China Grid Tech: Strong start to the year's grid investment/UHV projects; tendering results show greater concentration in top players

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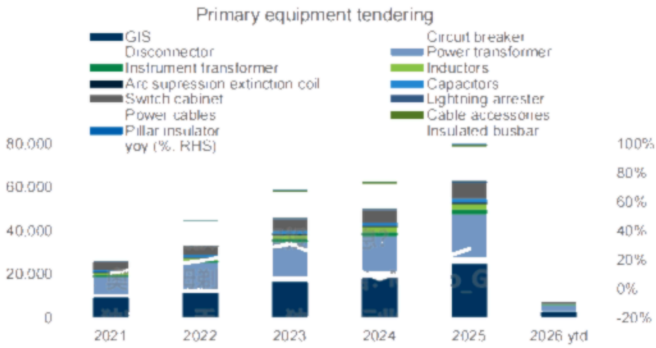
In this report, we provide an update on 1Q26 power grid investment and tendering results, which have been mixed: strong start to the grid investment recording 80% yoy in Jan-Feb and power generation investment at 32% yoy growth in Jan-Feb. UHV tendering doubled in the 1st batch in 2026 vs 1st batch 2025, at Rmb4bn. There are also two new lines (one approved in Feb and likely to start construction in a few months, and another one starting construction in March), which showed a strong pipeline in the 15th Five Year Plan (FYP). However, transmission equipment tendering was relatively weak, at -28% yoy, while we still need to see the future five batches to assess the strength of demand. Transmission equipment tendering showed higher concentration across most categories in 2026 ytd vs 2025. What is worth noting is the share gainer, **Sieyuan** taking 30% market share (No.1) in GIS and 52% market share (No.1) in disconnectors, while **Pinggao** took more share in circuit breakers (24%) and **XD** gained share in transformers (from 8% in 2025 to 20% in 2026 ytd). **Nari Tech**'s results were mixed: the company gained share in protective relay, but had less share in network system integrators and SVC/STATCOM.

Detailed tendering results

State Grid **transmission** equipment (-28% yoy) showed relative weakness in the 1st batch, but we still need to continue to watch the future five batches of tendering to assess the strength of power equipment demand. Primary and secondary equipment accordingly recorded -30% yoy and -3% yoy, with secondary equipment relatively stronger.

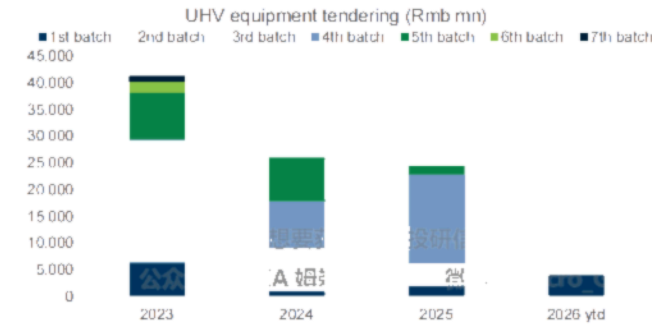
As for **UHV** equipment, 1st batch tendering in 2026 recorded Rmb4bn in value, which doubled vs the 1st batch in 2025. In the meantime, we saw much positive progress for UHV lines. Ytd Huabei-Mengxi line was approved in Feb and Panxi-Tianfu South line started construction in March, adding two more lines to the ones currently under construction (Datong-Tianjin, Gansu-Zhejiang, Tibet-HK/Guangdong/Macao, etc.), implying a strong start and pipeline to 15th FYP.

Exhibit 1: Primary equipment tendering total value delivered -31% yoy vs 1st batch in 2025



Source: State Grid, Data compiled by Goldman Sachs Global Investment Research

Exhibit 2: UHV 1st batch tendering value doubled vs 1st batch in 2025



Source: State Grid, Data compiled by Goldman Sachs Global Investment Research

Exhibit 3: Ytd Huabei-Mengxi line was approved and Panxi-Tianfu South line started construction

UHV line summary

Project EN	Project CN	Project type	Status	Approval time	Construction start	Operation start	Transmission power (GW)	Investment (Rmb mn)	Length (km)	Power (kV)
14th Five-Year Plan: 3 AC lines and 9 DC lines										
Zhangbei - Shengli	张北-胜利	AC	In operation	Sep-22	Sep-23	Oct-24	8	6,786	366	800
Chengdu - Chongqing	甘孜-大府南-成都东、大府南-铜梁（川渝）	AC	In operation	Aug-22	Sep-22	Dec-24	2	28,631	1,316	1000
Longdong - Shandong	陇东-山东	DC	In operation	Feb-23	Aug-23	May-25	8	20,200	915	800
Jinshang - Hubei	金上-湖北	DC	In operation	Dec-22	Mar-23	Dec-25	4	33,484	1,901	800
Ningxia - Hunan	宁夏-湖南	DC	In operation	May-23	Jun-23	Aug-25	8	28,100	1,619	800
Hami - Chongqing	哈密-重庆 (疆电入渝)	**VSC-DC**	In operation	Jul-23	Mar-24	Aug-25	8	28,600	2,290	800
North Shaanxi - Anhui	陕北-安徽 (途经河南)	DC	In operation	Feb-24	Jun-24	Jun-25	8	20,500	1,069	800
Gansu - Zhejiang	甘肃-浙江	**VSC-DC**	Under construction	Jul-24	Mar-25	Jun-26	4	35,300	2,370	800
Datong - Huailai - Tianjin North South	大同-怀来-天津北-天津南	AC	Under construction	Oct-24	Mar-25	Jun-26	6	22480	770	1000
Tibet Southeast - Guangdong/HK/Macao	藏东南-粤港澳	**VSC-DC**	Under construction	Jun-25	Sep-25	Dec-26	10	53,200	2681	800
Mongolia West - Beijing/Tianjin/Hebei	蒙西-京津冀	**VSC-DC**	Under construction	Jul-25	Dec-25	Mar-27	8	17,178	669	800
Shaanxi - Henan	陕西-河南 (途径山西)	DC	Waiting for approval							
State Grid Reserve Projects: 5 AC lines and 9 DC lines										
Yantai - Weihai	烟威	AC	Under construction	Mar-25	Aug-25	Nov-26	8	12,516	567	1000
Huabei Dalate - Mengxi	华北达拉特-蒙西	AC	Approved	Feb-26	May-26	Aug-27	3	4,374	125	800
Panxi-Tianfu South	攀西-川南-天府南	AC	Under construction	Dec-25	Mar-26	Jan-28	8	13,000	1006	1000
Badan Jilin - Sichuan	巴丹吉林-四川	**VSC-DC**	Waiting for approval							
Xinjiang South - Chuanyu	南疆-川渝	DC	Waiting for approval							
Qinghai outbound	青海海南外送	DC	Waiting for approval							
Ulaanbuh - Jingjinji	乌兰布和-京津冀	DC	Waiting for approval							
Kubuqi - Shanghai	库布奇-上海	DC	Waiting for approval							
Datong-Bayannur	大同-乌兰察布-包头-巴彦淖尔	AC	Waiting for approval							
Datong-Baotou	大同-达拉特-包头	AC	Waiting for approval							
Mongolia - Jiangsu	内蒙古-江苏	**VSC-DC**	Waiting for approval							
Songliao - Northern Area	松辽-华北	DC	Waiting for approval							
Tenggeli - Jiangxi	腾格里-江西	DC	Waiting for approval							
Jiuquan - Eastern Area	内蒙古-华东	DC	Waiting for approval							

Source: State Grid, Data compiled by Goldman Sachs Global Investment Research

Transmission equipment tendering showed higher concentration across most categories in 2026 ytd vs 2025; What is worth noting is the share gainer, Sieyuan taking 30% market share (No.1) in GIS and 52% market share (No.1) in disconnectors, while Pinggao took more share in circuit breakers (24%) and XD gained share in transformers (from 8% in 2025 to 20% in 2026 ytd). Nari Tech's results were mixed: the company gained share in protective relay, but had less share in network system integrators and SVC/STATCOM.

Exhibit 4: Transmission equipment tendering showed higher concentration across most categories in 2026 ytd vs 2025; Worth noting the share gainer Sieyuan taking 30% market share (No.1) in GIS

China State Grid transmission equipment tendering competition landscape

GIS

2023 tender			CR5=71%	2024 tender			CR5=67%	2025 tender			CR5=75%	2026 ytd tender			CR5=86%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	Pinggao	3,941	23%	1	Pinggao	3,727	20%	1	Pinggao	6,018	24%	1	Sieyuan	874	30%
2	XD	2,552	15%	2	XD	3,021	16%	2	XD	4,836	19%	2	Pinggao	784	27%
3	Sieyuan	2,389	14%	3	Sieyuan	2,128	12%	3	Sieyuan	4,345	17%	3	XD	504	17%
4	Taikai	2,074	12%	4	Taikai	2,099	11%	4	Taikai	2,475	10%	4	Taikai	255	9%
5	NHVS	1,019	6%	5	NHVS	1,447	8%	5	SDEE	1,049	4%	5	Hitachi Energy	88	3%

Circuit breaker

2023 tender			CR5=72%	2024 tender			CR5=79%	2025 tender			CR5=77%	2026 ytd tender			CR5=93%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	Sieyuan	242	18%	1	Pinggao	303	19%	1	Sieyuan	325	18%	1	Pinggao	58	24%
2	Taikai	233	18%	2	Sieyuan	245	16%	2	Pinggao	313	17%	2	XD	47	19%
3	Pinggao	178	13%	3	Taikai	244	16%	3	Changgao	287	16%	3	Taikai	46	19%
4	XD	152	11%	4	Changgao	229	15%	4	XD	262	14%	4	Sieyuan	40	16%
5	Changgao	145	11%	5	XD	223	14%	5	Taikai	212	12%	5	Changgao	40	16%

Disconnector

2023 tender			CR5=78%	2024 tender			CR5=89%	2025 tender			CR5=93%	2026 ytd tender			CR5=100%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	Pinggao	257	24%	1	Sieyuan	351	28%	1	Sieyuan	505	49%	1	Sieyuan	67	52%
2	Taikai	196	18%	2	Pinggao	284	22%	2	Taikai	166	16%	2	Pinggao	31	24%
3	Sieyuan	192	18%	3	Taikai	223	18%	3	Pinggao	147	14%	3	XD	11	9%
4	XD	103	10%	4	Siemens Energy	180	14%	4	XD	114	11%	4	Taikai	10	8%
5	Siemens Energy	100	9%	5	XD	91	7%	5	Siemens Energy	24	2%	5	Siemens Energy	9	7%

Power transformer

2023 tender			CR5=47%	2024 tender			CR5=49%	2025 tender			CR5=59%	2026 ytd tender			CR5=65%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	TBEA	2,540	16%	1	TBEA	2,575	16%	1	TBEA	4,460	23%	1	TBEA	570	24%
2	XD	1,910	12%	2	SDEE	1,916	12%	2	SDEE	3,565	18%	2	XD	482	20%
3	SDEE	1,287	8%	3	XD	1,793	11%	3	XD	1,553	8%	3	SDEE	201	8%
4	Wujiang	801	5%	4	BTW	842	5%	4	BTW	1,054	5%	4	BTW	168	7%
5	BTW	744	5%	5	Taikai	806	5%	5	Wujiang	1,036	5%	5	Taikai	140	6%

Instrument transformer

2023 tender			CR5=58%	2024 tender			CR5=65%	2025 tender			CR5=65%	2026 ytd tender			CR5=70%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	Sieyuan	261	16%	1	Taikai	344	18%	1	Sieyuan	462	21%	1	Taikai	48	19%
2	Taikai	223	14%	2	Sieyuan	312	17%	2	Taikai	392	17%	2	Pinggao	36	14%
3	XD	171	10%	3	XD	246	13%	3	XD	311	14%	3	Guirong	33	13%
4	Guirong	151	9%	4	Guirong	174	9%	4	Pinggao	153	7%	4	Sieyuan	29	12%
5	TBEA	147	9%	5	TBEA	151	8%	5	Nissin	138	6%	5	Dalian North	28	11%

Inductors

2023 tender			CR5=69%	2024 tender			CR5=64%	2025 tender			CR5=62%	2026 ytd tender			CR5=65%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	TBEA	487	28%	1	TBEA	546	23%	1	TBEA	532	21%	1	TBEA	50	19%
2	XD	208	12%	2	XD	285	12%	2	BPEG	332	13%	2	SDEE	48	18%
3	SDEE	168	10%	3	BPEG	267	11%	3	BTW	267	12%	3	BPEG	29	11%
4	Taikai	166	10%	4	Taikai	228	9%	4	Sieyuan	212	8%	4	XD	25	9%
5	Sieyuan	163	9%	5	SDEE	209	9%	5	SDEE	201	8%	5	Sieyuan	23	9%
6	BTW	156	10%	6	Sieyuan	160	7%	6	Hitachi Energy	177	8%	6	Taikai	22	8%

Source: State Grid, Data compiled by Goldman Sachs Global Investment Research

Exhibit 5: Nari Tech gained share in protective relay, but had less share in network system integrators and SVC/STATCOM.

China State Grid transmission equipment tendering competition landscape

Arc supression extinction coil

2023 tender			CR5=94%	2024 tender			CR5=83%	2025 tender			CR5=97%	2026 ytd tender			CR5=86%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	Sieyuan	181	30%	1	Sieyuan	136	21%	1	Sieyuan	221	27%	1	Sieyuan	32	27%
2	Xj Electric	125	20%	2	Xj Electric	123	19%	2	Xj Electric	203	25%	2	Taikai	22	19%
3	Taikai	124	20%	3	Taikai	117	18%	3	Siehui	156	19%	3	Xj Electric	20	17%
4	Siehui	111	18%	4	Siehui	106	16%	4	BPEG	135	17%	4	Siehui	13	11%
5	Shunte	32	5%	5	Shunte	64	10%	5	Taikai	68	8%	5	Zhiguang	13	11%

SVC/STATCOM

2023 tender			CR5=100%	2024 tender			CR5=93%	2025 tender			CR5=91%	2026 ytd tender			CR5=64%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	CEPRI	26	43%	1	NARI Tech	554	86%	1	NARI Tech	419	48%	1	Sieyuan	37	33%
2	NARI Tech	25	42%	2	Sieyuan	35	5%	2	Sieyuan	168	19%	2	NARI Tech	21	19%
3	Sieyuan	6	10%	3	CEPRI	11	2%	3	Xj Electric	129	15%	3	Xj Electric	14	12%
4	Sifang	3	5%	4	Xj Electric	2	0%	4	Sifang	72	8%	4	CEPRI	0	0%
5	Xj Electric	0	0%	5	Sifang	0	0%	5	CEPRI	0	0%	5	CEPRI	0	0%

Capacitors

2023 tender			CR5=61%	2024 tender			CR5=63%	2025 tender			CR5=69%	2026 ytd tender			CR5=78%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	Sieyuan	210	15%	1	Sieyuan	173	14%	1	Sieyuan	308	19%	1	Sieyuan	33	18%
2	Guirong	184	13%	2	Gurong	163	14%	2	Nissin	226	14%	2	Gurong	30	17%
3	Herong Electric	158	12%	3	Herong Electric	158	13%	3	Sunking	219	13%	3	Taikai	28	15%
4	Taikai	140	10%	4	XD	132	11%	4	XD	195	12%	4	XD	27	15%
5	XD	135	10%	5	Nissin	128	11%	5	Xincheng	192	12%	5	Herong Electric	25	14%

Protective relay

2023 tender			CR5=82%	2024 tender			CR5=77%	2025 tender			CR5=75%	2026 ytd tender			CR5=46%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	NARI Tech	1,690	35%	1	NARI Tech	1,395	33%	1	NARI Tech	1,703	31%	1	NARI Tech	235	34%
2	Changyuan	677	14%	2	Sifang	595	14%	2	Sifang	784	14%	2	Sifang	105	15%
3	Sifang	660	14%	3	Nanrui Group	468	11%	3	Changyuan	691	13%	3	Nanrui Group	84	12%
4	Nanrui Group	557	12%	4	Changyuan	439	10%	4	Xj Electric	493	9%	4	Xj Electric	73	11%
5	Xj Electric	369	8%	5	Xj Electric	354	8%	5	Nanrui Group	472	9%	5	Changyuan	54	8%

Network system integrator

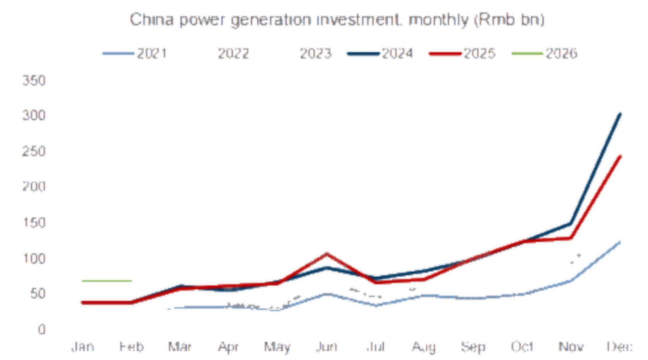
2023 tender			CR5=93%	2024 tender			CR5=93%	2025 tender			CR5=97%	2026 ytd tender			CR5=90%
Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)	Rank	Company	Tendering (Rmb mn)	Market share (%)
1	SGIT	800	29%	1	SGIT	1,594	42%	1	SGIT	1,476	39%	1	SGIT	147	50%
2	SGIT Group	645	24%	2	Nanrui Group	976	26%	2	SGIT Group	1,175	31%	2	SGIT Group	105	36%
3	Nanrui Group	543	20%	3	SGIT Group	583	15%	3	NARI Tech	677	18%	3	SDG	9	3%
4	NARI Tech	349	13%	4	NARI Tech	287	8%	4	SDG	214	6%	4	-	-	-
5	SDG	211	8%	5	SDG	99	3%	5	Asia Link	78	2%	5	-	-	-

Source: State Grid, Data compiled by Goldman Sachs Global Investment Research

Exhibit 6: Jan-Feb power grid investment started the year strong, at 80% yoy growth
China power grid investment, monthly

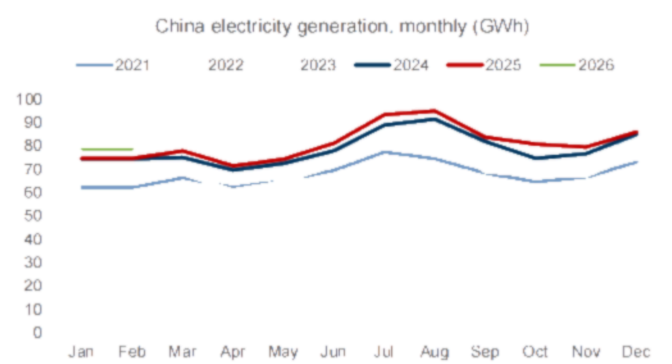
Source: Wind, Data compiled by Goldman Sachs Global Investment Research

Exhibit 7: Jan-Feb power generation investment recorded 32% yoy growth
China power generation investment, monthly



Source: Wind, Data compiled by Goldman Sachs Global Investment Research

Exhibit 8: Jan-Feb power consumption was at +5% yoy
China electricity consumption



Source: Wind, Data compiled by Goldman Sachs Global Investment Research