62,981	12,402	56,830	67,719	12.3%	(8.0%)	(7.0%)
OP margin	4.8%	15.8%	17.1%	4.2%	16.4%	17.5%	0.6%pt	(0.7%pt)	(0.4%pt)
No. of on-demand delivery transactions (mn)	31,374	35,084	38,477	32,236	36,033	39,505	(2.7%)	(2.6%)	(2.6%)
Food delivery daily volume (mn)	70.3	77.3	83.5	72.6	79.9	86.3	(3.3%)	(3.3%)	(3.3%)
Food delivery revenue	172,267	197,988	216,557	178,064	204,651	223,845	(3.3%)	(3.3%)	(3.3%)
Food delivery operating profit	-	29,698	32,484	(5,342)	30,698	33,577	N.M.	(3.3%)	(3.3%)
Food delivery OP margin	0.0%	15.0%	15.0%	-3.0%	15.0%	15.0%	3.0%pt	-	-
Food delivery UE (Rmb)	-	1.05	1.06	(0.20)	1.05	1.06	N.M.	0.0%	-
IHT revenue	71,473	79,205	87,035	72,738	86,690	98,796	(1.7%)	(8.6%)	(11.9%)
IHT operating profit	17,868	21,385	24,370	18,184	23,406	27,663	(1.7%)	(8.6%)	(11.9%)
IHT OP margin	25.0%	27.0%	28.0%	25.0%	27.0%	28.0%	-	-	-
New initiatives:									
Revenues	124,834	147,305	169,400	122,754	144,849	166,577	1.7%	1.7%	1.7%
Operating profit/(loss)	(9,987)	(7,365)	(4,235)	(9,820)	(7,242)	-	N.M	N.M	N.M
OP margin	(8.0%)	(5.0%)	(2.5%)	(8.0%)	(5.0%)	-	NM	-	(2.5%pt)
Non-IFRS Diluted EPS (Rmb)	(0.31)	5.35	7.11	(0.44)	5.97	8.31	N.M.	(10.4%)	(14.4%)

Source: Company data, Morgan Stanley Research (E) estimates

Valuation Methodology

Our price target is unchanged at HK\$120; maintain OW: This is our base case scenario value. We continue to use DCF as our primary valuation methodology. We use a WACC assumption of 12% (unchanged) as uncertainty around competition increases risk profile and a 3% terminal growth rate forecast (unchanged). We raise our longer-term earnings assumptions, which offset nearer-term cuts.

Our price target implies a target P/E of 18x for 2027e.

Exhibit 3: DCF Matrix: Unlevered free cash flow

Years Ending December 31 Rmb mn	2023	2024	2025 Scenario	2026E	2027E	2028E	2029E	2030E
DCF				0				
Operating profit (non-IFRS, incl. SBC)	7,744	33,286	(29,784)	(10,678)	27,810	37,691	48,952	58,596
D&A	7,751	8,250	9,999	13,893	17,613	19,995	20,860	21,982
Capex	(6,880)	(10,999)	(13,271)	(16,488)	(16,756)	(16,134)	(17,617)	(18,927)
Lease payments	(2,969)	(3,098)	(3,335)	(3,893)	(4,519)	(4,888)	(5,306)	(5,737)
Taxes	(71)	(1,491)	2,586	1,068	(4,172)	(6,031)	(8,322)	(10,547)
Non-controlling interests	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Working capital	13,476	6,466	(1,056)	2,334	154	6,107	4,065	3,422
Unlevered FCF (FCFF)	19,049	32,413	(34,861)	(13,766)	20,130	36,740	42,632	48,787
% YoY	-346.5%	70.2%	-207.6%	-60.5%	-246.2%	82.5%	16.0%	14.4%
% of revenue	6.9%	9.6%	-9.6%	-3.3%	4.2%	6.8%	7.3%	7.7%
WACC				12.0%				
TGR				3.0%				

Source: Morgan Stanley Research (E) estimates

Financial Summary

Exhibit 4: Meituan: Financial Summary

Years Ending December 31	2023	2024	2025	2026E	2027E	2028E
Rmb mn						
INCOME STATEMENT (IFRS)						
Core local commerce	206,907	250,247	260,826	287,369	331,438	368,388
New initiatives	69,838	87,344	104,029	124,834	147,305	169,400
Total revenues	276,745	337,592	364,855	412,203	478,742	537,788
Core local commerce	38,699	52,415	(6,904)	13,923	52,296	62,981
New initiatives	(20,166)	(7,273)	(10,052)	(9,987)	(7,365)	(4,235)
Unallocated items	(5,117)	(3,297)	(8,055)	(12,868)	(14,079)	(16,518)
Operating profit	13,415	36,845	(25,041)	(8,732)	30,852	42,228
% OP margin	4.8%	10.9%	-6.9%	-2.1%	6.4%	7.9%
Profit before income tax	14,022	37,985	(24,838)	(9,519)	30,443	42,140
Net profit/(loss)	13,857	35,808	(23,354)	(9,206)	24,748	33,963
Net profit/(loss) attributable to equity holders	13,856	35,807	(23,355)	(9,207)	24,748	33,962
% NP margin	5.0%	10.6%	-6.4%	-2.2%	5.2%	6.3%
Diluted EPS (Rmb)	2.11	5.66	(3.92)	(1.59)	3.99	5.51
INCOME STATEMENT (NON-IFRS)						
Adjusted EBITDA	23,878	49,119	(13,783)	9,810	53,562	68,861
Net profit/(loss)	23,253	43,772	(18,648)	(1,410)	32,970	43,703
% margin	8.6%	14.5%	-3.8%	2.4%	11.2%	12.8%
Adjusted EBITDA	8.4%	13.0%	-5.1%	-0.3%	6.9%	8.1%
Net profit/(loss)	3.60	6.94	(3.15)	(0.31)	5.35	7.11
Diluted EPS (non-IFRS; Rmb)	3.60	6.94	(3.15)	(0.31)	5.35	7.11
On-demand delivery volume (mn)	21,893	25,451	29,241	31,374	35,084	38,477

Source: Company data, Morgan Stanley Research (E) estimates

Years Ending December 31	2023	2024	2025	2026E	2027E	2028E
Rmb mn						
BALANCE SHEET						
Cash and cash equivalents	33,340	70,834	106,771	100,968	130,861	179,758
Short-term treasury investments	111,821	97,409	60,062	60,062	60,062	60,062
Current assets	183,116	208,735	225,057	224,345	261,367	316,740
Non-current assets	109,913	114,620	121,853	139,523	144,473	146,158
Total assets	293,030	324,355	346,910	363,868	405,840	462,898
Short-term debts	19,322	16,569	14,379	14,379	14,379	14,379
Current liabilities	100,874	107,936	123,542	132,049	140,350	153,255
Long-term debts	35,221	39,184	65,904	65,904	65,904	65,904
Non-current liabilities	40,199	43,815	72,381	73,442	74,226	74,735
Total liabilities	141,073	151,751	195,922	205,491	214,576	227,991
Total equity	151,956	172,604	150,988	158,377	191,264	234,907
Total liabilities and equity	293,030	324,355	346,910	363,868	405,840	462,898
CASH FLOW STATEMENT						
Operating cash flow	40,522	57,147	(13,815)	14,610	51,270	68,663
Investing cash flow	(24,664)	10,205	29,773	(14,493)	(14,831)	(13,851)
Financing cash flow	(2,781)	(30,415)	21,243	(5,919)	(6,546)	(6,915)
Net change in cash	13,181	37,494	35,937	(5,803)	29,893	48,897
FCF	30,673	43,049	(30,420)	(5,771)	29,994	48,641
% of total revenues	11.1%	12.8%	-8.3%	-1.4%	6.3%	9.0%

Risk Reward – Meituan (3690.HK)

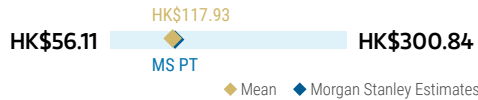
Near-term uncertainties, but long-term moat still strong

PRICE TARGET HK\$120.00

Base case, derived from discounted cash flow valuation. Key assumptions: 12% WACC and 3% terminal growth rate.

Consensus Price Target Distribution

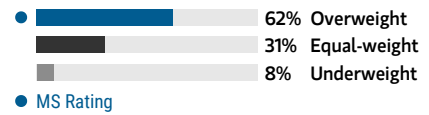
Source: Refinitiv, Morgan Stanley Research



OVERWEIGHT THESIS

- In the near term, we see a lot of uncertainty and potential risks to earnings.
- However, we think Meituan still has a strong long-term moat.
- In food delivery, we expect it to remain the dominant player, though market share could drop to 65%+ from 70-75%.
- In quick commerce, we expect the TAM to expand from our previous estimate of Rmb2tn in 2030 with the increase in market players, but the market should be split among multiple players.
- We view risk-reward as attractive but prefer BABA.

Consensus Rating Distribution



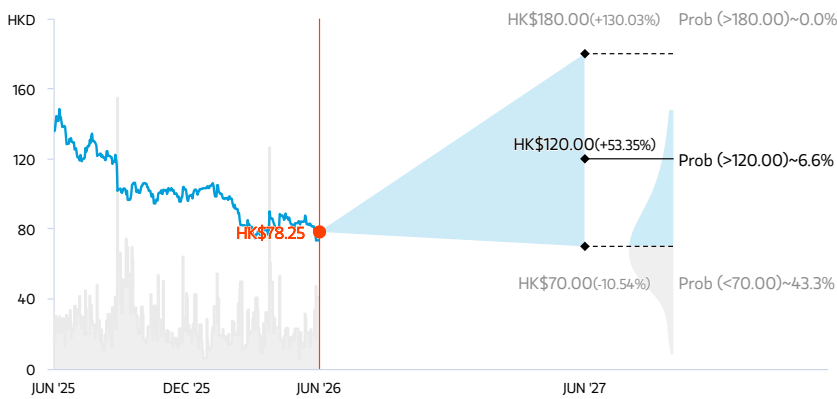
Source: Refinitiv, Morgan Stanley Research

Risk Reward Themes

- Pricing Power: *Positive*
- Secular Growth: *Positive*
- Self-help: *Positive*

View descriptions of Risk Rewards Themes [here](#)

RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



Key: — Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 1 Jun 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology [here](#)

BULL CASE	HK\$180.00	BASE CASE	HK\$120.00	BEAR CASE	HK\$70.00
21x 2027e P/E		18x 2027e P/E		17x 2027e P/E	
We estimate total revenue CAGR of 14% for 2025-30.		We estimate total revenue CAGR of 12% for 2025-30.		We estimate total revenue CAGR of 10% for 2025-30.	
Adjusted EBITDA margin at 14% in 2027.		Adjusted EBITDA margin at 11% in 2027.		Adjusted EBITDA margin at 8% in 2027.	

Risk Reward – Meituan (3690.HK)

KEY EARNINGS INPUTS

Drivers	2025	2026e	2027e	2028e
Total revenues growth (%)	36,485,474.	41,220,288.	47,874,245.	53,778,847.
Gross profit growth (%)	11,121,557.	12,516,158.	17,218,366.	19,655,126.
Non-GAAP Adj EBITDA (%)	(1,378,320.)	980,956.6	5,356,243.4	6,886,132.3

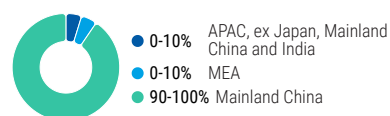
CATALYST CALENDAR

Date	Event	Source: Refinitiv, Morgan Stanley
09 Jun 2026 - 13 Jun 2026	Meituan Annual Shareholders Meeting	

INVESTMENT DRIVERS

- Food delivery market share and margin improvement
- Merchant monetization via commissions and advertisements ramping up take rate
- Effective investment strategy in new initiatives expanding addressable market

GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate
View explanation of regional hierarchies [here](#)

MS ALPHA MODELS

5/5 MOST 3 Month Horizon

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

RISKS TO PT/RATING

RISKS TO UPSIDE

- Uptrend in food delivery market share with margin improvement
- Further monetization of merchant ARPU
- Investments in new initiatives bearing fruit

RISKS TO DOWNSIDE

- Intensified food delivery and quick commerce competition
- Low visibility on loss-making and asset-heavy new initiatives
- Weaker-than-expected macro conditions
- Antitrust regulation

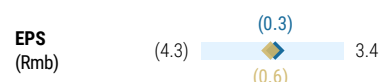
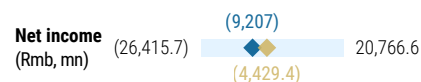
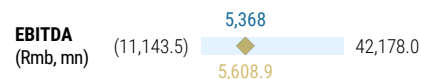
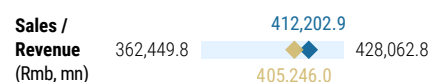
OWNERSHIP POSITIONING

Inst. Owners, % Active 42.4%

Source: Refinitiv, Morgan Stanley Research

MS ESTIMATES VS. CONSENSUS

FY Dec 2026e



◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

Valuation Methodology and Risks

Alibaba Group Holding (BABA.N)

Base case, discounted cash flow model. Key assumptions include a 10% WACC and 3% terminal growth rate, in line with our Chinese Internet coverage range.

Risks to Upside

- Better core e-commerce monetization, driving earnings growth upside
- Faster enterprise digitalization, re-accelerating cloud revenue growth
- Stronger AI demand to drive cloud revenue

Risks to Downside

- More intense competition
- Higher-than-expected reinvestment costs
- Weaker consumption amid a slower post-Covid recovery
- Slower pace of enterprise digitalization pace
- Regulation - additional scrutiny of Internet platforms

Risk Reward Reference links

1. View explanation of Options Probabilities methodology - [Options_Probabilities_Exhibit_Link.pdf](#)
2. View descriptions of Risk Rewards Themes - [RR_Themes_Exhibit_Link.pdf](#)
3. View explanation of regional hierarchies - [GEG_Exhibit_Link.pdf](#)
4. View explanation of Theme/Exposure methodology - [ESG_Sustainable_Solutions_External_Link.pdf](#)
5. View explanation of HERS methodology - [ESG_HERS_External_Link.pdf](#)

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Global Stock Ratings Distribution

(as of May 31, 2026)

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Stock Rating Category	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1542	42%	465	51%	30%	707	43%
Equal-weight/Hold	1571	43%	369	40%	23%	723	44%
Not-Rated/Hold	3	0%	0	0%	0%	1	0%
Underweight/Sell	551	15%	86	9%	16%	201	12%
Total	3,667		920			1632	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

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Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

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Stock Price, Price Target and Rating History (See Rating Definitions)

Alibaba Group Holding (BABA.N) - As of 06/01/26 GMT in USD
Industry : China Internet and Other Services



Stock Rating History: 6/1/21 : O/A; 9/20/21 : O/I; 12/1/23 : E/I; 2/24/25 : O/A

Price Target History: 4/9/21 : 300; 7/6/21 : 270; 9/20/21 : 220; 11/19/21 : 180; 1/8/22 : 165; 2/25/22 : 145; 3/21/22 : 140; 9/29/22 : 110; 10/28/22 : 90; 11/18/22 : 100; 1/9/23 : 150; 11/17/23 : 110; 12/1/23 : 90; 1/8/24 : 85; 8/16/24 : 90; 10/9/24 : 115; 11/18/24 : 105; 1/9/25 : 100; 2/24/25 : 180; 7/9/25 : 150; 9/1/25 : 165; 9/29/25 : 200; 1/8/26 : 180; 5/14/26 : 190

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) — Stock Price (Covered by Current Analyst) ■
Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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Meituan (3690.HK) - As of 06/01/26 GMT in HKD
Industry : China Internet and Other Services



Stock Rating History: 6/1/21 : O/A; 9/20/21 : O/I; 11/29/23 : E/I; 8/29/24 : O/I; 2/24/25 : O/A

Price Target History: 5/31/21 : 380; 7/19/21 : 360; 8/31/21 : 300; 9/20/21 : 320; 3/2/22 : 250; 3/21/22 : 220; 5/2/22 : 240; 10/31/22 : 180; 1/9/23 : 230; 3/27/23 : 180; 11/29/23 : 120; 1/26/24 : 85; 3/25/24 : 100; 6/7/24 : 120; 8/29/24 : 125; 10/9/24 : 215; 12/2/24 : 200; 5/27/25 : 160; 7/11/25 : 150; 8/28/25 : 135; 12/1/25 : 120

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) — Stock Price (Covered by Current Analyst) ■
Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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INDUSTRY COVERAGE: China Internet and Other Services

COMPANY (TICKER)	RATING (AS OF)	PRICE* (06/01/2026)
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Eddy Wang, CFA

Autohome Inc (ATHM.N)	E (02/09/2023)	US\$17.91
Full Truck Alliance Co. Ltd (YMM.N)	O (07/05/2023)	US\$9.02
JD.com, Inc. (JD.O)	U (11/10/2025)	US\$29.09
Kanzhun Ltd (BZ.O)	O (08/04/2021)	US\$14.04
KE Holdings Inc (BEKE.N)	O (03/16/2022)	US\$17.18
PDD Holdings Inc (PDD.O)	O (03/02/2023)	US\$87.24
Vipshop Holdings Ltd (VIPS.N)	E (02/24/2022)	US\$14.50

Gary Yu

Alibaba Group Holding (BABA.N)	O (02/24/2025)	US\$125.40
Baidu Inc (BIDU.O)	E (05/17/2024)	US\$132.40
Meituan (3690.HK)	O (08/29/2024)	HK\$78.25
Tencent Holdings Ltd. (0700.HK)	O (03/19/2020)	HK\$436.00

Rebecca Xu

HUYA Inc (HUYA.N)	E (05/16/2024)	US\$2.67
IQIYI Inc (IQ.O)	E (01/19/2023)	US\$1.17
JOYY Inc. (JOYY.O)	E (06/02/2022)	US\$68.36
Weibo Corp (WB.O)	U (05/17/2024)	US\$7.99

Yang Liu

Bilibili Inc (BILI.O)	O (04/13/2026)	US\$18.36
Kuaishou Technology (1024.HK)	O (05/26/2026)	HK\$46.54
NetEase, Inc (NTES.O)	O (01/08/2025)	US\$123.27
Tongcheng Travel Holdings (0780.HK)	O (01/04/2019)	HK\$14.63
Trip.com Group Ltd (TCOM.O)	O (05/17/2021)	US\$48.29

Stock Ratings are subject to change. Please see latest research for each company.

* Historical prices are not split adjusted.