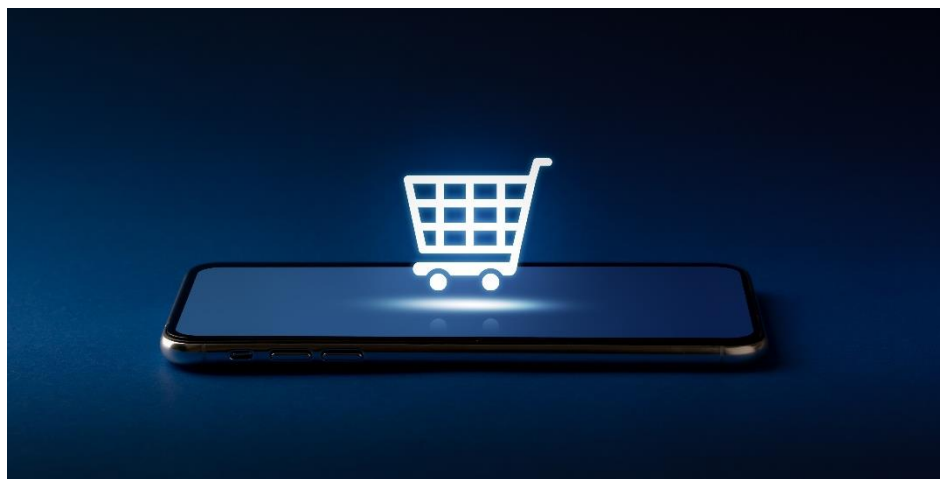


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I. Sector Review

Internet & E-commerce

Meituan Instashopping: Transaction volume of mobile phone brand stores increases 300% after national subsidy implementation

On 18 July, officials from the Ministry of Commerce stated that the consumer goods trade-in programme has helped people upgrade to a smarter and greener lifestyle. Since September last year, retail sales of home appliances by retailers above designated size have maintained double-digit growth for several consecutive months; as of the first half of the year, the trade-in programme has driven sales of over 2.9 trillion yuan, with 400 million people enjoying subsidies. Since the large-scale implementation of national subsidies in mid-May, transaction volume at consumer electronics and home appliance physical stores on Meituan Instashopping has increased significantly compared to before the subsidy. Overall transaction volume for the mobile phone category increased threefold, while transaction volume for the smartwatches, tablets, and laptop category doubled.¹

Alibaba unveils cross-border e-commerce startup centre in Jinan

Alibaba recently launched its Alibaba (Jinan) Cross-border E-commerce Startup Incubation Centre in Jinan's central business district. The centre has an area of 20,000 sqm, equipped with 2,000 sqm of modern supporting facilities, including meeting rooms, exhibition halls, shared offices, and operational service centres. It can offer one-stop full-process foreign trade service solutions for businesses, including policy connection, market development, and logistics settlement.²

JD.com launches new 'Fresh Food Discount Store'

JD.com (京东) is making another push into the discount retail sector – it might have already launched a new business called 'JD Fresh Food Discount Store' as early as February this year. However, this business has not yet been promoted on a large scale, with most products on the platform in out-of-stock status, suggesting that the business is still in the testing phase. This business focuses on online discounted sales of fresh food products, with various items discounted at up to 50% off, while also providing same-day delivery, next-day delivery, and self-pickup services. 'JD Fresh Food Discount Store' operates within JD.com's ecosystem, requiring users to log in with their JD.com accounts.³

Taobao Flash Sale's nighttime orders double in 127 cities in July

On 21 July, Taobao Flash Sale (淘宝闪购) released summer consumption data showing significant increases in consumption activity across major cities and popular tourist destinations nationwide. In July this year, nearly 160,000 non-restaurant small and medium businesses reached new highs in sales. The catering industry showed marked growth in recruitment and employment demand. Since July, the number of catering industry workers on DingTalk (钉钉) has increased by hundreds of thousands. Furthermore, summer nightlife is becoming increasingly vibrant. Since July, nighttime orders in 127 cities have grown over 100% compared to June, with more than 80% located in central and western regions. Among these, Luohe, Baotou, Shuozhou, Xuchang, and Shangqiu had the fastest nighttime order growth among cities, with growth rates all exceeding 200%.⁴

JD.com opens first self-operated food takeaway store 7Fresh Kitchen

On 20 July, JD Food Delivery (京东外卖) launched a self-operated store called '7Fresh Kitchen' (七鲜小厨) in Beijing. This is JD.com's first self-operated food delivery store. Prices range from 10 to 30 yuan. Users can place orders online, and the store operates under a 'delivery + pickup' model but does not offer dine-in services. On-site staff stated that 'everything is freshly stir-fried and made to order, with no pre-prepared dishes'. JD.com did not respond to inquiries regarding the specific details of this business model.⁵

Meituan Pinhaofan launches '10,000 Brands' initiative with over 5,000 well-known brands already on the platform

On 22 July, Meituan's (美团) group meal buying platform Pinhaofan (拼好饭) announced the official launch of its '10,000 Brands' initiative, which will provide traffic prioritization, joint customization services, and brand support resources to 10,000 well-known restaurant brands nationwide. Currently, over 5,000 restaurant brands have joined Pinhaofan, and various resource investments have helped merchants achieve growth in orders and profits. Unlike traditional food delivery models, Pinhaofan helps merchants develop popular dishes through standardized meal sets, aggregated orders, and centralized delivery, ensuring more stable order volumes. Merchants can concentrate their efforts on creating bestselling dishes and improving efficiency while reducing costs through economies of scale.⁶

Tmall Supermarket partners with Zhejiang Provincial Department of Commerce to issue 50 million yuan in consumer vouchers

Under the guidance of the Zhejiang Provincial Department of Commerce, Tmall Supermarket (天猫超市) – the exclusive partner platform for the ‘Zhejiang Premium Cloud Products E-commerce Consumer Coupons’ online campaign – recently launched a dedicated ‘Zhejiang Premium Cloud Products E-commerce Consumer Vouchers’ section on 23 July. The platform will distribute a total of 50 million yuan in subsidies to consumers nationwide, and the promotion will continue until the end of September. According to Tmall Supermarket, on the first day of the promotion, the activity section had already garnered over seven million visits. As of 8 PM on 23 July, over 600,000 consumer vouchers had been claimed.⁷

Meituan’s instant retail business reaches 150 million daily orders as social platforms channel more consumers

Meituan’s (美团) instant retail daily order volume recently reached a new high of 150 million. Among these, Shenqiangshou orders exceeded 50 million, and Pinhaofan orders exceeded 35 million. While peak order volume increased by 30 million compared to the previous week, Meituan maintained a stable fulfillment experience with an average delivery time of 34 minutes for all delivery orders. The project leader of Meituan’s Shenqiangshou stated that social platforms like WeChat became important marketing tools for reaching these new highs. Mini-program order number reached several record highs. Xiaohongshu (小红书), Weibo (微博) and other platforms also became important channels for consumers to discover promotional activities. The combined effect of these marketing tools outperformed the splash ads on various apps.⁸

Taobao Flash Sale surpasses 80 million daily orders as DAUs up by 15% week-on-week

On 14 July, Taobao Flash Sale and Ele.me jointly announced that while their order structure has expanded to cover all categories, daily order volume broke through 80 million (excluding self-pickup and zero-yuan purchases), setting a new record. Daily active users (DAUs), which have already surpassed 200 million, saw a net increase of 15% week-on-week. Additionally, since Taobao Flash Sale launched, over 240,000 new merchants have registered – most of them small and medium-sized businesses – with average store revenue growing nearly 100% month-on-month in June. The number of crowdsourced delivery riders increased by 120%, with active and stable crowdsourced riders earning an average monthly income exceeding 12,500 yuan.⁹

Supermarkets & Hypermarkets

Yonghui Superstores' sixth round of renovations will include 34 stores and will reopen by end-September

On 11 July, Yonghui Superstores (永辉超市) announced that its sixth round of store renovations, which includes 34 stores, are expected to complete renovations and reopen by the end of September. The new stores cover first-tier cities including Beijing, Shanghai, and Guangzhou, as well as key cities in the Yangtze River Delta, Beijing-Tianjin-Hebei region, and Chengdu-Chongqing Economic Circle. The renovations follow the core principles of 'curated products, upgraded services, and refreshed environment'. Yonghui's store renovations now cover 75 cities with over 208 stores. Since the retail transformation began in May 2024, the number of Yonghui's renovation network has increased by 20-30 stores per month.¹⁰

ALDI opens stores in Suzhou's Lübao Plaza and Shimao Plaza

German supermarket chain ALDI's Suzhou Lübao Plaza store officially opened on 16 July, while its Suzhou Shimao Plaza store opened on 19 July, creating a 'two stores in three days' expansion rhythm. As of late July 2025, the company operates a total of 75 stores in China, with four stores in Suzhou. ALDI's new store in Wuxi Economic Development Zone also opened on 19 July.¹¹

Yonghui Superstores expected net loss of 240 million yuan in 1H25

On 14 July, Yonghui Superstores (永辉超市) released a result forecast showing that its net loss attributable to shareholders for the first half of 2025 is expected to be 240 million yuan, with non-GAAP net loss expected to reach 830 million yuan. Yonghui Superstores stated in the announcement: 'Multiple factors including costs and expenses from store renovations and closures, as well as significant changes in the merchandise supply chain, have had a considerable short-term impact on the company's revenue and profit during the reporting period'. The company renovated and opened 93 stores in the first half of 2025, with the total number of renovated stores reaching 124 as of 30 June 2025.¹²

Apparel

Baozun acquires Sweaty Betty's China business

The rights for British activewear brand Sweaty Betty's China operations have been acquired by Baozun (宝尊), its third international brand after GAP and Hunter; the brand will also be managed by the same team. Sweaty Betty entered the Chinese market in 2021 with an online store on Tmall. In 2023, the brand was acquired by brand management company Wolverine Worldwide, which also owned athletic brands Saucony and Merrell. However, since then, even as lululemon's performance in China has surged by over 50%, Sweaty Betty has struggled to compete with the former. In order to succeed, Baozun's

takeover of Sweaty Betty's China operations will likely need to focus on both selling quality products and effectively telling the story of a premium athletic brand.¹³

Luxury

LV's first standalone beauty store in China opens in Nanjing

Louis Vuitton's first standalone beauty store in China has opened at Nanjing Deji Plaza. Since launching its fragrance line in 2016, Louis Vuitton has primarily relied on fragrance sections within stores or e-commerce channels for sales. The opening of this independent beauty space highlights the brand's long-term commitment to its fragrance product line. Louis Vuitton's choice of Nanjing over first-tier cities reflects luxury brands' optimism about second-tier markets. Aligning with the trends of rational consumption and personalized aesthetics, beauty lines are gradually becoming a key boost for luxury brands to achieve brand rejuvenation and improve market penetration. As a category with low costs and high profit margins, fragrances also provide brands with new profit growth points.¹⁴

Home Appliances & Consumer Electronics

Suning.com opens and upgrades over 100 stores in 1H25

Suning.com (苏宁易购) has accelerated its retail service upgrades in the first half of the year. Through the collaborative efforts of large stores like Suning Max and Suning Pro alongside small Suning Fun stores, the company has developed innovative retail formats and upgraded various service experiences to boost offline consumption recovery. As of the end of June, Suning.com had deployed 10 Suning Max stores and over 100 Suning Pro stores nationwide, while accelerating the national expansion of Suning Fun small stores, building a store network where 'large stores for brand building and small stores for coverage expansion'. Suning.com will also launch 5,000 summer activities at core stores in cities, and retail cloud stores in counties and towns nationwide. These will include various experiential activities such as music festivals, Honor of Kings offline competitions, in-store sports viewing with coffee, and free community movie screenings with watermelon, activating new cool summer consumption experiences.¹⁵

Food & Beverage

Domino's China shows strong expansion and performance in 1H25

On 15 July, Domino's China announced that the company entered nine new cities in the first half of 2025. As of 30 June 2025, the number of stores in the Chinese mainland reached 1,198, covering 48 cities across the country. Regarding the target of a net opening of 300 stores for the full year of 2025, the company has already reached 98% of the target in the first half of the year, including newly opened, under-construction, and signed stores. In the second quarter of 2025, same-store sales in first-tier cities maintained positive growth.¹⁶

II. Market Overview

NBS: Total retail sales of consumer goods up by 4.8% yoy in June 2025

According to the National Bureau of Statistics, in June 2025, total retail sales of consumer goods reached 4.2287 trillion yuan, a year-on-year increase of 4.8%. By consumption type, in June, retail sales of goods reached 3.758 trillion yuan, up 5.3% yoy; catering revenue reached 470.8 billion yuan, up 0.9% yoy. From January to June, total retail sales of consumer goods reached 24.5458 trillion yuan, a year-on-year increase of 5.0%. By consumption type, retail sales of goods reached 21.7978 trillion yuan, up 5.1% yoy; catering revenue reached 2.748 trillion yuan, up 4.3% yoy; and online retail sales of physical goods reached 6.1191 trillion yuan, up 6.0% yoy, accounting for 24.9% of total retail sales of consumer goods.¹⁷

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