China Solar Glass

Still searching for a bottom

Equities
Electric Utilities

China

- Major players including XYS and FGG issued profit warnings for 1H26 amid price cuts and asset impairments
- Supply now looks healthier, with inventories dropping, but demand recovery will take time; still awaiting catalysts
- Earnings cut to reflect fundamentals for XYS and FGG; maintain Hold ratings on XYS and FGG-H/A

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A loss-making 1H26 for all: Our covered solar glass companies, Xinyi Solar (XYS, 968 HK) and Flat Glass (FGG, 6865 HK/601865 CH), alongside their listed peers in H/A-share markets, have recently issued negative profit alerts for 1H26. Based on the disclosures, almost all major solar glass producers are expected to report losses in 1H26 because of: 1) declines in solar glass ASPs, 2) asset impairments for equipment and inventories, and 3) weakness in other side businesses such as solar farm operations and solar polysilicon (see page 2 for details). While the industry has been operating near breakeven point since 2H24, the sharp drop in local solar demand from China has triggered more aggressive product price cuts YTD. At the same time, the Middle East conflict adds upside risk to energy input costs (notably natural gas and LNG) heading into 2H26, further weighing on sentiment.

Debate remains the timeline to demand recovery: We note that meaningful supply cuts for solar glass have occurred year-to-date, driven by market-led exits of less efficient capacity. Some tier-2 and tier-3 players have shut down all production lines, while industry inventories have pivoted since July (see page 3). Demand, however, remains the missing element. As Chinese regulators have shifted the policy focus for renewable power from quantity (scale) to quality (utilisation), we don't expect aggressive growth in renewables build-out during the 15th FYP (2025-2030). Looking forward, domestic solar power build-out will likely become more of a function of market demand/supply for renewable power. An early indicator to watch is the recovery of power prices for new solar projects in China.

Maintain Holds: We cut earnings and TPs for XYS (HKD2.30 from HKD3.90) and FGG-H/A (HKD6.70/RMB10.30 from HKD10.70/RMB16.70), reflecting weaker solar demand and product prices. The share prices for XYS and FGG-H/A have declined 30%-40% YTD. Current valuation looking forward into 2028e, based on little recovery in ASP, looks fair to us at PE/PBs of 9.4x/0.5x for XYS and 12.7x/0.6x for FGG-H. We expect domestic solar glass ASPs to remain range-bound around break-even levels in 2026 and wait for more catalysts to suggest an industry turnaround, and therefore maintain our Hold ratings on XYS and FGG-H/A. Nevertheless, we believe both companies are good proxy plays given their cost advantage compared to peers and higher overseas market exposure. FGG's recent H-share buybacks are an additional positive catalyst.

Disclosures & Disclaimer
This report must be read with the disclosures and the analyst certifications in the Disclosure appendix, and with the Disclaimer, which forms part of it.

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Valuation comp table

Company	Ticker	Ccy	Rating	Price	TP		Upside	Market cap	PE			PB			Dividend yield (%)		
					Old	New		USDm	26e	27e	28e	26e	27e	28e	26e	27e	28e
Xinyi Solar	968 HK	HKD	Hold	2.15	3.90	**2.30**	7.0%	2,508	nm	nm	9.4x	0.6x	0.6x	0.5x	0.0%	0.0%	5.2%
Flat Glass-H	6865 HK	HKD	Hold	6.64	10.70	**6.70**	0.9%	3,036	nm	nm	12.7x	0.6x	0.6x	0.6x	0.0%	0.0%	2.4%
Flat Glass-A	601865 CH	RMB	Hold	9.52	16.70	**10.30**	8.2%	3,036	nm	nm	21.1x	1.0x	1.1x	1.0x	0.0%	0.0%	1.4%
Xinyi Energy	3868 HK	HKD	Not Rated	0.91	-	-	-	989									
Triumph-H	1108 HK	HKD	Not Rated	2.32	-	-	-	454									
Triumph-A	600876 CH	RMB	Not Rated	6.51	-	-	-	454									
Kibing	601636 CH	RMB	Not Rated	5.82	-	-	-	2,543									

Source: LSEG IBES (for Not Rated companies), HSBC estimates. Note: Priced at 27 Jul 2026.

1H26 profit warnings

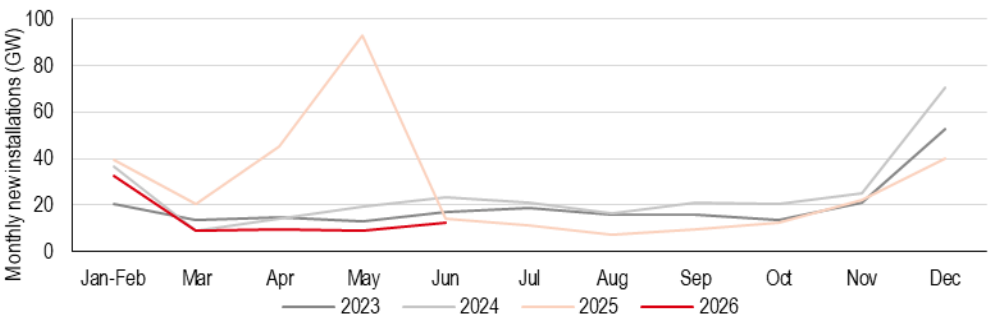
- **XYS:** 1H26 profit is guided at ±RMB50m (1H25: RMB746m), due to: 1) lower sales volume and ASP of solar glass, 2) impairment of inventories based on market price, and 3) increased grid curtailments and lower power price for its solar farms, which were mainly held by its subsidiary Xinyi Energy. Xinyi Energy reported profit down 25%-35% y-o-y in 1H26.
- **FGG:** will incur a 1H26 net loss of c.RMB300m-400m (1H25: net profit of RMB261m; 1Q26: net profit of RMB38m). FGG has quoted low solar glass ASP, as well as impairments of equipment and inventories.
- **Triumph New Energy:** warned its net loss would widen by c83% in 1H26, quoting weak demand and bottoming prices.
- **Kibing** guided a net loss of RMB150m to RMB190m for 1H26, quoting weakness in both the solar glass and construction glass businesses.

1H26 profit warnings issued by major solar glass companies

Company	1H25 net profit (loss)	1H26 net profit (loss)	y-o-y (mid-point)
Xinyi Solar	RMB746m	Net profit of RMB50m to net loss of RMB50m	-100%
Xinyi Energy (solar farm subsidiary of XYS)	RMB450m	RMB292m to RMB337m	-30%
Flat Glass	RMB261m	Net loss of RMB300 million to RMB400 million	-234%
Triumph New Energy	Net loss of RMB449m	Net loss of RMB753m to RMB890m	Loss widening by 83%
Kibing	RMB891m	Net loss of RMB150m to RMB190m	-119%

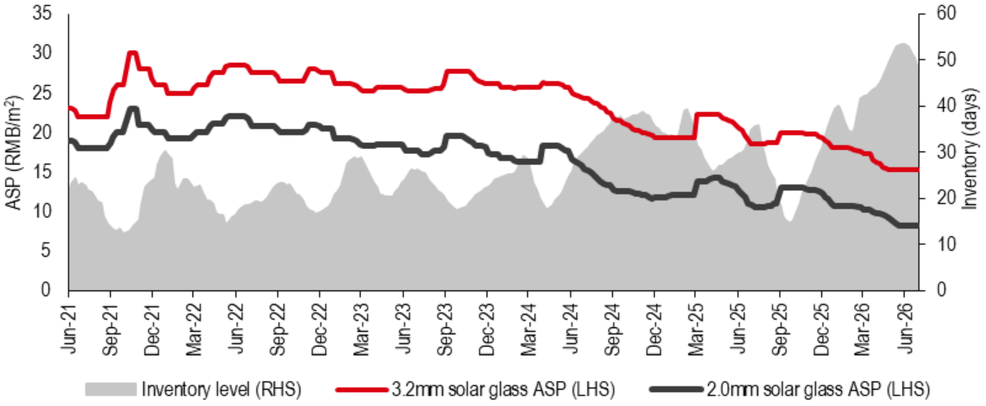
Source: Company data

China: New solar installations down 66% y-o-y in 6M26



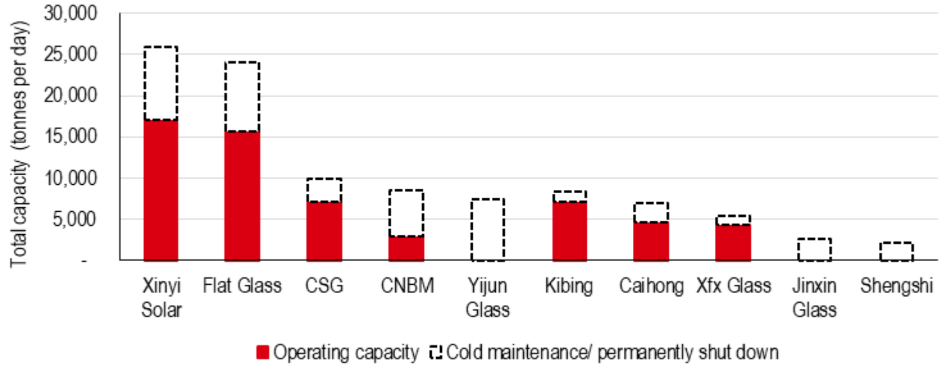
Source: NEA

China: Solar glass ASP and inventories



Source: SCI99

China solar glass: Three out of ten top producers (by nominal capacity) have suspended production



Source: SCI99, HSBC. Note: As of 23 Jul 2026. The capacity data is based on nominal capacity in China only and excludes overseas capacity.

Estimate revisions

Xinyi Solar

- We cut our 2026-27e ASP assumptions by 7-10%, to reflect lower market pricing and expectations of weaker demand in China into 2H26.
- We cut our 2026-28e solar glass sales volume assumptions by 1-11% to reflect delays of new capacity and expectations of further supply cuts.
- We also assume asset impairments of RMB150m for 2026e as we expect additional impairments for furnaces under cold maintenance.
- Following the above-mentioned changes, we cut our earnings estimates for 2026-28e by 39%-152%.
- Our SOTP-based target price is cut to HKD2.30 (from HKD3.90), implying 7.0% upside from the current level. We maintain our Hold rating as we expect domestic solar glass ASPs to remain range-bound around break-even levels in 2026 and await catalysts to suggest an industry turnaround.

XYS: Estimate revisions

RMBm	2026e	2027e	2028e
Revenue			
New	**16,306**	**19,988**	**24,918**
Old	18,381	24,038	27,166
% change	-11%	-17%	-8%
Net profit			
New	**(277)**	**101**	**1,816**
YoY (%)	-133%	-137%	1689%
Old	530	1,686	2,987
% change	-152%	-94%	-39%
Consensus	1,416	2,298	2,887
% difference	-120%	-96%	-37%

Source: Bloomberg consensus, HSBC estimates

Flat Glass

- We cut our 2026-28e ASP assumptions by 7-10%, to reflect lower market pricing and expectations of weaker demand in China into 2H26.
- We cut our 2026-28e solar glass sales volume assumptions by 4%-12% to reflect delays in new capacity and expectations of further supply cuts in 2026.
- We also assume asset impairments of RMB150m (from RMB50m) for 2026e as we expect additional impairments for furnaces under cold maintenance.
- Following the above-mentioned changes, we lower our 2026-28e earnings estimates by 47%-261%.
- Our DCF-based TP for FGG-H falls to HKD6.70 (from HKD10.70). Our A-share target price of RMB10.30 (from RMB16.70) is converted from our H-share target price based on our end-2026e RMB-HKD rate of 1.17 (previously 1.16), in line with HSBC FX Strategists' latest forecasts. Our TPs for FGG-H/A imply 0.9%/8.2% upside from current levels. We maintain our Hold ratings on FGG-H/A as we expect domestic solar glass ASPs to remain range-bound around break-even levels in 2026 and await catalysts to suggest an industry turnaround.

FGG: Estimate revisions

RMBm	2026e	2027e	2028e
Revenue			
New	**11,575**	**15,040**	**21,020**
YoY (%)	-26%	30%	40%
Old	14,284	18,539	23,454
% change	-19%	-19%	-10%
Net profit			
New	**(996)**	**(459)**	**1,058**
YoY (%)	-202%	-54%	-331%
Old	(276)	513	2,006
% change	261%	-189%	-47%
Consensus	623	1,287	1,962
% difference	-260%	-136%	-46%

Source: Bloomberg consensus, HSBC estimates

Valuation and risks

		Valuation	Risks
Xinyi Solar 968 HK **Hold**	Current price: **HKD2.15** Target price: **HKD2.30** Up/downside: **+7.0%**	**Methodology:** SOTP valuation **Assumptions:** ◆ We value the solar glass segment using DCF, assuming a risk-free rate of 4.25%, equity risk premium of 4.75%, equity beta of 1.5, and cost of equity of 11.4%, resulting in a WACC of 9.6% (all unchanged). Also, a terminal growth rate of 0.5% (unchanged). ◆ We value the solar farm segment including XYE using a DCF model, assuming a risk-free rate of 4.25%, equity risk premium of 4.75%, equity beta of 1.5, and cost of equity of 11.4%, resulting in a WACC of 7.6%. We also assume a terminal growth rate of 0% (all unchanged). Our target price implies 7.0% upside. We maintain a Hold rating on XYS as we expect domestic solar glass ASPs to remain range-bound around break-even levels in 2026 and wait for more catalysts to suggest an industry turnaround.	**Upside risks:** Stronger-than-expected solar demand globally; supportive policies on solar anti-involution; higher sales mix overseas and lower input costs resulting in higher margins; higher-than-expected power sales for solar farms. **Downside risks:** Lower-than-expected ASPs for solar glass; slower-than-expected solar farm installations; grid curtailment; international trade tensions; and failure to obtain quotas for solar project development.
Flat Glass 6865 HK 601865 CH **H/A: Hold/Hold**	Current price: **HKD6.64** **RMB9.52** Target price: **HKD6.70** **RMB10.30** Up/downside: **H: +0.9%** **A: +8.2%**	**Methodology:** Discounted cash flow (DCF) **Assumptions:** A risk-free rate of 4.25%, risk premium of 4.75%, and beta of 1.5, resulting in a COE of 11.4% and a WACC of 9.7%. We also assume a terminal growth rate of 0.5% (all unchanged). Our H-share target price implies 0.9% upside. Our A-share target price is converted from our H-share target price based on our end-2026e RMB-HKD rate of 1.17 (from 1.16) in line with HSBC FX Strategists' latest forecasts. To derive our A-share target price, we also apply an 80% (unchanged) premium to our H-share target price to reflect the 1-year historical valuation gap between the A- and H-shares. Our A-share target price implies 8.2% upside. We maintain our Hold ratings on FGG-H/A. We expect domestic solar glass ASPs to remain range-bound around break-even levels in 2026 and await catalysts to suggest an industry turnaround.	**Upside risks for H/A shares:** ◆ Stronger-than-expected solar demand globally ◆ Supportive policies on solar anti-involution ◆ Higher sales mix overseas and lower input costs resulting in higher margins **Downside risks for the H/A-shares:** ◆ Weaker-than-expected solar demand globally ◆ Faster-than-expected industry capacity expansion ◆ Capacity expansion delays and higher input costs resulting in weaker margins

Priced at 27 Jul 2026
Source: HSBC estimates

Financials & valuation: Xinyi Solar

Hold

Financial statements

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Profit & loss summary (CNYm)				
Revenue	20,861	16,306	19,988	24,918
EBITDA	3,630	2,620	3,539	5,478
Depreciation & amortisation	-2,171	-2,136	-2,226	-2,286
Operating profit/EBIT	1,459	484	1,313	3,192
Net interest	-321	-293	-309	-327
PBT	1,152	202	1,017	2,882
HSBC PBT	1,152	202	1,017	2,882
Taxation	-492	-141	-509	-576
Net profit	845	-277	101	1,816
HSBC net profit	2,108	-227	106	1,816
Cash flow summary (CNYm)				
Cash flow from operations	5,656	4,522	1,351	2,475
Capex	-2,447	-3,442	-2,900	-1,200
Cash flow from investment	-1,749	-3,741	-3,187	-1,493
Dividends	-153	-33	0	-445
Change in net debt	-5,112	-571	2,035	-303
FCF equity	3,348	1,080	-1,549	1,275
Balance sheet summary (CNYm)				
Intangible fixed assets	0	0	0	0
Tangible fixed assets	35,434	37,070	38,074	37,318
Current assets	20,234	19,821	21,344	24,703
Cash & others	4,986	6,824	5,877	6,076
Total assets	56,916	58,139	60,667	63,270
Operating liabilities	10,931	11,038	12,168	13,249
Gross debt	10,693	11,960	13,048	12,943
Net debt	5,707	5,135	7,171	6,867
Shareholders' funds	29,832	29,522	29,624	30,995
Invested capital	39,674	38,953	41,297	42,621

Ratio, growth and per share analysis

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Y-o-y % change				
Revenue	-4.8	-21.8	22.6	24.7
EBITDA	-16.6	-27.8	35.0	54.8
Operating profit	-37.3	-66.8	171.2	143.2
PBT	-40.5	-82.5	403.4	183.4
HSBC EPS	38.8	-110.7		1605.4
Ratios (%)				
Revenue/IC (x)	0.5	0.4	0.5	0.6
ROIC	2.1	0.4	1.6	6.1
ROE	7.2	-0.8	0.4	6.0
ROA	1.5	0.3	1.1	4.1
EBITDA margin	17.4	16.1	17.7	22.0
Operating profit margin	7.0	3.0	6.6	12.8
EBITDA/net interest (x)	11.3	8.9	11.4	16.8
Net debt/equity	16.3	14.8	20.4	18.7
Net debt/EBITDA (x)	1.6	2.0	2.0	1.3
CF from operations/net debt	99.1	88.1	18.8	36.0
Per share data (CNY)				
EPS Rep (diluted)	0.09	-0.03	0.01	0.20
HSBC EPS (diluted)	0.23	-0.02	0.01	0.20
DPS	0.00	0.00	0.00	0.10
Book value	3.26	3.23	3.24	3.39

Key forecast drivers

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Solar glass sales volume growth (%)	4	-6	20	16
3.2mm solar glass ASP (RMB/sq.m)	21	17	18	20
Solar glass GPM (%)	14	-3	1	11
Cumulative solar farm capacity (GW)	6	6	7	7
New solar farm capacity (GW)	0	0	0	0

Valuation data

Year to	12/2025a	12/2026e	12/2027e	12/2028e
EV/sales	1.3	1.6	1.4	1.2
EV/EBITDA	7.5	10.2	8.2	5.3
EV/IC	0.7	0.7	0.7	0.7
PE*	8.0	nm	159.5	9.4
PB	0.6	0.6	0.6	0.5
FCF yield (%)	19.7	6.4	-9.1	7.5
Dividend yield (%)	0.0	0.0	0.0	5.2

* Based on HSBC EPS (diluted)

ESG metrics

Environmental Indicators	12/2024a
GHG emission intensity*	2,189.4
Energy intensity*	6,717.6
CO_2 reduction policy	Yes
Social Indicators	**12/2024a**
Employee costs as % of revenues	5.8
Employee turnover (%)	46
Diversity policy	Yes

Governance Indicators	12/2023e
No. of board members	9
Average board tenure (years)	9.0
Female board members (%)	11.1
Board members independence (%)	33.3

Source: Company data, HSBC

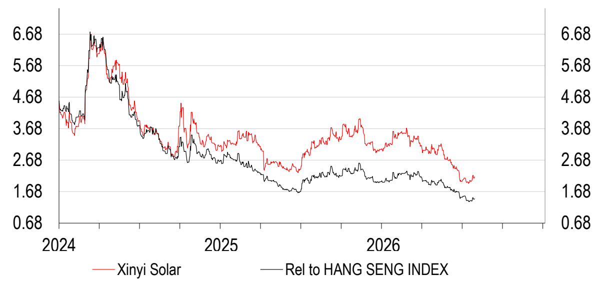
* GHG intensity and energy intensity are measured in kg and kWh respectively against revenue in USD '000s

Issuer information

Share price (HKD)	2.15
Target price (HKD)	2.30
RIC (Equity)	0968.HK
Bloomberg (Equity)	968 HK
Market cap (USDm)	2,508

Free float	47%
Sector	Electric Utilities
Country/Region	Hong Kong
Analyst	Evan Li
Contact	+852 2996 6619

Price relative



Source: HSBC

Note: Priced at close of 27 Jul 2026

Financials & valuation: Flat Glass Group

Hold

Financial statements

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Profit & loss summary (CNYm)				
Revenue	15,567	11,575	15,040	21,020
EBITDA	3,448	1,661	2,455	4,417
Depreciation & amortisation	-1,955	-2,181	-2,380	-2,611
Operating profit/EBIT	1,493	-520	75	1,805
Net interest	-413	-462	-518	-613
PBT	1,080	-981	-443	1,193
HSBC PBT	1,080	-981	-443	1,193
Taxation	-88	0	0	-119
Net profit	981	-996	-459	1,058
HSBC net profit	1,033	-796	-459	1,058
Cash flow summary (CNYm)				
Cash flow from operations	2,911	1,882	1,520	2,805
Capex	-2,880	-2,825	-2,546	-3,772
Cash flow from investment	3,082	-3,192	-2,913	-4,139
Dividends	-351	0	0	-317
Change in net debt	695	1,662	1,393	1,334
FCF equity	112	-943	-1,026	-967
Balance sheet summary (CNYm)				
Intangible fixed assets	6,253	6,180	6,096	6,000
Tangible fixed assets	17,571	18,614	19,194	20,783
Current assets	12,277	11,702	12,962	17,566
Cash & others	4,014	4,452	4,528	7,222
Total assets	42,384	42,821	44,615	50,746
Operating liabilities	5,703	5,388	6,170	7,215
Gross debt	13,735	15,834	17,304	21,332
Net debt	9,720	11,382	12,776	14,110
Shareholders' funds	22,515	21,168	20,709	21,767
Invested capital	26,383	26,657	27,554	29,910

Ratio, growth and per share analysis

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Y-o-y % change				
Revenue	-16.7	-25.6	29.9	39.8
EBITDA	-2.2	-51.8	47.8	79.9
Operating profit	-2.9	-134.8		2311.6
PBT	-4.3	-190.8		
HSBC EPS	2.1	-176.6		
Ratios (%)				
Revenue/IC (x)	0.6	0.4	0.6	0.7
ROIC	6.6	-0.6	1.6	6.8
ROE	4.7	-3.6	-2.2	5.0
ROA	3.2	-1.2	0.2	3.4
EBITDA margin	22.2	14.4	16.3	21.0
Operating profit margin	9.6	-4.5	0.5	8.6
EBITDA/net interest (x)	8.3	3.6	4.7	7.2
Net debt/equity	43.0	53.5	61.4	64.5
Net debt/EBITDA (x)	2.8	6.9	5.2	3.2
CF from operations/net debt	29.9	16.5	11.9	19.9
Per share data (CNY)				
EPS Rep (diluted)	0.42	-0.42	-0.20	0.45
HSBC EPS (diluted)	0.44	-0.34	-0.20	0.45
DPS	0.15	0.00	0.00	0.14
Book value	9.61	9.04	8.84	9.29

Key forecast drivers

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Year end solar glass capacity (tpd)	23,000	24,900	28,000	31,200
YoY (%)	0	8	12	11
Solar glass sales volume (mn sqm)	1,162	1,035	1,330	1,743
3.2mm solar glass ASP (RMB/sqm)	21.8	17.3	18.1	20.0
Solar glass GPM (%)	16.1	-1.4	3.1	12.4

Valuation data

Year to	12/2025a	12/2026e	12/2027e	12/2028e
EV/sales	1.9	2.7	2.2	1.6
EV/EBITDA	8.6	18.8	13.3	7.7
EV/IC	1.1	1.2	1.2	1.1
PE*	12.9	nm	nm	12.7
PB	0.6	0.6	0.6	0.6
FCF yield (%)	0.5	-4.6	-5.0	-4.7
Dividend yield (%)	2.6	0.0	0.0	2.4

* Based on HSBC EPS (diluted)

ESG metrics

Environmental Indicators	12/2024a
GHG emission intensity*	2,241.8
Energy intensity*	6,980.4
CO_2 reduction policy	Yes
Social Indicators	**12/2024a**
Employee costs as % of revenues	5.1
Employee turnover (%)	23
Diversity policy	Yes

Governance Indicators	12/2025a
No. of board members	8
Average board tenure (years)	n/a
Female board members (%)	62.5
Board members independence (%)	37.5

Source: Company data, HSBC

* GHG intensity and energy intensity are measured in kg and kWh respectively against revenue in USD '000s

Issuer information

Share price (HKD)	6.64	Free float	91%
Target price (HKD)	6.70	Sector	Electric Utilities
RIC (Equity)	6865.HK	Country/Region	China
Bloomberg (Equity)	6865 HK	Analyst	Evan Li
Market cap (USDm)	3,036	Contact	+852 2996 6619

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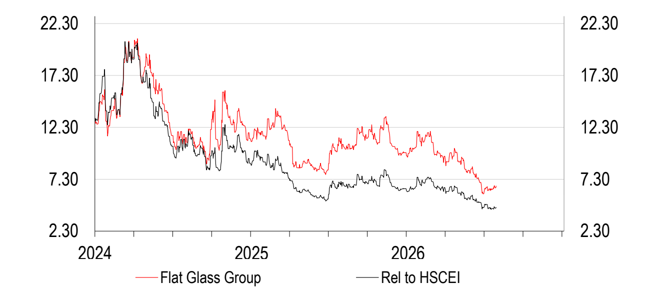

Source: HSBC

Note: Priced at close of 27 Jul 2026

Financials & valuation: Flat Glass Group A

Hold

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Balance sheet summary (CNYm)				
Intangible fixed assets	6,253	6,180	6,096	6,000
Tangible fixed assets	17,571	18,614	19,194	20,783
Current assets	12,277	11,702	12,962	17,566
Cash & others	4,014	4,452	4,528	7,222
Total assets	42,384	42,821	44,615	50,746
Operating liabilities	5,703	5,388	6,170	7,215
Gross debt	13,735	15,834	17,304	21,332
Net debt	9,720	11,382	12,776	14,110
Shareholders' funds	22,515	21,168	20,709	21,767
Invested capital	26,383	26,657	27,554	29,910

Ratio, growth and per share analysis

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Y-o-y % change				
Revenue	-16.7	-25.6	29.9	39.8
EBITDA	-2.2	-51.8	47.8	79.9
Operating profit	-2.9	-134.8		2311.6
PBT	-4.3	-190.8		
HSBC EPS	2.1	-176.6		
Ratios (%)				
Revenue/IC (x)	0.6	0.4	0.6	0.7
ROIC	6.6	-0.6	1.6	6.8
ROE	4.7	-3.6	-2.2	5.0
ROA	3.2	-1.2	0.2	3.4
EBITDA margin	22.2	14.4	16.3	21.0
Operating profit margin	9.6	-4.5	0.5	8.6
EBITDA/net interest (x)	8.3	3.6	4.7	7.2
Net debt/equity	43.0	53.5	61.4	64.8
Net debt/EBITDA (x)	2.8	6.9	5.2	3.2
CF from operations/net debt	29.9	16.5	11.9	26.0
Per share data (CNY)				
EPS Rep (diluted)	0.42	-0.42	-0.20	0.45
HSBC EPS (diluted)	0.44	-0.34	-0.20	0.45
DPS	0.15	0.00	0.00	0.14
Book value	9.61	9.04	8.84	9.29

Key forecast drivers

Year to	12/2025a	12/2026e	12/2027e	12/2028e
Year end solar glass capacity (tpd)	23,000	24,900	28,000	31,200
YoY (%)	0	8	12	11
Solar glass sales volume (mn sqm)	1,162	1,035	1,330	1,743
3.2mm solar glass ASP (RMB/sqm)	21.8	17.3	18.1	20.0
Solar glass GPM (%)	16.1	-1.4	3.1	12.4

Valuation data

Year to	12/2025a	12/2026e	12/2027e	12/2028e
EV/sales	1.9	2.7	2.2	1.6
EV/EBITDA	8.6	18.8	13.3	7.7
EV/IC	1.1	1.2	1.2	1.1
PE*	21.5	nm	nm	21.1
PB	1.0	1.1	1.1	1.0
FCF yield (%)	0.5	-4.6	-5.0	-0.5
Dividend yield (%)	1.6	0.0	0.0	1.4

* Based on HSBC EPS (diluted)

ESG metrics

Environmental Indicators	12/2024a
GHG emission intensity*	2,241.8
Energy intensity*	6,980.4
CO_2 reduction policy	Yes
Social Indicators	**12/2024a**
Employee costs as % of revenues	5.1
Employee turnover (%)	23
Diversity policy	Yes

Governance Indicators	12/2025a
No. of board members	8
Average board tenure (years)	n/a
Female board members (%)	62.5
Board members independence (%)	37.5

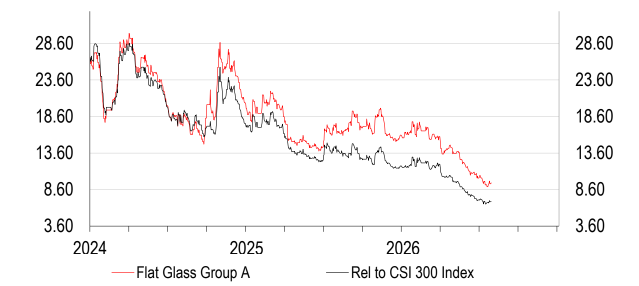
Source: Company data, HSBC

* GHG intensity and energy intensity are measured in kg and kWh respectively against revenue in USD '000s

Issuer information

Share price (CNY)	9.52	Free float	21%
Target price (CNY)	10.30	Sector	Electric Utilities
RIC (Equity)	601865.SS	Country/Region	China
Bloomberg (Equity)	601865 CH	Analyst	Evan Li
Market cap (USDm)	3,036	Contact	+852 2996 6619

Price relative



Source: HSBC

Note: Priced at close of 27 Jul 2026

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Upside/Downside is the percentage difference between the target price and the share price.

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Hold	34%	(10% of these provided with Investment Banking Services in the past 12 months)
Sell	5%	(8% of these provided with Investment Banking Services in the past 12 months)

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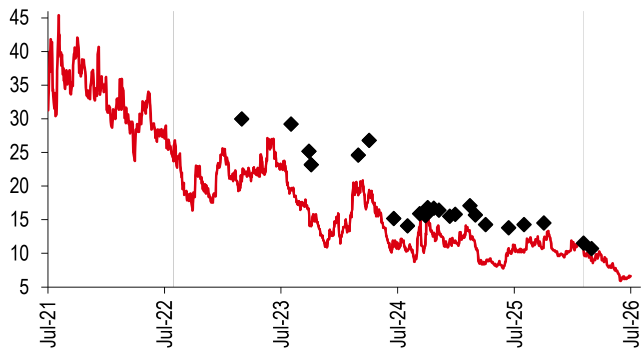
Share price and rating changes for long-term investment opportunities

Flat Glass Group (6865.HK) share price performance HKD Vs HSBC rating history



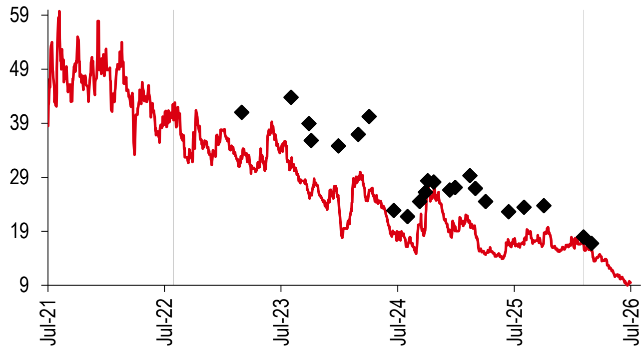
Source: HSBC

Rating & target price history

From	To	Date	Analyst
Hold	Buy	25 Aug 2022	Evan Li
Buy	Hold	02 Mar 2026	Evan Li
Target price	**Value**	**Date**	**Analyst**
Price 1	30.00	27 Mar 2023	Evan Li
Price 2	29.20	28 Aug 2023	Evan Li
Price 3	25.20	24 Oct 2023	Evan Li
Price 4	23.20	31 Oct 2023	Evan Li
Price 5	24.60	26 Mar 2024	Evan Li
Price 6	26.80	29 Apr 2024	Evan Li
Price 7	15.20	15 Jul 2024	Evan Li
Price 8	14.10	27 Aug 2024	Evan Li
Price 9	15.90	04 Oct 2024	Evan Li
Price 10	15.60	22 Oct 2024	Evan Li
Price 11	16.80	29 Oct 2024	Evan Li
Price 12	16.70	18 Nov 2024	Evan Li
Price 13	16.40	04 Dec 2024	Evan Li
Price 14	15.50	07 Jan 2025	Evan Li
Price 15	15.80	24 Jan 2025	Evan Li
Price 16	17.10	11 Mar 2025	Evan Li
Price 17	15.70	28 Mar 2025	Evan Li
Price 18	14.30	29 Apr 2025	Evan Li
Price 19	13.80	10 Jul 2025	Evan Li
Price 20	14.30	27 Aug 2025	Evan Li
Price 21	14.50	28 Oct 2025	Evan Li
Price 22	11.50	02 Mar 2026	Evan Li
Price 23	10.70	27 Mar 2026	Evan Li

Source: HSBC

Flat Glass Group A (601865.SS) share price performance CNY Vs HSBC rating history



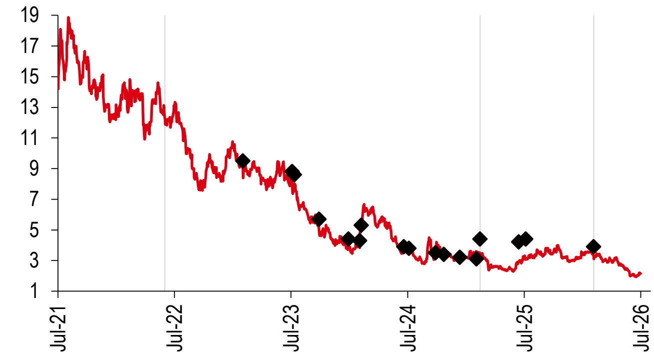
Source: HSBC

Rating & target price history

From	To	Date	Analyst
Hold	Buy	25 Aug 2022	Evan Li
Buy	Hold	02 Mar 2026	Evan Li
Target price	**Value**	**Date**	**Analyst**
Price 1	41.00	27 Mar 2023	Evan Li
Price 2	43.80	28 Aug 2023	Evan Li
Price 3	38.90	24 Oct 2023	Evan Li
Price 4	35.80	31 Oct 2023	Evan Li
Price 5	34.80	24 Jan 2024	Evan Li
Price 6	36.90	26 Mar 2024	Evan Li
Price 7	40.20	29 Apr 2024	Evan Li
Price 8	22.80	15 Jul 2024	Evan Li
Price 9	21.70	27 Aug 2024	Evan Li
Price 10	24.50	04 Oct 2024	Evan Li
Price 11	26.20	22 Oct 2024	Evan Li
Price 12	28.30	29 Oct 2024	Evan Li
Price 13	28.10	18 Nov 2024	Evan Li
Price 14	26.60	07 Jan 2025	Evan Li
Price 15	27.10	24 Jan 2025	Evan Li
Price 16	29.30	11 Mar 2025	Evan Li
Price 17	26.90	28 Mar 2025	Evan Li
Price 18	24.50	29 Apr 2025	Evan Li
Price 19	22.60	10 Jul 2025	Evan Li
Price 20	23.40	27 Aug 2025	Evan Li
Price 21	23.70	28 Oct 2025	Evan Li
Price 22	17.90	02 Mar 2026	Evan Li
Price 23	16.70	27 Mar 2026	Evan Li

Source: HSBC

Xinyi Solar (0968.HK) share price performance HKD Vs HSBC rating history



Source: HSBC

Rating & target price history

From	To	Date	Analyst
Buy	Hold	27 Jun 2022	Evan Li
Hold	Buy	11 Mar 2025	Evan Li
Buy	Hold	02 Mar 2026	Evan Li

Target price	Value	Date	Analyst
Price 1	9.50	27 Feb 2023	Evan Li
Price 2	8.80	31 Jul 2023	Evan Li
Price 3	8.60	07 Aug 2023	Evan Li
Price 4	5.70	24 Oct 2023	Evan Li
Price 5	4.40	24 Jan 2024	Evan Li
Price 6	4.30	28 Feb 2024	Evan Li
Price 7	5.30	04 Mar 2024	Evan Li
Price 8	3.90	15 Jul 2024	Evan Li
Price 9	3.80	31 Jul 2024	Evan Li
Price 10	3.50	22 Oct 2024	Evan Li
Price 11	3.40	18 Nov 2024	Evan Li
Price 12	3.20	07 Jan 2025	Evan Li
Price 13	3.10	28 Feb 2025	Evan Li
Price 14	4.40	11 Mar 2025	Evan Li
Price 15	4.20	10 Jul 2025	Evan Li
Price 16	4.40	01 Aug 2025	Evan Li
Price 17	3.90	02 Mar 2026	Evan Li

Source: HSBC

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Company	Ticker	Recent price	Price date	Disclosure
FLAT GLASS GROUP	6865.HK	6.64	27 Jul 2026	4, 7
FLAT GLASS GROUP A	601865.SS	9.52	27 Jul 2026	4, 7
XINYI SOLAR	0968.HK	2.15	27 Jul 2026	4, 7, 11

Source: HSBC

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